

PLANNING AND DEVELOPMENT SERVICES REPORT
DIRECT TO ORDINANCE ZONING MAP AMENDMENT

PUBLIC HEARING
PZ-21-00284-03

DATE: February 15, 2023
MEETING DATE: March 08, 2023
REPORT BY: Patrick St. Clair

REQUEST:

A request from MICM BUTLER LOFTS PROJECT LP for a Direct to Ordinance Zoning Map Amendment of approximately 17.02 acres of real property located generally at 2950 East Butler Avenue from the Rural Residential (RR) and Medium-Density Residential (MR) zones with a Resource Protection Overlay (RPO) to the Highway Commercial (HC) zone with an RPO.

STAFF RECOMMENDATION:

Staff recommends the Planning and Zoning Commission, in accordance with the findings presented in this report, forward the Direct to Ordinance Zoning Map Amendment application to the City Council with a recommendation for approval with conditions as indicated in the “Recommendations” section at the end of this report.

PRESENT LAND USE:

The subject property is approximately 17.02 acres of undeveloped land. The site is heavily treed and has some steep slopes isolated near the northeastern portion of the development site.

PROPOSED LAND USE:

The applicant proposes to construct a mixed-use development consisting of 172 multi-family residential units and commercial office space, in addition to setting aside an approximately 1.09-acre section of the site for future commercial development.

NEIGHBORHOOD DEVELOPMENT:

Please see the attached area context map.

North: Interstate 40
East: The Bluffs of Flagstaff senior living facility, zoned HC; Forest Springs Townhomes, zoned MR
South: Butler Avenue frontage, beyond to south – Woodshire on Butler multi-family development, zoned HC and High-Density Residential (HR)
West: Black Bart’s RV Park, zoned HC

I. Project Introduction

A. Proposed Rezoning and Development Plan

This application from MICM BUTLER LOFTS PROJECT LP proposes to develop four vacant parcels (APN 106-04-007C, 106-04-006B, 107-11-001B, and 107-44-062) into a mixed-use project within the HC zone that will include 172 residential units, 2,154 SF of office space, and a future separate parcel to be developed as a commercial use. Two of the parcels (APN 106-04-006B and 107-11-001B) currently have RR zoning and parcel APN 107-44-062 is zoned MR. The remaining parcel (APN 106-04-007C) is currently already zoned HC.

The purpose of the rezoning is to create an entire 17.02-acre site zoned HC and with an RPO. 1.09-acres of the total site will become a separate parcel dedicated to a future commercial building (not included in the approved Site Plan.) The remaining approximate 15.93-acre parcel will be the development site for the mixed-use project (please reference the approved Site Plan drawings attached to this report.)

On the approximate 15.93-acre development site, the mixed-use project will consist of (43) 5,550-sq. ft., 2-story residential buildings containing 4 units each, and a separate 4,960-sq. ft. building with 2,806 sq. ft. of clubhouse space and 2,154 of sq. ft. of commercial office space. There will be (26) 1-bedroom units, (120) 2-bedroom units, and (26) 3-

bedroom units. The proposed density for the development is 10.8 units per acre, below the maximum 29 units per acre allowed in the zone. The proposed density also meets the minimum Regional Urban Activity Center characteristic of 8 units per acre in mixed-use developments.

The Highway Commercial zone is characterized by the development of commercial uses in addition to residential uses to provide diversity in housing choices. The requested rezoning would allow the development of a mixed-use project consisting of commercial office space and multi-family residential uses on the parcel. The commercial portion of the mixed-use project is required to be constructed either prior to, or simultaneous with, the residential component of the development and may not at any time be separated from the existing parcel. Residential uses with more than two units are permitted in the HC zone as part of a mixed-use development located above or behind the commercial uses. Office uses are permitted in the HC zone.

The development includes vehicular and bicycle parking spaces, open and civic spaces and provides 5% of the residential units as Affordable Housing units.

B. Mixed Use Standards

Section 10-40.60.260 of the Zoning Code outlines standards for mixed-use developments. Per the Flagstaff Zoning Code, the Regional Plan promotes the concept of a more compact development pattern for the city by mapping and describing activity centers in urban, suburban, and rural area types, and encouraging mixed-use development. Mixed-use is intended to encourage infill development of vacant parcels with a compatible and balanced mix of residential, commercial, and institutional uses within close proximity to each other, rather than the separation of uses. Mixed-use developments foster pedestrian-oriented residential and commercial development by providing more housing options, reducing traffic congestion, providing a stronger economy in commercial areas, and encouraging pedestrian trips. Mixed-use also has the potential to provide increased opportunities for affordable housing.

A mixed-use development combines residential and nonresidential uses on the same site with the residential units either located above the nonresidential uses (vertical mixed use) or allowed at ground level behind street-fronting nonresidential uses (horizontal mixed use). The project proposes a horizontal mixed-use of commercial office space and residential. This meets the requirement that a mixed-use development shall incorporate a minimum of two uses.

The proposed commercial retail space meets the minimum depth of 20-feet required of pedestrian-oriented commercial space in mixed-use developments within urban activity centers. The requirement that outdoor lighting for commercial uses shall be appropriately shielded to limit impacts on the residential units will be confirmed with the Outdoor Lighting Permit application at the time of Building Permit. A mixed-use development proposing a commercial component shall operate between the hours from 6:00 a.m. to 10:00 p.m. to ensure that the commercial uses will not negatively impact the residential uses within the development, or any adjacent residential uses.

The code requires that a mixed-use development shall be designed to achieve the following objectives:

- The design shall provide for internal compatibility between the residential and nonresidential uses on the site.
- Potential glare, noise, odors, traffic, and other potential nuisance conditions for residents shall be minimized to allow a compatible mix of residential and nonresidential uses on the same site.
- The design shall take into consideration existing and potential future uses on adjacent properties and shall include specific design features to minimize potential impacts.
- The design shall ensure that the residential units are of a residential character, and that appropriate privacy between residential units and other uses on the site is provided.
- Site planning and building design shall provide for convenient pedestrian access from streets, courtyards, plazas, and walkways.

- Site planning and building design shall be compatible with and enhance the adjacent and surrounding residential neighborhood in terms of building design, color, exterior materials, landscaping, lighting, roof styles, scale, and signage.

Staff has found that the project meets these objectives, as well as the site layout and design standards of a mixed-use development. The office use will have minimal impact on the residents. The location of the commercial use near the front of the site will limit interactions and the use has no excessive glare, noise, odor, or traffic. The project includes a series of inter-connected on-site sidewalks that lead to the Butler Ave frontage, which contains public sidewalks, bike lanes, and a new nearby bus stop to connect with multi-modal transit from the site. The scale and design of the proposed residential buildings is compatible with the adjacent residential uses.

The development provides both trash and recycling that is conveniently located for both the residential and commercial uses.

Mixed-use development shall be designed to provide residential uses with common or private open space. As shown in the building floor plans, each residential unit is provided a private exterior patio and additional unstructured common open space is provided on site.

II. **Staff Site Plan Review**

On February 2, 2023, the Inter-Department Staff (IDS) approved an application for Site Plan Review of the proposed development subject to successfully obtaining a Direct to Ordinance Zoning Map Amendment (rezoning). A copy of the rezoning application is attached to this report.

A. **Zoning – City of Flagstaff Zoning Code**

If this Direct to Ordinance Zoning Map Amendment request is approved, approximately 17.02 acres will be rezoned to the HC zone. Development of the site will be conditioned to the approved site plan and a final development agreement. Any substantial change to the approved site plan would require a new rezoning request and further review and approvals by the Planning and Zoning Commission and City Council. The Site Plan provided includes preliminary grading plans, preliminary utility plan, resource protection plans, architectural site and amenity plans, residential and commercial building floor plans and elevations, and preliminary landscaping plans.

i. **Site Planning Standards**

In accordance with Section 10-30.60.030 of the Zoning Code a site analysis was completed in conjunction with the concept plan for this project that examines the topography of the site, solar orientation, existing/native vegetation types, view corridors, climate, subsurface conditions, drainage swales and stream corridor, and the built environment and land use context. Located at 2950 E Butler Ave, the existing topography slopes down to the east and south. Existing vegetation contains medium to dense ponderosa pine stands. The site includes scattered openings containing sparse native grasses and groundcovers. Notable view corridors are generally non-existent due to the forest coverage; however, a small portion of the site includes narrow views looking north to the San Francisco Peaks.

The site plan design places the commercial component of the project as close as feasible to the Butler Avenue frontage to address building forward site design requirements and to place the commercial component in front of the residential structures and uses on the site. The Project will provide a clubhouse building with for-rent commercial office space on its second floor and meeting/recreation area, kitchen, and fitness center on the first floor for residents. The eastern vehicular access drive from Butler Avenue is adjacent to the commercial/clubhouse structure. The western access drive is adjacent to the future commercial parcel before continuing to the residential parking areas.

ii. Resource Protection

The proposed development site is a Resource Protection Overlay zone. The highest priority resource to protect under the Resource Protection Overlay zone is rural and urban floodplains. A small portion of the northeast corner of the development site is within the Rural Floodplain. This area is not intended for development but rather a Drainage Maintenance Easement (DME) will be provided for this area within the property. The boundaries of the DME will be finalized and dedicated prior to Civil Plan approval. The DME is addressed within the Development Agreement for the project. This dedication will remove hinderances to maintenance of the floodplain at that location at the requests of the Stormwater division.

The next priority is steep slopes, which located in the northwest corner of the development site. The Zoning Code requires 70% of the 17-24.99% slope area to be protected. The proposed development protects 100% of these slope resources. Slopes 25-34.99% are required to be saved at an 80% rate and the proposed development protects 100% of these slopes. There are no slopes greater than 35% located on the site, which are not allowed to be disturbed.

The Zoning Code requires 30% of the tree resources on a commercially zoned site to be saved. If the rezoning to the requested Highway Commercial (HC) zone is approved, the proposal complies with the tree resource protection requirements of that zone. Post-development saves 29% of the trees outside of the steep slopes. The code allows for additional credits for excess steep slope to be applied to the tree resources. With those additional credits, the Resource Protection Plans show a tree resource protection rate of 35%.

iii. Open Space & Civic Space

The development is required to provide 15% (2.39 acres) of the site as common open space. This space is provided at three main areas of the site: the northeast corner of the development (1.78 acres), and the two "courtyard" areas at the center of the site (0.93 and 0.78 acres). The applicant proposes to include 0.38 acres at a fenced-in stormwater basin; however, this area does not meet the requirements for open space. Even without this area, the project exceeds the code required minimum with 3.49 acres of open space.

Section 10-30.60.060.B.1.b of the Zoning Code requires developments with 50 or more dwelling units to provide a minimum of 5% of the site as civic space. This space must be accessible to the public. A total of 0.80-acres of civic space is required for this project and the site plan identifies a total of 0.91-acres of civic space within the development (5.7% of the site area). Divided into three areas on the site, the largest of these civic spaces (0.48-acres) is in the south of the development site adjacent the Butler Avenue frontage near the commercial building and the most active portion of the site. The other two civic spaces (0.22 and 0.21 acres) are located near the north of the parcel adjacent the internal drive aisle. Amenities in both the civil and common open spaces include ramadas, pedestrian paths, bicycle parking, and benches.

iv. Pedestrian and Bicycle Circulation Systems

The applicant will be contributing funds for the parcel frontage improvements along Butler Avenue which will be constructed as part of the city's Butler-Fourth Improvements project. The project includes 6-foot-wide sidewalks and 5-foot-wide bike lanes (separated from the vehicular travel lanes.) There are also bus stops located along Butler Avenue

The applicant has proposed sidewalks connecting the buildings, civic spaces, common open spaces, and parking areas to each other. The project will provide 16 uncovered and 24 covered public bicycle racks. The applicant also proposes a future single-track connection within the site to a future FUTS located in Switzer Canyon Wash to the northeast of the parcel.

v. Compatibility and Architectural Design Standards

Compatibility does not mean “the same as” but rather it refers to how well a new development is sensitive to the character of existing development. The Zoning Code breaks down compatibility into three categories: Patterns of Development, Scale, and Continuity.

Patterns of Development include streetscapes, site relationships, signage, and landscape features. The project’s contribution to the Butler/Fourth Improvements project will provide consistent design elements along the corridor. The project design places the commercial building as close to the Butler Ave frontages as feasible. Most of the residential structures are placed behind the commercial use arranging them among existing tree resources and open space areas. The proposed development conforms to development patterns of the surrounding neighborhoods and promotes urban activity centers with two-story buildings fronting public sidewalks.

Scale refers to similar or harmonious proportions, overall height and width, the visual intensity of the development, and the building massing. The development as proposed does not look like a typical apartment complex, instead it consists of building types that more closely represent a townhome single family development, in keeping with the two-story single-family appearance of the Woodshire condominiums across Butler Avenue. The building heights proposed for this development are in keeping with overall heights of similar development in the neighborhood. The development scatters the residential structures across the site and orients the structures such that they maximize existing mature ponderosa pine tree resources for open space and to shield the residential structures from view of other surrounding development.

Continuity encompasses patterns of development and scale, but also site development, building forms, texture, materials, details, and colors. The exterior building design is in a style compatible with the Flagstaff area. The buildings all express four-sided architecture. The exterior colors and finishes will complement the natural surroundings utilizing traditional architectural materials such as wood and metal siding and metal roofing. The residential and commercial buildings use many of the same finishes to clad forms appropriate to their different uses. This develops individual identity between site uses but expresses similar patterns of development across the site. The preservation of native pines in and around the buildings adds to the quintessential natural Flagstaff look.

vi. Landscaping

Landscaping plans are not required in conjunction with a Direct to Ordinance Zoning Map Amendment. The applicant provided a conceptual landscaping plan, showing all landscape areas and tree locations. The conceptual plan generally meets the requirements of parking lot landscaping, street buffer landscaping, building foundation, peripheral buffer landscaping, and native seeding or retention of native state for unused areas of the site found within Section 10-50.60 of the Zoning Code. A final Landscape Plan will be reviewed at the time of civil plan submittal.

vii. Outdoor Lighting

Located within Lighting Zone II, the property is allowed a total of 35,000 lumens per acre. Outdoor lighting plans are not required in conjunction with a Direct to Ordinance Zoning Map Amendment. An Outdoor Lighting Permit application will be reviewed for compliance with Zoning Code standards at the time of Building Permit submittal.

viii. Parking

Based on the proposed use, the project is required to provide a total of 375 parking spaces, 9 of which shall be accessible. The applicant has elected to not utilize any parking reductions relating to the Affordable Housing component of the proposal. Since the development is located within a quarter mile of a bus stop, they are utilizing a ten percent reduction in required parking. The Zoning Code also allows a reduction in parking spaces by providing on-site bicycle parking spaces. The project proposed a total of (40) bicycle parking spaces, exceeding the minimum requirement of 19 spaces. This allows a maximum reduction of one required motor vehicle

parking space for each four bicycle parking spaces provided up to 5% of the required vehicular parking. The two proposed reductions equate to an overall 12.7 % reduction in on-site parking requirements, resulting in 327 on-site parking spaces being required. The applicant proposes 352 parking spaces.

ix. Historic/Cultural Resources

A Cultural Resource Report and historic record search was completed for the subject property on March 31, 2022. The report indicates that no archaeological or historic resources were observed on the property and that there are no expected impacts to historic properties or significant cultural resources from the proposed undertaking. The report was reviewed and approved by the Heritage Preservation Officer as part of the IDS review process.

B. Public Systems Impact Analysis

i. Traffic/Right-of-Way Impact

A Traffic Impact Analysis (TIA) was completed November 21, 2022, and approved January 5, 2023. Based on the TIA, the applicant's traffic mitigation shall be accomplished through a combination of construction and cash-in-lieu contributions to the city's Butler/Fourth Improvements project. Prior to the construction of a roundabout at the western driveway, the applicant is responsible for the design and construction of a new left turn lane and right turn lane on Butler Avenue. The applicant is also required to dedicate public right of way for a right turn lane into the development at the eastern driveway and pay the development's proportional share cost for constructing a permanent traffic signal at the Fourth Street and Butler Avenue intersection.

ii. Water and Wastewater Impact

A Water and Sewer Impact Analysis (WSIA) was completed on August 31, 2022. The proposed development is located within the City of Flagstaff urban growth boundary and can be served by City water and sewer utilities. Currently there is no infrastructure in the ground on-site to support this development, so all on-site sewer and water systems will have to be designed and built. It is the applicant's responsibility to design and construct all on-site and connecting water and sewer infrastructure per the City of Flagstaff Engineering Standards.

Water

Water will be provided by a new on-site 8-inch public water main connecting at two locations to the existing 24-inch water main in Butler Avenue. The applicant will also contribute a proportional share to the city's Soliere Transmission Main project which will provide a secondary water source to the area.

Wastewater

Sewer service will be provided by a new on-site 8-inch public sewer main connecting to the existing 8-inch sewer main in Butler Avenue.

iii. Stormwater Analysis

The project is proposing to provide full volumetric retention between the pre and post development conditions for the 100-year 24-hour storm event. Specific objectives currently included in the design are as follows:

1. Determine existing and proposed peak runoff flowrates and assess the impacts of the site improvements.
2. Provide a minimum 1-inch LID retention storage for additional impervious areas.
3. Provide volumetric retention to mitigate any increase of peak flowrate or total volume leaving the site due to development for the 100-year 24-hour event.
4. Provide a water quality component for 1/2-inch LID volume from all new impervious areas or provide a system to treat up to the 2-year post developed peak flowrate discharging from the site.

To mitigate the increased runoff from the development, and provide the water quality component, the project will route runoff within the site into three new above ground storage basins and a below ground chamber system located throughout the site. Runoff from the central and north portion of the site will be routed to the northern two surface basins. An emergency overflow outlet will be installed for these basins that will route excess volume to the north via a storm drainage system that outfalls into Switzer Canyon Wash. Runoff from the southern portion of the site will be captured and routed to a combined underground storage chamber and the third surface basin located along the Butler Avenue right of way. This portion of the site will continue to route excess volume to the Butler right of way.

A small portion of the northeast corner of the development site is within the Rural Floodplain. This area is not intended for development but rather a Drainage Maintenance Easement (DME) will be provided for the rural floodplain area within the property. The boundaries of the DME will be finalized and dedicated prior to Civil Plan approval. The DME is addressed within the Development Agreement for the project.

III. Direct to Ordinance Zoning Map Amendment

An application for a Direct to Ordinance Zoning Map Amendment shall be submitted to the Planning Director and shall be reviewed and a recommendation prepared. The Planning Director's recommendation shall be transmitted to the Planning and Zoning Commission in the form of a staff report prior to a scheduled public hearing. The recommendation shall include: an evaluation of the consistency and conformance of the proposed amendment with the goals and policies of the General Plan and any applicable specific plans; the grounds for the recommendation based on the standards and purposes of the zones set forth in Section 10-40.20 (Establishment of Zones) of the Zoning Code; and, whether the amendment should be granted, granted with conditions to mitigate anticipated impacts caused by the proposed development, or denied.

Direct to Ordinance Zoning Map Amendments shall be evaluated based on the following findings:

A. Finding #1:

The proposed amendment must be found to be consistent with and in conformance with the goals and policies of the General Plan and any applicable specific plans. If the application is not consistent with the General Plan, and any other applicable specific plan, the applicable plan must be amended in compliance with the procedures established in Chapter 11-10 of the City Code (Title 11: General Plans and Subdivisions) prior to considering the proposed amendment.

i. General Plan/Flagstaff Regional Plan (FRP 2030) Process and Analysis Summary

When staff performs a Regional Plan (the "Plan") analysis, staff reviews all maps, text, and goals and policies to determine which are the most relevant in relation to the proposed application. The Plan's Future Growth Illustration on Maps 21 and 22 (same map; one is regional scale and one city scale) and the text of the Plan provide supplemental information for the interpretation of goals and policies. In the case of any conflict between the Future Growth Illustration and the Plan's goals and policies, the goals and policies will prevail. The Future Growth Illustration has two types of land use designations: "Area Types" describe the place-making context of Urban, Suburban, Rural, or Employment, and "Place Types" such as activity centers, corridors, and neighborhoods which provide the framework for the density, intensities, and mix of uses within the area types.

Staff has identified that the subject property is designated as Future Urban area type and is located within a Future Urban Activity Center (U5) place type on the Plan's Future Growth Illustration, Map 22. This Future Urban Activity Center has a Regional Scale Pedestrian Shed. Residential characteristics of an Urban Activity Center anticipates mainly loft and apartment-style living in the commercial core that is bike, pedestrian, and transit oriented to support workforce and student housing. Mixed use developments including office space and commercial development along corridors in this area are supported by the Plan and activity centers are the most appropriate locations for more dense residential uses, particularly multi-family and attached housing developments. Urban Activity Centers require a minimum density of 8+ units per acre (the proposal provides 10.8

units per acre). Rezoning the parcel to HC and stipulating that rezoning on the proposed Site Plan will introduce just such a mixed-use development into the core of this Future Urban Activity Center.

ii. **Applicable General Plan Goals and Policies**

As part of its review, staff identified relevant Regional Plan Goals and Policies that could be applied to support or not support the proposed Zoning Map Amendment. These goals and policies are identified within the applicant's attached narrative. The following is a discussion of how the project generally meets or conflicts with goals and policies in each chapter. Staff believes that the proposal is consistent with the goals and policies of the Flagstaff Regional Plan 2030.

a. **Environmental Planning & Conservation (Air Quality, Climate Change and Adaptation, Dark Skies, Ecosystem Health, Environmentally Sensitive Lands, Natural Quiet, Soils, and Wildlife)**

Policy E&C.2.1 encourages the reduction of all energy consumption, especially fossil-fuel generated energy, and the proposed development will be all electric. Water demand will be reduced by using landscaping native to the region, addressing Policy E&C 6.8. Policy E&C.3.3 indicates the value of forest health and watershed protection measures. Retaining the natural drainage of the parcel into the Switzer Canyon Wash retains the natural watercourses of the area which supports animal and insect populations existing near and within preserved areas of the development. The project also will integrate into the Butler/Fourth Improvements redevelopment of stormwater maintenance to better support vulnerabilities of the existing ecosystem and natural resources to climate change as addressed in Policy E&C.4.1.

b. **Open Space (Natural Resources and Open Space, Open Space Planning, Applying an Open Space Plan)**

Policy OS.1.5 encourages the integration of open space qualities into the built environment. The development includes open spaces with benches and ramadas, connecting to a system of sidewalks though all areas of the parcel, utilizing existing resource trees to buffer these amenities from the residential buildings on the parcel. The proposed future single-track connection to the future FUTS trail addresses aspects of Policy OS.1.4 to use open space to interact with and enjoy nature. Staff has therefore concluded that the rezoning will increase the quality of the open space provided to the residents and commercial customers of the site.

c. **Water Resources (Water Sources, Water Demand, Stormwater and Watershed Management, and Water Quality)**

Rainwater harvesting will be employed in the project to passively irrigate landscaping and address Policy WR.3.4. To meet Goal WR.5 and its subject policies to manage watersheds, stormwater, water quality, and environmental protections. The landscape concept for the development aims to support the City's long-term goals to encourage low-impact design principles, the use of native and regionally adapted plant materials, and preservation of natural vegetation and slope areas. Stormwater basins on-site will be used for LID and peak flow detention and can overflow into additional stormwater infrastructure to support healthy watershed characteristics and improve flood control and flood attenuation for the development site and surrounding area as indicated in policies WR.5.7 and WR.6.4.

d. **Efficient Use of Energy Goals and Policies**

Policy E.1.4 promotes cost-effective, energy-efficient technologies and design in all new residential buildings. The project proposes all electric buildings with low VOC carpets, cabinets, and paints. Regarding Policy E.1.13 which promotes energy efficient modes of transportation, the project includes four parking spaces with EV ready outlets and circulation paths to off-site pedestrian, bicycle, and public transit access. Also, the adopted Building Code requires that new commercial and residential structures be designed and constructed as "solar ready," meaning that they include proposed locations for and electrical infrastructure to support solar systems later. All units will be equipped with double heavy-duty baskets in the kitchens and property

management will include educational materials to residents regarding recyclable materials as expected in Policy E.1.3.

e. Community Character (Scenic Resources and Natural Setting, Heritage Preservation, Community Design, and Arts, Sciences and Education)

Pursuing Policy CC1.2 and CC.3 initiatives, the site layout will encourage visits to the commercial areas of the site from the surrounding neighborhoods via bus, bicycle, or by walking through the City's established sidewalk or FUTS pathways. The commercial uses are placed adjacent to Butler Avenue incorporating Policy CC.4.3 by implementing these mixed-use development standards to the benefit of the activity center, and providing needed land uses where most accessible by the highest volume of intended users. In accordance with Policy CC3.2, all buildings will use materials common in appearance to those traditionally used in Flagstaff, at a scale proportional to the buildings themselves and to the context of the surrounding neighborhood. The proposed landscaping, which preserves clusters of native ponderosas within the open spaces of the development and employs new code compliant landscaping at civic spaces and new structures address Policy CC.4.5 and CC.4.6 to integrate native vegetation and a well landscaped community for financial benefit and positive image identity for the region.

f. Growth Areas & Land Use (Reinvestment, Greenfield, Urban Area, Suburban Area, Rural Area, Employment Area, Special Planning Area, and Activity Centers)

The proposed project is in an Urban Activity Center, envisioned to hold a greater density of housing and intensities of commercial and retail space to support transit and places of social interaction. Classified as a "regional scale" activity center, this area is encouraged to provide higher-density projects to support and fulfill goals such as LU.1 and LU3.1 to invest in existing neighborhoods and activity centers for purposes of developing complete and connected places. Besides providing increased residential density and commercial office space, the project reserves area for a future commercial development. The project seeks to develop the future urban place type connectivity and activity, while addressing the transition of scale and character with the existing neighborhood context, aligning with Policy LU.6.3 to encourage mixed-use neighborhoods in appropriate locations. The project is located about three miles away from downtown Flagstaff, and about one mile from other commercial developments along Butler Avenue, N Fourth Street, and historic Route 66. The project is near Foxglenn Park and the Flagstaff Aquaplex recreation center; reachable by public bus, walking, or bicycle along existing and expected sidewalks and FUTS trails. The proposed single-track connection to the future Switzer Wash FUTS trail exemplifies the prioritization of connectivity in urban neighborhoods and activity centers emphasized in Policy LU.10.1. The goal of this in-fill project is to provide quality, affordable housing for a variety of residents and their families, set within a connected series of spaces for activity, business growth, employment, entertainment, and the enjoyment of nature. The mixed-use project looks to policies such as LU18.1 and LU18.6 as indicators supporting location of commercial space and increased density within appropriate activity centers and corridors. With a mix of housing options, commercial services, accessibility of nearby employment opportunities, developed civic space, and open natural spaces this project seeks to provide a variety of scales and uses. This proposal is in line with Policy LU.18.9 to appropriately plan within activity centers to their prospective regional or neighborhood scale. Additionally, the proposed affordable housing units addresses Policy LU.18.4 to provide activity centers with various price points in multi-family housing.

g. Transportation (Mobility and Access, Safe and Efficient Multimodal Transportation, Environmental Considerations, Quality Design, Pedestrian Infrastructure, Bicycle Infrastructure, Transit, Automobile, Passenger Rail and Rail Freight, Air Travel, and Public Support for Transportation)

Existing plans for upgrades to the Butler Avenue frontage through the Butler/Fourth Improvements project are being accommodated in the proposed design for access to and from this project. A combination of in-lieu fees and applicant provided infrastructure will be regulated through a development agreement. This infrastructure will provide safe and efficient movement of vehicles, bicycles, and pedestrians through the

area in agreement with Policy T.2.1. The site is located along the permanent transit network for the Flagstaff NAIPTA bus system. A new bus stop will be located within 1/4 mile of the development. These contributions are consistent with Goals T3.3 and T.8.1 regarding development of land uses that enhance and protect the quality of the activity center, support employment centers, and enhance efficient alternative transportation means across the city. The project's location is ideal for bicycle enthusiasts, as it is amid and connected to Flagstaff's established and interconnected system of paths and walks. The proposed single-track connection to the future Switzer Wash FUTS directly addresses Policy T.6.2 to establish and maintain a comprehensive, consistent, and highly connected system of bike ways and FUTS trails. In addition to enhanced bicycle and pedestrian connection, the development provides increased residential density and commercial uses consistent with the place type and needs of people, in support of a continuous transportation system with convenient transfer from one mode of travel to another as required by Policies T.1.3 and T.1.4. Impacts of the project's future residents on the existing local traffic patterns have been studied and compiled into a comprehensive and approved Traffic Impact Analysis as requested in Policy T.11.1.

h. Neighborhoods, Housing, and Urban Conservation

In line with policy NH1.3, on-site (accessible) sidewalks connecting the structures throughout the site to open and civic spaces, the commercial building and commercial pad in effort to provide complete streets, sidewalks, and trails in an urban neighborhood. A portion of the residential units will be made available to lower-income residents, consistent with Policy NH3.1. to provide housing choices to meet the financial and lifestyle needs of a diverse population. Following the intentions of Goal NH.4.4 to encourage green practices and energy efficient homes the project proposes all electric units clad in modern and durable exterior materials that are in line with traditional forms, materials, and details common to neighborhoods in Flagstaff and the region.

j. Economic Development

An infill site along a circulation corridor, surrounded by existing residential and commercial development, the project helps achieve Goal ED.8 to promote the continued physical and economic viability of the region's commercial districts by focusing investment on existing and new activity centers and addresses Goal ED.9 to promote infill to promote community economic, planning, and environmental goals. This mixed-use development supports the intentions of a regional scale activity center because the development site is in an appropriate location for commercial uses and dense multi-family development which increases pedestrian, bicycle, and transit connectivity.

k. Non-Conformance to Regional Goals and Policies

The proposal does not conform to Goal LU.13 and Policy LU.13.7 from Growth Areas and Land Use chapter 9 to develop employment uses in activity centers. While the development will bring some employment opportunities to the activity center, for the permanent on-site office space and commercial pad for future development, the parcel will not be developed as an employment center.

B. Finding #2

To meet the finding the proposed amendment must be determined not to be detrimental to the public interest, health, safety, convenience, or welfare of the City of Flagstaff (the "City"); and will add to the public good as described in the General Plan. Staff believes that the proposed project will not be detrimental to the public interest.

The applicant has identified the following Community Benefits and Public Good:

- The project will develop an underutilized infill property in the middle of Flagstaff.
- The project will provide 172 housing units, with 5% of the units designated permanently affordable for 30 years.
- The project provides a cash-in-lieu contribution to the city for an off-site public water main.
- The project provides a cash-in-lieu contribution to the city for off-site public traffic improvements along

Butler Avenue.

- The project is a sustainable, all-electric development.
- The project includes both recycling and waste management.
- The project meets resource protection standards.
- The project meets low-impact development stormwater standards.
- The project promotes the use of alternate modes of transportation such as walking, biking, and riding the bus.

C. Finding #3

To meet the finding the affected site must be determined to be physically suitable in terms of design, location, shape, size, operating characteristics; and the provision of public and emergency vehicle access, public services, and utilities to ensure that the requested zone designation and the proposed or anticipated uses and/or development will not endanger, jeopardize, or otherwise constitute a hazard to the property or improvements in the vicinity in which the property is located.

Staff believes that the proposed application meets this finding. The Inter-Division Staff reviewed the application and concluded that the site was suitable for the proposed development. The IDS team based its conclusion on the review of all applicable codes and requirements as well as impact analyses for the site. Any potential impacts shall be mitigated by the applicant and cash-in-lieu payments shall be made for the required frontage improvements, as well as proportional contributions to the area's public improvements.

IV. DEVELOPMENT AGREEMENT

A draft development agreement has been prepared and continues to be negotiated throughout the review of this project. The primary purpose of this agreement is to set out roles and responsibilities regarding the administration of the Affordable Housing units, in-lieu costs for frontage improvements, the proportional share of the improvements to the Fourth Street and Butler Avenue intersection, and the proportional share associated with the Soliere Transmission Main project.

V. CITIZEN PARTICIPATION

Public hearings before the Planning and Zoning Commission and City Council are conducted in conjunction with requests for Direct to Ordinance Zoning Map Amendments. In accordance with State Statute, notice of the public hearing was provided by placing an ad in the Daily Sun, posting notices on the property, and mailing a notice to all property owners within 300 feet of the site excluding rights-of-way.

The applicant held two neighborhood meetings regarding this case. The first meeting was held on October 3, 2022 and included one attendee. The second meeting was held on October 6, 2022 and included two attendees. The meetings were held virtually via Zoom meeting platform. The meetings opened with an introduction of the proposed development by the Applicant, with an overview of the development's components and design. In a charette-style interaction, the Applicant encouraged attendees' questions or comments regarding the proposed development, which were then discussed with the group. A Neighborhood Meeting Report, attached, was prepared in response to the questions, comments, and concerns presented.

In general, the major themes of attendee questions and applicant responses addressed topics including the impacts of traffic from the development, the intention to create for-rent residential units and not owner-occupied units, and clarification that the Affordable Housing portion of the development is intended to be permanent by the standards of the Zoning Code. Additionally, discussion clarified questions concerning the site plan design for the locations of commercial uses and proposed development access points. The applicant noted that traffic issues, as determined by the Traffic Impact Study, have been addressed regarding potential impacts and increases to traffic from the proposal. It was also clarified that the applicant has agreed to pay in-lieu fees for the frontage improvements, and they will be included as part of the city's construction project.

RECOMMENDATION:

Staff recommends the Planning and Zoning Commission, in accordance with the findings presented in this report, forward the Direct to Ordinance Zoning Map Amendment request to the City Council with a recommendation for approval of case PZ-21-00284-03, subject to the following five conditions which will be included into the zoning map amendment ordinance:

1. The subject property must be developed in accordance with the approved Site Plan and the conditions of approval dated February 2, 2023. Modifications (other than minor modifications) to the approved site plan will require an amendment to this Direct to Ordinance Zoning Map Amendment request.
2. All other requirements of the Zoning Code and other City codes, ordinances, and regulations, shall be met by the proposed development.
3. All terms, conditions, and restrictions detailed within the “Development Agreement between the City of Flagstaff and Miramonte Acquisitions, LLC for the Lofts on Butler” must be fully satisfied.
4. The Developer’s failure to obtain certificate of occupancy for the entirety of the Project within five (5) years of the effective date of the rezoning ordinance shall entitle the City, in its sole discretion, to conduct a public hearing for the purpose of reverting the Highway Commercial (HC) zoning on the Property to its former zoning classification of Medium Density Residential (MR) and Rural Residential (RR), in accordance with Arizona Revised Statutes § 9-462.01.
5. All parcel reconfigurations must be completed prior to the issuance of the first Building Permit.

Attachments:

- Area Context Map
- Application
- Project Narrative and Regional Plan 2030 Analysis
- Approved Site Plan Drawings
- Site Plan Approval Letter and Conditions of approval
- Citizen Participation Plan and Meeting Report
- Legal Notice