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MEMORANDUM **Planning Division – PZ Memo No. 15-118**

DATE: DECEMBER 16, 2015

TO: PLANNING AND ZONING COMMISSION

THRU: JEFF KURTZ, PLANNING ADMINISTRATOR

FROM: KEVIN MAYO, PLANNING MANAGER

SUBJECT: ZCA15-0001 ADAPTIVE REUSE OVERLAY DISTRICT

Request: Adopt Article XXXIII A.R.O.D. - Adaptive Reuse Overlay District of Chapter 35 (Land Use and Zoning) of the Chandler City Code

Applicant: City Initiative

RECOMMENDATION

Upon finding the request to be consistent with the General Plan, Planning Staff recommends approval.

BACKGROUND

Following the economic downturn, business owners and developers began focusing on underutilized buildings within infill areas. The Adaptive Reuse concept was a Mayor-led initiative to investigate how Chandler could facilitate and capitalize on this evolving development trend. Winter and Company was retained in 2014 tasked with the evaluation of Chandler's current codes and development environment, including an analysis of community 'best practices' as they relate to the concept of Adaptive Reuse. Public outreach meetings, stakeholder interviews and presentations to various groups were conducted. Winter and Company produced a comprehensive report that included a series of development related issues often faced by perspective users that can be grouped into areas such as building setbacks, parking requirements, mechanical equipment screening, landscaping and Building Code compliance, as well as recommendations for possible code revisions. The proposed Article XXXIII Adaptive Reuse Overlay District (AROD) is the culmination of these efforts and recommendations. The goal of the proposed district is to facilitate the reuse of existing underperforming and/or underutilized retail buildings/properties which will ultimately stimulate reinvestment within established areas and facilitate the locating of new and unique local businesses.

The proposed AROD is a zoning district that modifies certain regulations of the existing commercial zoning districts within the overlay boundary. The proposed AROD does not modify

the applicable property's underlying zoning, meaning land uses are neither added nor removed. The overlay zoning district modifies the Site Development standards within the Zoning Code that often make the reuse of existing buildings, structures and sites economically unfeasible. The AROD applies to any building located wholly or partially within the boundaries of the attached map, for properties zoned either C-1-Neighborhood Commercial District, C-2-Community Commercial District, C-3-Regional Commercial District, or any property permitting commercial uses through a Conditional Use Permit, provided the building was constructed prior to 1990, and the building is less than 15,000 square feet and/or constructed on a lot no greater than 30,000 square feet. The AROD does encompass an area that includes parcels not currently zoned for commercial uses such as residential homes. The AROD is not applicable to these parcels not having commercial zoning, however the standards contained within the AROD can be applied provided City Council approves a zoning district change to allow said commercial uses.

The Adaptive Reuse Overlay District includes modifications to the Site Development standards by increasing the maximum lot coverage to 100%, eliminating the front, side, and rear building setbacks, eliminating the parking setbacks from adjacent rights of way and property lines, and increasing the potential parking reduction waiver from 40% to 60%. Additionally, the AROD reduces the mechanical equipment screening requirements to an effective 'net zero' meaning no additional mechanical equipment screening is necessary if equipment is simply being replaced or updated, or the total number of proposed mechanical units is equal to or less than the original number of units. The proposed AROD Site Development standards are intended to eliminate the 'one-size-fits-all' development standards contained within the underlying zoning districts, and allow a case-by-case site approach that will maximize each unique site's development potential.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- As required by Arizona Revised Statutes, hearing dates for the Planning Commission and City Council, as well as the complete text of the draft Adaptive Reuse Overlay District have been published in an eighth-page newspaper ad at least fifteen days prior to the first required public hearing.
- Notices containing a website link to view and print the proposed Adaptive Reuse Overlay District were mailed to approximately 1540 property owners within the proposed boundary.
- Two neighborhood meetings were held on October 15, 2015 and October 20, 2015 at the City Council Chambers. Approximately 65 property owners attended the first meeting, and an additional 25 attended the second. The attendees were very engaged asking many questions such as how this applies to their specific property, if the City was offering any incentives, how/if this applied to residential homes and when this will become effective. No opposition was offered at either neighborhood meeting, with many offering support and excitement for the overlay.
- Planning Staff has received approximately 35 phone calls from property owners within proposed boundary seeking additional information.
- This request was continued from the November 4th Planning Commission hearing to allow additional time to accommodate the inclusion of two small expansions of the proposed district boundary in response to public input. The two expansions include the area south of the San Marcos Hotel property, as well as the area encompassing and surrounding the Alta Steel Yard urban multi-family residential development currently under construction.

- As of the writing of this memo, Planning Staff is not aware of any formal opposition to this request.

RECOMMENDED ACTION

Planning Staff recommends Planning Commission motion to recommend approval adopting ARTICLE XXXIII A.R.O.D. - ADAPTIVE REUSE OVERLAY DISTRICT of Chapter 35 (Land Use and Zoning) of the Chandler City Code as proposed.

PROPOSED MOTION

Motion Planning Commission to recommend approval of ZCA15-0001 ADAPTIVE REUSE OVERLAY DISTRICT, as recommended by Planning Staff.

Attachments

1. Draft Code Language
2. District Boundary Map

Draft: 10/30/15

ARTICLE XXXIII. A.R.O.D.- ADAPTIVE REUSE OVERLAY DISTRICT

35-3301. General intent and purpose.

1.) Under state law (A.R.S. § 9-462.01-D, and as amended from time to time), municipalities may adopt overlay zoning districts and regulations applicable to buildings, structures and land within individual zones. An overlay zoning district is a special zoning district that includes regulations which modify regulations in another zoning district with which the overlay district is combined.

2.) The purpose of the Adaptive Reuse Overlay District is to encourage and facilitate the reuse of existing buildings that are underutilized or underperforming within portions of the City by:

a. Modifying site development standards that would otherwise make the reuse of existing buildings, structures and sites economically unfeasible; and

b. Reducing, simplifying or eliminating the processes otherwise required to modify existing building, structures and sites; and

c. Providing clear, understandable, predictable and consistent development standards that promote compatibility between existing and future development; and

d. Facilitating development proposals that are responsive to current and future market conditions.

35-3302. Uses permitted.

The Adaptive Reuse Overlay District does not change, alter, expand, diminish or otherwise affect any uses permitted as a matter of right or otherwise in any underlying zoning district for property to which the Adaptive Reuse Overlay District applies.

35-3303. Applicability.

1.) The Adaptive Reuse Overlay District shall apply to any building located within either the C-1-Neighborhood Commercial District, C-2-Community Commercial District, C-3-Regional Commercial District, or any property permitting commercial uses through a Conditional Use Permit, located wholly or partially within the boundaries of the Adaptive Reuse Overlay District as established by Section 35-3304, provided:

a. The building was constructed prior to 1990; and

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b. The building is less than 15,000 square feet and/or constructed on a lot no greater than 30,000 square feet.

2.) The Adaptive Reuse Overlay District encompasses an area that includes parcels not currently zoned to allow commercial uses ("Transition Zone"). The Adaptive Reuse Overlay District is not applicable to those parcels within the Transition Zone not having commercial zoning but may apply the standards contained within the Adaptive Reuse Overlay District, provided the City Council approves of a zoning district change to allow qualifying commercial uses for the Transition Zone parcel.

35-3304. Adaptive Reuse Overlay District Boundaries.

For purpose of administering these regulations, the Adaptive Reuse Overlay District shall have a boundary as defined in the Official Zoning Maps of the City of Chandler, as amended from time to time.

35-3305. Site Development Standards.

Prior to development, redevelopment, building or structure construction or reconstruction; building or structure expansion, enlargement, structural alteration, or façade renovation, upon any property to which the Adaptive Reuse Overlay District applies; or any expansion of a use permitted by right in the underlying zoning district of any property to which the Adaptive Reuse Overlay District applies shall comply with the site development standards as set forth below and amended from time to time.

1.) *Applicability:* Where a conflict exists between the site development standards of the underlying zoning district and the Adaptive Reuse Overlay District site development standards, the Adaptive Reuse Overlay District site development standards shall apply. In all other cases, the site development standards of the underlying zoning district shall apply.

2.) *Site Development Plan*: Any development activities for property located within the Adaptive Reuse Overlay District shall be subject to the requirements of Article XIX. Site Development Plan of the Chandler Zoning Code except:

a. It is **not** the intent of the Council that the guidelines within Article XIX, such as but not limited to parking landscaping requirements, parking lot screening, landscape buffers, plant spacing and percent vegetative cover be strictly applied, upon finding that any and all deviations from the standards prescribed will result in an environmental quality consistent with the intent of said standards, and the purpose of the Adaptive Reuse Overlay District.

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b. *Mechanical Equipment Screening*: Mechanical equipment and appurtenances shall not require new concealment and/or screening provided:

1. The mechanical equipment is simply replaced or updated.

2. The total number of proposed mechanical units is equal-to-or-less than the number of units originally.

3. Associated mechanical equipment ductwork is exempt from screening requirements.

3.) *Area Regulations*:

a. *Lot Coverage*: Any building or structure as permitted herein may occupy up to one hundred (100) percent of the lot area, provided however, that such maximum building coverage shall not preclude compliance with any stormwater drainage requirements, or with the applicable requirements within the Building Code of the City of Chandler.

b. *Front Yard Setback*: The front yard setback for buildings and/or structures may be zero (0) feet from the right-of-way line.

c. *Side Yard Setback*: The side yard setbacks for buildings and/or structures may be zero (0) feet from the property line or abutting right-of-way line.

d. *Rear Yard Setback*: The rear yard setback for buildings and/or structures may be zero (0) feet from the property line.

e. *Parking Setback*: The parking lot setback may be zero (0) feet from all right-of-way and property lines.

4.) *Parking Standards*: All off-street parking, loading and maneuvering spaces for the uses permitted within the underlying Zoning District, shall comply with Article XVIII. Parking and Loading Regulations of the Chandler Zoning Code, except 35-1807(3.b.2) and 35-1803(2) whereby:

a. The Zoning Administrator may approve a request to reduce up to sixty (60%) percent of the required number of parking spaces or to exceed the maximum requirement upon determining that the data presented in the parking demand study demonstrates compliance with approval criteria.

b. *Curb Requirements*: Except where a wall is required, a six-inch vertical concrete precast curbing, or suitable barrier is required around the perimeter of a parking area when needed to protect landscaping areas and control vehicular circulation and the flow of stormwater.

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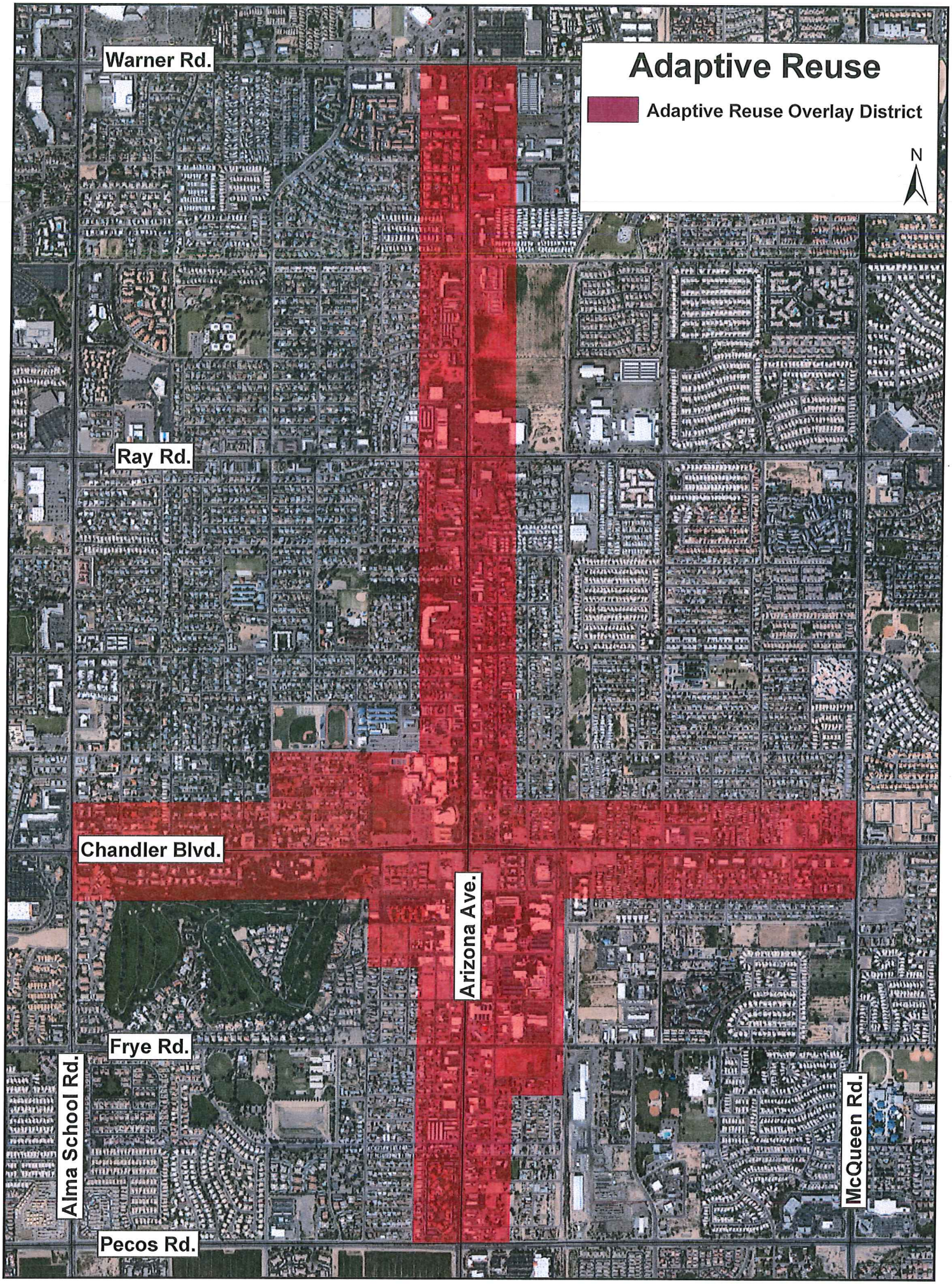
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Adaptive Reuse Overlay District
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Chandler Blvd.
Arizona Ave.
Frye Rd.
Alma School Rd.
McQueen Rd.
Pecos Rd.