

**CITY OF TEMPE
DEVELOPMENT REVIEW COMMISSION**

**Meeting Date: 1/24/23
Agenda Item: 6**

ACTION: Request a General Plan Projected Land Use Map Amendment from “Educational” to “Mixed-Use”, General Plan Projected Density Map Amendment from “Medium to High Density” (up to 25 du/ac) to “High Density” (up to 65 du/ac), and a Zoning Map Amendment from R-3 TOD and R-4 TOD to MU-4 TOD on approximately 2.9 acres; General Plan Projected Density Map Amendment from Medium to High Density (up to 25 du/ac) to High Density (up to 65 du/ac) and Zoning Map Amendment from CSS to MU-4 TOD on approximately 1.3 acres; and a General Plan Projected Density Map Amendment from Medium to High Density (up to 25 du/ac) to High Density (up to 65 du/ac) and a Zoning Map Amendment from CSS TOD to MU-4 TOD on approximately 3.5 acres for APACHE CENTRAL, located on 1233 East Lemon Street, 1306 East Apache Boulevard and 1310 East Apache Boulevard. The applicant is City of Tempe, No development is proposed at this time.

FISCAL IMPACT: While this ordinance change does not directly impact revenue, the planned development will result in collection of the standard development fees, calculated according to the approved fee structure at the time of permit issuance.

RECOMMENDATION: Approve, subject to conditions

BACKGROUND INFORMATION: APACHE CENTRAL (PL220259) consists of three parcels, one located at the northwest corner of East Lemon Street and South Dorsey Lane (parcel number 132-73-343), the second parcel at the southwest corner of East Apache Boulevard and South Dorsey Lane (parcel number 132-62-149), and the third parcel at the southwest corner of East Apache Boulevard and South Gary Drive (132-62-005B). Currently, all three parcels consist of different zoning districts with a proposed rezoning to MU-4, Mixed-Use, High Density. City Council approved Resolution R2022.12 authorizing City of Tempe Economic Development Department to initiate an up-zoning process for redevelopment of older or vacant properties and encouraging new housing development to increase the housing stock in the City of Tempe. Future development of the site will require a new Public Involvement Plan, a new Planned Area Development Overlay District to establish development standards, and a Major Development Plan Review. The request includes the following:

- GPA220005 - A General Plan Projected Land Use Map Amendment from “Educational” to “Mixed-Use” on approximately 2.9 acres
- GPA230004 - A General Plan Projected Density Map Amendment from “Medium to High Density” (up to 25 du/ac) to High Density (up to 65 du/ac) for approximately 7.7 acres.
- ZON220013 - A Zoning Map Amendment from R-3 TOD and R-4 TOD on approximately 2.9 acres, from CSS on approximately 1.3 acres, and from CSS TOD on approximately 3.5 acres, to “MU-4, Mixed-Use High Density District (up to 65 du/ac) totaling 7.7 acres.

	Existing Property Owner		HK 24th Street, LLC
	Applicant		Josh Rutherford, City of Tempe
	Existing General Plan Land Use/Density		
		APN 132-73-343	Educational to Mixed-Use/ Medium to High Density (up to 25 du/ac)
		APN 132-62-149	Mixed-Use/Medium to High Density (up to 25 du/ac)
		APN 132-62-005B	Mixed Use/Medium to High Density (up to 25 du/ac)
	Proposed General Plan Land Use/Density (all three parcels)		Mixed-Use/ High Density (up to 65 du/ac)
	Existing Zoning District		
		APN 132-73-343	R-3 TOD and R-4 TOD
		APN 132-62-149	CSS
	APN 132-62-005B	CSS TOD	
Proposed Zoning District (all three parcels)		MU-4 TOD	
Gross Site Area			
	APN 132-73-343	2.9 acres	
	APN 132-62-149	1.3 acres	
	APN 132-62-005B	3.5 acres	

ATTACHMENTS: Development Project File

STAFF CONTACT(S): Suparna Dasgupta, Principal Planner (480)-350-8562

Department Director: Jeff Tamulevich, Community Development Director

Legal review by: N/A

Prepared by: Suparna Dasgupta, Principal Planner

Reviewed by: Ryan Levesque, Deputy Community Development Director, Planning

COMMENTS

consists of three parcels, one located at the northwest corner of East Lemon Street and South Dorsey Lane (APN 132-73-343), the second parcel at the southwest corner of East Apache Boulevard and South Dorsey Lane (APN 132-62-149), and the third parcel at the southwest corner of East Apache Boulevard and South Gary Drive (APN 132-62-005B). Currently, all three parcels consist of different zoning districts with a proposed rezoning to MU-4, Mixed-Use, High Density. All three parcels are currently vacant and the parcel at the northeast corner of East Apache Boulevard and South Gary Drive is the former location of the Food City grocery and directly south of the historically designated Tomlinson Estate.

This request includes the following:

1. General Plan Amendment
2. Zoning Map Amendment

The applicant is requesting the Development Review Commission provide recommendations to the City Council for items one and two listed above.

PUBLIC INPUT

A virtual neighborhood meeting is required and was held from 6:00 p.m. to 7:00 p.m. on November 7, 2022. Economic Development staff, as the applicant for this request, made the presentation to the residents. Staff from Neighborhood Services, Housing and Community Development were in attendance at this meeting. Five (5) people from the surrounding area attended.

Staff explained that there is no development proposed at this time but any proposed redevelopment in the future will be required to follow the standard process for a new development such as requiring a Planned Area of Development Overlay pursuant to City of Tempe Zoning and Development Code (ZDC) Section 6-302, Planned Area Development Overlay Districts, and a Major Development Plan Review pursuant to ZDC Section 6-305, Development Plan Review. The future development will be required to hold a neighborhood meeting and public hearings in addition to what is required for this request.

Two out of five residents who attended the meeting were residents of the Tomlinson Estate and all of the members of the public attending the meeting were concerned about the density proposed. Additionally, there were concerns about the proposal of the mixed use, high density zoning proposed with questions about how many units and what are the heights contemplated, along with the impact of new development such as massing, traffic and noise, especially adjacent to the historic neighborhood of Tomlinson Estate, which is a single-family, one story homes. There were also questions posed to City staff about the definition of affordable housing and whether the project would request Low Income Housing Tax Credit (LIHTC) funds. Several members showed interest in participating in the Request for Proposal and Qualifications (RFP/Q) when that is published to have further input in the process.

Staff also received two email inquiries and two telephone inquiries after the neighborhood meeting about the process. Staff responded to the inquiries explaining the process.

In response to the concerns raised during the meeting, Mayor and Economic Development staff met with some neighborhood residents that the development will ensure the design, density and height of the new development will be respectful to the adjacency of single-family residents to the north, with the issuance of the RFP/Q and future Planned Area Development and Development Plan Review applications.

PROJECT ANALYSIS

GENERAL PLAN DENSITY AND ZONING MAP AMENDMENTS

The request substantially conforms with the land use goals and element objectives for General Plan 2040. It will result in creating a much needed stock of affordable housing in the City and redevelop properties that are currently vacant and under-utilized, especially given that all three properties lie within close proximity to light rail.

The impact to current infrastructure and other concerns such as traffic will be evaluated when a future development is proposed, and a project application is submitted to the City for review. All such applications shall require a recommendation by the Development Review Commission and a decision by the City Council.

REASONS FOR APPROVAL

1. The requested General Plan Amendment will encourage a new mixed-use development and will increase the housing stock in the City of Tempe.
2. The Zoning Map Amendment will be consistent with the General Plan Amendment.

Based on the information provided and the above analysis, staff recommends approval of the requested General Plan Amendment and Zoning Amendment. This request meets the required criteria and will conform to the conditions.

ZONING AMENDMENT AND PLANNED AREA DEVELOPMENT

CONDITIONS OF APPROVAL:

EACH NUMBERED ITEM IS A CONDITION OF APPROVAL. THE DECISION-MAKING BODY MAY MODIFY, DELETE OR ADD TO THESE CONDITIONS.

1. An application for Planned Area Development (PAD) and Development Plan Review (DPR) shall be made to the Community Development Department within two years of the date of City Council approval. If this condition is not met, the zoning of the property may revert to that in place at the time of application, or the applicant may request for an extension, pursuant to ZDC Section 6-305 F. 2. A. Any reversion is subject to a public hearing process as a zoning map amendment.

2. The property owner(s) shall sign a waiver of rights and remedies form. By signing the form, the Owner(s) voluntarily waive(s) any right to claim compensation for diminution of Property value under A.R.S. §12-1134 that may now or in the future exist, as a result of the City's approval of this Application, including any conditions, stipulations and/or modifications imposed as a condition of approval. The signed form shall be submitted to the Community Development Department no later than 30 days from the date of City Council approval, or the Zoning Map Amendment and General Plan Map Amendment approvals shall be null and void.

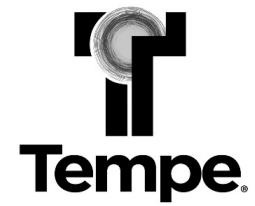
HISTORY & FACTS:

- | | |
|-------------------|---|
| November 7, 2022 | Virtual neighborhood meeting held from 6:00 p.m. to 7:00 p.m. for APACHE CENTRAL (PL220259). |
| January 24, 2023 | First public hearing for recommendation from Development Review Commission for APACHE CENTRAL (PL220259). |
| February 16, 2023 | 1 st and Introductory public hearing for APCAHE CENTRAL (PL220259). |
| March 2, 2023 | 2 nd and Final public hearing for APACHE CENTRAL (PL220259). |

ZONING AND DEVELOPMENT CODE REFERENCE:

[Section 6-302, General Plan Amendment](#)

[Section 6-304, Zoning Map Amendment](#)



DEVELOPMENT PROJECT FILE

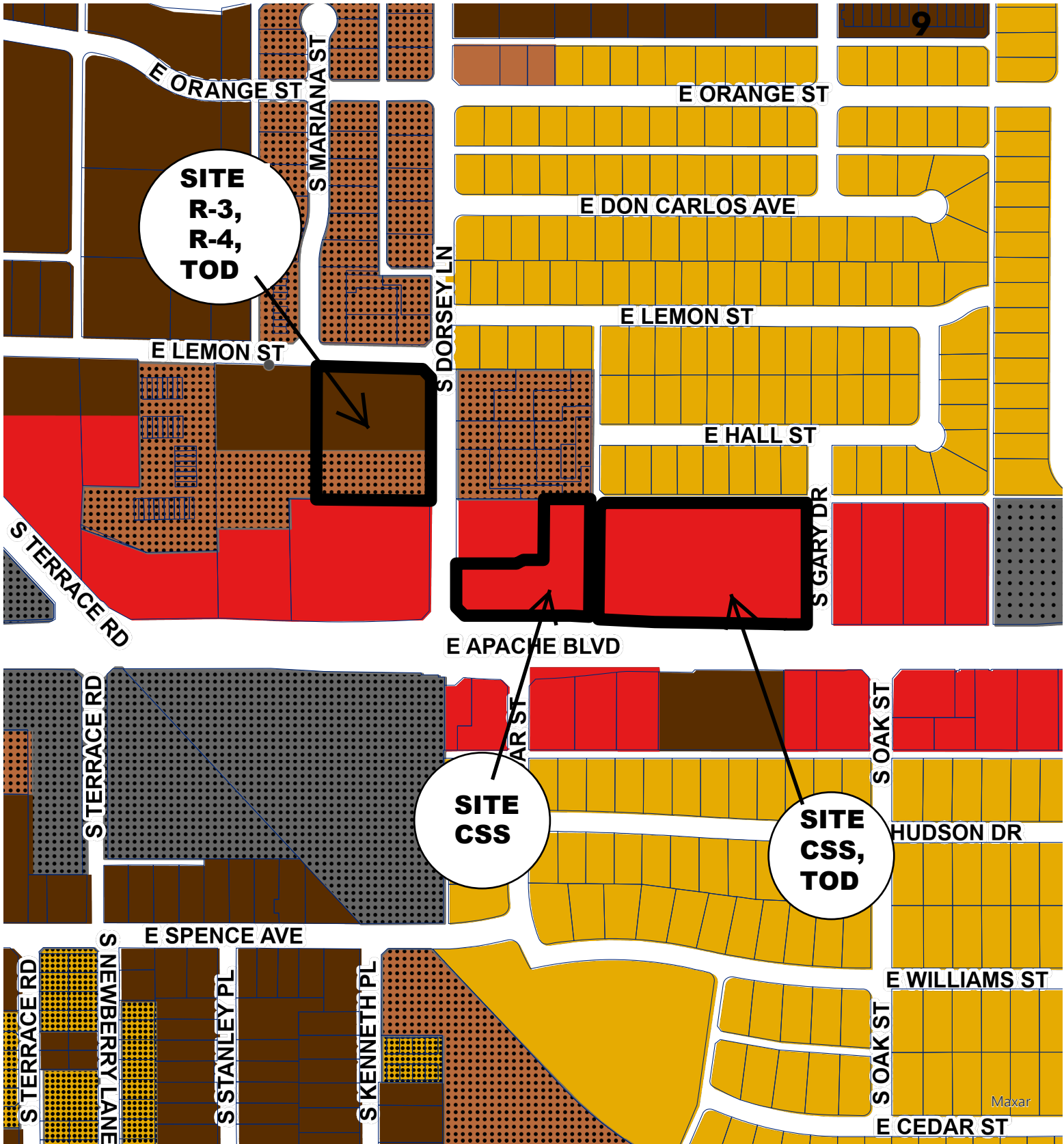
for

APACHE CENTRAL
(PL220259)

ATTACHMENTS:

1. Location Map
2. Aerial Map
3. Applicant's Letter of Explanation
- 4 -7. Maps: General Plan Amendments for Land Use and Density
- 8-9. Neighborhood Meeting Summary and Public Input
- 10-11. Resolution Number R2022.12

APACHE CENTRAL



- Mixed Use Med-High (MU-3)
- Mixed Use High (MU-4)
- Commercial Shopping and Services (CSS)
- Single-Family Residential (R1-6)
- Single-Family Residential Planned Area Dev (R1-PAD)
- Multi-Family Residential (R-2)
- Multi-Family Residential Limited (R-3)

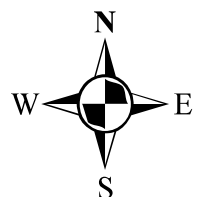
- Multi-Family Residential General (R-4)
- Parcels
- Twelve Point**
- CenterlineSubType**
- ADOT
- Canal

- Monument
- Private
- Railroad
- Street
- <all other values>

ATTACHMENT 1

Zoning District

- Light Industrial District (LID)

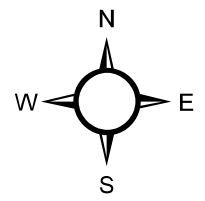




APACHE CENTRAL



Aerial Map



City of Tempe
Economic Development
Mail Stop 0401
PO Box 5002
Tempe, AZ 85280
www.tempe.gov



December 19th, 2022

RE: Letter of Explanation for proposed Up-zone of existing lots currently zoned R-3/R-4 and CSS to MU-4, located at 1233 E. Lemon St, parcel #132-73-343, #132-62-005B, #132-62-149

Dear Ms. Suparna Dasgupta ,

As per City of Tempe resolution R2022.12, Economic Development is initiating an up-zoning process of the above-mentioned parcels for the redevelopment of older properties to encourage new housing development to increase the housing stock in the City of Tempe. The current lots are used for parking and commercial and it is our objective to rezone the current Educational R3-R4 and CSS zoning up to 25 dwelling units per acre to Mixed Use (MU-4) up to 65 dwelling units per acre. The city will be issuing an RFP for a mixed use/mixed income housing project. More specifically, the requests are as follows:

- General Plan Density Map Amendment from medium to high density (up to 25 du/ac) to High Density (up to 65 du/ac for approximately 8 acres for all three properties;
- Zoning Map Amendment from R-3/R-4 and CSS to MU-4 mixed use.
- A Planned Area Development Overlay (PAD) will be submitted once the successful candidate has been selected from the RFP process.
- Development Plan Review (DPR) will be applied for post RFP selection and Development agreement is finalized.

The sites are located along the Apache corridor and light rail. The request to increase the current density conforms to the current General Plan 2040 and proposed General Plan 2050. Arizona is currently in need of additional housing and has a deficiency, specifically for affordable housing. This project will propose at least 50% of the units to be workforce/affordable with a cap of 400 units and the height not to exceed five stories. This strategy meets the goals for the Hometown for All vision of Mayor and Council and current City of Tempe strategic priorities, as well as the Apache Redevelopment Area Plan.

As of writing this letter, we have received support from the adjacent neighborhood leaders Phil Amorosi and Chuck Buss for the proposed height and density.

Feel free to contact me by phone at (480) 350-8813 or email at Joshua_Rutherford@tempe.gov if you have any questions or need additional information.

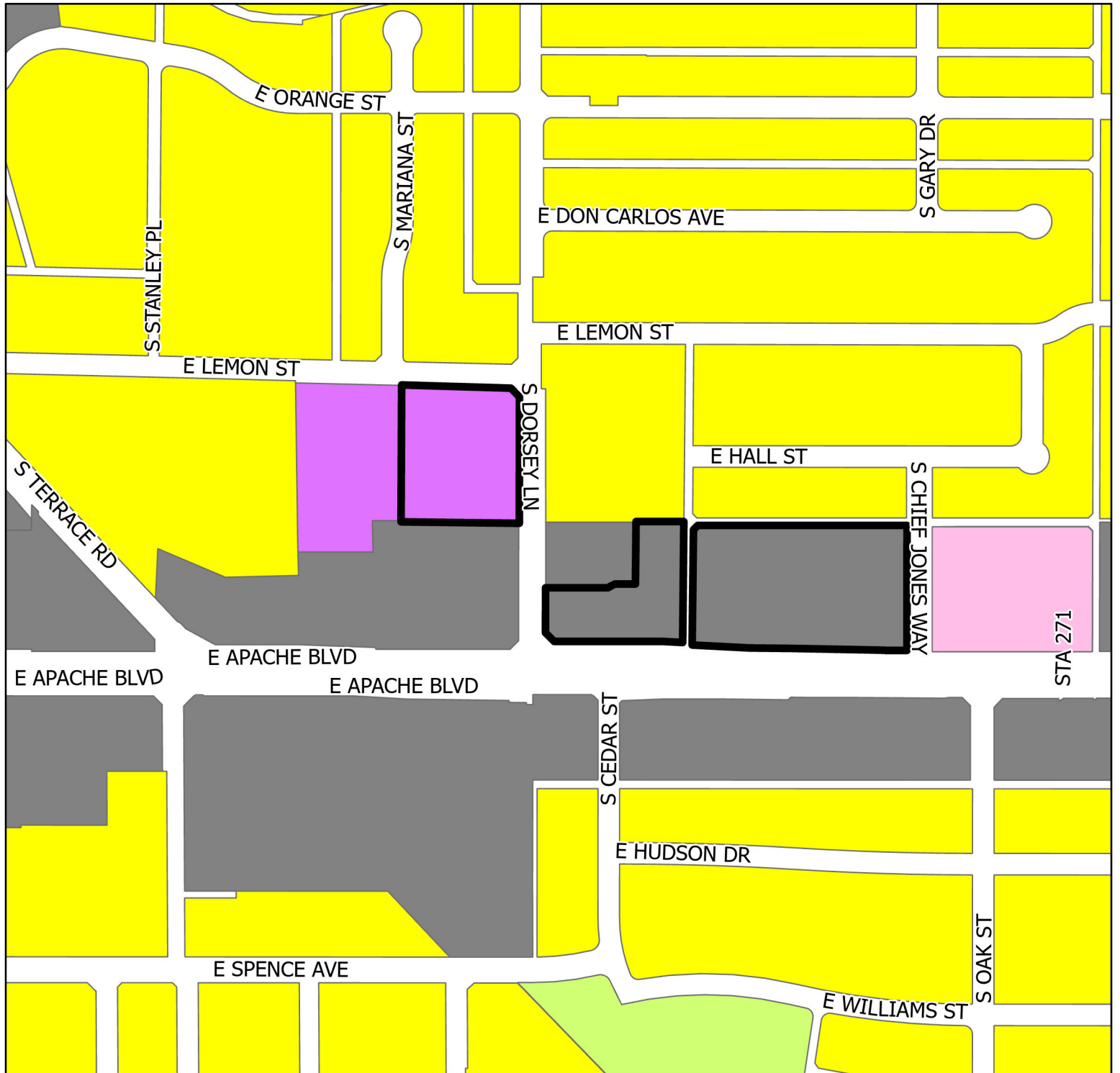
Regards,

Josh Rutherford

Josh Rutherford
Economic Development Special Project Administrator

Apache Central PL220259

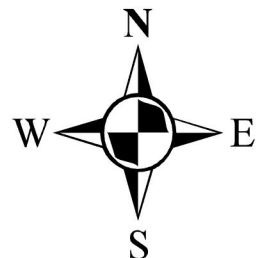
Existing General Plan Land Use - Mixed Use & Educational



Land Use Type

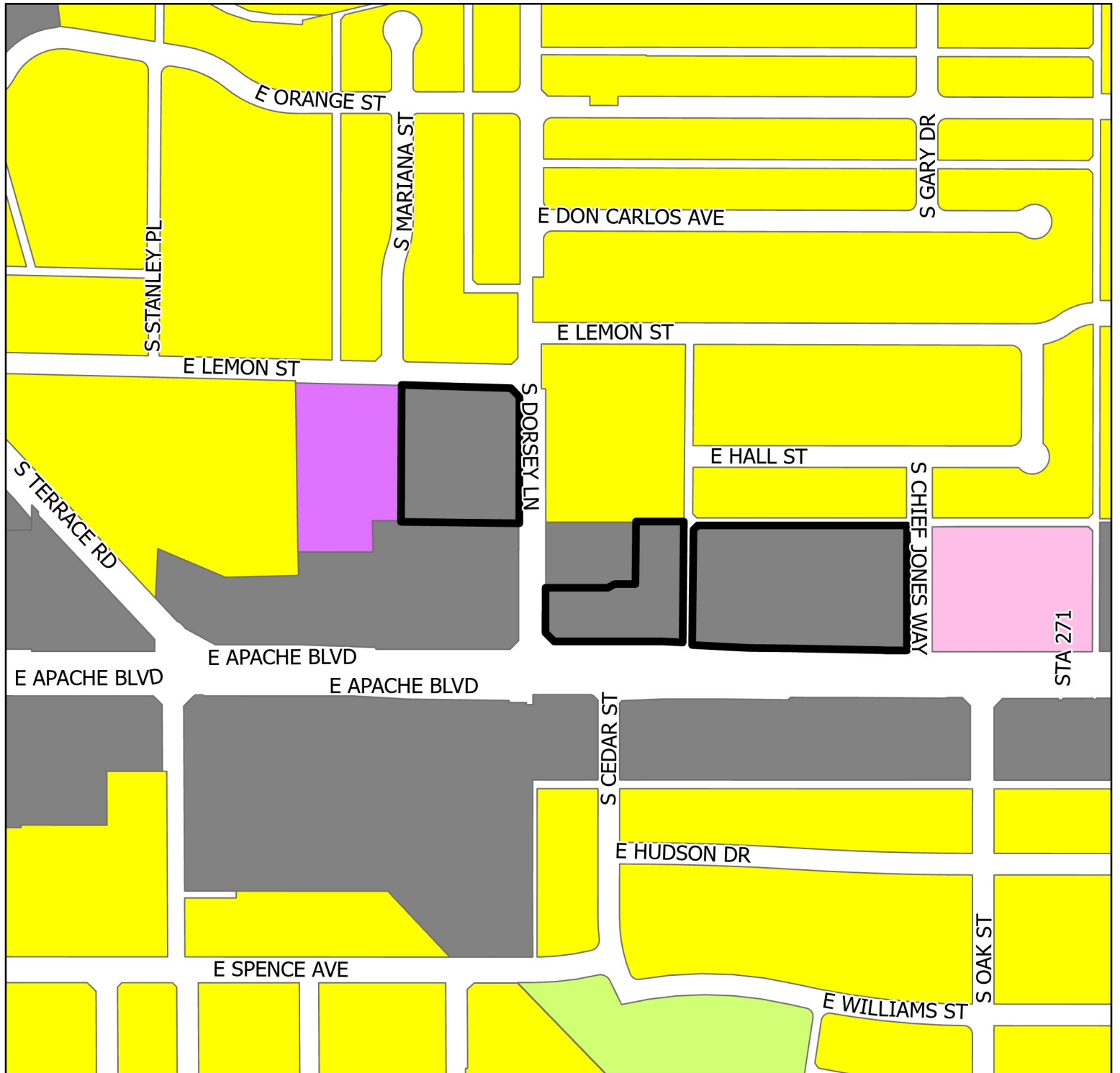
- Residential
- Commercial
- Mixed Use
- Industrial

- Civic
- Educational
- Public Open Space
- ATTACHMENT 4 Subject Property



Apache Central PL220259

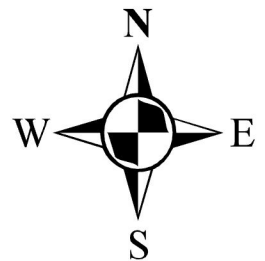
Proposed General Plan Land Use - Mixed Use



Land Use Type

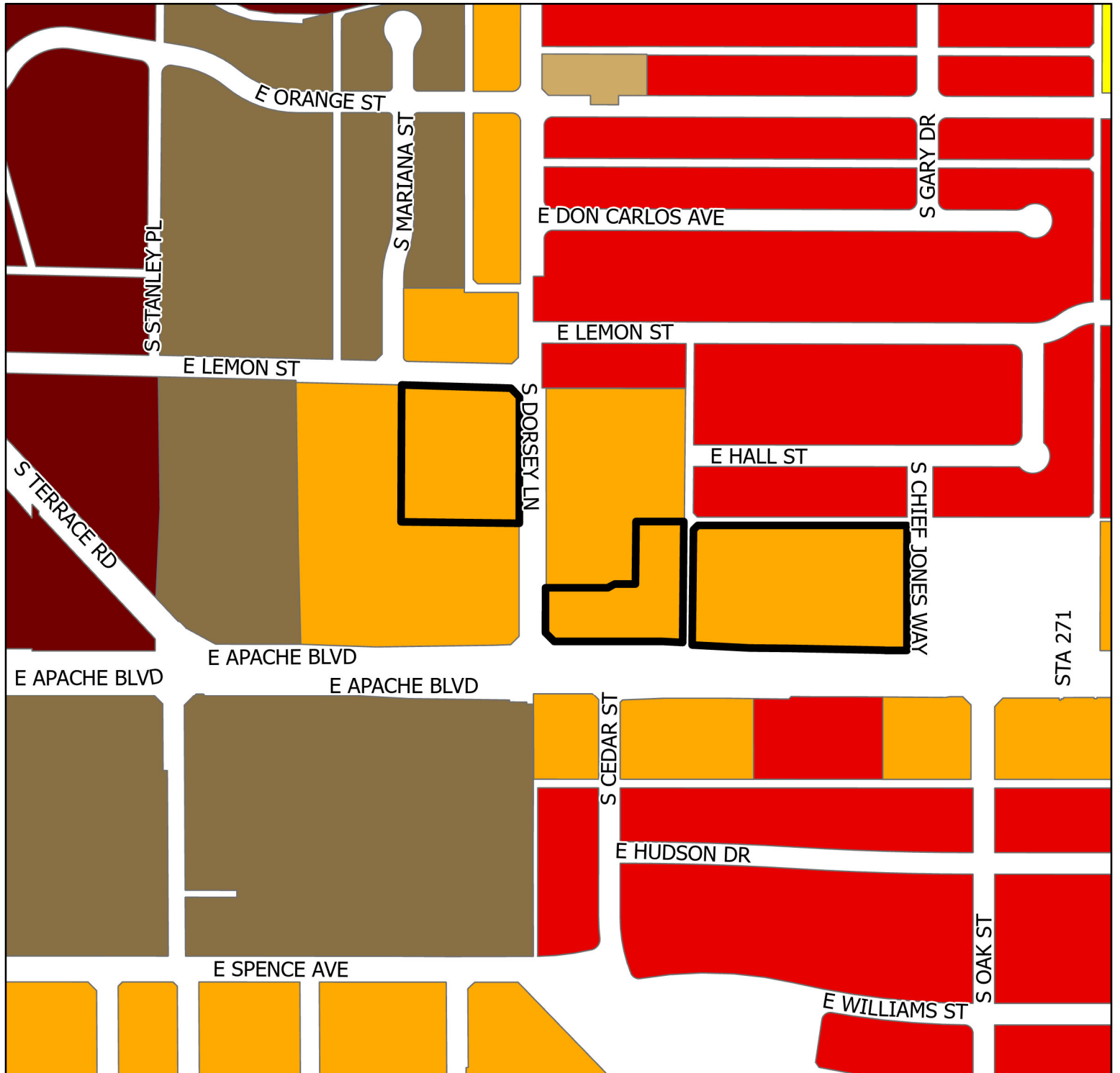
- Residential
- Commercial
- Mixed Use
- Industrial

- Civic
- Educational
- Public Open Space
- ATTACHMENT 5 Subject Property



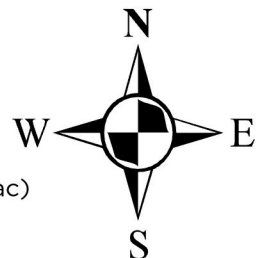
Apache Central PL220259

Existing General Plan Residential Density - Medium to High Density (up to 25 du/acre)



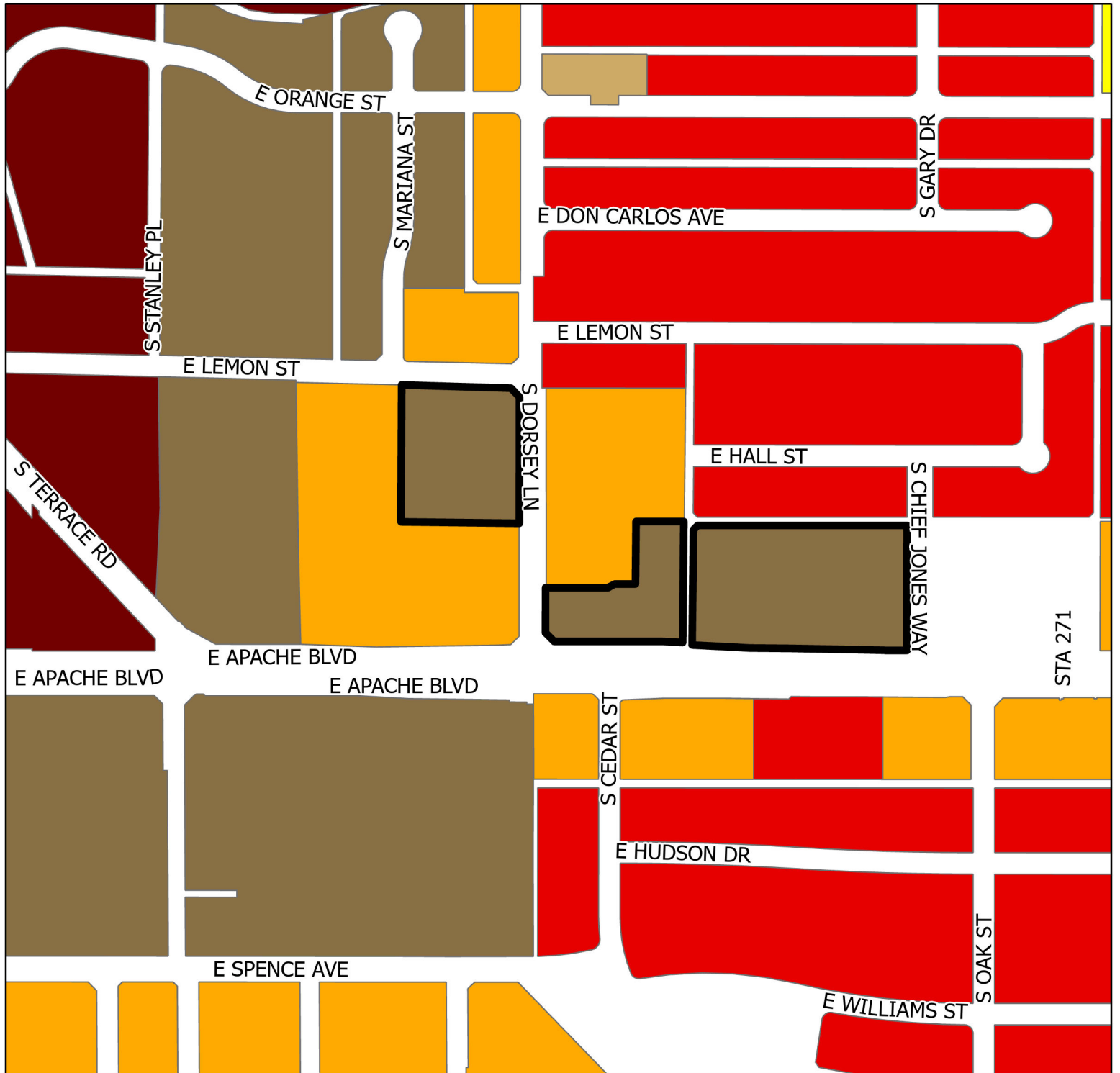
Density Type

- Cultural Resource Area
- Low Density (up to 3 du/ac)
- Low to Moderate Density (up to 9 du/ac)
- Medium Density (up to 15 du/ac)
- Medium to High Density (up to 25 du/ac)
- High Density Limited (up to 45 du/ac)
- High Density (up to 65 du/ac)
- High Density Urban Core (more than 65 du/ac)
- ATTACHMENT 6 Subject Property



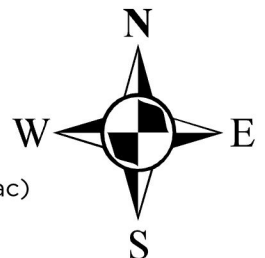
Apache Central PL220259

Proposed General Plan Residential Density - High Density (up to 65 du/acre)



Density Type

- Cultural Resource Area
- Low Density (up to 3 du/ac)
- Low to Moderate Density (up to 9 du/ac)
- Medium Density (up to 15 du/ac)
- High Density (up to 65 du/ac)
- High Density Limited (up to 45 du/ac)
- High Density Urban Core (more than 65 du/ac)
- ATTACHMENT 7 Subject Property



SUMMARY OF NEIGHBORHOOD MEETING
APACHE CENTRAL: PL220259

Attendee 1:

Owner of apartment complex just to east of lot and north of smaller lot that touches Apache.

Q: The shaded area is a total of 7.7 acres, could you put in up to 500 units?

Q: Have studies been done re: traffic, pollution, and noise?

Q: Could the building go up to 5-7 stories?

Q: It's classified as affordable housing. What is the formal definition?

Q: Will the project qualify for low-income housing tax credit?

Q: Is it an opportunity zone area?

Q: Is it possible to get a copy of RFP when going out? Not familiar with process. Do homeowners get to throw in two cents? Will the city sell the land?

Q: It would be nice if RFP dictates boundaries so developers can't ask for the maximum of units. Should do MU3 instead of MU4.

Q: What was Gracie's designation? Valor on 8th St.? Would prefer MU3 on Food City lot.

Attendee 2:

Owns house on Hall St. that backs up to Food City.

Q: Seems backwards to do study after rezoning. Is that usual you approve massive change in zoning before studies of impacts? Right now, you have a 2-story building. No impact from Food City for five decades. If there's a parking lot next to alley, lots of noise.

Q: Tomlinson Estates is a historic neighborhood. The historical preservation of the neighborhood will be impacted by massive residential development. Assuming you know it will have an impact. The concept is great, but I worry about impact on neighborhood.

Q: Given density and adding residential does create more traffic and other burdens. There might be a grocery store, hopefully larger than convenience store. Are you adding other amenities? Are you adding other services? Would be nice to live, work and play in the area.

Q: Will you encourage and incentivize? Neighbors would support more if things they could use.

Attendee 3:

On Historic Preservation Commission until recently. Assume majority of footprint of new building will be from Apache to front of current building. Imagine something similar to Gracie's. Would be helpful if you don't exceed 4 stories and have building mass closer to Apache. Happy to be on RFP committee. Hope it goes quickly, strip mall is lonely and depressing. Place to get food and shopping.

Attendee 4:

Also lives on Hall St. When Gracie's went in, was told that the neighborhood had the highest density of AZ. How do they rate now? Seems like it's already really crowded. Square mile of Tempe had densest population of any square mile in state. It bothers neighbors as you get more traffic and noise. Hear people at Gracie's, a 10-foot buffer is not very far.

Attendee 5:

Q: Lives on Cedar St. What's going to prevent neighborhood from getting another Nexa? Not a pleasant experience living next to it. Trees don't help. People that own the property don't replace trees when they die. Would hate to see it happen to another neighborhood. Don't know what big push is to flood whole street with big ugly structures. What's going to prevent a Nexa from showing up on that property?

Q: Why did we go through all of the planning with light rail and ways to not negatively impact single family neighborhoods? City going back on original words to neighborhoods. No one looks back at historical commitments made. What's next project on list to rezone property on Apache? Seems like once you inject density where it wasn't supposed to be, you just keep going to next property. Satisfy developers and maximize property. To citizens an atrocity.

RESOLUTION NO. R2022.12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA GRANTING A WAIVER OF THE REQUIREMENT TO PROCESS A DEVELOPMENT PLAN REVIEW APPLICATION CONCURRENTLY WITH A ZONING MAP AMENDMENT, POSTPONEMENT OF A PLANNED AREA DEVELOPMENT OVERLAY WHEN REQUESTING A MIXED-USE ZONING, AND A WAIVER OF THE ACCOMPANYING FEES AND HEARING NOTICE COSTS REQUIRED FOR A ZONING MAP AMENDMENT AND GENERAL PLAN MAP AMENDMENTS FOR A CITY-INITIATED UP-ZONING PROCESS.

WHEREAS, the City intends to develop a City-initiated up-zoning process for the purpose of redeveloping older properties and encouraging new housing development to increase the housing stock in the City of Tempe; and

WHEREAS, some older properties would benefit from redevelopment into multi-family projects; and

WHEREAS, it is appropriate to establish a City-initiated rezoning process without a development proposal when a project is not being proposed by the City; and

WHEREAS, Tempe's Zoning and Development Code, Section 6-304(C)(1), requires that applications for a zoning map amendment also include a development plan review application; and

WHEREAS, Tempe's Zoning and Development Code, Section 2-103, requires a Planned Area Development (PAD) Overlay for any mixed-use zoning districts; and

WHEREAS, the City intends to process a zoning map amendment and General Plan map amendment(s) of certain properties through a City-initiated up-zoning process without an accompanying development plan review and without a PAD Overlay application for Mixed-Use districts;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, that:

1. The City Council waives the zoning fees for a zoning map amendment, general plan map amendment, and cost of any applicant required hearing notices associated with a City-initiated up-zoning or rezoning process.

2. The City Council waives the requirement of an accompanying development plan review application for Zoning Map Amendments processed through the City-initiated up-zoning process. Such development plan shall be processed when a project plan is proposed.

3. The City Council shall postpone the requirement of processing an initial PAD Overlay with any rezoning to a Mixed-Use district designation through the City-initiated up-zoning process. Such PAD overlay shall be processed when a project plan is proposed.

4. The City shall not initiate an up-zoning process for properties designated or classified as Tempe Historic Property Register, Classified Historic Eligible by the Tempe Historic Preservation Commission, listed in the National Register of Historic Places, eligible for the National Register of Historic Places, or listed as a Traditional Cultural Property, within the City of Tempe.

5. A one-year review of Resolution No. R2022.12 will be conducted after the calendar year 2022 through City Council.

PASSED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF TEMPE, ARIZONA, this 13th day of January, 2022.


Corey D. Woods, Mayor

ATTEST:


Carla R. Reece, City Clerk

APPROVED AS TO FORM:


Judith R. Baumann, City Attorney