

Jim Harris, Chair
Tiffany Wilson, Vice Chair
Suzannah Ballard
Joan Dzuro
Paul Lehr
Gabriele Medley
JP Thornton
Phil Annett, Alternate
Mary Costa, Alternate
Lonnie Stevenson, Alternate



Lake Havasu City
Council Chambers
92 Acoma Boulevard South
Lake Havasu City, Arizona 86403
www.lhcaz.gov

Planning and Zoning Commission Regular Meeting

Minutes - Final

Wednesday, December 3, 2025

9:00 AM

1. CALL TO ORDER

Chair Harris called the meeting to order at 9:01 a.m.

2. PLEDGE OF ALLEGIANCE

Chair Harris led the Pledge of Allegiance.

3. ROLL CALL

Present: 8 - Suzannah Ballard, Paul Lehr, Tiffany Wilson, Lonnie Stevenson, Jim Harris, Mary Costa, JP Thornton and Phil Annett

Absent: 2 - Joan Dzuro and Gabriele Medley

With two vacancies, Commissioners Annett and Stevenson were invited to the dais.

4. CORRESPONDENCE AND ANNOUNCEMENTS

Planning Division Manager Chris Gilbert stated the Planned Development/Rezone for the Come Together Apartments at The Shops was approved by City Council.

5. MINUTES

[ID 25-5052](#) Approval of the Minutes of the November 19, 2025, Planning & Zoning Commission Regular Meeting (Shelby Hennigan)

Vice Chair Wilson moved to approve the Minutes of the November 19, 2025, Planning & Zoning Commission Regular Meeting, seconded by Commissioner Thornton. The motion passed with the following vote:

Aye: 7 - Ballard, Lehr, Wilson, Stevenson, Harris, Thornton and Annett

6. PUBLIC HEARING

Chair Harris provided an overview of the Public Hearing process.

[ID 25-4967](#) A Request for a Major General Plan Amendment Revising the Future Land

Use Map Designations for 1040 McCulloch Boulevard North, Metes and Bounds Parcel #107-15-015, 90.5 Acres, from Open Space and Park (OSP) to Commercial Mixed Use (CMU), Resort Residential (RE-RES), and Resort Related Island (RE-ISL) (Chris Gilbert)

Mr. Gilbert noted a correction to the Staff Report. The City Council meeting date was updated to Tuesday, January 13, 2026. When the agenda was first published, the meeting date was incorrect.

Mr. Gilbert provided an overview of the General Plan Amendment (GPA) process, explaining a general plan (GP) is a 30,000-foot document that guides growth and development. Zoning must conform to the GP. Arizona Revised Statutes grants property owners the right to request an amendment and outlines the process cities must follow when an amendment is requested.

He reviewed his Staff Report [displayed PowerPoint], noting the following:

- Location and proximity to other Island developments.
- The property was formerly a golf course on leased State land until it was abandoned by its operator. Following abandonment, it was auctioned in August 2023 by the Arizona State Land Department (ASLD). The current owner acquired the land at auction, but was not the petitioner.
- The current GP land use designation, Open Space and Park (OSP), is consistent with golf course use, but does not support development.
- The current zoning is Golf Course (GC) District, which will not accommodate the proposed mixed-use development.
- The proposed GPA consists of Commercial Mixed Use (CMU) in the northwest, Resort-Residential (RE-RES) in the central portion, and Resort Related-Island (RE-ISL) in the southeast. These categories support the uses proposed in the Planned Development/Rezone (PD/Rezone) request, which will immediately follow this hearing.
- The request was reviewed by utility companies and partner agencies. No objections were received.

Mr. Gilbert stated the proposed amendment is in conformance with many of the GP's goals and objectives. The applicant provided details on how they intend to meet the goals and objectives, which can be found in the agenda packet. He provided a brief overview of the proposed General Development Plan.

Vice Chair Wilson asked if the new land use designations will commit the City to a specific amount of acreage for land use types, such as single family or commercial.

Mr. Gilbert explained the land use allows a variety of general uses, but the zoning

determines specific uses. For the land to be rezoned, the land use needs to first be amended from OSP, because it does not support development. The GPA will not necessarily commit acreage to specific uses, but will provide flexibility in rezoning.

Commissioner Stevenson clarified that the land use will assign use tables by creating commercial, residential, and resort-related areas, but the developer will decide what businesses will be in that area. The commercial area may include a mix of restaurants, retail, or offices as long as they fall within the approved use table. Mr. Gilbert confirmed that is correct.

David Megdal, representative for Falcon Eye Ventures, thanked the Commission for their time and extended their appreciation to Staff and the community for their feedback and engagement throughout this process. From the beginning, the goal has been to create something that enhances Lake Havasu. The project is rooted in long term commitment, thoughtful planning, and community compatibility. To bring this project to life, they assembled a world-class team with experience in development, entitlements, and public engagement, including:

- Berry Riddell, zoning attorney
- Community Outreach & Technical Solutions
- Dig Studio, landscape architects
- Nelsen Partners Architects & Planners
- Sustainability Engineering Group, civil engineering
- Lokahi, traffic engineering

Mr. Megdal explained they have spent the past 26 months planning, refining, and listening to the community. As a result of recent community out-reach efforts, the following changes have been made:

- Increased open space exceeding what is required by the City Code.
- Reduced commercial intensity
- Relocated access points for better circulation
- Improved buffers and transitions
- Critically, one hundred percent of the shoreline will be accessible

Mr. Megdal stated this is a hospitality forward, mixed-use community that includes a resort, walkable commercial space, a marina, residential options for full-time and seasonal residents, enhanced beach & trail access, design & landscaping that respects the desert and lake setting, and appropriate boat and trailer parking. This is not a high-density infill project. It is a balanced, Island compatible plan that adds value while preserving character. It is long-term commitment to the people of Lake Havasu and they are committed to doing it right. They appreciate the opportunity to share their vision today.

John Berry, Berry Riddell, started by discussing what a GP is, noting it is not cast in stone and is intended to be responsive and flexible to change or unforeseen opportunities. They hope the opportunity for his client to acquire this property from ASLD rises to the level of an unforeseen opportunity for the community and is worthy of an amendment.

Referencing the conclusion of the Staff Report, Mr. Berry stated Staff believes the proposed amendment is in conformance with, and in furtherance of, many goals and policies within the City's 2016 General Plan. Staff is not just Mr. Gilbert. The proposal was reviewed by many City divisions, including engineering, public safety, and the City Attorney. Based on their technical expertise and understanding of the City, it is Staff's belief that this proposal supports the GP.

Mr. Berry highlighted two key land use policies they believe their plan supports:

- LU.2.3.B – Mix of Uses: He explained this goal looks at the types of uses the GP promotes. The first words are “encourage the development of...” Encourage is an action word. This goal encourages development of large-scale resort developments that incorporate commercial and residential uses.
- LU.3.1.a – Master Planning: He noted Lake Havasu was founded with the belief that master planning is important and that has remained consistent as the City has grown. It is a key component of their plan, as shown by their detailed Development Plan and technical reports. The development will have a master planned owner's association that will ensure high quality designs and long-term maintenance standards.

Mr. Berry explained they have spent 26 months listening to and collaborating with the community and continue to do so. After their first public hearing on October 1, 2025, they requested a continuance so they could incorporate feedback received from both the public and Commission. The result is substantial and meaningful change to what was presented on October 1st. The land use elements are the same, but changes were made to the master plan.

Mr. Berry stated the most substantial change is improved, direct public shoreline access. The original plan included a gate and gatehouse that the public could access, but the design was not welcoming. They were removed to allow direct public access to the resort, shoreline, and other public areas.

Mr. Berry explained there are several other major master plan modifications. Most notable are:

- Removal of the proposed gas station
- Removal of the roundabout to improve circulation and traffic
- Improved public access to the boat ramp and parks

- Reduction in the building size and density of the multifamily building closest to Nautical Estates, resulting in an overall loss of units. They are not seeking to move those units elsewhere.

Mr. Berry provided an overview of the proposed General Plan categories:

- RE-ISL is adjacent to the lake on the southeastern portion of the lot. This land use is primarily for medium to high resort-residential uses and hotels, which are components of their proposal.
- RE-RES makes up the bulk of the interior. This classification includes mixed-use and resort-residential development and has two defining characteristics supported by their proposal. First, it is encouraged on the Island and along the shoreline. Second, it provides opportunities for innovative resort and mixed-use developments that differ from historic residential patterns. They have tried to achieve this by creating a bold, creative proposal that will enhance the Island.
- The CMU land use category will be adjacent to Beachcomber Blvd. The GP indicates it can include retail and personal services such as grocery stores, banks, and restaurants that support secondary uses like higher density residential. Gas stations are a proposed use, but they eliminated it from their plan due to community feedback. Mr. Berry noted they received positive feedback about retail and restaurant opportunities.

Mr. Berry reviewed other goals and policies their plan will support.

LU2.3.b – Shoreline Access

Mr. Berry stated the GP prioritizes shoreline access and its importance was reinforced during community discussions. They will implement this element in three ways:

1. The revised site plan creates three direct, ungated paths for vehicles, pedestrians, and bicycles, to the resort, public beaches, and shoreline.
2. Creation of new public beach access with improved boat launch, parking, and restrooms.
3. The resort will create public access with dining, beaches, entertainment, and water sports.

Mr. Berry stressed that one hundred percent of the shoreline will remain accessible and access includes more than just the shoreline. It will incorporate the boat ramp and beaches. Approximately 5.5 acres will be open to the public. Prior to this, there has never been any improved, legal public access to the beaches or shoreline on this property.

Many residents asked how public access can be guaranteed. There are several ways that can be achieved. First, they will record and maintain a 15-foot public access easement,

which will be reviewed by the City Attorney. Additionally, approval of the General Development Plan will have a condition that “The property shall substantially match the General Development Plan.” If they deviate from the plan or substantially reduce beach and shoreline areas, they would need to return to the City for approval.

HN.2.2e – Access to Open Space

Mr. Berry explained this element relates to open space within developments. The City currently requires developments to dedicate 20% of their land as open space, which equates to 18 acres of the 90-acre parcel. They will exceed that by providing 33.3 acres, or 36.8%. That is an 84% increase from the minimum requirement. Of that, 18.13 acres will be open to the public. This increased 85% from the October 1st meeting, when only 9.8 acres was publicly accessible open space. This increase was attained by eliminating the gates and gatehouse. The proposed open space, including that which will be publicly accessible, will be maintained and paid for by the owner’s association, not the City.

HN2.2.d – Circulation and Access

Mr. Berry stated this element recognizes the importance of strong pedestrian and bike connections that connect to other trail systems and nearby destinations, such as the Island walking path. The developer will install a new, enhanced pedestrian crossing on Beachcomber Blvd to ensure safe crossing for pedestrians and bikes. Additionally, their new plan provides 3.2 linear miles of ungated public access to paths and trails, which is a 191% increase from the 1.09 miles previously proposed.

CC.1.1d – Traffic Impact Analysis

Mr. Berry noted the GP references a second bridge, which is currently in development. It also requires review of traffic impacts for new developments. A traffic impact analysis (TIA) was submitted to Staff. It relied on findings and data from the City’s Second Bridge Feasibility Study, which modeled future conditions for 2030 and 2045. Because the bridge will significantly alter access and circulation patterns, this was determined to be the most relevant and reliable way to understand how traffic will function once the bridge is built. Their traffic engineer worked with Staff to ensure the TIA meets City standards. The conclusion of the Second Bridge Feasibility Study indicated the two bridges will have over 68% capacity for future traffic, even when traffic for The Waterfront is considered. As their density and unit numbers have decreased since completion of the TIA, their project will likely generate fewer overall daily and peak-hour trips than modeled.

Mr. Berry explained another goal of their project is to provide commercial services that will serve Island residents and visitors, such as restaurants, groceries, and shopping. This will minimize the number of cars leaving the Island for these services, resulting in a reduction of trips.

HN.2.2.b – Neighborhood Identities

This is a component of the GP's Housing Element, which discusses creating new neighborhoods with distinct identities and services to support residents. Mr. Berry pointed out it begins with the words "strongly encourage," which is a call to action. They intend to achieve this goal by offering a variety of retail, resort, and outdoor opportunities, reiterating the positive feedback they have received.

Mr. Berry presented an overview of the commercial component, described as a Retail Village Center:

- It will be smaller in scale, featuring single story buildings.
- It will incorporate lush landscaping, shade, outdoor space, and will abut the buffer park so people can enjoy a meal or coffee outside or in the park.
- It will be a welcoming environment for all, including families, bikers, seniors, and even dogs.
- This concept is very different than a strip center in terms of architecture, design, and layout.

HN.1.1.b – Buffers & Transitions

Mr. Berry explained buffers and transitions act as screens between high intensity and lower intensity uses. This has been a major discussion with the residents of Nautical Estates and The Islander as they work to determine the best way to shield existing neighborhoods. He provided an overview of three techniques they intend to use.

1. Create large open spaces
2. Provide lush, well maintained landscaping, including trees larger than required
3. Utilize significant building setbacks

In response to feedback from The Islander, they will implement significant landscape buffers of 50 to 100-feet and utilize large trees and landscaping to transform the area into a small park. It will be fully maintained by the owner's association. There will be no homes immediately adjacent to The Islander.

Mr. Berry acknowledged Nautical Estates stands to be the most impacted. They have exchanged emails, phone calls, and hosted several meetings with residents, making the following changes in response to their concerns:

- Reduction of the retail area, from 89,400 sq. ft. to 67,100 sq. ft. A 21% decrease.
- Elimination of the large grocery store and loading area adjacent to Nautical Estates.
- Design of a Retail Village, with a much smaller grocery store. The store and loading area have been moved further away.

- Removal of the gas station and driveway closest to Nautical Estates.
- Addition of parking lot screen walls with large trees and lush landscape.
- Landscape buffers increased to between 110 and 260-feet, increasing the buffer park to nearly 1-acre.
- Addition of a secure pedestrian gate for access to Nautical Estates residents.
- Size reduction of the closest two-story residential building with setbacks increased to 150-feet. This reduced the number of units from 103 to 90.
- Height of adjacent multifamily buildings was reduced from three-stories to two.
- Agreed to replace a water valve to address low pressure concerns.
- Removal of the effluent pond, which some neighbors report causes issues.

Mr. Berry explained concerns were shared about displaced wildlife. They will work with the Arizona Game & Fish Project Evaluation Program to relocate wildlife as needed.

GM.2.1.j – Water Conservation

Mr. Berry stated water conservation is an important issue statewide and the GP calls for aggressive conservation strategies. They have numerous compliance strategies to promote water conservations, highlighting the following:

- Automatic meter reading and advanced metering infrastructure for leak detection
- Installation of low flow fixtures
- The resort will implement sustainability practices
- Use of reclaimed water for landscaping
- Installation of rainwater harvesting technology

GM.2.1.j – Night Skies

The GP calls for standards to minimize light trespass and sky glow. Mr. Berry stated they intend to adopt night sky lighting standards. Havasu's skies are an asset to protect.

Economic Development Element

Mr. Berry acknowledged it is important that growth pays for itself so quality services and infrastructure can be maintained. The GP cites continued expansion of tourism and commercial services as being critical to the City's economic health. They commissioned Elliott D Pollack & Co. to conduct a study on the project's economic impact. It estimated the creation of 3,203 new construction jobs. While those are one-time jobs, the completed project is estimated to create 807 permanent jobs. This includes direct onsite jobs, such as those at the resort, marina, or retail stores and factors in indirect jobs, which operate offsite but provide services to new residents and guests.

Mr. Berry explained the tax revenue would be substantial. Construction sales tax revenue is estimated to be \$8.9 million. This is one-time revenue, but will help ensure development is paying its fair share of costs for improvements and services. He reviewed

the estimated annual sales tax revenue:

- State: \$4.6 million
- County: \$1.3 million
- City: \$2.8 million
- School District: \$1.1 million
- Special Districts: \$644,800

They do not anticipate The Waterfront generating a large number of new students, so it would be a significant net benefit for the School District. These numbers reflect annual sales tax only. When considering things like bed tax, payroll taxes, licensing and registration fees, and the overall increase in consumer spending due to new jobs, the study estimates the overall financial impact to be \$91.2 million annually.

In closing, Mr. Berry agreed with Staff's conclusion that the proposed amendment is in conformance with, and in furtherance of, many goals and policies within the City's 2016 General Plan. He explained this property owner has not, and will not, do the bare minimum in anything they do. This proposal exceeds the minimum standards in many ways, including open space, shoreline access, parking, and amenities. They are not doing these things because they have to, but because they want to. Their design team worked with Staff and the community over the past 26 months to develop a community centered plan that enhances Lake Havasu City and they are committed to continuing that work. It is with deep respect for the Commission and City that he asked for a recommendation of approval to the City Council.

Chair Harris thanked Mr. Berry for his presentation.

Mr. Gilbert provided clarification on three items:

1. Most details in the Development Plan will be addressed privately using CC&Rs and deed restrictions. Those that can be addressed within City Codes will be included as conditions in the Ordinance or in the Development Agreement.
2. Staff received questions about how this relates to the 2026 General Plan Update (GPU). He explained the GPU process, noting these are two separate items.
3. The changes the applicant discussed are related to the General Development Plan and did not change the GP land use categories or boundaries.

Chair Harris opened the Public Hearing.

Emiliano Torres, resident, is surprised the GP can be amended so easily. He prepared a 32-point response, highlighting concerns about public access & open space, crosswalks, parking, and increased traffic. He compared the project to a bright shiny object, expressing skepticism that it will be developed as promised. He explained there is no

guarantee the owner's association won't amend the CC&Rs to limit public access.

Mark Monson, resident, owns a home on the Island and is a member of the Nautical Resort and is familiar with the property. The only meaningful beach access is for guests or members of the Nautical. The existing roads and buildings are in a state of disrepair and the landscaping has not been maintained, resulting in a lot of dust and an eye sore. He investigated the ownership behind Falcon Eye Ventures and they have a record for developing high quality projects. The applicant has addressed every concern neighbors have expressed. He looks forward to new businesses on the Island and believes the economic impact will extend far beyond tax revenue. This kind of development and investment will draw the attention of high-quality businesses the community wants to see, whether that be some like the Mayo Clinic, Whole Food, or Trader Joes.

John Parrott, resident, has lived here for 50 years and is in commercial real estate, but has no involvement with the project. He believes the City should continue to demand quality developments. The developer who is the most successful is one who is willing to listen and, based on the presentation and changes to their plan, they have demonstrated their commitment to the community.

Mr. Parrott supports improved beach access, noting public use is currently limited and this proposal will change that. He recently saw social media posts alluding the people of Lake Havasu own the Island, which is inaccurate. Mr. McCulloch, the City, and the public have never owned the shoreline. When McCulloch purchased his land, the shoreline was owned by the BLM. The BLM later traded the land to ASLD, whose priority is not public access, but managing land to generate revenue. ASLD owns a significant amount of land on the Island and around the City, so it is in our best interest to continue to work with them.

Mr. Parrott explained in the early days of the City, the plan was for Island to be entirely resort related, but it was zoned agriculture at the time to reduce the taxes until it was ready for development. It was never intended to remain open space for all time. He agrees the economic impact of this development would be incredibly beneficial to the City and concurred with Mr. Monson that the property has become an eye sore and a safety liability due to lack of maintenance. He encouraged the Commission to support this project.

Andrea Heller is CEO of the Lake Havasu Area Chamber of Commerce and a longtime resident. She is here on behalf of the Chamber and the building industry. They support the GPA and PD/Rezone as they are more than just land use adjustments. They represent substantial, long-term investments that will fuel job creation, support local contractors, and provide new opportunities for established and emerging businesses. Investments of

this size signal confidence in the City and create the momentum needed to keep the economy strong and diverse. Economic benefits extend far beyond the construction phase, as it will support new jobs and create new tax revenues, especially for our school district. This project will strengthen the foundation for continued growth and enhance the services and open spaces on the Island.

Ms. Heller values the developer's willingness to listen and make significant changes in response to community feedback. This represents responsible investments that align with the City's long-term vision. On behalf of the Chamber and the building industry, she encouraged approval of this project.

Sandra Blare, resident, expressed concerns about the impact on water infrastructure and increased construction traffic that may occur before the bridge is completed. She appreciates the decrease in building heights and the increased public access. She asked if they plan to use local contractors. She encouraged the City to be vigilant to ensure the final plans deliver what is being promised.

Steve Greeley, resident, explained the GP has provisions to protect the shoreline and the City Council recently passed a Resolution reinforcing shoreline protection. It is his goal to ensure the shoreline and Island are protected from future development. The 2026 General Plan will be voted on in November, so he does not feel it is wise to vote on an amendment when a new one is on the horizon. He encouraged the Commission to vote no, as it is the right thing to do for the Island and Lake Havasu City.

James Gray, Partnership for Economic Development, explained this proposal will only affect 90 acres of the Island, which is over 3,300 acres. Many comments allude to losing the shoreline and access to the whole Island, but for perspective, it is just one development that will revitalize, as one speaker said, a failed golf course.

Danielle Brodeaur, resident, has lived here since 1983 and is torn. She wants to see growth, but does not support 300+ new residential units. She believes developers should be held accountable to build within zoning requirements when they purchase land. She supports the resort and commercial components, noting that as resort town, the City does not have any true resort amenities, such as a day spa.

Brian Springberg, resident, has lived here since 1973 and acknowledged the conflict resort towns face when it comes to growth verse quality of life. In terms of land use, he asked, if not this project, then what? What is the alternative? The land is undeveloped and unattractive. It is not generating revenue or enhancing quality of life by supporting new businesses or providing amenities. A developer is not going to improve land unless it generates revenue, so it only makes sense to rezone it in a meaningful way to enhance

the community. He noted housing affordability is challenge, especially for the hospitality sector, but that will need to be addressed by the private sector and should not have a bearing on the land use decision. He encouraged the Commission to embrace this project.

Bonny Toy, resident, asked if the City will have input on the installation of the crosswalk. Referring to public access, she noted the State Parks are open to the public, but charge a fee. She inquired if there will be fees to use the beaches and amenities.

Seeing no additional comments, Chair Harris closed the Public Hearing.

Mr. Berry made the following comments in response to the Public Hearing:

- The developer has a home here. It is a special place for his family and he intends to create a community reflective of that.
- The resort aspect of the project will include true resort amenities.
- He thanked the Chamber and building community for their support.
- Regarding the crosswalk, their team has had discussions with Staff, but the location and design details will be determined as they progress with their engineering and traffic designs. They will pay for the installation.
- There will be fees to use the marina and its amenities, such as the boat launch and trailer parking. Beach access will be free.

Chair Harris asked if there will be a fee for pedestrian and bike access. Mr. Berry responded no. The trails, parks, and beaches will be free to access. It is just use of the marina that will require a fee, similar to other marinas and launch ramps.

Commissioner Ballard asked how the owner's association would be organized and will there be a process or cause for the association to restrict public access in the future.

Mr. Berry explained it is still very early in the process to have specifics association details. It will be comprised not just of homeowners, but commercial and resort owners as well. Public access is fundamental to the project and they will work with the City to ensure it as outlined as shown on their General Development Plan.

Mr. Gilbert explained the project must go through a final plat process, during which easements can be dedicated. Final plat details cannot be reviewed until the land use entitlements are in place.

Commissioner Annett observed there are many divided opinions, but he believes this land will ultimately be developed. This is an opportunity to ensure the community is heard. This project will have substantial positive financial impacts, but will also have significant impacts on traffic and infrastructure. He asked if the approval was to be conditioned on

completion of the second bridge, would the developer be willing to help facilitate construction to expedite the project.

Mr. Berry explained that is not question he can answer today, but they are committed to being good partners. He asked for time to discuss this with the owner and City.

Jeff Thuneman, Development Services Director, explained Staff is working with the applicant on a Development Agreement (DA), which outlines responsibilities for infrastructure improvements. If a second bridge was not built, the TIA indicates improvements would be required at McCulloch Blvd and Lake Havasu Ave. One option involves looking at the cost of those improvements and possibly applying those funds to the bridge construction. The DA is actively under review and will be presented to City Council for discussion and approval on the same agenda as the GPA and PD/Rezone.

Chair Harris inquired about the bridge construction timeline. Mr. Thuneman stated the project is moving forward, with construction expected to begin in early 2027. They estimate construction will take 18 months. In comparing the bridge timeline and the additional steps required before construction can begin on The Waterfront, Staff feels they align in a way that will cause minimal conflict.

Vice Chair Wilson commended the applicant on the changes made to address community concerns, acknowledging it included concessions on their part. She supports the plan, but is concerned there is not a guarantee for shoreline access or enough accountability for the types of allowed uses.

Mr. Berry explained if their General Development Plan is approved, they will be limited to uses specified in the zoning use tables, as well as the site layout, which identifies shoreline and commercial areas. Any substantial changes to the General Development Plan or uses would come back to the City for review, which will hold them accountable.

Mr. Gilbert agreed. He provided an overview of requirements for changes to general development plans and gave examples of what may constitute a substantial change.

Vice Chair Wilson believes they have every intention to follow their plan, but the requested CMU land use allows a wide variety of commercial uses that do not fit this vision. For example, it allows gas stations. While they agreed to remove the gas station from their proposal, there is nothing to stop one from being built in the future.

Mr. Berry explained their intention is to develop a Village Retail Center. They are happy to review the use tables with Staff and eliminate any uses, such as gas stations, that do not fit their concept prior to presenting to City Council.

Mr. Thuneman clarified the GP land use designations provide very broad definitions of what can be allowed, but do not provide entitlements. Those come from zoning. The Permitted Use Table can be amended as part of the PD/Rezone request.

Mr. Berry agreed, noting the Permitted Use Table for the proposed zoning district includes several uses, in addition to gas station, that do not fit their vision. They will revise the table with Staff to be specific to their project.

Commissioner Thornton shared Vice Chair Wilson's concerns that there needs to be more oversight in the use tables so Staff has clear direction. He does not want to see substantial turned into an opinion of what may be okay. He believes this is an amazing project, but it is bigger than anything the City has seen and has a lot of moving parts. It is important to ensure Staff has the guidance and resources to manage and support this growth.

Commissioner Lehr explained that once approved, the lines on the plans are set and cannot change without approval. The acreages for the resort, residential, and commercial uses will be set.

Referencing the marina and launch ramp, Commissioner Stevenson asked if there are other agencies they will need approval from to construct this infrastructure on the lake.

Mr. Berry responded affirmatively, noting that as a condition of approval, they will need to obtain all required construction approvals from the City and other regulatory agencies.

Commissioner Stevenson noted that when the property was sold by ASLD, it's availability for public use essentially ended, because it is now privately owned. This is not likely the last Stated owned parcel that will go to auction. This is an opportunity for the City to set a precedent for development standards on the Island so it is important to get this right. He thanked the applicant for their willingness to work with the community and their sensitivity to the fact that this is a big change.

City Attorney Kelly Garry explained that before the land was auctioned off, it was not legally open for public use. It was under a lease agreement to a specific party for specific use and the lease holder had the right to limit access. Once the golf course was abandoned, people started using it, but that is not the same as being open for public use.

Commissioner Thornton highlighted open space as a very important component. He does not want to see an incredibly dense development on the Island. The City has little control over open space, other than what is required by the Code. In terms of the proposed 36 acres of open space, he asked what it is comprised of, aside from the few small parks.

Are there protections in place to prevent it from being developed in the future?

Mr. Berry explained open space is defined in the City Ordinance, so they are using the same standards as other developments. He reviewed the site plan, showing major open space areas, including the beach, buffer parks, and green spaces. The landscaped pedestrian and bike paths are considered open space, as is the landscaping and open space in the Village Retail Center. Because open space is shown on the General Development Plan, they would not be able to decrease or substantially change it without approval.

Referring to the Publicly Accessible Open Space Map, Commissioner Steveson noted there is no open space in the residential area. Mr. Berry explained there will be approximately 15 acres of open space in the residential area, not accessible to the public. Approximately 18 acres will be open to the public.

Mr. Gilbert stated there are no conditions of compliance for the GPA because entitlements are not being granted. Conditions will be included as part of the PD/Rezone.

Commissioner Annett stated that with no conditions, issues of bridge construction and traffic are not being addressed. He asked if it would be reasonable to condition the GPA on the bridge construction.

Ms. Garry does not advise conditioning the GPA, as there is the potential to cause an array of legal issues down the road. GPA approval is the first step to starting all other actions and design processes. To give them approval to start on plans and designs, only for that approval to possibly be taken away or stalled would be a major liability. Staff understands the Commission's concerns and will ensure there are clear provisions in the DA, should the bridge not be completed. The DA will require Council approval.

Commissioner Ballard moved to recommend approval of ID 25-4967, a request for a Major General Plan Amendment revising the Future Land Use Map Designations for 1040 McCulloch Boulevard North, Metes and Bounds Parcel #107-15-015, 90.5 acres, from Open Space and Park (OSP) to Commercial Mixed Use (CME), Resort Residential (RE-RES), and Resort Related Island (RE-ISL).

The motion was seconded by Vice Chair Wilson and passed with the following vote:

Aye: 7 - Ballard, Lehr, Wilson, Stevenson, Harris, Thornton and Annett

Chair Harris called for a brief recess at 11:19 a.m. before beginning the next item. He called the meeting back to order at 11:30 a.m.

[ID 25-4968](#) A Request for a Planned Development Rezone and General Development Plan of 1040 McCulloch Boulevard North, Metes and Bounds Parcel

#107-15-015, 90.5 Acres, From Golf Course (G-C) District to Island Body Beach/Planned Development (I-B/PD) District to Accommodate a Mixed-Use Development With a Combination of Resort, Marina, Commercial, and Residential Uses and Approving Specific Requested Exceptions (Chris Gilbert)

Mr. Gilbert provided a brief overview [displayed PowerPoint] of the property's history, location, auction, and prior use. The General Plan (GP) designates this property as Open Space and Park (OSP), which does not support future development. Revised land use designations are pending approval by City Council, following the Commission's recommendation of the General Plan Amendment (GPA) that preceded this item. The requested land use categories are

- Commercial Mixed Use in the northwest portion
- Resort Residential in the central portion
- Resort Related Island for the southeast portion

Mr. Gilbert explained the property is currently zoned Golf Course (GC) District, reflecting its former use. This zoning does not accommodate the proposed mixed-use development. The applicant is requesting to amend the zoning for entire 90-acre parcel from GC to Island Body Beach/PD (I-B/PD) District. Much of the Island already has Island Body Beach zoning. He identified key items from the General Development Plan (GDP):

- Commercial area in the northwest, adjacent to McCulloch and Beachcomber Boulevards, with approximately 67,000 sq. ft. of commercial space.
- Residential area in the central portion, with over 300 dwelling units of various types, including 90 multifamily units.
- Resort area in the southern portion, featuring a resort facility, bungalows, and resort-related accessory uses.
- 15-foot required shoreline access and preservation easement.

Mr. Gilbert explained the numbers for acreage and units shown on the GDP are maximum numbers, so while they may reduce them slightly in the final design, they cannot exceed them. Staff reviewed the proposal and supporting reports for public safety, water, sewer, and traffic infrastructure. Based on this review, Staff determined the City is able to provide adequate services, provided that the conditions of approval are met.

Mr. Gilbert displayed the Proposed Shoreline Access Plan, noting the applicant proposes to meet shoreline preservation requirements by providing 3 separate access points in the vicinity of the resort due to steep topography along much of the shoreline frontage. Access easements will be addressed during the final plat process.

Mr. Gilbert reviewed the exceptions requested from the Development Code:

- The project-specific ‘Land Use Categories for Waterfront Planned Development’ table shall govern permitted, conditional, accessory, and temporary uses applicable to this General Plan Development.
- The project-specific ‘Dimensional Standards for Waterfront Planned Development’ table shall govern dimensional standards applicable to this General Development Plan.
- The maximum permitted fence/wall height at front, side, and rear yard areas within the boundaries of the General Development Plan shall be set at a maximum height of 8 feet. Retaining walls are excluded from the measure of the maximum fence/wall height allowance.
- Operating entry doors facing and visible from adjacent public or private streets shall not apply within the boundaries of the General Development Plan.
- Lighting associated solely with the resort component shall be exempt from lighting requirements and associated fixtures are permitted to emit up to 1,600 lumens and may be unshielded if mounted below 8 feet in height. All lighting above this height, including building mounted and parking lot fixtures, shall be fully shielded.
- Up to 10 off-premise signs providing directions to the resort component shall be permitted within the boundaries of the General Development Plan. One sign may be up to 12 sq. ft. in area.

As a point of clarification, Chair Harris stated that since this is at a zoning level, substantial changes to the GDP or any of the conditions would be required to come back to the City for review by the Commission and City Council.

John Berry, Berry Riddell, thanked the Commission for their time and thoughtful discussion during the GPA hearing. Given the degree of discussion during that hearing, he will limit his presentation to items specific to zoning and exceptions.

Mr. Berry referenced the conclusion from the Staff Report, noting Staff finds that the request meets all requirements set forth in Section 14.05.04(K)(6) of the Lake Havasu City Development Code to approve this zone change with conditions of approval as listed in the Requirements for Code Compliance section.

Regarding wall height, Mr. Berry explained the intent is not to build 8-foot perimeter walls, but to have effective screening for things like dumpster enclosures and equipment. Nautical Estates Condo Association (Association) residents do not want an 8-foot perimeter wall and would like to come to a mutual agreement on the design, height, and materials of the wall adjacent to their community. They are working to come to a consensus as community on the wall design. They are happy to work with the Association and asked for flexibility to do so.

Mr. Gilbert advised any deviation from the buffer wall design standards would need to be listed as exception. This can be done before the City Council hearing and language can be crafted to allow flexibility in the design.

Mr. Berry is happy to answer any questions. He noted this project will be a new investment of approximately \$398 million and, if approved, they plan to work quickly to start the design review process.

David Megdal, representative for Falcon Eye Ventures, thanked the Commission for their time and consideration. This project has evolved based on real feedback and the changes made aren't superficial. They go to the heart of what makes this City unique. They've worked to create a community that preserves the shoreline as a public amenity, strengthens recreational opportunities, promotes walkability, and respects both the environment and the people who live here. It will create local jobs, provide amenities that support tourism, and offer a design unique to Lake Havasu. Ultimately, this is about more than land use. It is about building trust, being a good partner, and adding value to the community. On behalf of Falcon Eye Ventures and the project team, he respectfully asks for their support.

Commissioner Stevenson asked if the screening adjacent to Nautical Estates is meant to be a wall, landscaping, or both.

Mr. Berry stated the short answer is yes. There will be a wall on the property line with landscaping on the development side. They offer to add landscaping to the Nautical Estates side, but are still discussing options with the Association. Initial feedback from residents was divided, but as discussions have progressed, they are leaning towards the installation of a wall with a security gate to allow access from Nautical Estates into the park, which will tie into the walking paths and Village Retail Center.

Chair Harris asked if the Association agreed on installing a wall and is now trying to determine the design and composition. Mr. Berry responded affirmatively, noting their contract references an "authorized representative," to ensure they have the authority to sign an agreement.

Commissioner Stevenson asked if tree heights are an issue. Mr. Berry explained they are flexible in their landscape design and will work with the Association to ensure they are happy with the screening. They desire to be good neighbors.

Commissioner Lehr asked if a mass grading study was completed to determine pad heights and how those might affect view corridors. Mr. Berry advised a grading analysis

has not been completed, as they are waiting for entitlements before commissioning the study. He indicated where view corridors are located on the site plan.

Commissioner Annett inquired about the rationale behind adding apartments to a development that will host a world class resort and high-end homes.

Mr. Berry explained the GP calls for a mix of housing opportunities in new master planned communities. Additionally, as a walkable, mixed-use community, they envision them as complementary to the retail development. As was discussed at the PD/Rezone hearing for the apartments at The Shops, there are relatively few options for multifamily dwellings and there has not been a substantial increase in the inventory in years. The vacancy rate is very low, so they believe there is a demand for high quality multifamily units.

Commissioner Ballard asked if the apartments will be for rent or sale. Mr. Berry anticipates they will be for rent. These will be high end, market rate apartments designed to match the standards of the surrounding community.

Vice Chair Wilson asked if the owner intends to retain ownership of the development through construction, or would he consider selling sections to other developers or builders for exclusive development rights.

Mr. Berry explained the owner is not a builder or developer, but prefers to retain ownership throughout construction. He will partner with a design team to construct the resort and commercial components. The single-family residential lots will be sold, but he'll be involved in the design and platting of the neighborhood. He typically looks at his projects as legacy properties, preferring to retain a level of ownership.

Commissioner Stevenson inquired about the phasing plan.

Mr. Berry explained the resort will likely be the first phase, as its amenities will be an anchor. The residential component would be second, with the retail component to follow. The logic is that rooftop counts and resort numbers will help attract businesses.

Chair Harris opened the Public Hearing.

Emiliano Torres, resident, stated he is not against this development, but is concerned about the vagueness. The GPA and zoning districts provide suggestions, but do not offer any guarantees. The City is being asked to make a major commitment, but the developer isn't committing to a phasing plan, guaranteed uses, or even a construction timeline. There is no guarantee the second bridge will remain on schedule or be built. He stated it

is too early in the design phase to be making major commitments.

Bonny Toy, resident, encouraged the developer to prioritize accessibility for all residents. She is unsure of what it takes to update codes to require more stringent standards, but it sounds like there will be several years to determine ways to ensure expanded accessibility options for this project. She explained federal ADA requirements are only minimum standards and our City can do more to ensure accessibility for all.

Ms. Toy wanted to address comments on social media about residents living in apartments or Section 8 housing. These are not bad people and inferring that is demeaning. These people have value and this is not the way we should treat our neighbors.

Jarrett Portz, resident, is a local developer and owner of The Shops. He complimented the applicant's team and presentation, noting this process has been done with intention, thought, and care for the community. As a resident and developer, he is thankful to have them investing in our community. He has seen firsthand how the public can imagine the worst when it comes to growth and development, but there are many examples of developers doing great things in communities and he believes they fall into this category. City Staff is diligent in working with developers to hold them accountable and ensure codes and conditions are followed.

Mr. Portz stated it is his sincere hope this project is approved. He sees it as an opportunity to raise the bar, which can lead to more business and investment in the community. He believes the applicant's estimated permanent job numbers are low, noting with the variety of uses and resort component, he wouldn't be surprised if the permanent jobs are double or triple that when the project is complete. This project will have an amazing impact on the community.

Steve Greeley, resident, referred to the question Mr. Springberg posed during the GPA Public Hearing of, 'if not this, then what?' He spoke at Call to Public before this property went to auction and encouraged the Council to bid the minimum. In his opinion, that would have avoided all of this and City could have utilized it to expand recreational facilities and opportunities. He is not anti-development. ASLD recently auctioned off 600 acres north of town and he supports development there. There are other great development opportunities by the airport, but he wants to see the Island preserved.

Mr. Greeley stated the City has no obligation to rezone this land. ASLD owns Body Beach and additional land on the Island with more desirable beach access. Approval will set a precedent and he encouraged the Commission to reject this request. If they are compelled to do anything, then consider the resort and possibly retail to support it, but

reject the residential development as we do not need any more homes on the Island. He asked the Commission to consider the effects this approval may have on the community, the Island, and Body Beach in the future.

Shawn Buckley, CEO of Go Lake Havasu, wants to share his opinion both in a professional capacity and as a resident. This project speaks to travelers currently seeking out Lake Havasu City. Trends both locally and statewide show those with an income of \$150,000/year and greater are traveling at large right now. Any new resort, amenities, or room inventory that speaks to that demographic has their attention.

Mr. Buckley explained the opportunity to activate this space to generate revenue at a premium level is exciting from a tourism perspective. From a resident's perspective, he looks forward to improved access to this underutilized space and the amenities it will offer. When promoting Lake Havasu, they look for the destinations within a destination. The improvement and preservation of the shoreline and inclusion of residents enhances this project. He noted a previous speaker expressed concerns about ambiguity in terms of what the specific tangible end result will look like, but he believes this is an exciting opportunity for the community to promote and attract businesses they want to see. Go Lake Havasu supports this development.

Jeanette Clayton, owner/broker of Lake Havasu Vacation Rentals & Sales, represents Nautical Estates Condo Association. She thanked the team for their cooperation. They have been very good about listening to their concerns. They have had numerous Zoom meetings, resulting in changes to minimize the impact the development will have on Nautical Estates. There are still some owners that do not like the apartments, but she acknowledged others felt increasing the setback was a good compromise.

Ms. Clayton explained the stipulation regarding the wall design is a very important issue. Some residents prefer no wall, as their condos once overlooked the golf course. The open screen wall shown in the renditions may be acceptable for most residents, but they are still coming to a consensus. Ms. Clayton has questions about the phrase "mutual agreement" and needs clarification how that would work. If that section of the development was to sell, would the stipulation follow the property?

Ms. Garry explained she needs to review the stipulation and agreement before providing an answer about the City's ability to be involved in or enforce a private agreement, but the City is open to discussions for what that might look like. This is the first she has heard of the stipulation.

Chair Harris asked if a potential motion needs to address the proposed stipulation.

Ms. Garry responded that it could be included as a recommendation, or direction could be given to Staff to review the request. Her initial concerns are that it may not be beneficial for the City to be involved in a private agreement, or it may not have the authority to be involved. This does not mean it isn't something they can't discuss and overcome. If there is consensus among the Commission, they can provide direction and have Staff review it with Council, but she does not advise moving to condition it as part of the recommendation.

Mr. Thuneman noted there is a buffer requirement between these properties, but Staff can review options with the developer to see what kind of exceptions may accommodate this request before the City Council meeting.

Ms. Garry commended the applicant and Association for their willingness to collaborate and in no way wants to discourage that, the City just needs time to understand the request.

Tom Gerhartz, resident of Nautical Estates, stated the wall design is critical to the residents. Many were under the impression there would be no wall, but rather a landscape barrier that would allow access. They also discussed limiting tree height to avoid impeding views. He asked the City to find a solution, as this may be their number one concern.

John Parrott, resident, supports the rezone, emphasizing that as a Planned Development, major changes require approval. The developer has demonstrated great cooperation with the community. They have come to a compromise with the Nautical Estates and he is hopeful the City can determine a legal way to condition it. He is impressed they are offering to record an access easement for the beach, adding that he is not sure if other developers would agree to that. In its current state, this property is dangerous and ugly and he looks forward to seeing it improved.

Mr. Greeley asked if emails or letters were received in opposition to this project. Mr. Gilbert confirmed approximately 18-20 emails were received and forwarded to the Commission. A couple supported the project, but many were in opposition or expressed concerns they wished to see addressed.

Seeing no further comments, Chair Harris closed the Public Hearing.

Mr. Berry stated the mutual respect and collaboration with the Association is unique. He reinforced their commitment to exploring all options to ensure the buffer has their approval.

He thanked Mr. Portz for his support, noting that the GP calls for development that is

bold, creative and different from normal development patterns. The apartments they are developing at The Shops embody that.

Mr. Berry hopes they have the Commission's support to move forward.

Commissioner Thornton explained a hospitality and retail development of this size will require hundreds of employees and affordable workforce housing is hard to come by. That is one reason the Come Together Apartments at The Shops is such an amazing project, because it really speaks to the heart of the community. He asked if the owner would be open to considering investment in workforce housing to help address this issue.

Mr. Berry explained housing affordability is an issue he has come across in every community he has worked in and he wished he had a solution. That question is beyond the scope of anything he's discussed with his client, but they are open to future discussions about ways they can support the community.

Mr. Gilbert had two points of clarification from the Public Hearing:

- A comment was made that there hasn't been significant apartment construction in years. That is in reference to large complexes. Smaller complexes have been built.
- It is common not to do detailed engineering and building plans until land entitlements are approved due to design cost. These will be reviewed during the platting and design review processes.

Mr. Gilbert reviewed the recommendations for Code Compliance, noting the Staff will discuss the how to address the wall before presenting to Council:

- The property shall substantially match the General Development Plan.
- All off-premise directional signs permitted by the requested exception shall be approved through a sign permit process.
- Applicant shall enter into a Development Agreement with the City addressing the Developer's responsibility related to current and future infrastructure installation and maintenance.
- Building Permits and Design Review for compliance with City Codes shall be required prior to any construction commencing on the subject property.

Commissioner Ballard made a motion, seconded by Commission Lehr.

Before the call for a vote, Vice Chair Wilson reiterated her concern that they are voting on a zoning overlay, without a commitment to how these areas will be developed and the types of uses that will be included. There has been a lot of discussion and she understands their intent, but she would like to see a more concrete plan with those details.

Commissioner Lehr’s understanding is that the General Development Site plan as presented is part of the approval, so any deviations would require approval.

In response to Mr. Greeley’s question about public comments, Mr. Stevenson explained numerous emails were received, but many were from September or October, before the first Public Hearing and well before changes were made. The changes appear to have addressed many of the concerns, as evidenced by the fact that there were not many recent letters and fewer comments opposing the project, particularly from Nautical Estates residents. He wanted to make it clear they weren’t disregarding residents' comments.

With no further discussion, Chair Harris called for a vote.

Commissioner Ballard moved to recommend approval of ID 25-4968 to the City Council for a Planned Development Rezone and General Development Plan of 1040 McCulloch Boulevard North, from Golf Course District to Island Body Beach/Planned Development (I-B/PD) District to accommodate a mixed-use development with a combination of resort, marina, commercial, and residential uses and approving specific requested exceptions.

The motion was seconded by Commissioner Lehr and passed with the following vote:

Aye: 7 - Ballard, Lehr, Wilson, Stevenson, Harris, Thornton and Annett

7. CALL TO PUBLIC

Chair Harris provided an overview of Call to Public and opened Call to Public. Seeing no comments, he closed Call to Public.

8. FUTURE MEETING

The regular meeting scheduled for Wednesday, December 17, 2025, has been cancelled. The next regular meeting is scheduled for Wednesday, January 7, 2026.

9. ADJOURNMENT

Chair Harris adjourned the meeting at 12:45 p.m.

Jim Harris, Chair

Shelby Hennigan, Recording Secretary

