

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
Police Facility
2360 McCulloch Blvd North
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Planning and Zoning Commission Regular Meeting

Minutes - Final

Wednesday, June 19, 2024

9:00 AM

1. CALL TO ORDER

Chair Diaz called the meeting to order at 9:07a.m.

2. PLEDGE OF ALLEGIANCE

Chair Diaz led the Pledge of Allegiance.

3. ROLL CALL

Present: 9 - Suzannah Ballard, Joan Dzuro, Paul Lehr, Tiffany Wilson, Lonnie Stevenson, JP Thornton, Jim Harris, Gabriele Medley and David Diaz

Absent: 1 - Matthew Mitchell

4. CORRESPONDENCE AND ANNOUNCEMENTS

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

- Approval of the rezone request for 2305 Victoria Farms Road.
- Approval of the Minor General Plan Amendment and Planned Development/ Rezone requests for 2778 McCulloch Blvd N.

5. MINUTES

[ID 24-4348](#) Approval of the Minutes of the June 5, 2024, Planning & Zoning Commission Regular Meeting (Shelby Hennigan)

Commissioner Harris moved to approve the Minutes of the June 5, 2024, Planning & Zoning Commission Regular Meeting, seconded by Commissioner Ballard. The motion carried with the following vote:

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

6. PUBLIC HEARING

Chair Diaz gave a brief overview of the Public Hearing process.

[ID 24-4307](#) A Request to Adopt Resolution No. 24-07, Approving a Conditional Use

Permit and Extension of Time for Yard City, Allowing an Outdoor Event Area for a Term not to Exceed 30 Days after the Completion of the Downtown Catalyst Project, at 2101 McCulloch Boulevard N., Tract 100, Block 5, Lot 17, in the Mixed-Use Uptown McCulloch Main Street (MU-UMS) District. (Chris Gilbert)

Mr. Gilbert provided an overview of the Staff report [displayed PowerPoint]:

- The subject property, known as Yard City, is approximately 0.28 acres and is undeveloped except for minor improvements to host outdoor events.
- A Conditional Use Permit (CUP) approved in 2019 has allowed the property to host First Friday events.
- First Friday will move to the Downtown Catalyst recently approved by City Council. However, they need an extension of their CUP to continue operating while it is under construction.
- All improvements are temporary and the property will need to be restored to its original condition when First Friday moves to its new location.

Chair Diaz invited the applicant to address the Commission.

James Gray, Director of the Partnership for Economic Development, explained Yard City was built to demonstrate a need for downtown event space, highlighting the following:

- Yard City has hosted over 40 events.
- PED utilized Placer.ai, a company that tracks event attendance using cell phone data. During a 3.5 hour event in December 2023, there were 7,900 unique visitors, which is more than anticipated. They will continue to use Placer.ai to track attendance.
- First Friday focuses on music, art, food, and culture. The event is geared towards the local community.

Mr. Gray expressed his appreciation for the property owners, the Janecek family, for supporting the downtown vision. They have agreed to restore the property to its original state when First Friday moves and look forward to developing it in a way that will continue to support the downtown community.

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

Mr. Gilbert stated that based on the findings, the Development Review Committee recommends the Planning Commission adopt Resolution No. 24-07, approving a Conditional Use Permit and extension of time for Yard City, with the following conditions:

1. The use shall be granted an extension of time to operate for a term not to exceed 30 days after completion of the Downtown Catalyst project. In the event the

- Downtown Catalyst project does not come to fruition, this Conditional Use Permit expires two years from the date of approval.
2. Gates shall remain locked when not in use.
 3. The parking area on this vacant lot is not required to be paved for this temporary use.
 4. The subject lot shall be returned to its original condition, with all temporary accoutrements removed, following Yard City completing its relocation to the Downtown Catalyst on the City-owned property at 2117 McCulloch Boulevard N.
 5. Have an annual fire inspection conducted by the City's Fire Department and comply with all findings within 30 days of inspection.

Chair Diaz asked the applicant if he understood the conditions. Mr. Gray responded affirmatively.

Commissioner Ballard moved to approved ID 24-4307, a request to adopt Resolution No. 24-07 approving a Conditional Use Permit and extension of time for Yard City, to allow an outdoor event area for a term not to exceed 30 days after completion of the Downtown Catalyst Project, at 2101 McCulloch Blvd. N., Tract 100, Block 5, Lot 17, in the Mixed-Use Uptown McCulloch Main Street District, with all conditions as contained in the Resolution.

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

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

[ID 24-4308](#) 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 25, and Block 5, Lots 1 through 9, 14.08 Acres, from High Density Residential to Resort Related-Mainland (Chris Gilbert)

Mr. Gilbert provided an overview of the Major General Plan Amendment (GPA) process, explaining this is the first of three public hearings. The second public hearing will be held at the July 17, 2024, Planning & Zoning Commission Meeting. No action will be taken on this item today. The Commission will make a recommendation to the City Council at the next meeting and Staff will also present an accompanying Planned Development/Rezone (PD) request.

The third public hearing will be at the August 13, 2024, City Council Meeting. The Council will vote on the item and will also consider the PD request. All subsequent public hearings will be held in the Lake Havasu City Municipal Courthouse Meeting Room, located at 92 Acoma Blvd S.

Mr. Gilbert reviewed the Staff Report [displayed PowerPoint] highlighting the following:

- The subject property is a group of smaller lots combined into one parcel of approximately 14.1 acres.
- It has a General Land Use Category of High Density Residential (HDR), which permits a density of up to 20 dwelling units per acre.
- The request will amend the General Land Use Category to Resort Related Mainland (RE-MLD) to accommodate a mixed commercial & residential resort style development.
- To the north, across Bahama Avenue, are properties with a land use category of Commercial Mixed Use (CMU) that have been developed for light industrial uses, including storage units and assembly/warehouse uses.
- The properties to the east and west also have a land use category of HDR. Several are developed with multifamily units, while others remain vacant.
- The properties to the south have a HDR land use category, but have primarily been developed for single family residential use.
- The Zoning Map generally matches the General Land Use Category Map, with the exception that the properties to the south are zoned Single Family (R-1) District, despite having a HDR land use category.
- The applicant proposes construction of a three phase resort, incorporating a surf pool, cliff diving feature, commercial space, and residential units.
- The development plan and traffic study are included in the agenda packet, which is available on the City's website for the public to view.

Mr. Gilbert reiterated that today's hearing is for the Major GPA only. There will be discussion about the rezoning request and development details at the next meeting. The purpose of today's hearing is to gather public input. No action will be taken.

Chair Diaz invited the applicant to the podium.

Austin Springer, Studio KDA, thanked Staff for their presentation. He explained the proposed project is a resort condominium, although specific ownership details are still being considered. The full build out over three phases will include 221 units. Phase I will include a residential building of about 45 units, the pool features, two restaurants, and a deli-style marketplace.

Mr. Springer explained the Major GPA is necessary to open the development's amenities to the public, instead of onsite residents only. It is important to them that the pools, restaurants, and commercial spaces be open to City residents so it can serve the community. He stated this is a vetted concept, noting they are developing a similar project in Mesa, Arizona and there are others throughout the country that have been successful.

State-of-the-art technology will be used and they believe the project will generate a lot of excitement in the community.

He acknowledged that at the community meeting in January 2024, traffic was identified as a primary concern. To proactively address those concerns, they worked with the City Engineering Division to identify problem areas and commissioned an independent traffic study. The study encompasses Phase I of the project, the full build out, and a 10-year study based on anticipated growth and future traffic to their development. The study focused on the following intersections: Bahama Avenue & Bimini Lane, Bahama Avenue and Lake Havasu Avenue N, and Bahama Avenue and Industrial Boulevard. They identified a blind corner on Bahama Avenue where residents are concerned about speeding and limited site distance. The development had an ingress/egress point near that location, so they are working with their traffic engineer to identify a solution. Mr. Springer said they will work with the City to implement traffic calming measures.

Regarding development density, Mr. Springer explained the existing land use and zoning allows a density of 20 dwelling units per acre, which would allow just under 300 units. They are proposing about 220 units, so density will be about 75 units less than the maximum allowed with current entitlements.

Mr. Springer explained they met with City staff several years ago to get a better understanding of the City's needs and development concerns. One issue identified was vacation rentals in neighborhoods that lack onsite management and generate police and code enforcement calls. This is something they hope to address with their project, as it will be in direct competition with vacation rentals by offering desirable amenities. They will have professional management and staff onsite 24/7. Mr. Springer noted they have designed the site with significant buffers and landscaping, including 100-foot setbacks from single family homes, to reduce the impact on adjacent properties.

Mr. Springer stated water use was another concern brought to their attention. They met with City officials to confirm there is sufficient water to develop the site. He noted that with the construction of two pool areas for 220 units, the site will be more water efficient than the many single-family homes that are developed with private pools.

Chair Diaz asked for clarification on whether the units will be private residences, hotel rooms, or a mix.

Mr. Springer responded that the units will have an apartment style layout, but the actual ownership model will be determined by funding sources and market research. Currently, they are leaning towards Phase I being developed as a resort, which includes the units located closest to the pool and restaurants. Phase II has buildings that would be better

suited for condo mapping. The requested GPA would allow both uses. At the end of the day, they would like to see the site developed to fit the community's needs and the market will help dictate how future phases are developed.

Chair Diaz asked how many residents attended the community meeting. Mr. Springer estimated there were about 30 people in attendance.

Commissioner Wilson inquired about the proposed building height.

Mr. Springer stated the proposed buildings are 5-stories, or roughly 65-feet. The proposed plan is about 75% of the allowed density. The idea is to cluster the density into fewer buildings and a smaller footprint to provide larger setbacks and landscape buffers, maximize parking, and provide room for the pool amenities.

Commissioner Dzuro asked if all the amenities will be open to the public. Mr. Springer responded affirmatively, adding that community access to the water park features and restaurants is a key component. It won't just be available to visitors vacationing here.

Commissioner Dzuro noted the traffic study was completed in September and asked if winter traffic was taken into consideration, as the City sees an increase in traffic from part-time winter residents.

Mr. Springer was not sure if daily counts factored in winter traffic, but the long-term traffic forecast anticipates future traffic and growth.

Commissioner Dzuro asked if they discussed staffing, as she has heard concerns from local businesses about maintaining adequate staff.

Mr. Springer explained the ownership group is made up of individuals with various backgrounds, including property management, construction, and resort management, so they have a wide range of experience. The project is still several years out from completion, so they haven't started recruitment, but they have looked at the local markets and are confident they'll be able to support this project.

Commissioner Lehr requested clarification on how the height is calculated, based on the benchmarks, and asked if they would be requesting a height exception.

Mr. Springer confirmed that while a height exception is not part of the GPA request, they will be asking for it as part of the PD request. The current height limit is 30-feet above 1-foot above the highest point of the road along the site, which is Bahama Avenue. Because of natural elevation changes, they would be allowed nearly 70-feet of building

height on the west side of the property. The east end allows a building height of 30 to 35-feet. They will be seeking to normalize building height across the site to 5-stories, which will put the buildings on the west side below the allowed maximum height, but require an exception on the east side.

Chair Diaz opened the Public Hearing.

Katrin Phillips, resident, stated she is a fulltime resident on one of adjacent R-1 properties. She highlighted several concerns:

- The 300-foot radius for postcard notification excluded residents at the Bahama Apartments. She would like to see them included. Likewise, it included individually owned storage units that may not have as vested of an interest. She asked they not be included in the calculations for any petition.
- She proposed a study be completed on the impact of light pollution.
- She expressed concerns about the water use for resort uses, compared to residential uses.

Charles Taylor, resident, expressed concerns about having the fire and emergency services resources and staff to safely service the growing City and a project of this scale.

David Tobar, resident, highlighted concerns about traffic, noise, lighting, parking, and water consumption. He inquired about hours of operation for the pool and public amenities.

Marsha Bailey, resident, opposes the project because she feels there is a lack of forward-thinking vision concerning development. She cited a lack of ingress/egress to other developments that created dangerous situations, as well as a lack of veterinarians, medical care, childcare, and other critical services for residents. She encouraged infrastructure to be built before new developments are considered.

Kevin McCurry, resident and President of the Bahama Shores HOA, expressed support for the project. He acknowledged concerns about traffic and noise, both in the long term and during construction. There are three other multifamily developments happening in the vicinity that are having a negative impact on the neighborhood, particularly when it comes to construction traffic and noise. They did not need approval from the Council or Commission. He asked that traffic mitigation, lighting, restrictions on dust and construction noise, prohibition of on-street parking, and quiet hours all be considered for this project and others in the future. The Bahama Shores HOA Board recognizes there is a certain inevitability that this property will eventually be developed with high density units. They didn't get to provide input on the other multifamily projects being built around them and are asking for the opportunity to have their voices heard. He suggested the City

create a community-based committee to provide oversight for future construction projects to ensure contractors are being respectful of neighbors and to address things like noise, parking, and traffic.

Dave Wijnhamer, resident, lives on Rainbow Avenue N. His street and others are often used as short cuts and is he concerned about increased traffic on neighborhood streets. Additionally, the median on Lake Havasu Avenue causes traffic backup by limiting direction and the ability to turn. He expressed concern about staffing a resort and the impact it may have on small businesses. He asked if outdoor entertainment would be allowed, if there would be quiet hours, and the type of lighting that would be used. He encouraged the Commission to think about how these things could affect neighbors.

Sandra Blair, resident, stated there are developments currently under construction that aren't complete and should be considered when calculating future water use. She highlighted concerns about density, infrastructure, lighting, traffic, and noise.

Johanna Mitchell, resident, lives at Grand Bahamas and her primary concern is traffic, She explained turning onto Lake Havasu Ave can be dangerous. There are a number of contributing issues, including limited site distance, the median placement, speeding traffic, frequent u-turns on Bahama Avenue, and traffic coming and going to the carwash.

John Lawson, resident, also lives at Grand Bahamas. He opposes the project and agrees with many of the concerns already expressed. During the community meeting, he asked if the project would be a time share and was told it would not. He questions that after hearing ownership has not been decided. He expanded on traffic concerns, explaining they have speeders on Bahama Avenue and their condo wall has been hit several times.

Jim Foltz, resident, stated his primary concerns are lighting, height, and the impact they could have on the entire town. He doesn't want to see a precedent set for large buildings.

Patricia Brodeur, resident, expressed concerns about water. She asked the Commission to consider the impact large developments may have on existing emergency services to ensure they do not become overloaded.

Bob Smith, resident, expressed concerns about lighting, water, and traffic. He emphasized the southwest has been in a multi-year drought.

Kelly Chapman, resident, stated there are questions about the size and affordability of the units. She owns several multifamily buildings and is concerned a project of this size could have a negative impact on existing multifamily buildings. She mentioned the lack of services for residents and doesn't believe the community can support a new development

of this scale.

Gary Davis, resident, lives behind this property and objects to the height, increased lighting, and noise. They recently updated their home and are concerned about the effect it will have on property values. He emphasized traffic, water, and parking concerns.

Robert Peterson, resident, is a retired physician with a background in public health and emergency services. He asked if the Fire Department is prepared to deal with emergencies in buildings of this height. He agreed with concerns about traffic and lighting. He recommended the City review how height is calculated to better protect views and property owners, noting buildings this tall don't fit the City's design or aesthetics.

Toni Berger, resident, lives on the south side of town and objects to the project. She asked how they will accommodate parking and traffic for the public who will be using the amenities. She stated residents need to determine a vision and stick with it.

Chair Diaz invited the applicant to address the public's concerns.

Mr. Springer thanked the public for sharing their comments and they are listening. He provided the following responses:

- Notification Process and Community Input: They are happy to include all residents and want this to be an inclusive process.
- Lighting: Specific lighting details aren't generally provided this early in the review process, but they support the City's effort to protect dark skies. They will comply with all City lighting standards.
- Water Conservation: They understand concerns about water. In discussions with the City, they have been told there is adequate supply. There were some great comments today regarding resort related uses, and they are committed to using water efficient practices for laundry, landscaping, and other conservation tools.
- Public Safety: This project will contribute heavily to revenue, both in permitting fees and taxes after completion. While the applicant can't directly address questions regarding a new fire station or hiring, it is their hope the City can use the additional revenue to address those concerns. Building codes mandate additional safety features for buildings this tall and ladder height is not as great of a concern because they are not designed for fires to be fought from the outside. There are more protective measures in place to protect first responders and people with mobility issues in compared to smaller buildings.
- Traffic: The applicant recognizes traffic concerns and appreciates specific feedback about problematic locations and designs. They will continue to work with their traffic engineer and the City Engineer to identify appropriate traffic calming measures. They also understand construction noise and traffic can be

- an issue and are committed to working with neighbors.
- **Noise:** Mr. Springer explained they believe this will help remove noise from vacation rentals in residential neighborhoods and concentrate it in a more appropriate, controlled location. Their proposed setbacks, buffers, and design will help to minimize the impact it will have on nearby residential areas.
 - **Ownership:** This project will not be a time share and that is not one of the options being considered. While they may have units in the later phases offered for private ownership, they will be singularly owned, not time shares.
 - **Public Amenities:** Mr. Springer wanted to clarify the pool will not be operated as a public pool. It will be a commercial pool available to the public for a fee.
 - **Affordable Housing:** They understand concerns about affordable housing. It is extremely difficult to build new workforce housing due to the costs of land and capital. It is easier to take existing stock and convert it to workforce housing. This project will be direct competition to vacation rentals occupying single family housing, which will result in some of those units returning to the long term housing pool, either as long term rentals or for sale on the market.

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

He stated there would be another opportunity for public input on July 17, 2024. The Commission will not be voting to make a recommendation today and he asked if there was a motion to prepare a record of this Public Hearing.

Commissioner Ballard moved to direct staff to prepare a record of the public hearing to be included in the materials for the July 17, 2024, second Planning Commission public hearing on this Major General Plan Amendment application.

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

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

7. CALL TO PUBLIC

Chair Diaz provided an overview of Call to Public and opened Call to Public.

Sandra Blair, resident, suggested the City implement impact fees for future developments to offset costs of infrastructure, emergency services, schools, and other services.

John Lawson, resident, asked if the public can participate in the upcoming meetings remotely, as they will not be in town but would like to be involved.

Jim Mitchell, resident, asked where the public can view the traffic study.

City Attorney Kelly Garry explained the Commission cannot continue discussion on the previous agenda item, but Staff will be available to answer questions after the meeting.

Mr. Smith [first name not provide] asked why impact fees have not been applied to new developments, specifically the island, to help pay for services to support those areas.

Dave Wijnhamer, resident, recommended expanding the notification radius so more residents can be made aware of upcoming projects that might affect them.

Seeing no further comments, Chair Diaz closed Call to Public.

8. FUTURE MEETING

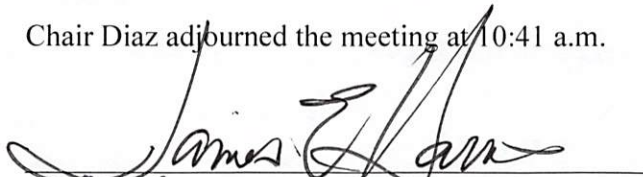
The regular meeting of the Planning & Zoning Commission scheduled for Wednesday, July 3, 2024, has been cancelled.

The next regular meeting of the Planning & Zoning Commission will be Wednesday, July 17, 2024, in the Lake Havasu Municipal Courthouse Meeting Room, located at 92 Acoma Blvd S.

Mr. Gilbert explained overflow parking for the Courthouse is available at City Hall and reminded the public that attendees will need to go through Courthouse security.

9. ADJOURNMENT

Chair Diaz adjourned the meeting at 10:41 a.m.



David Diaz, Chair

James Harris, Chair



Shelby Hennigan, Recording Secretary