

David Diaz, Chair
Gabriele Medley, Vice Chair
Suzannah Ballard
Joan Dzuro
Jim Harris
Paul Lehr
Tiffany Wilson
Matthew Mitchell, Alternate
Lonnie Stevenson, Alternate
JP Thornton, Alternate



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

Planning and Zoning Commission Regular Meeting

Minutes - Draft

Wednesday, July 17, 2024

9:00 AM

1. CALL TO ORDER

Chair Diaz called the meeting to order at 9:00 a.m.

2. PLEDGE OF ALLEGIANCE

Chair Diaz led the Pledge of Allegiance.

3. ROLL CALL

Present: 8 - Suzannah Ballard, Joan Dzuro, Paul Lehr, Tiffany Wilson, JP Thornton, Lonnie Stevenson, Jim Harris and David Diaz

Absent: 1 - Gabriele Medley

Chair Diaz invited Commissioner Stevenson to take the vacant seat at the dais.

4. CORRESPONDENCE AND ANNOUNCEMENTS

Planning Division Manager Chris Gilbert provided an update on City Council actions:

- The Minor General Amendment Plan Amendment for 100 Inlet Drive.
- The Development Code Amendment to remove the maximum lot coverage for residential lots.

Mr. Gilbert explained this meeting includes the annual selection of the Commission Chair & Vice Chair. He thanked Chair Diaz and Vice Chair Medley for their service over the past year and provided an overview of the selection process.

5. SELECTION OF CHAIR

Chair Diaz asked if there were any nominations for Commission Chair.

Commissioner Ballard moved to nominate Jim Harris as Chair for the coming term. The motion was seconded by Commissioner Wilson.

Commissioner Dzuro moved to nominate Paul Lehr as Chair for the coming term. As there was no second, the motion failed.

Chair Diaz asked Commissioner Harris if he accepted the nomination. Commissioner Harris responded affirmatively. Chair Diaz called for a vote.

Commissioner Ballard moved to select Jim Harris as Planning & Zoning Commission Chair, seconded by Commissioner Wilson. The motion carried with the following vote:

Aye: 6 - Ballard, Lehr, Wilson, Stevenson, Harris and Diaz

Nay: 1 - Dzuro

6. SELECTION OF VICE CHAIR

Chair Diaz asked if there were any nominations for Commission Vice Chair.

Commissioner Ballard moved to nominate Tiffany Wilson as Vice Chair for the coming term. The motion was seconded by Commissioner Harris.

Commissioner Wilson accepted the nomination. With no further discussion, Chair Diaz called for a vote.

Commissioner Ballard moved to select Tiffany Wilson as Planning & Zoning Commission Vice Chair, seconded by Commissioner Harris. The motion carried with the following vote:

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

Chair Diaz stated that he enjoyed his time serving as Chair, praised the Commission for their service to the community, and thanked them for their time. He turned the gavel over to Commissioner Harris. Chair Harris thanked Commissioner Diaz for his service.

7. MINUTES

Commissioner Diaz moved to approve the Minutes of the June 19, 2024, Planning & Zoning Commission Regular Meeting, seconded by Commissioner Ballard. The motion carried with the following vote:

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

[ID 24-4313](#) Approval of the Minutes of the June 19, 2024, Planning & Zoning Commission Regular Meeting (Shelby Hennigan)

8. PUBLIC HEARING

Chair Harris provided an overview of the Public Hearing process.

[ID 24-4372](#) Request to Approve Resolution No. 24-08, Amending the Parking-In-Common Masterplan for 1780 McCulloch Boulevard N, Tract 2345, Block 1, Lot 3 (Trevor Kearns)

City Planner Trevor Kearns reviewed the Staff Report [displayed PowerPoint], highlighting the following:

- The subject property is located on McCulloch Boulevard N between Capri Lane and Riviera Boulevard.
- The property and the abutting lots are zoned Commercial - Commercial Health District (C-CHD) and developed as commercial uses.
- The original Parking-In-Common (PIC) Masterplan was approved in 1994 for Tract 2345 and includes Lots 1 through 4.
- It allowed K-Mart to expand the garden center by relocating parking spaces to Lot 3. Prior to the PIC Amendment, Lot 3 had a building pad.
- This request would restore the building pad to Lot 3 and includes parking for future development.

Mr. Kearns explained the proposed site plan has 494 parking spaces, which is only 22 less than the approved plan. The owner has approval from three of four property owners within the PIC area.

Ivan Betencourt, Selberg Associates, advised a parking calculation was done to ensure the proposed office would not have a negative impact on the existing retail businesses. It determined there is sufficient parking to support future development.

Chair Harris opened the Public Hearing. Seeing no comments, he closed the Public Hearing.

Mr. Kearns stated that based on the findings, the Development Review Committee Recommends approval of Resolution No. 24-08, approving Land Use Action No. 24-4372, amending the Parking-In-Common Masterplan for 1780 McCulloch Boulevard N, Tract 2345, Block 1, Lot 3, with the following conditions:

1. The development shall substantially match the Site Plan/New PIC Masterplan submitted with this application.
2. Design Review to ensure compliance with all applicable City codes, including driveway locations and parking, is required prior to development of the properties.
3. Any deed restrictions that need to be amended are required to be recorded with Mohave County.
4. The required 10-foot landscape area along McCulloch Boulevard N will be located between the future building and the 6-foot sidewalk easement.

Commissioner Diaz moved to approve Resolution No. 24-08, approving Land Use Action No. 24-4372, amending the Parking-In-Common Masterplan for 1780 McCulloch Blvd N, Tract 2345, Block 1, Lot 3, with the conditions recommended by Staff.

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

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

[ID 24-4378](#) A Request for a Major General Plan Amendment Revising the Future Land Use Map Designations for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13 and 21 through 23, and Block 5, Lots 1 through 9, 14.08 Acres, from High Density Residential to Resort Related-Mainland (Chris Gilbert)

Mr. Gilbert explained this is the second of three Public Hearings for the Major General Plan Amendment (GPA). The first was on June 19, 2024. Following this Public Hearing, Staff will present a request for a Planned Development/Rezone (PD/Rezone). The third Public Hearing will be held before the City Council on August 13, 2024.

Mr. Gilbert reviewed the Staff Report, noting the following:

- The subject property is 15 lots combined into one 14.08 acre parcel.
- It has a General Plan Land Use Category of High Density Residential (HDR), which permits up to 20-dwelling units per acre and is compatible with a large part of the surrounding area.
- The request is for a Land Use Category of Resort Related-Mainland (RE-MLD) to allow a mixed commercial and residential resort style development.
- The properties to the north are commercial-mixed use with light industrial development, including storage units and a warehouse/manufacturing facility.
- To the east and west are HDR land uses, with the properties to the west developed primarily as condos and apartments and mostly vacant land to the east.
- The adjacent properties to the south have a HDR land use, but have been developed for single family residential use. While the land use category for these properties is HDR, they are zoned Single Family Residential (R-1) District.

Mr. Gilbert explained the applicant proposes a three-phase resort style development with a surf pool, cliff diving feature, restaurants and retail, and a combination of condos and apartments. The specific details will be reviewed during design review. The development plan and traffic study are in the agenda packet. Staff received two letters from community members unable to attend today, which will be read into the record during the Hearing.

Commissioner Lehr inquired about the City's remaining vacant multifamily property and asked how this project will impact it. Mr. Gilbert explained Staff looked at all districts that allow multifamily development and determined this project would consume approximately 9% of the remaining vacant multifamily property.

Applicant, Austin Springer with Studio KDA, reviewed his presentation:

- The project will be developed as three phases, with the first to include a building

of approximately 46 units, two restaurants, and the primary amenities. The total build out will be approximately 221 units.

- The scope of this hearing is the land use change of HDR to RE-MLD, which is requested so the amenities can be open to the public.
- They envision this project serving the community as whole, in addition to visitors. It will offer state of the art amenities, including the wave pool and a lagoon, as well as restaurants and a deli for grab-and-go items.

Mr. Springer explained that in addition to the two Public Hearings, they hosted a neighborhood meeting in January 2024. They have tried to address public comments by providing more information and making changes to their design where indicated. He provided the following in response to concerns brought to their attention:

Traffic:

Traffic is a major concern of the public. They commissioned a traffic study by a licensed traffic engineer and worked with City Staff to determine an appropriate scope. After concerns were voiced that the study undercounted winter traffic, the traffic engineer provided an addendum with an increase of 15%. With a 15% increase in traffic, the recommendations for the first two phases are unchanged, with no major upgrades warranted. However, the 2030 traffic calculations show that, even without this development, the intersection at Lake Havasu Ave N and Bahama Ave will fall below an acceptable level of service. The addendum includes recommended improvements.

Water Conservation:

Water use is another concern. Mr. Springer explained that while there will be pools, their use is relatively low in comparison to the City's overall use. Many single-family homes have private pools, whereas their amenities will serve 221 units and the public, making it more efficient in terms of gallons per unit. They have spoken with City officials who confirmed the City has a water supply for an estimated 100,000 residents, which exceeds the current number of residents and future growth.

They have chosen drought tolerant plants, such as desert willows, ironwoods, and others that have low water demand once established. Additionally, they will utilize StormTech retention basins to conserve a portion of the water that falls on the paved sites.

Noise:

They believe this project will help move noise from vacation rentals in single-family neighborhoods to a more appropriate place. To address noise concerns, they have proposed a 100-foot landscape buffer from the residential lots and will offer 24-hour professional management to field complaints and ensure compliance from guests.

Fire & Safety Concerns:

Mr. Springer explained concerns were brought up regarding building safety and the capacity of the City's emergency services. With modern building and fire codes, these buildings are quite safe. They will be fire sprinklered and constructed with Type 3-A, or protected wood, construction making them significantly safer than a typical single-family home or multifamily building with unprotected wood construction. The City recently approved a design contract for Fire Station No. 7, which he hopes will alleviate concerns about response time and staffing.

Density:

Mr. Springer explained their development will be approximately 220 units. The zoning currently allows 20-units per acre, or about 300 units. Their proposal is about 75% of the allowed density. The development will be split between apartments and condos with professional management. They will not be offering time shares.

Mr. Springer concluded his presentation for the GPA request, noting he will have additional information during the next presentation.

Commissioner Stevenson asked why the developer decided on this location and why they believe it is a good location for the project.

Mr. Springer explained Lake Havasu is a prime location for tourism. Data and statistics show a lot of interest in the City, which is one of the reasons they chose it. As far as the site, it was the best, large site compatible with the type of development and use.

Commissioner Stevenson asked if other locations were considered and if the lots were combined when they were purchased.

Mr. Springer stated they completed the lot combination process. The lots were previously under a different development plan, although he is not sure of the specifics. The current ownership team began the process of purchasing the property about 5-6 years ago. There aren't many other sites in the City that match the size and needs of this project, so this location was an obvious choice.

Commissioner Stevenson asked if an outside agency was hired to do the traffic study and what criteria was provided.

Mr. Springer confirmed an independent traffic engineer completed the study. They reached out to the Assistant City Engineer to discuss the criteria to ensure the data collected reflects the City's standards. The Assistant City Engineer also spoke directly with the traffic engineer throughout the process.

Chair Harris asked how they came to an increase of 15% for winter traffic estimates.

Mr. Springer is not sure of the specifics, but believes the traffic engineer spoke with City Staff and looked at data from other areas. He found anecdotal evidence in his research suggesting an increase in that range, but specific data for winter traffic is difficult to find.

Referencing the addendum that states the intersection of Lake Havasu Ave N and Bahama Ave will require traffic upgrades by 2030, Commissioner Diaz stated any upgrades should be paid for by the developer, not the taxpayers. He questioned the claim this project will alleviate pressure from vacation rentals, noting he isn't sure that will prove to true.

Commissioner Ballard explained visitors who utilize vacation rentals generally have boats or RVs and asked where they designated parking to accommodate those guests.

Mr. Springer explained boats and RVs were a huge consideration in their design. They provide well above the required parking for the proposed uses. Many of their parking areas are designed as back-to-back aisles, measuring 40-feet deep, which can be used by multiple vehicles or trailers. On the northwest side, they have deeper pull through sites for RVs or large boats. There are also a handful of tandem spots to accommodate a family with multiple cars or an RV with a car or trailer. To the east are 45-foot diagonal spaces. They worked with a civil engineer to ensure RVs and trailers can navigate the site.

Referencing the traffic study, Commissioner Stevenson noted the scope details multi-family residential units, 10,000 sq. ft. of restaurant space, and 1,900 sq. ft. of retail, but recent discussions focused on the resort component. He has several concerns:

- Resort use will result in more traffic than residential use and that may not be properly represented.
- He doesn't see a reference to traffic for day-use of the pool.
- The data was collected in September, between the busy summer season and the arrival of winter visitors. He feels the data is lacking information to support resort use during peak tourist season.

Mr. Springer acknowledged a resort may have higher traffic during a weekend, but much of the traffic observed came from the industrial facility and the apartment complexes next door, which generally have higher weekday traffic, which explains the traffic count windows in the study.

Commissioner Diaz stated there are about 61,000 full time residents, with the winter population swelling to 85,000 to 90,000. That is about a 45% increase, which is not accurately represented with the 15% increase.

With no further questions from the Commission, Chair Harris opened the Public Hearing.

Katrin Phillips, resident, stated her concerns still stand regarding noise, traffic, and lighting. She provided information about the developer's project in Mesa, AZ, Cannon Beach, explaining the site is in an industrial area, not a residential area. She presented a nighttime illustration from their website, noting there will be substantial light pollution. She strongly objects as a neighbor living adjacent to the property.

Ron Phillips, resident, highlighted concerns about traffic on Lake Havasu Ave N and Bahama Ave, noting speeding and accidents are already an issue. Additionally, the second bridge is planned to connect close to Palo Verde Blvd, which will cause an increase in traffic that is not considered in the numbers. He expressed further concerns about light pollution, adequate parking, and water.

Cindy Ritter, resident, expressed concerns about light pollution, water use, traffic, staffing, and affordable housing. She believes this project should be located closer to the lake and may take resources away from residents who lack access to affordable housing.

David Tobar, resident, explained his neighborhood is already affected by heavy traffic and noise. This project will only compound those problems. He asked if there will be limits on their hours of operation. Other concerns include parking on the street, the cost of upgrading streets and traffic lights, water consumption, building height, and staffing. He encouraged the Commission to reject the request.

Mathew Thiebaud, resident, lives full time on Rainbow Ave N and would not have bought his home if it was this close to high-density development. He questioned building a resort in an industrial area and asked if the developer has ulterior motives for building a high-density development to obtain federal housing contracts.

Kelly Chapman, resident, stated that as an owner of multifamily apartments, she is concerned a project of this size may result in existing rental units being unfilled and falling into disrepair. She has heard reports of soil contamination in the area and while she does not know the specifics, she encouraged the City to look into it for residents' safety.

Dave Wijnhamer, resident, is concerned about the strain this will put on streets, infrastructure, and emergency services. Industrial Blvd experiences a high level of traffic in the summer, so it will be impacted as well. He inquired about parking for day-use guests. He is concerned inadequate staffing could cause problems not just for the resort, but the City, noting that some local businesses already struggle to maintain adequate staff.

Donna Durenberger, resident, stated Mr. Springer said they will 'take the noise out of the neighborhoods and put it where it belongs,' but this will move noise to her neighborhood. Additional concerns include obstruction of views, light pollution, traffic, water use, and the impact on property values. She asked if the applicant will fill in the washes.

Agnes Skadski, resident, is here with several neighbors from Rainbow Ave N. She loves her neighborhood and view. This project will obstruct their lake view, which was a huge reason they chose their home. The large buildings will impose on their privacy and enjoyment of their backyard and pool. Traffic, lights, and noise will affect their neighborhood.

Martin Standsberry, resident, owns property on Bimini Lane, adjacent to one of the proposed driveways. He is neutral on this project. He acknowledged many concerns expressed are legitimate, but it is his understanding the current zoning allows a 300-unit apartment with the same pool, the same lights, and the same traffic issues. His biggest concern is the intersection at Lake Havasu Ave N and Bahama Ave. It has been a disaster since the median was installed and he would like to see it fixed. It will remain an issue whether or not this property is developed.

Emiliano Torres, resident, stated the parking lot looks difficult to navigate with a large trailer, especially at night when parking is full. They can't guarantee people with compact cars won't use the trailer parking, which may result in trailers parking on the streets. He asked if the traffic study considered that a significant amount of the traffic will be pulling trailers, which can make turning on and off Lake Havasu Ave N more dangerous.

Ashley Cronin, resident, explained she attended today hoping to ask the City Council if they had information about migrants being house in the City. She echoed Mr. Thiebaud's concerns about ensuring transparency in the community and about the developer's intentions.

Taylor Harrison, resident, understands neighbors feeling the way they do about a 5-story building, but the property could be developed with a 300-unit project under the current zoning. This is a desirable community and people want to be here. The decision made on this project will set a precedent for future development and there are a few considerations he would like to mention:

- Commissioner Diaz mentioned there is about a 45% population increase in the winter, but that doesn't necessarily equal a 45% increase in traffic throughout the City, although he agrees 15% may be a little low.
- Staffing has been mentioned several times. This is the first time he has heard people say new jobs are a bad thing. He believes new jobs are good for the community. The condos haven't been discussed much and he is intrigued to

see if they could help address the housing shortage.

He understands many people today are against the project, but he sees both sides and can see why the developer chose this property, noting its proximity to the Windsor boat launch and the limited commercial property available for projects this size.

Bonny Toy, resident, encouraged the public to speak up on subjects they are concerned about. She asked about the difference between HDR and RE-MLD land uses and if The Views is an example of RE-MLD.

Mr. Gilbert explained the current HDR land use allows a high-density apartment complex with pools and amenities for residents, but to open those amenities to the public they are requesting a change to RE-MLD. RE-MLD will also allow commercial uses, so they can include restaurants and retail space. The Views has mixed-use components, but is a different classification.

Kathy Quist, resident, lives adjacent to the property and believes the project is wrong for the neighborhood because the light, building height, and traffic will have a negative impact on surrounding homes.

Jim Quist, resident, agrees with comments made by previous speakers. He explained the City thought tiny homes would be a solution to the affordable housing issue, but the tiny homes became unaffordable due to high rents and out of town investors. He questioned if this project would remain affordable for the community.

Gary Davis, resident, stated it is difficult year-round to get from Papago onto Lake Havasu Ave N and believes traffic will affect all the adjacent streets. He stated there is plenty of vacant land and suggested the City give them land somewhere else if the revenue is important. They don't want this development in their neighborhood.

Jim Mitchell, resident, stated he is not a NIMBY, but has very real concerns about the traffic and the traffic study. He invited the Commissioners to try to turn on to Lake Havasu Ave N from Bahama Ave. They see the intersection from their window and observe many people using the carwash parking lot to avoid the intersection because it is difficult and unsafe. Carwash staff and others utilize Bahama Ave for parking, adding to the congestion and limited line of site.

Ms. Durenberger asked if the developer has any intention of making this affordable housing and if the traffic study looked at Rainbow Ave N or considered the use of trailers.

Mr. Wijnhamer supports new business but is concerned this will take employees away from mom & pop shops. He pointed to The Shops being mostly vacant as an example of

the impact the staffing shortage has on the City.

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

Cole Cannon, the primary developer, stated he has no intention for this project to fail and would like to address some of the comments made regarding his intentions and character. He explained they began looking in Lake Havasu City because they were told it was open for business and very forward thinking in a sense that it embraces new business and opportunities. The surf feature will be one of only six facilities like it in the world, so it is a very unique feature that will put the City on the map. Lake Havasu has an atmosphere of adventure and outdoor activities, and they think it will compliment that energy.

He explained he is a father of 6 children and when they visit Lake Havasu they either rent multiple hotels rooms, or an Airbnb. They are looking to create a property that offers big families or extended families options varying from a single room to multi-room suites. As a renter, he considered what features and amenities families like his look for. They'll offer onsite amenities like pools and restaurants, without the discomfort of being wedged into the middle of a neighborhood. His intention is not for this project to fail.

Mr. Cannon stated if Lake Havasu City is not open for business and does not want to see this kind of project, they respect that decision, but would rather know that now. The current zoning allows approximately 280-dwelling units and as the public has expressed, low-income affordable housing is a primary concern in the community. They could look at options to develop it that way, but even apartments will result in additional lighting, noise, traffic, and parking issues. They are looking to bring something unique to the community and looked at the land's proximity to the industrial area as a good thing, because it helps minimize the impact on residential areas. They appreciate all the concerns that have been voiced and are doing their very best to address them, but if they ultimately end up selling the property, the neighborhood may still end up with a large apartment complex built there. He is cheering for the project as a tourist and a family man and believes they can build a great, unique asset that will enhance the community.

Chairman Harris thanked Mr. Cannon for his comments and invited Mr. Springer back to the podium.

Mr. Springer addressed the following comments from the public:

Lights:

The City has an exterior lighting ordinance they will comply with. It limits the directionally of lights, mandates shielding so light is cast downward, and limits light trespass, which is how close lights can be to property lines.

Noise:

The site was strategically designed for central amenities to be surrounded by buildings to help shield surrounding properties from noise. They have proposed significant landscape buffers from the residential areas to provide further protection.

Wash Infill:

It was asked if they would be filling in washes around the site. Mr. Springer confirmed they will not. Those areas are important to the overall drainage of the area. As show on the site plan, they will level out the existing building pads adjacent to Bahama Ave.

Traffic & Parking:

They hear the public's concerns about traffic. They are proposing a density much less than what is currently approved for the site, so under a different scenario, there could be more units with increased traffic.

Regarding parking, the minimum required parking is 1.5 spaces per unit, but they are proposing about 2.5 spaces per unit, with an additional 50 spaces for RVs. Their plan has some variation in the configuration, because many of the car sites can be configured for trailers, but they have designed it to accommodate RVs, boats, and trailers.

Affordability:

They don't have specific cost figures yet, but Mr. Springer reiterated the concept they present is designed to draw some of the Airbnb business out of residential neighborhoods, which will help to ease the issue of housing affordability and availability.

Site Selection:

Mr. Springer explained this was the only commercial site over three acres available for development at the time of their search.

Soil Contamination:

Mr. Springer stated they were not provided information during the property sale indicating soil contamination, but it is standard practice during development to do boring and other tests. If contamination is found, they will go through the proper channels to address it.

Phasing:

The proposal includes all phases of the project and is the design they hope to develop. There may be minor changes to accommodate engineering, but any significant changes would require them to come back to the City for approval.

Mr. Springer reiterated they are seeking to build less units than allowed under the current

zoning. The GPA will allow them to open the amenities and features of the development to the public. The City's General Plan supports this type of use and development in the community. More information on that can be found in the City's Staff Report.

Mr. Gilbert read two letters of objection into the record. The letters were sent by the following residents via email:

- David & Joy Stumbo
- John Lawson

Mr. Gilbert explained Staff looks at a variety of things when considering a recommendation for a project, including compliance with codes and the General Plan components that support the request. The Staff Report outlines the General Plan components supporting the request.

Mr. Gilbert stated that based upon support for the proposed amendment by numerous sections of the 2016 Lake Havasu City General Plan, and complying with Arizona statutory requirements for consideration of any major amendment to the aforementioned Plan, the Development Review Committee recommends the Planning Commission forward a recommendation of approval to the City Council for Land Use Action No. 24-4378, a Major General Plan Amendment revising the Future Land Use Map Designations for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13 and 21 through 23, and Block 5, Lots 1 through 9, 14.08 Acres, from High Density Residential to Resort Related-Mainland.

In reference to the property's history, Mr. Gilbert explained a PD/Rezone was approved by City Council in 2005 for a development called Sonoran Hills. It was to be a multifamily development comprised of apartment buildings 2 to 4 stories high and was ultimately not built. In 2020, the City Council approved a request to remove the PD overlay, changing the zoning from R-M/PD back to R-M. The previous PD doesn't have any bearing on this request, but as there were questions about the property's history, he wanted to make note of it.

Chair Harris made several observations:

- He acknowledged a problem with traffic at the Lake Havasu Ave/Bahama Ave intersection and agreed their traffic estimates may be low. The property could be developed with nearly 300 residential units without City approval, so traffic is a moot point. He suggested the City look at that intersection regardless.
- The applicant is proposing a project with less units than the current zoning allows.
- There is a lot of vacant land surrounding the City, but most of it is government owned and not for sale. There are few large commercial sites, so he understands why they chose this site.

- This item is for a change in the General Plan only. He doesn't have an objection to that request. He has other concerns and will share them during the discussion on the next item.

Commissioner Dzuro explained she has a problem amending the General Plan to allow public access and resort use and had the following comments:

- She thanked the applicant for the addendum to the traffic study, but is not sure if 15% is adequate. She suggested the City consider requiring future traffic studies to be done during high travel months.
- She is a strong advocate for affordable housing, not just low-income housing, but housing that professionals, medical workers, teachers, police officers, etc. can afford. The current land use designates this property as multifamily, but this will have hotel components, taking away from the housing aspect. She isn't sure if pulling business away from some vacation rentals will adequately address the affordable housing issue.
- The 5-story height is a concern, as this will be one of the tallest buildings in town. She questioned the location, noting it is not walkable to other businesses or points of interest, which may result in more traffic.
- She agreed staffing is a concern when considering a change from residential to resort use. Even excellent recruiters cannot recruit staff if they are unable to find a place to live. This is a problem facing many businesses. She would rather this land remain designated for residential use, to help encourage that kind of development.

Commissioner Dzuro explained that she likes the plan and Havasu is open for business, but she doesn't believe this is the right location and doesn't support changing the residential land use designation.

Vice Chair Wilson spends a significant part of her day working in the affordable housing sector. It is a very complex issue, which she is happy to discuss outside of the meeting. She thinks there may be a misconception between the affordability of what is needed and what can actually happen. She explained the high costs for a developer to design and build a large project often do not result in affordable housing. A number of new projects have been built to try to address this problem, but due to a variety of factors, they are experiencing some vacancies and the issue has not improved.

She agrees that as the land use currently allows a high-density development with a private pool, concerns regarding light pollution, water usage, noise, and traffic are things that will need to be addressed regardless. The applicant is proposing a density drastically less than the allowed 300 units, which may help reduce the actual impact of some of these things. She has concerns regarding the next item that she will discuss then, but believes opening this project to the public will help make development more viable

Commissioner Ballard clarified this vote is only for an amendment to the General Land Use Plan, and not approval of a Planned Development. She agrees the proposal would help to reduce the density, contribute to better use of the land, and a more viable project.

Commissioner Lehr explained his primary concern is the proximity of resort and business uses to single-family homes. The nature of the General Plan is to utilize multifamily use as a transition to reduce the impact of commercial use on single-family properties. The resort component changes the nature of what a well-designed multifamily development would bring to the area.

Commissioner Diaz stated the City will be starting the process to update the General Plan, which will be ratified by voters in 2026. He acknowledged affordable housing is a relative term, but would like to hold off on making a major change to residential land designations until there can be more discussion and public input on the City's overall plan and direction.

Commissioner Stevenson explained he works in lending and discusses the issue of affordable housing daily. The average resident considers an affordable payment to be about \$2,000/month. With low down payment option and current interest rates that's a price point of about \$225,000-250,000, which is just not currently attainable in Havasu because of land and construction costs.

Regarding this project, he sees a huge difference in the impact a resort component will have on the neighborhood in compared to long-term residential use. The traffic count doesn't provide a clear picture of what traffic might look like for a resort during peak travel seasons and the counts do not appear to consider the multifamily projects currently under construction on Bahama Ave.

He thanked Mr. Springer and Mr. Cannon for their willingness to work with the City and recognized they have made an extreme effort to try to minimize the impact the project may have on the neighbors by moving development to the interior of the property, installing large buffers, and arranging buildings in a way to shield noise. This may still be a case of a round peg in square hole when it comes to the specific location.

Commissioner Dzuro noted that she supports affordable housing in the form of rentals and this property has the appropriate zoning for apartments.

Commissioner Diaz moved to recommend denial of Land Use Action No. 24-4378. The motion was seconded by Commission Dzuro.

Chair Harris clarified that a 'yes' vote would be a vote to recommend denying the

approval of the action, while a 'no' vote would be to recommend approval. He called for the vote.

Commissioner Diaz moved to recommend that the City Council deny Land Use Action No. 24-4378, a Major General Plan Amendment revising the Future Land Use Map Designations for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13 and 21 through 23, and Block 5, Lots 1 through 9, 14.08 Acres, from High Density Residential to Resort Related-Mainland.

The motion was seconded by Commissioner Dzuro and carried with the following vote:

Aye: 4 - Dzuro, Lehr, Stevenson and Diaz

Nay: 3 - Ballard, Wilson and Harris

[ID 24-4379](#) A Request for Approval of a Planned Development Rezone and Multi-Phased General Development Plan for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13 and 21 through 23, and Block 5, Lots 1 through 9, 14.08 Acres, from Residential Multiple-Family (R-M) to Residential Multiple-Family/Planned Development (R-M/PD) to Accommodate a Resort-Style Development with a Combination of Commercial and Residential Uses and to Allow a Maximum of 65-feet Above the Approved Designed Building Pad Height for Each of Six Residential Multiple Family Buildings (Chris Gilbert)

Chair Harris asked how the vote on the previous request affects this item. City Attorney Kelly Garry explained the Commission is voting to make a recommendation on each item, so they should proceed as they would for any other item of business.

Mr. Gilbert provided an overview of his Staff Report [displayed PowerPoint], highlighting the following:

- He reviewed the site location and General Plan Land Use Designations.
- When the 2016 General Plan was adopted, a significant portion of the area was designated as High Density Residential (HDR), despite some of the properties being zoned as Residential Single-Family (R-1) District. The R-1 properties are to the south of the subject property and developed for single-family use.
- The subject property and the properties to the east and west, are zoned Residential Multiple-Family District (R-M).
- The properties to the north are zoned Light Industrial (LI) and developed as such.
- This application seeks to amend the Zoning Map designation to Residential Multiple Family/Planned Development (RM/ PD) with a 3-Phase General Development Plan.
- He reviewed a conceptual site plan, showing six 5-story residential buildings, a

- commercial/restaurant building, and pool amenities.
- The conceptual plan was reviewed by City departments and local agencies, including the utilities. There were no major comments specific to the site design. They will need to work with the City Engineering Division to address comments related to the traffic study.
 - The Fire Department confirmed they have resources and equipment necessary to serve buildings this size. The design will be reviewed to ensure it meets all codes.
 - If approved, the Planned Development/Rezone (PD/Rezone) request would allow a height exception. The project would need to substantially match the site plan. Approval of the PD/Rezone is contingent on City Council approving the previous GPA request, to ensure the conformity with the land use designation.

Commissioner Stevenson asked how the designated building pad heights were calculated.

Mr. Gilbert explained the base grade is the highest point of Bahama Ave, plus 1-foot. Because of natural elevation changes, when that base grade is carried out across the lot, there could be very tall buildings on the west side of the property. The natural slope means that significantly higher buildings than what are normally allowed could be built, even without a PD Overlay. However, in this case the applicant is requesting a 65-foot height allowance for each building pad.

Commissioner Stevenson inquired about the elevation change. Mr. Gilbert confirmed it is approximately 45-feet, noting there is a caveat that maximum height is reduced from 30-feet to 18-feet for lots adjacent to single family homes, but it could still result in multiple-story buildings for the lower portions of the property.

Commissioner Stevenson stated building height has always been a concern for development and it seems when lots are combined, the developer sometimes gains an advantage to utilize elevations for greater heights than what would normally be allowed based on the original property markers.

Jeff Thuneman, Development Services Director, explained the site will be evaluated by a civil engineer, who will determine the approved design pad height for each building and the building height will be based on the individual pad height. It is anticipated that, due to the natural topography of the site, all of the buildings will be 65-feet, but some will have a lower pad height to follow the contours of the land.

Austin Springer, Studio KDA, stated he won't revisit all the details discussed during the previous hearing and will focus on density, height, and traffic. Using several different metrics, their proposal is significantly less dense than what the R-M District allows. The zoning allows for buildings up to 30-feet in height and when the elevation changes are

taken into consideration that could result in a multi-story buildings. The R-M District allows up to 60% lot coverage, which is approximately 750,000 sq. ft. of development. They are proposing about 430,000 sq. ft. of lot coverage. They did this intentionally to concentrate the development into fewer, more efficient buildings and to maximize space for parking and buffer zones. This will be a high quality project that offers plenty of parking so guests will not need to park on the street. They also want to maximize space for landscaping and natural buffer zones. They are asking for exception to the height so they can limit the project's footprint from encroaching near residential homes, but are not proposing to build the property out to its maximum density.

Displaying an updated site plan, Mr. Springer explained they relocated a main ingress/egress point in response to neighbors' concerns about its proximity to 'deadman's curve.' It was moved further down to a straight-away area, which should alleviate safety concerns related to view-distance.

Mr. Springer displayed a second design which showed a rendition of how the site could possibly look if it was built in compliance with the currently allowed height, unit numbers, and lot coverage. There would be more buildings, less parking, and smaller buffers between the adjacent single-family homes. They tried to size the project appropriately for the topography and the location, and the additional height will allow them to do better job of that while still offering high quality amenities and generous parking.

Commissioner Lehr asked for details about the landscape buffer. Mr. Springer explained the trees will be along the edge of the parking lot, not in the wash, and will act as a buffer to screen the parking lot and block lights.

Chair Harris opened the Public Hearing.

Mathew Thiebaud, resident, stated everything he has indicates his house is in an R-1 District. This is the first time he's heard the land use designation is HDR, possibly with the intention of being part of a buffer zone. His home, and those around it, are all developed as single-family homes and it is unfair to remove the buffer zone protecting them from commercial uses. He explained he would likely have less objection to the project if it was two-stories, but five-stories is too much for a neighborhood and this could set a dangerous precedent for the City.

Donna Durenberger, resident, asked about the timeline for the total build out, noting she doesn't want to endure years of construction in her neighborhood.

Bonny Toy, resident, inquired about the number of ADA parking spaces, noting the layout doesn't seem convenient for those with mobility issues. She asked how the public can

ensure special needs issues are better addressed for future projects.

Chair Harris explained ADA requirements are dictated by state and federal laws and their plan will be required to meet those standards. Mr. Thuneman noted today's review is only a conceptual plan, which provides an overall layout of the site, but doesn't include those kinds of details. Specifics details related to ADA accessibility and parking lot design will be reviewed thoroughly by Staff during the design review phase.

Martin Standsberry, resident, explained he was initially neutral on the project, but after seeing the presentation and learning more about how the site could be utilized for maximum coverage and density under the current zoning allowances, he leans towards approval. The proposed layout and reduced density makes more sense and is a better use of space. He noted several Commissioners cited concerns about noise, traffic, and lighting as reasons to vote against the project, but those issues will exist with apartments.

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

Mr. Gilbert stated that based on the findings, the Development Review Committee recommends the Planning Commission forward a recommendation of approval to the City Council for Land Use Action No. 24-4379, approving a Planned Development Rezone and Phased General Development Plan for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13 and 21 through 23, and Block 5, Lots 1 through 9, 14.08 acres, from Residential Multiple-Family (R-M) to Residential Multiple-Family/Planned Development (R-M/PD) to accommodate a resort-style development with a combination of commercial and residential uses and to allow a maximum of 65-feet above the approved designed building pad height for each of six residential multiple family buildings with the following conditions:

1. Maximum building height for the six (6) residential buildings shown on the General Development Plan shall not exceed 65 feet in height above the approved designed building pad height for each residential structure.
2. The property shall substantially match the conceptual Site Plan provided with the request. Any substantial change shall require returning to the Planning Commission and City Council for a new fully noticed public hearing process.
3. Building Permits and Design Review for compliance with City Codes shall be required prior to any construction commencing on the subject property.
4. All noise ordinance requirements shall be required to be followed by this project during construction and thereafter during regular operations.

Commissioner Dzuro reiterated concerns about the height, noting they will be some of the largest buildings. Due to lack of housing, she is very concerned about their ability to find adequate staffing for a resort. She complemented the project design and thinks if they

choose to develop the property as apartments they will be of great benefit to the community, but has a problem with putting a resort component in a location designated for multi-family housing.

Vice Chair Wilson supports the project with the resort components. She likes the steps they've taken to address concerns from the neighborhood and how they propose to utilize the site layout and density. However, the specific height being requested is a concern, especially given the proximity to residential homes.

Commissioner Ballard stated she sees this as a viable and high-quality development. She has concerns about the traffic study, but agreed it is a moot point as high density residential development on the lot will also result in increased traffic. The intersection of Lake Havasu Ave N and Bahama Ave is an intersection that should be looked at because any additional growth in this area will have a significant impact on it.

Commissioner Ballard explained she considers the height of the buildings to be an invasion of privacy for the nearby residents. The General Plan calls for buffer zones to provide relief to residential properties from higher impact uses, and buildings this high don't seem to be an adequate buffer for the residents.

Chair Harris agrees this is a viable project, but shares concerns about the building height. He suggested that a reduction to three stories might be more acceptable to the community, but overall he thinks this is a good project.

Vice Chair Wilson moved to recommend the City Council deny Land Use Action No. 24-4379. The motion was seconded by Commissioner Ballard.

Chair Harris brought the motion back to the table for discussion. He explained the motion is for an outright denial of the request, but the Commission has the option to add conditions to their approval. For example, if height is the objection, the Commission could entertain discussion to approve the request with a height limitation. He explained the process for amending the motion and asked if there was interest exploring that option.

Commissioner Diaz recommend the Commission vote on the motion as presented. If the applicant would like to make changes to their design, they have the option to present it to the Commission once they've made their changes.

With no further discussion, Chair Harris called for a vote on the motion as presented.

Vice Chair Wilson moved to recommend that the City Council deny Land Use Action No. 24-4379, approving a Planned Development Rezone and Phased General Development Plan for 1850 Bahama Avenue, Tract 115, Block 4, Lots 11 through 13

and 21 through 23, and Block 5, Lots 1 through 9, 14.08 Acres, from Residential Multiple-Family (R-M) to Residential Multiple-Family/Planned Development (R-M/PD) to accommodate a resort-style development with a combination of commercial and residential uses and to allow a maximum of 65-feet the approved designed building pad height for each of six residential multiple family buildings.

The motion was seconded by Commissioner Ballard and carried with the following vote:

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

[ID 24-4380](#) Request to Amend City Code Sections: 14.02.03.E, Table 2-6, to Increase the Maximum Density in R-3 District from 10 Dwelling Units Per Acre to 16; 14.04.01.A.1, Table 4.01-1, to Revise the Min/Max Density in R-3 District from 4-10 Dwelling Units Per Acre to 4-16; and 14.04.01.A.1, Table 4.01-1, to Revise Maximum Height of Developments Adjacent to Single and Two-Family Uses Existing Prior to the Effective Date of the Development Code in R-SGD District From 18 Feet to 30 Feet

Mr. Gilbert reviewed his Staff Report [displayed PowerPoint], noting this proposed text amendment encompasses two minor changes.

The first amendment is to increase the allowed maximum density of properties in the Limited Multiple-Family Residential (R-3) District from 10 dwelling units per acre to 16 dwelling units per acre. Staff believes this change will help facilitate new development by allowing greater variation in design and increased units to help make projects more financially feasible. The District permits a maximum height of 15-feet and many of these projects are built on smaller lots, resulting in density issues that cause these projects to require a Planned Development (PD) overlay. He provided an example of a recent project that was approved for a PD. The projects go through the design review process to ensure they meet minimum parking standards, have covered parking, and proper trash enclosures.

He explained there are some developers currently interested in developing smaller R-3 properties, and this increase would allow them to build four units instead of three, so the unit increase isn't drastic, but it can make a huge difference in terms of affordability for future owners or tenants. This proposed change will hopefully increase affordable housing options.

The next amendment will only affect the Residential Southgate (R-SGD) District and will not apply to all residential districts. The District use to be referred to as R-4, which was a multi-family zone. It was created to provide a buffer between US-95 and the adjacent Commercial Southgate District. The base height is 42-feet, with limitations for lots next to existing residential development. The use for the R-SGD District is almost identical to the

R-M District, but the use table shows a maximum height of 18-feet next to existing, adjacent single or two-family properties instead of 30-feet. Staff believes the intention was for the maximum height to be 30-feet for the construction of two-story homes.

Mr. Gilbert reiterated that this change will only apply to the R-SGD District. Several years ago, there was a proposed amendment to increase the heights in R-1 District, but this is a different proposal. The Residential-Estates (R-E) District by the Golf Course is an example of how this will look if implemented, as you have an area with single and two-story homes. Staff believes this change will help facilitate development of the many vacant properties in the R-SGD District by allowing more variation in project design and greater square footage to help to make the projects more financially feasible.

Commissioner Stevenson asked how many lots would be affected by these changes.

Mr. Gilbert explained he doesn't have an exact number for the first item, but R-3 Districts are scattered all throughout the City. Many of the recent tiny home projects are built on R-3 lots. The R-SGD District is located on the south side of the City and about 30% of the properties in that District are undeveloped. After Staff began working on these amendments, they were made aware of several local developers monitoring these changes.

Commissioner Stevenson expressed concern that garages in some of the tiny home developments are being utilized for storage and uses other than vehicle parking. This results in cars being parked on the street, creating congestion. He cautioned increasing density so much that it takes away from parking.

Mr. Gilbert acknowledged parking and onsite storage can be an issue, even in single-family neighborhoods where people use their garage for storage or hobbies. The City would need to address it as a code enforcement issue. Chair Harris agreed, noting it may be a separate discussion of limiting on-street parking.

Vice Chair Wilson noted there was a recent change to the code to increase the buildable area in single-family zones to allow more options for garages and casitas. This proposal seems to be in line with that. These projects will still have to meet all other zoning standards, including minimum parking for each unit. This speaks to the conversation about trying to address building costs to make housing more affordable and she doesn't see any problems with the amendments.

Mr. Gilbert agreed and explained the City Council adopted an increase in the minimum parking standards for multifamily homes last fall, which applies to these projects. Even with the increase, developers have been able make these projects viable.

Chair Harris opened the Public Hearing.

Martin Standsberry, resident, supports the increase in density, as the City has a need for more units. His biggest concern is ensuring adequate parking for multifamily projects and sited Swanson Ave, from Lake Havasu Avenue to Acoma Blvd, as an example of an area with a lot of parking overflow onto the streets.

Bonny Toy, resident, asked how the City defines a garage and provided a definition that included automotive repair area or small storage area. She noted that it seems like garage encompasses more than just car storage and questioned how the City would enforce utilizing garages for car storage only.

Chair Harris explained all multifamily and residential projects have a minimum standards for parking spaces, one of which must be covered in the form of a carport or garage.

Mr. Gilbert stated the City has been working to address complaints from residents regarding storage spilling out of the garage. Residents can use driveways for parking, but it becomes a problem when items stored in the garage migrate into yards and are visible to neighbors. The City works with property owners on a case-by-case basis to resolve issues.

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

Mr. Gilbert stated that based on the findings, the Development Review Committee recommends the Planning Commission forward a recommendation of approval to the City Council for Land Use Action No. 24-4380, amending City Code Sections: 14.02.03.E, Table 2-6; Section 14.04.01.A.1, Table 4.01-1; and Section 14.04.01.A.1, Table 4.01-1.

Commissioner Diaz moved to recommend approval of Land Use Action No. 24-4380 to the City Council amending City Code Sections: 14.02.03.E, Table 2-6, to increase the Maximum Density in R-3 District from 10 Dwelling Units Per Acre to 16; 14.04.01.A.1, Table 4.01 1, to Revise the Min/Max Density in R-3 District from 4-10 Dwelling Units Per Acre to 4-16; and 14.04.01.A.1, Table 4.01 1, to Revise Maximum Height of Developments Adjacent to Single and Two-Family Uses Existing Prior to the Effective Date of the Development Code in R-SGD District From 18-Feet to 30-Feet.

The motion was seconded by Commissioner Dzuro. The motion carried by the following vote:

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

[ID 24-4396](#) Request to Amend City Code Sections: 14.03.02, Permitted Use Table,

Table 3-1, to Add Backyard Fowl as a Permitted Accessory Use on Single-Family Residential Properties; 14.03.03.E, Use-Specific Standards, Accessory Uses, to Add Regulations for the Keeping of Backyard Fowl; and 14.06.03, to Add a Definition of “Fowl”(Chris Gilbert)

Mr. Gilbert explained Arizona House Bill (H.B.) 2325 was recently adopted by the State Legislature amending the State Statutes to permit backyard chickens at single-family residential properties. The bill goes into effect September 14, 2024. Staff has prepared this code amendment in a response to the bill.

Mr. Gilbert highlighted the following key points:

- The bill applies to all single-family residential properties, not just those in single-family residential zoning districts.
- Backyard fowl will be added as an accessory use to single-family properties, with the following note, “Backyard fowl are allowed as accessory uses in these districts for single-family, detached dwelling residents existing as of September 13, 2024, only.”
- The Ordinance adopting the code changes will be presented to City Council on August 13, 2024.
- He reviewed the Use Specific Standards to be adopted, noting they mirror the conditions outlined in H.B. 2325.
- The following definition will be added to the code: “FOWL. A cock or hen of the domestic chicken.” This is important as it only permits the keeping of domestic chicken and does not include quail, ducks, geese, or other farm type birds.

Commissioner Diaz asked if the City is required to adopt rules allowing chickens.

Ms. Garry explained H.B. 2325 prohibits cities from prohibiting chickens, but it allows cities to adopt regulations for their management and care. The City can no longer prohibit them and if it doesn't adopt a code to regulate them, they will still be allowed under State law starting in September.

Commissioner Stevenson noted H.B. 2325 references lots “one-half acre or less in size,” but that verbiage was not carried over to the City code and asked why. Mr. Gilbert explained that with the City's minimum lots sizes, essentially all residential lots are impacted by this law.

Commissioner Stevenson asked how side yards will be determined for the sake of this code section. Mr. Gilbert explained the existing property setbacks will be used to determined side yard, front yard, and rear yard areas. He added that chicken coops must be 20-feet from the property line, which will provide additional buffers for neighbors.

Mr. Gilbert explained if the City ordinance is not in effect by September 14, 2024, the risk is that any unauthorized chicken coops will become grandfathered in.

Mr. Gilbert stated that based on the findings, the Development Review Committee recommends the Planning Commission forward a recommendation of approval to the City Council for Land Use Action No. 24-4396, amending City Code Sections: 14.03.02, Table 3-1; 14.03.03.E; and 14.06.03.

Chair Harris opened the Public Hearing. Seeing no comments, he closed the Public Hearing.

Vice Chair Wilson moved recommend approval of Land Use Action No. 24-4396 to the City Council amending City Sections: 14.03.02, Table 3-1; 14.03.03.E; and 14.06.03.

The motion was seconded by Commissioner Ballard. The motion carried with the following vote:

Aye: 7 - Ballard, Dzuro, Lehr, Wilson, Stevenson, Harris and Diaz

9. CALL TO PUBLIC

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

10. FUTURE MEETING

The next regular meeting of the Planning & Zoning Commission will be Wednesday, August 7, 2024 at 9:00 a.m.

The next Public Hearing for the 1850 Bahama Ave GPA request will be at the regular meeting of the City Council on Tuesday, August 13, 2024, at 5:30 p.m.

Both meetings will be held in the Lake Havasu Municipal Courthouse Meeting Room, 92 Acoma Blvd S.

11. ADJOURNMENT

Chair Harris adjourned the meeting at 12:16 p.m.

Jim Harris, Chair

Shelby Hennigan, Recording Secretary