

REPORT TO MAYOR AND COUNCIL

July 27, 2023

SUBJECT: TP-MOD-0523-000012 La Estancia PAD, – Major Change (Ward 4)

Public Hearing: July13, 2023

BACKGROUND

This is a request by Lexy Wellott, of The Planning Center, on behalf of WAA Investment Holdings, LLC for a Major Change to the La Estancia PAD (PAD-7) to reduce the prescribed setback of 280 feet to 65 feet for residential development adjacent to Industrially zoned properties in Development Area 18. The major change request also includes some corrections to minor scrivener errors and inconsistent references within the PAD document.

Development Area 18 is a 25-acre property located along the eastern edge of the PAD adjacent to Kolb Road and south of Camino Boleadoras, at 6930 East Camino Boleadoras. Development Area 18 is designated as Commercial (C) within the PAD allowing uses permitted by the C-1 zone per the City's Unified Development Code (UDC) and residential uses as permitted in Development Area 15, High Density Residential, with maximum density of 36 RAC.

The request to reduce the prescribed setback of 280 feet to 65 feet for residential development adjacent to Industrial zoned properties within Development Area 18 is a major change (UDC, Section 3.5.5.2.c.2,4, and 5) as it:

- Varies or changes a PAD policy;
- Changes designated buffer which was established to adapt the PAD to specific site characteristics or mitigate development impacts on the site and surrounding area;
- Varies a building setback by more than 10% of that delineated in the PAD.

TP-MOD-0523-000012 La Estancia PAD, - Major Change (Ward 4)



PUBLIC HEARING SUMMARY

July 13, 2023, Zoning Examiner Hearing

The Applicant's representative spoke in support of the requested rezoning at the July 13, 2023, Zoning Examiner hearing. No other person spoke.

As of the date of the August 4, 2022, Zoning Examiner hearing, there were no (0) written approvals and one (1) written protest.

FINDINGS OF FACT

Background Information

Existing Land Use: Vacant

Zoning Descriptions:

Existing: Planned Area Development (PAD): Enables and encourages comprehensively planned development in accordance with adopted plans and policies. The PAD is a zoning classification which provides for the establishment of zoning districts with distinct standards. A PAD may have land use regulations different from the zoning regulations in the Unified Development Code (UDC), any other PAD District, or other zoning districts. When a provision in a PAD varies from the UDC, the provisions in the PAD shall govern.

Surrounding Zones and Land Uses:

North: platted subdivision South: platted subdivision East: platted subdivision

West: Across Kolb Road, Zoned RH; vacant

Zoned PAD-7, Development Area 17 – Commercial; Residential Subdivision

Zoned I-2; mix of vacant and developed uses

Zoned PAD-7, Development Areas 13 and 14 - Medium High Density Residential; Residential



Planning Considerations – *Plan Tucson (PT)* and the *Rincon Southeast Subregional Plan, Map Detail* #9 (RSSP) provide policy direction for the rezoning site.

Plan Tucson: The proposed site is within an area identified in PT as "Business Centers". Business Centers are major commercial or employment districts that act as major drivers of Tucson's economy. These centers generally contain corporate or multiple-use office, industrial, or retail uses. Plan Tucson provides policy to consider special zoning districts, such as a Planned Area Developments (PAD) as a way to foster mixed- use activity nodes (LT28.1.9). It supports integrating residential and nonresidential land uses (LT28.4.1), and supports a mix of commercial, residential, office, and other service activities at all major employment centers (LT28.4.4), and to consider residential development with densities that complement the size and intensity of the center or node while providing transitions to lower density residential uses (LT28.4.9). PT encourages residential development including both market rate and affordable housing projects in Tucson.

Rincon Southeast Subregional Plan, Map Detail #9: The Rincon Southeast Subregional Plan (RSSP) Map Detail #9 identifies the La Estancia PAD within the Multifunctional Corridor (MFC) designation. The purpose of the MFC is to designate areas for the integrated development of complementary uses along major transportation corridors. These areas contain commercial and other nonresidential services and high- density residential clusters in a linear configuration along a major transportation corridor. While Map Detail #9 includes language that the area appears to be suitable for business and industrial uses, there have been three (3) Map amendments changing Industrial Land Use to Multifunctional Corridor to allow for residential uses, i.e., master-planned residential projects, including a map change for the La Estancia PAD District on April 13, 1998, Resolution No. 17999.

Public Input – Prior to holding the neighborhood meeting, the Applicant's representative sent out letters to all owners of the industrially zoned properties located south and east of the site to discuss the proposed amendment. Through this outreach the Applicant was able to speak to two of the industrial property owners who conveyed that their operations have either moved entirely indoors, and were non- intrusive, or have shifted their more intensive uses to other facilities. These property owners (Skyline Assayers and Laboratories and Sasol Chemicals) expressed no concerns with the reduced setback amendment. On April 13, 2023, the Applicant held a virtual neighborhood meeting via Zoom to discuss the proposed PAD amendment. No one attended the meeting. However, the Applicant has since been contacted by two other adjacent industrial zoned property owners with concerns for the amendment, with one property owner suggesting that there be a minimum 100-foot buffer, and at least a 10-foot wall, and the other property owner expressing no concerns about the site developing with multi-family uses.



Discussion – The La Estancia PAD was approved in 1999 by Mayor and Council with the goal of creating a 555-acre, master-planned community for the development of homes and associated support services along the north side of Interstate 10 between Kolb Road and Wilmot Road. The PAD established a regulatory guide for the future development of a sustainable balanced community of residential, office, commercial, public facilities, and light industrial uses. This mix of residential, commercial, service, and light industrial opportunities were looked upon as an opportunity to support current and future employees at the nearby University of Arizona Science and Technology Park and other newly developed employment centers in the area.

The Applicant's request outlines that as a result of the growing workforce in the general vicinity, the recent shift in development trends due to e-commerce and remote working, and concentrated effort between the master development and the City, the La Estancia PAD has evolved into a more sought-after residential community. The Applicant delineates in its request that Development Area 18 limits the ability to accommodate new housing in this area of the PAD due to a 280-foot setback from adjacent industrial zones immediately outside the PAD District. The setback and limited area, coupled with the property's irregular shape, high labor cost and development costs, and the abundance of more suitable and accessible commercial/industrial properties on Kolb Road and Wilmot Road, have stifled the property owner's ability to attract commercial users. Hence the property owner is requesting to reduce the prescribed setback of 280-feet to allow the property to economically develop given recent market trends with residential uses and maximize its ability to positively contribute to the City's housing needs.

The proposed 65-foot building setback still ensures compatibility with the industrial properties despite its reduction from 280-feet, as it places a residential setback within Development Area 18 that is comparable to what would be required by the Unified Development Code if the industrial properties were to develop/redevelop. The UDC standards for building setbacks within industrial zoned properties adjacent to residential properties is 2 times the building height. The preliminary site concept plan submitted by the applicant would dedicate 3 acres of the site along Kolb Road to commercial uses, with the remaining 22 acres proposed for residential multi-family with a total of 243 casitas. The proposed setback of 65-feet is consistent with the UDC standard of 2 times the building height based on the proposed casita building height of one- and two-stories.

The Applicant is also proposing a transition design treatment within Development Area 18 along the eastern and southern property line adjacent to the industrial zoned to include a 10-foot perimeter landscape border, trees, and a 6-foot wall. Staff suggests a 7-foot wall would be more appropriate to mitigate any adverse impacts flowing between both the residential and industrial areas and meets the intent of both the La Estancia PAD and the wall height request by an adjacent industrial property owner for a 10-foot-high wall.



Also, staff suggests adding language in Development Area 18 that requires a minimum 10-foot landscape border, with trees, minimum 15 gallon in size, spaced no less than 25 feet on center along the eastern and southern property lines adjacent to the industrial zoned property.

Conclusion – The reduction in the setback to allow for the development of residential uses in Development Area 16 is consistent with the intent and purpose of the La Estancia PAD and provides a greater than typical setback which is consistent with the standards found in the UDC. It is also consistent with the policy direction found in *Plan Tucson* to provide for a variety of housing needs and appears to mirror the recent amendments to the *Rincon Southeast Subregional Plan* to meet the growing demand for more housing through allow plan changes for residential uses, i.e., master-planned residential projects.

The proposed major change to the La Estancia PAD is consistent with, and supported by, the policy direction provided in *Plan Tucson* and the *Rincon Southeast Subregional Plan* and meets the intent of the La Estancia PAD. Approval of the requested major change is appropriate, with the following conditions:

- La Estancia PAD, Section III.5.c.1 to read In accordance with those standards in HDR (Development Area 15), with the exception that in 18, primary residential structures shall be set back at least 65 feet from any adjacent I-2 zone or use.
- La Estancia PAD, Section III.5.c.2 to add and read, A 7-foot masonry wall is required along the eastern and southern property line adjacent to any I-2 zone or use.
- La Estancia PAD, Section III.5.c.3 to add and read, A 10-foot minimum perimeter landscape border along the eastern and southern property line adjacent to any I-2 zone or use. Landscape border to include trees minimum 15 gallon in size spaced no less than 25 feet on center.

RECOMMENDATION

The proposed major change to the La Estancia PAD is consistent with, and supported by, the policy direction provided in *Plan Tucson* and the *Rincon Southeast Subregional Plan* and meets the intent of the La Estancia PAD. Approval of the requested major change is appropriate, with the conditions stated above.



$Z_{oning} \ E_{xaminer}$

Sincerely,

John Iurino

Zoning Examiner

ATTACHMENTS:

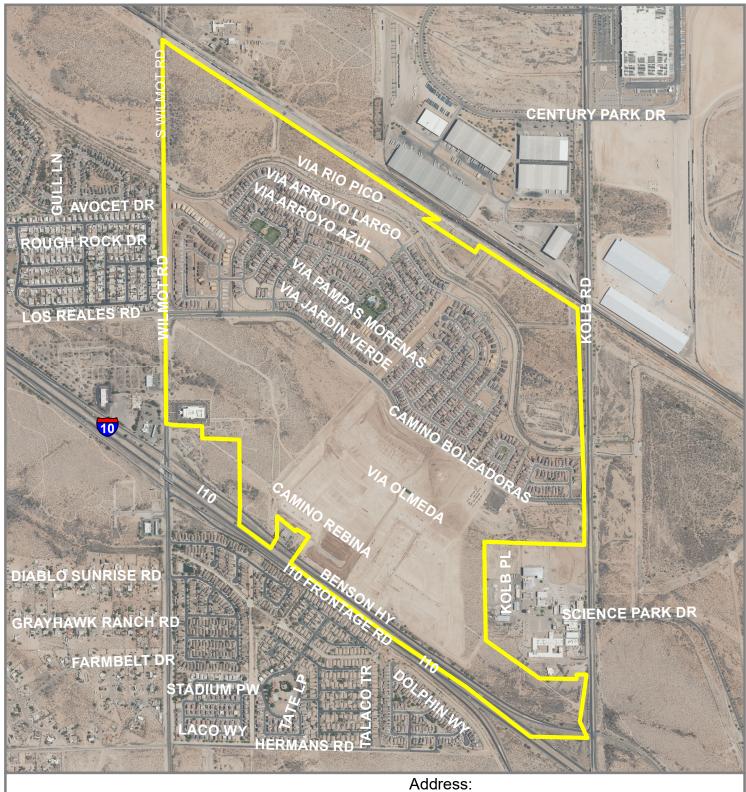
Case Location Map

Rezoning Case Map

Public Hearing Minutes

Cc: Mayor and Council

La Estancia PAD (PAD / - Major Change)

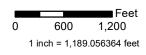


Base Maps: Twp. 15S R. 15E Sec. 19 & Twp. 15S R. 15E Sec. 18

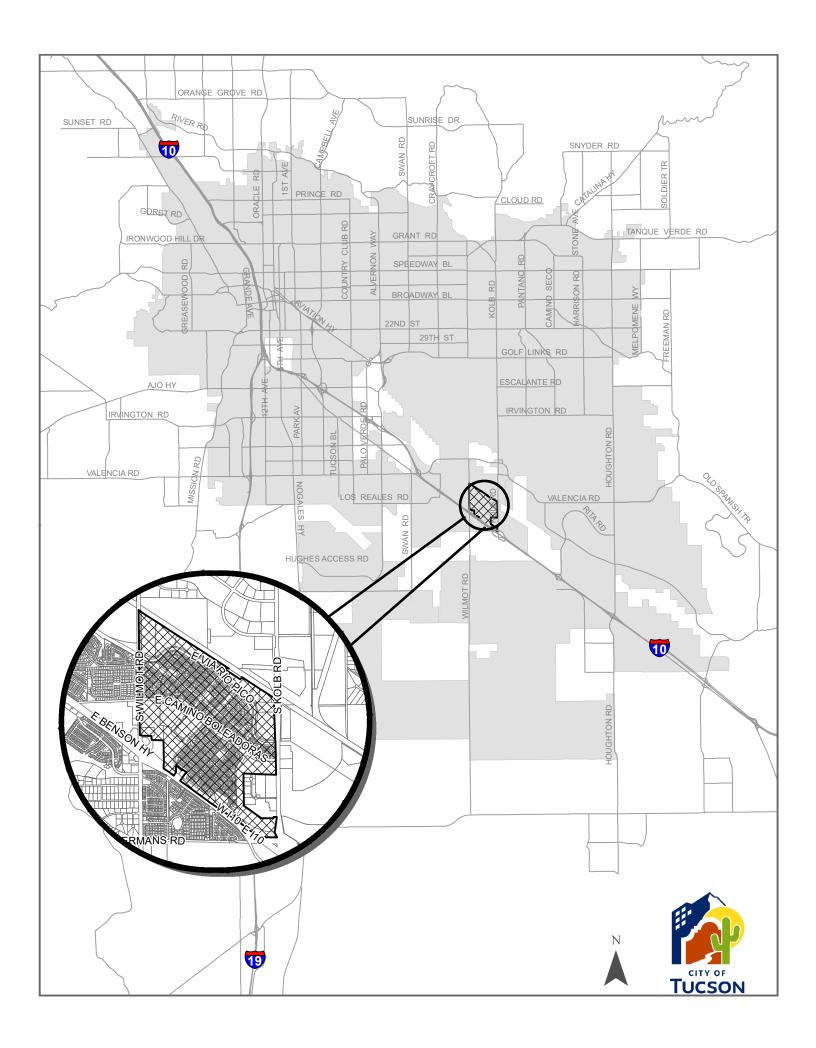
Ward: 4



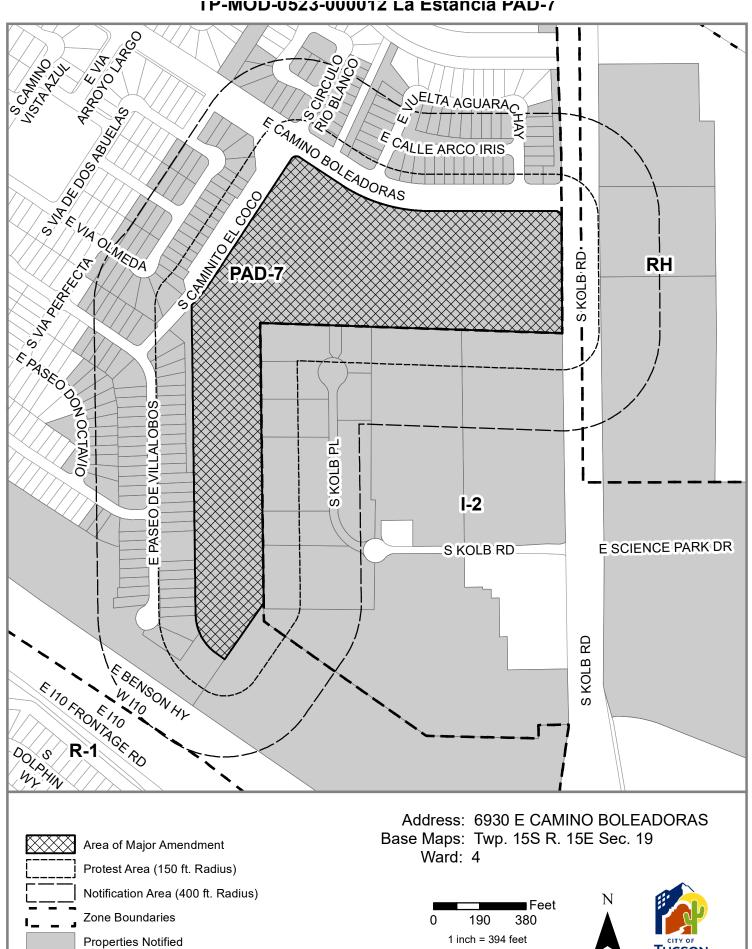
La Estancia PAD - PAD 7







1 P-MOD-0523-000012 La Estancia PAD-/



CITY OF TUCSON

ZONING EXAMINER PUBLIC HEARING

JULY 13, 2023

ZONING EXAMINER:

John Iurino

STAFF PRESENT:

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- John Beall
Principal Planner, City of Tucson
Planning and Development Services Department

APPLICANTS/AGENTS PRESENT:

- Rory Juneman
 Lazarus & Silvyn, P.C.
 5983 East Grant Road, Suite 290
 Tucson, Arizona 85712
- Timothy Kinney, Esq.
 Timothy Kinney, PLLC
 1 South Church Avenue, Suite 1000
 Tucson, Arizona 85701
- Lexy Wellott
 The Planning Center
 2 East Congress, Suite 600
 Tucson, Arizona 85701

ZONING EXAMINER: It's 6:00 o'clock so we'll get started. Good evening, everyone. My name is John Iurino. I'm the Zoning Examiner for the City of Tucson.

We have two cases this evening. The first is Case TP-ENT-1122-00003, Sixth at Campbell PAD. Mr. Juneman, are you ready?

MR. JUNEMAN: Good evening, Mr. Iurino. Yeah, I
-- I'm ready. I -- I don't really have a presentation, but I

think I can give you an update if that's what you want.

you, Mr. Juneman?

ZONING EXAMINER: Okay. That's fine. And let me just begin by saying I just received from Planning and Development Services Department a -- about a six-page document that purports to be an agreement between the Applicant and the Rincon Heights Neighborhood Association. Are you familiar with that, Mr. Juneman?

MR. JUNEMAN: Well, I am. I drafted that so, yes. ZONING EXAMINER: Well, good work on your part and good work on the part of all the parties. So what I would propose to do -- but I'll listen to what you have to say, of course, before doing it -- I would propose that we continue the hearing to August 10, 2023, unless you believe that an earlier continuation date would be appropriate, to give you time to make revisions to the PAD document, as are outlined in the agreement, as well as to draft the final form of agreement that you have worked out with Rincon Heights. Does that sound agreeable to

MR. JUNEMAN: Well, what we were -- what we were hopeful for was that we wouldn't need a continuation. And Tim Kaine is on -- on from Rincon Heights and he and I have worked through this -- I say I drafted this, but he and I worked on the terms of this. And I -- and I think our thought is, is that we've got the terms in place. Before we go to Mayor and Council, we're going to have to have an agreement signed and -- and -- and

-- signed and fully executed, maybe not recorded, but really just wait for rec- -- recordation until after Mayor and Council approves -- and that the -- the changes to the PAD are -- are fairly straightforward and we've outlined them in this document. I know you -- we got it to you late, so you didn't -- you won't have -- didn't have time to review that. But I think that's -- that was what our hope was.

ZONING EXAMINER: Okay. Well -- so let me just suggest that we don't have to continue it that far out. We have -- I have hearings next week, on the 20th. We could continue it to that date.

Here's my concern: My concern is that it looks like you've reached an agreement. I don't see anything signed by anybody, so that's a concern. My other issue would be that the PAD document, the revi- -- looks to me, from my cursory review, that the revisions to the PAD document won't be that dramatic from what's already in the PAD document, and that could easily be accomplished in a week's time it looks to me. Of course, I'm not doing the work, so I don't want to speak for you, Mr. Juneman.

And the other issue is, you know, there are other parties out there who have made their views known on this case; they're not all represented by Mr. Kinney. So, as this is a very late development, I wouldn't want to foreclose anyone who would want to come forward and speak their mind about it. I don't know that anyone has had a chance to look at it. So what I'll -- I'll

hear from Mr. Kinney in a minute and then come back to you, Mr. Juneman. But -- so what I would propose to do then is just continue it one week to July 20, 2023, at 6:00 p.m., take you guys up first at that time and maybe, between now and then, you could get revisions to the PAD document. I hear what you're saying, that the formal executed ancillary agreement will be signed, et cetera, at a later date.

Mr. Kinney, does that make sense to you, what I've outlined?

MR. KINNEY: Yes. Thank you, Mr. Iurino. It does make sense. I -- I agree that we could easily get the PAD changes in the next week. We could probably have a draft of the separate agreement by then. But -- but, as you said and as we know, that -- that is not quite enough time for us to have an executed agreement, but we would be in support of a one-week continuance.

ZONING EXAMINER: All right. Mr. Juneman, will that work for you?

MR. JUNEMAN: Yeah, Mr. Iurino. We can get the -the -- the PAD updates done. You're -- you're right, they're not
extensive. And, in fact, they're -- most of the provisions are
already kind of drafted for this -- for this term sheet. So we
can have that over to you I would say by Monday. And, as long as
you're okay with -- I think all of us -- Scott and I are both
going to be out of town, but we can join remotely if you're okay

with that and --

TONING EXAMINER: Of course. So -- so here's the other thing: I -- I would like you and Mr. Kinney to work together to share that agreement with other folks who have appeared at these hearing- -- the last -- the last hearing on this to make sure everyone has had a chance to look at it. So I will continue this hearing to July 20, 2023, at 6:00 p.m.

And I want to say, you know, the agreement doesn't come in front of me, that's you guys working that out together and you present that to Mayor and Council; they may be interested in that. But that doesn't come to me. But if you can get the revisions to the PAD into Planning and Development Services.

Whatever's comfort- -- comfortable for you guys on that, I don't really care when it hits my desk. I'll have time to review it before the continued hearing on July 20th.

But I want to say to the parties, Mr. Cummings, in particular Mr. Kinney, though, and your clients as well, you know, you started on this road a while ago, I appreciate that, but I think you've really come to a place now where you will both have a -- the possibility of a fantastic redevelopment of those properties, something that -- that you can be proud of and I think the community can be proud of, but also have worked through the process and worked with the neighbors and the neighborhood association in a way that's very commendable, so I want to thank you for that.

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So, with -- with that, unless Mr. Kinney or Mr. Juneman, you have anything else that you want to say right now, I'm going to continue the hearing to July 20, 2023. Thank you on that.

MR. KINNEY: One thing, Mr. Iurino, if that's okay.

> ZONING EXAMINER: Sure.

MR. KINNEY: Just to address some of the concerns that I'm seeing in the chat here, we don't have an actual agreement yet. We don't have it written down. We have a term Those things were -- the terms in there were voted on by the Rincon Heights Neighborhood Association Board several weeks They reflect the things that were agreed on. And now we're going to move forward to getting a written agreement, which will have to go before the board for formal final approval.

ZONING EXAMINER: Well, thank you for that. Let me just state clearly my intention. My intention is that you become as comfortable as you need to, Mr. Kinney, to satisfy yourself that the agreement will be the agreement that you're -and that you and your client is content with it, because I intend to take the matter up at next week's continued hearing, and then close the hearing and make my recommendation based on the record. So do what you need to --

> MR. KINNEY: Thank you.

ZONING EXAMINER: -- do between now and then to be

So

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-- be sure you have what you need, all right? Sounds good. we're continuing that hearing.

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The next case for this hearing is Case TP-ENT-0523-000012, La Estancia PAD. Mr. Beall, are you presenting the Staff Report?

> Yes, I am. MR. BEALL:

ZONING EXAMINER: Please go ahead, sir.

Okay. So this is a request by Lexy MR. BEALL: Wellott of The Planning (audio cuts out) on behalf of WAA Investment Holdings, LLC, for a major change to the La Estancia PAD, Pad 7, to reduce the prescribed setback of 280 feet to 65 feet for residential development -- adjacent industrially zoned properties in Development Area 18. The major change request also includes some corrections to some minor scrivener errors and inconsistent references within the PAD document.

Development 18 is a 25-acre property located along the eastern edge of the PAD, adjacent to Kolb Road and south of Camino Boleadoras. Development Area 18 is designated as commercial with C- -- within the PAD allowing uses permitted by the C-1 zone per the City's Unified Development Code, and res--- residential uses as permitted in Development Area 15, highdensity residential with a maximum density of 36 residential units per area. The requested reduce (sic) to prescribed setback of 280 feet to 65 feet for residential development is a major change to the PAD and it -- as it varies or changes the PAD

policy, changes the designated buffer which was established to adapt a PAD to specific site char- -- characteristics, and it varies the building setback by more than 10-percent of the -- delineated in the PAD.

The PAD was approved in 1999 by Mayor and Council, with a goal of creating a 555-acre master plan community for the development of homes and associated support services (audio cuts out) Interstate 10, between Kolb Road and Wilmot Road. The PAD established a regulatory guide for future development of a sustainable balanced community of residential, office, commercial, public facilities, and light-industrial uses. This mix of residential, commercial, service, and light-industrial opportunities were looked upon as an opportunity to support current and future employees at the nearby University of Arizona Science and Technology Park, and other newly-developed employment centers in the area.

The Applicant's request outlines that, as a result of the growing workforce in the general vicinity, the recent shift in development trends due to e-commerce and remote working, and concentrated efforts between the master development and the City, La Estancia PAD has evolved into a more sought after residential community. The Applicant delineates in the request that Development Area 18 limits the ability to accommodate new housing in this area of the PAD due to a 280-foot setback from adjacent industrial zones immediately outside the PAD district.

The setback limited area, coupled with the property's irregular -- high labor costs and the abundance of more suitable accessible commercial/industrial properties on Kolb Road and Wilmot Road, have stifled the property owner's ability to attract commercial users; hence, the property owner is requesting to reduce the prescribed setback of the 280 feet to allow the property to economically develop, given recent market trends with residential uses, and maximize its ability to (audio cuts out) City's housing needs.

The proposed 65-foot building setback still ensures compatibility with industrial properties despite its reduction from 280 feet, as it places a residential setback within Development 18 that is comparable to what would be required by the UDC if the industrial properties were to develop or redevelop. The (audio cuts out) in the setback to allow further developing of residential uses in Development Area 16 (sic) is consistent with the intent and purpose of the La Estancia PAD, provides a greater-than-typical setback which is consistent with the standards found in the UDC. It's also (audio cuts out) direction found (audio cuts out) to provide for a variety of needs and appears that recent (audio cuts out) to the Rincon Southeast Subregional Plan to meet the growing demand for more housing through plan changes for residential uses, i.e., master plan residential projects.

And then as you all noticed, Mr. Zoning Examiner, the

PAD -- the -- you have the materials of what the -- what those changes are in the PAD. This report is that the change is consistent with the policy direction of both Plan Tucson and the Rincon Southeast Subregional Plan.

And, as to date, there have been -- there's been one protest and it's within -- just outside the 150 foot, but within the 400-feet notice.

ZONING EXAMINER: Thank you, Mr. Beall.

Ms. Wellott, would you like to be heard on behalf of the Applicant? You're muted.

MS. WELLOTT: Thank you for that. You'd think we'd -- we'd have this down by now.

ZONING EXAMINER: No.

MS. WELLOTT: Good evening, everyone. My name is Lexy Wellott, and I'm a Project Manager at The Planning Center. We're located on -- at 2 East Congress in downtown Tucson.

Mr. Beall did a great job explaining our request, so I just want to highlight one thing briefly, and that's the public outreach that we did prior to our application submittal, in recognition that a lot of this setback was put in place, you know, when this PAD was coming onboard back in -- in the 1990s, and so much of that area surrounding the site was vacant and nothing existed out there. And so fast-forward 25 years now, we have a robust and vibrant residential community that is nearly built out, and so we're looking at how to address housing needs,

as well as accommodate a land use that -- that makes sense as a transition between the industrial properties and the single-family residential homes that are in place.

As Mr. Beall mentioned, the property is currently designated as commercial. So, when it comes to a land use intensity, that site can currently house, you know, 40-foot-tall buildings, so it -- it can take some intensity. So we feel by bringing out a multifamily product, that is a good transition between the two uses to -- to complement the entire area.

So, as part of the early outreach, we met, myself and Linda Morales, the CEO of The Planning Center. We sent letters to all of the property owners within the industrial park just to make sure that we were giving them the courtesy prior to embarking on this process; because, you know, in all reality, the setback was put -- to protect them, so we felt it was appropriate to start with them.

We met with Sasol Industries and Skyline Assayers, as well as communicated with a couple others. Some concerns came out just from trash and -- and, more or less, unwanted activities that are occurring on the property; and I think as a result of any type of development, some of those will -- will get cleared out. Our meetings with the folks in -- in the industrial park that -- that responded to our request to meet, they suggested that their operations have drastically changed as the surrounding area has changed, so they're not concerned with an

City of Tucson Zoning Examiner Public Hearing, 7/13/2023 Case Nos. TP-ENT-1122-00003 and TP-MOD-0523-000012

incompatibility issue anymore.

So, moving through this process, we wanted to make sure that we were giving -- giving the neighbors and everyone surrounding that property and the industrial park, some coverage, because we recognize what we're bringing in. So, initially, we recommended a foot increase in the wall. Currently, the PAD requires a five-foot wall. We went with a six-foot wall. Staff has recommended a seven-foot wall, and we're -- we're in agreeance with that -- that condition, to make the wall on the south and east boundaries adjacent to those properties a seven-foot wall. And then we are also in agreeance with the recommendation of placing mature vegetation 25 feet apart.

So, with that, I welcome any questions you may have.

ZONING EXAMINER: Thank you very much. I don't have any questions at this time.

Would anyone else in the audience like to be heard on this case? Hearing none, I will close the Public Hearing on this case. Thank you very much, Ms. Wellott.

Have a pleasant evening, everyone. Good night.

MS. WELLOTT: You as well. Thank you so much.

(Conclusion of the hearing.)

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CERTIFICATE

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I hereby certify that, to the best of my ability, the foregoing is a true and accurate transcription of the digitally-recorded City of Tucson Zoning Examiner Public Hearing held via video on July 13, 2023.

Transcription completed: July 25, 2023.

/S/ Danielle L. Krassow
DANIELLE L. KRASSOW
Legal Transcriptionist