



PLANNING COMMISSION

Planning & Development Services Department • 201 N. Stone Ave. • Tucson, AZ 85701

DATE: July 10, 2019

TO: Planning Commission

FROM: *for* 
Scott Clark
Executive Secretary

SUBJECT: *Kino Area Plan* Amendment PA-19-01, Amendment to Allow Residential Uses Study Session (Ward 5)

Issue – This is a request for a plan amendment to the *Kino Area Plan (KAP)* submitted by Rory Juneman. Lazarus, Silvyn & Bangs PC, on behalf of the property owner, Campbell at the Airport, L.L.C. The proposed amendment is to allow residential uses in an area currently designated in the *KAP* for industrial, park industrial, and commercial. The entire site, which is located at the northwest corner of Valencia Road and Campbell Avenue approximately 150 feet from Tucson International Airport, is approximately 33 acres of which approximately 25 acres is proposed for rezoning if the *KAP* amendment is approved. The site has been vacant since 1997. (See Attachments A & B.)

Recommendation: Staff recommends that the Planning Commission set this item for a public hearing in August 2019.

Applicant's Request: The applicant is requesting to amend the *KAP* to include residential uses as allowable on the amendment site through map and policy revisions.

- The proposed map revision shows the amendment site as Site 12 on the *KAP* Residential map. (See Attachments C1 and C2.) The applicant also proposed a change to the *KAP* Industrial map to remove the amendment site from Site 1. Given that the underlying zoning is largely industrial (I-1) and park industrial (P-1), with some commercial along Valencia Road, staff suggests that this change to the *KAP* Industrial map, Site 1, is not needed.
- The proposed policy revision to the *KAP* adds a new policy (Policy 7) to provide high-level guidance regarding future residential development on the amendment site. (See Attachment D.)

The objective of the proposed plan amendment is to allow a future rezoning on the northern portion of the amendment site from the current industrial (I-1) and park industrial (P-1) zones to residential (R-2), while leaving the current commercial (C-2) zoning on the southern portion of the amendment site in place. The overall development goal for the amendment site is to build medium density single family residential in the northern portion of the amendment site that is proposed for rezoning if the plan amendment is approved and multi-family residential along Valencia Road, generally within the existing C-2 area.

Existing Zoning and Land Uses: As noted above, the approximately 33-acre amendment site, which is vacant, includes industrial (I-1), park industrial (P-1), and commercial (C-2) zones. (*See Attachment E.*)

The amendment site is surrounded by the following zoning and existing uses.

- North of the site the land is zoned residential (R-2 and R-3) and is occupied by single family housing immediately adjacent to the amendment site and multi-family housing further north.
- South of the site, across Valencia Road, the land is zoned industrial (I-1) and is occupied by Tucson International Airport and the Tucson Air National Guard Base.
- East of the site, across Campbell Road, the land is zoned park industrial (P-1), industrial (I-1), and residential (R-2) and is occupied by an industrial warehouse immediately to the east and vacant property to the northeast.
- West of the site, the land is zoned park industrial (P-1) and is occupied by a combination of residential and industrial uses.

Land Use Policy Direction: Policy direction is provided by *Plan Tucson, City of Tucson General & Sustainability Plan* and the *Kino Area Plan (KAP)*. *Plan Tucson* policies are long-term, broad-based, and apply to the entire city, whereas *KAP* policies are more narrowly focused and apply only in the area covered by the plan. Following is a summary of how *Plan Tucson* and the *KAP* address the area in which the amendment site is located.

Plan Tucson, City of Tucson General & Sustainability Plan (2013). *Plan Tucson* contains a variety of elements that are categorized in four focus areas, including the Social Environment, the Economic Environment, the Natural Environment, and the Built Environment. Each focus area contains specific goals and each element contains specific policies many of which complement each other. The Built Environment Focus Area includes a Future Growth Scenario Map (p. 3.144) that provides guidance for determining the general location of development opportunities and patterns, land use, and transportation concepts through a series of Building Blocks. Guidelines for reviewing development proposals are associated with each of the Building Blocks. The amendment site is located within the Industrial Building Block, which then transitions into the Existing Neighborhood Building Block. The Industrial Building Block is described as "...areas strategically located for efficient handling of intermodal freight movements. These areas support national and international freight movement through Tucson by connecting existing major regional commercial transportation routes, including railway, major highways, and the airports." The Existing Neighborhood Building Block is described as "primarily developed and largely built-out residential neighborhoods and commercial districts in which minimal new development and redevelopment are expected in the next several decades."

As presented below, *Plan Tucson* also contains several policies that address issues related to areas in the vicinity of the airport, such as the amendment site.

Plan Tucson Economic Environment Focus Area / Regional & Global Positioning Element

- *Policy RG4* - Support existing and potential commercial, industrial, and other land use activity in and around Davis-Monthan Air Force Base (DMAFB) and Tucson International Airport (TIA) that: is compatible with military and aviation operation, contributes to the long-term viability of DMAFB and TIA; is enhanced by proximity to air service; produces a public benefit in regard to employment and revenues generated; and does not diminish existing neighborhood viability negatively impact the health, safety, and welfare of existing residents, their homes, and their neighborhoods.

Plan Tucson Natural Environment Focus Area / Environmental Quality Element

- *Policy EQ4* - Reduce and mitigate noise in neighborhoods, along roadways, and near industrial and airport zones through enforcement of existing codes, use of noise reducing and mitigating materials and designs, and deliberative decisions regarding compatible land uses and related zoning.

Plan Tucson Built Environment Focus Area / Land Use, Transportation, and Urban Design Element

- *Policy LT24* - Coordinate a comprehensive revision of the Airport Environs Plan including areas beyond the current Airport Environs Zone, taking into account noise and the public health, safety, and welfare of Tucson residents.

Kino Area Plan (1980): The overall goal of the *KAP* is: "To establish guidelines for the future growth of the Kino area and to provide a balance of uses and a wide range of activities, including employment, shopping, housing, and recreation."

The proposed amendment site is within "Site 1" on the *KAP* Industrial map, which shows areas for which the *KAP* identifies industrial as the appropriate future use. The introduction to the *KAP* section on industrial uses identifies features in the area conducive to industrial uses, including good accessibility to airport, railroad, Interstate 10 and truck facilities; relatively inexpensive vacant land; and large amounts of industrially zoned land. The concluding sentence of the introduction states, "For these and other reasons rapid industrial development is occurring and will continue to occur in Kino."

The *KAP* also notes that the Kino area is suitable for residential development given its low land prices, large tracts of vacant land, and closeness to major employers, and family/cultural ties. There have been several amendments to the *KAP* that, similar to this proposed plan amendment, allow residential uses in places formerly depicted on the *KAP* Industrial map as suited for industrial uses.

Public Contact: The applicant's public contact, which included the required meeting with the neighborhood, as well as communication with both the Tucson Airport Authority and the Tucson Air National Guard Base, is summarized below:

Neighborhood Meeting: The applicant held the required neighborhood meeting on Wednesday, April 17, 2019, at Residence Inn, 2660 E. Medina Road, 6:00 pm to 7:15 pm. Eight people signed in. Attendees asked questions as to whether apartments would be developed in the medium-density area; whether sound attenuation would be provided for the existing homes; whether existing home values would decrease with the addition of apartments; whether the proposed projects could be constructed so people cannot pass through the existing community; whether there was a restriction on residential due to fuel contamination in the area; how many homes would be built; what kind of lighting would be provided; whether the amendment site was in the flight path; and concern as to whether new residents would fight the heavy industrial uses being developed across Campbell Avenue to the east. Other issues raised included: disturbance of wildlife on the amendment property; increased traffic on Valencia; and the blockage of the view to the airport from the proposed development.

Tucson Airport Authority: The applicant approached both the Tucson Airport Authority (TAA) and the Tucson Air National Guard Base to determine whether there were objections to considering residential uses for the amendment site. TAA provided a letter to the City of Tucson, Rezoning Section, dated May 30, 2019. In summary the letter states that while "the proposed plan amendment is not recommended since there are many potential impacts to residential related uses...which would need to be mitigated....Tucson Airport Authority will not oppose the subject request contingent upon the inclusion of...conditions of approval in any City approval of the Kina Area Plan amendment and the rezoning application that may follow." (*Attachment F presents the TAA letter.*)

Tucson Air National Guard Base: The applicant also reached out to the Tucson Air National Guard and was told the Guard would likely defer to TAA on this matter.

Discussion: The applicant proposes to develop multi-family residential along Valencia Road and lower-density residential on the northern portion of the property. Policies in both *Plan Tucson* and the *KAP* make the case for industrial uses in the site area in large part because of the site's adjacency to Tucson International Airport. However, the applicant believes residential is an appropriate use for the amendment site for the following key reasons:

- low demand for industrial sites within the amendment area
- strong demand for residential homes near Tucson International Airport
- opportunity for workforce housing to serve nearby employment centers

- *KAP's* overestimation of the demand for industrial property north of Tucson International Airport demonstrated in part by several previous amendments to the KAP that changed areas specified for industrial use to residential use

To better understand the real estate market in the amendment area, PDSD staff requested that the applicant provide more information in their application to substantiate there is not an active market for industrial uses in the area. Key results of the applicant's research include:

- the area surrounding the amendment site has evolved as a mix of industrial, commercial, office, and residential uses. The applicant notes that since 2005, 72% of the Certificates of Occupancy issued in this area were for either commercial or office uses and the remaining 28% were for industrial uses. North of the mix of industrial and commercial is a mix of residential development, including single-family, multi-family, and mobile home subdivisions.
- there is at least a 40-year supply of industrial sites south of Golf Links Road. This supply of industrial sites allows for purchasers to be more selective in choosing sites, while also keeping the prices for industrially zoned properties lower. Additionally, the most in-demand areas for industrial uses are those near I-10 or I-17 with larger tracts or potential assemblages of land that can accommodate large distribution centers. Industrial sites near airports are typically not in high demand as shipping by air freight is costly and infrequently used. In the area north of Tucson International Airport, there were at the time of the applicant's research 105 industrial sites for sale. Currently, the average time on the market for industrial sites is a little over five years. As noted previously, the amendment site has been vacant since 1997, or over 22 years.

Staff followed up with City of Tucson Real Estate to research and provide information on property sales in the amendment site area. The findings were similar to those of the applicant's, that is, that there is not an active market for industrial uses.

In conclusion, there are several key factors that need to be thoughtfully weighed in considering the applicant's request:

- the amendment site's close proximity to Tucson International Airport and the Tucson Air National Guard Base and the amendment site's associated location within the Tucson International Airport aviation easement requirements and public disclosure area, City of Tucson Airport Environs Height Zones, City of Tucson Airport Hazard District, Federal Aviation Administration (FAA) traffic pattern airspace and FAA Part 77 airspace
- a market that has not been responsive to industrial uses for some years
- the well-documented need for more housing in Tucson

Conclusion: Staff recommends the Planning Commission set this item for public hearing in August 2019

Attachments:

- A: Context Map
- B: Aerial Location Map
- C1: Existing Kino Park Residential Map
- C2: Proposed Amended Kino Park Residential Map
- D: Proposed Additional Policy Under KAP Residential Section
- E: Zoning Map
- F: Tucson International Airport Authority Letter of May 30, 2019
- G: Application and Materials