

# Attachment 12

## **General Plan Amendment Evaluation Criteria Analysis, Section 22.2.D.3**

General Plan Amendments are evaluated for consistency with the General Plan Amendment criteria in the Zoning Code. It is the burden of the applicant to present facts and other materials to support these criteria. The applicant's response to each of the criteria is provided below in italics followed by staff's analysis of each criterion:

### **1. The proposed change is necessary because conditions in the community have changed to the extent that the plan requires amendment or modification.**

*Applicant's Response – See Pages 2 and 3 of Attachment 5*

#### **Staff Comment:**

The funding of the planned expansion of La Cholla Boulevard to a four lane desert parkway is a change in conditions which support reconsideration of the planned density and intensity along this corridor. Voter authorization of the Regional Transportation Authority Plan occurred in 2006, after the 2005 ratification of the Oro Valley General Plan. The timing of the expansion is currently planned for 2021, but the Town is now working with the RTA to move the planned expansion up to accommodate the additional projected traffic volume of this roadway.

Expanding La Cholla Boulevard to a parkway will provide another important major north-south transportation corridor within the community and warrants re-evaluation of the planned land uses. A moderate increase in density / intensity is supported by the General Plan policy which provides that higher density uses should be located near major arterial streets. Increasing the planned density and intensity of development based on the expansion of La Cholla Boulevard represents an efficient use of public infrastructure, a concept which is also supported by General Plan policy.

### **2. The proposed change is sustainable by contributing to the socio-economic betterment of the community, while achieving community and environmental compatibility.**

*Applicant's Response – See Page 3 of Attachment 5*

#### **Staff Comment:**

The planned variety of residential uses, supported by retail and office development contributes to the overall socio-economic opportunities within this area. A balanced land use plan reduces vehicle trips on adjacent roadways and reduces traffic congestion. Nearby commercial services also creates walkable neighborhoods by promoting non-motorized travel to access goods and services. Employment opportunities also contribute to the socio-economic betterment of residents through reduced traffic impact and transportation costs.

The proposed concept plan achieves environmental compatibility through conformance with the Town's adopted Environmentally Sensitive Lands ordinance and preservation of the natural wash corridors through the site.

In terms of neighborhood compatibility, a number of mitigation measures have been included in the proposals:

- Prohibition of apartments within the property

- Requirement for specific commercial zoning districts in each commercial area
- Limitation on commercial uses
- Requirement for PAD zoning, including master studies
- Expansion of the single-story home restriction in the southwest portion of the property
- Establish maximum number of homes on the property
- Requirement for master trails plan
- Perimeter landscape buffer yard requirements
- Restriction of senior care uses to Casas Church expansion
- Location and limitation of Casas Church expansion

**3. The proposed change reflects market demand which leads to viability and general community acceptance.**

Applicant’s Response – See Pages 4 - 6 of Attachment 5

Staff Comment:

General Plan policy states that the Town “reasonably” wishes to be satisfied that market demand exists for the land uses proposed in the application. It should be acknowledged that market demand beyond the 2-3 year timeframe is difficult to predict. It also should be noted that demand and supply in a free market economy are never perfectly synchronized and a margin of supply above demand is normal.

*Residential*

As of 2013 the Town was approximately 80% built out for single family residential development. Of the remaining vacant land left in the Town, this area represents one of the few remaining large tracts of vacant land. This condition has resulted in a significant amount of recent growth and development pressure in this specific area. Recent medium density residential development activity along the La Cholla corridor includes the subject property, Rancho de Plata, Rancho de Cobre, Saguaros Viejos, Meritage at Naranja and a rezoning at the southeast corner of Lambert and La Cholla. This recent and focused development activity demonstrates there is current market demand in this area for medium density residential.

To compare supply of medium density residential in relation to demand, staff refined the numbers provided in the October 7<sup>th</sup> staff report to delete areas which were not comparable (e.g. Stone Canyon) and to reflect actual proposed development totals. For vacant areas, density assumptions were reduced to the midpoint of the density range which is more reflective of actual development densities based on the Town’s Environmentally Sensitive Lands section of the Zoning Code. This refined analysis resulted in a reduction of the supply numbers from the previous reported number of 2,420 down to 1,993 units. A breakdown of these supply units is as follows:

<b>Category</b>	<b>Number of Lots</b>
Vacant lots in actively selling subdivisions	222
Projects approved since 2013	655
Projects Proposed Since 2013	900
Vacant Zoned & General Plan	216
<b>Total</b>	<b>1,993</b>

The revised application submitted by the applicant contains additional analysis relative to market absorption over time of this projected supply of medium density residential units. Included within the revised submittal is conclusions derived from a draft market demand report which is being prepared by Valbridge Property Advisors. The applicant has provided a supplemental analysis projecting future growth of medium density residential based on assumed timeframes of development by community, assumed rate of growth of the market and an assumed absorption rate by community. This analysis is provided in Attachment 5.

It should be noted that the full market analysis has not been completed nor reviewed by staff and therefore definitive conclusions cannot be reached. It also should be reinforced that an empirical market study is not required by the General Plan which requires only that the Town wishes to be reasonably satisfied that a market exists for the proposed land uses. Based on the information supplied, several observations are noted:

- The analysis submitted by the applicant includes most of the supply numbers listed above, with the exception of the 216 vacant / zoned units.
- The analysis uses an expected annual growth rate of 5%, which in staff's opinion is optimistic and conflicts with the conclusions of Valbridge Property Advisors which suggest a more modest 2% annual growth rate.
- The analysis assumes an absorption rate by community of 2 homes per month. The current absorption rate by community is actually higher at 2.5 – 3.0 homes per month, dependent on the specific community.
- The draft market demand study submitted by Valbridge Property Advisors concludes that there is demand for approximately 100-200 townhouses, although the study is general in nature.

With the noted discrepancies, the analysis generally shows a reasonable relationship between supply and demand of medium density residential units. Correction of the unit totals will result in a longer supply horizon beyond the applicant's forecast of 2022. Given the generalized nature of the General Plan policy and the evaluation criteria, staff is reasonably satisfied that a market exists for the medium density land use with the observation that absorption of the supply medium density will extend beyond the applicants forecast of 2022.

### *Commercial*

In regard to the market to support the amount of commercially designated land in the plan, Valbridge Property Advisors concludes that there is a market for approximately 200,000 additional square feet of retail space in the neighborhood. The conclusions do not appear to account for the existing commercial zoning at the northeast corner of Lambert and La Cholla. The back-up analysis supporting the market study conclusion for 200,000 sq. ft. of additional retail demand is general in nature. It is reasonable to anticipate additional commercial will be needed, although the timeframe is uncertain and tied to residential growth.

### *Senior Care*

The market demand study submitted by Valbridge Property Advisors concludes that there is demand for approximately 200 new assisted living units in the neighborhood, although the study is general in nature. This study notably does not account for all planned facilities in the Town including La Posada at 1<sup>st</sup> Avenue and Naranja and All Seasons Care on Innovation Park Drive, north of Tangerine Road which are outside the study area of the market study. The applicant has now eliminated senior care uses from the property, unless developed in conjunction with the Casa Church expansion

**4. The amendment will not adversely impact the community as a whole, or a portion of the community without an acceptable means of mitigating these impacts through the subsequent zoning and development processes.**

Applicant's Response – See Pages 6 and 7 of Attachment 5

Staff Comment:

The General Plan supports higher density development near major arterial streets and the proposed moderate increase in density is consistent with this policy. Measures incorporated into the proposals to reduce impacts on adjoining areas and the school district, including the measures listed in response to Criteria 2.

**General Plan Vision, Goals and Policies Analysis**

General Plan Amendments are also evaluated for consistency with the Vision, Goals and Policies of the General Plan. The following is an analysis relative to the amendments consistency with the Vision and key Policies in the General Plan.

General Plan Vision

*To be a well planned community that uses its resources to balance the needs of today against the potential impacts to future generations. Oro Valley's lifestyle is defined by the highest standard of environmental integrity, education, infrastructure, services, and public safety. It is a community of people working together to create the Town's future with a government that is responsive to residents and ensures the long-term financial stability of the Town.*

The Vision Statement from the General Plan emphasizes the need to carefully balance land use decisions which respond to current conditions, against the long term impact to the community. The amendment provides for an efficient use of planned infrastructure and addresses the socio-economic goals expressed in the Vision Statement through the provision of nearby services in proximity to residential.

General Plan Policies

The applicant has provided analysis of the amendments conformance with adopted General Plan policies, which is provided in Attachment 5.

Staff has evaluated the amendment against all General Plan policies, with notable polices identified below.

Policy 1.3.2 *The Town shall encourage new development to locate uses that depend on convenient transportation access (e.g. higher density residential and commercial) near major arterial streets.*

Policy 1.2.1 *The Town shall maintain Oro Valley's predominately low-density character while considering the needs of financial stability and infrastructure efficiency.*

The proposed density / intensity of the planned development is consistent with the policy supporting higher density residential and commercial uses near major arterial streets. The planned expansion of La Cholla to a four lane desert parkway represents a significant public investment in infrastructure to serve this area. The proposed increase in planned intensity will promote the efficient use of this expanded infrastructure, in conformance with the General Plan policy.

Policy 1.3.1 *The Town shall encourage the location of residential neighborhoods close to activity centers compatible with residential uses, and vice versa.*

The proposed plan provides commercial uses and services in proximity to residential neighborhoods, consistent with this policy.

Policy 1.4.3 *The Town reasonably wishes to be satisfied that sufficient demand exists before authorizing a higher land use intensity than the present zoning permits.*

The applicant has generally demonstrated demand exists for the proposed single family residential uses, although the timeframe for absorption of the supply will more than likely significantly longer than suggested by the applicant based on discrepancies noted. The market study concludes there is additional demand for retail and assisted living, although these conclusions cannot be independently verified by staff.

Policy 1.3.5 *The Town shall encourage master planning that looks comprehensively at the subject properties and all adjacent areas.*

Policy 1.4.11 *The Town shall establish procedures to ensure the coordinated development of vacant areas of 40 acres or more either under multiple or single ownership by requiring the development of master plans for those areas. These master plans must consider and seek to minimize the impact of development on all adjoining properties.*

The applicant proposes a Special Area Policy requiring master planning of the property through the use of a Planned Area Development (PAD) zoning application. is to comprehensively plan the property through the use of master planning at the rezoning stage of development. This PAD will provide a coordinated and cohesive circulation, utility, infrastructure phasing, land use, landscaping, recreational areas and architectural standards, consistent with this policy.

Policy 5.4.1 *The Town shall maintain a harmonious relationship between urban development and development of the transportation network.*

The proposed moderate overall density provides a complementary relationship between the planned development and the transportation network. Expansion of La Cholla to a four lane parkway supports a moderate increase in density along this corridor, but not at the density proposed by the applicant.

Policy 7.2.3 *The Town shall allow and encourage master planned communities that offer high-quality neighborhoods with a variety of residential densities and appropriately located commercial uses to serve the community. In these developments, ensure there are adequate transitions and buffers between uses.*

The proposed amendment to master planned community would establish a variety of residential densities along with support commercial and non-residential uses, consistent with this policy.

Policy 8.1.2 *The Town shall identify and work to acquire a La Cholla corridor park site.*

The current General Plan includes an open space designated property north of the northwest corner of La Cholla and Lambert. The applicant has retained this parcel as a private recreational area to serve the planned neighborhoods. The Town has analyzed this parcel and concluded that is too small to accommodate community level park facilities.

Policy 6.1.2 *The Town shall continue to require that all new developments be evaluated to determine impacts on all public facilities within the Town, including but not limited to schools and roads. Such impacts shall be used as criterion in deciding the approval or denial of land use rezoning proposals.*

As previously stated, the school district has provided a letter indicating that with the applicant's commitment to complete a donation agreement, the school district anticipates that they will be able to serve the expected enrollment generated from the project.