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DATE: JUNE 25, 2001

TO: MAYOR AND CITY COUNCIL

THRU: LLOYD HARRELL, CITY MANAGER *LH*  
DOUG BALLARD, PLANNING AND DEVELOPMENT DIRECTOR *DB*

FROM: HANK PLUSTER, LONG RANGE PLANNING MANAGER

SUBJECT: ZCA01-0003 ZONING CODE AMENDMENT  
Introduction of Ordinance No. 3290

Request: City Initiative to amend the Chandler Zoning Code relative to definition, location criteria, and design standards for "large single use retail" (big box) development.

Applicant: City of Chandler

**SUMMARY/RECOMMENDATION**

Upon finding consistency with the Chandler General Plan and good zoning practice, Planning Commission and Staff recommend approval of the Zoning Code amendment as set forth in the attached draft (Exhibit "A"), relative to definition, location criteria, and design standards for "large single use retail" development.

**BACKGROUND**

At its April 9<sup>th</sup> meeting, City Council voted unanimously to direct Staff to prepare a Zoning Code amendment relative to "large single use retail" (big box) development. The direction given was to write an ordinance to regulate the manner, location, and design of large free-standing "big box" stores of 150,000 sq. ft. or greater. Specifically, the ordinance is to establish location criteria as well as design standards that would be unique to such development, and further, to insure that all such projects of this size ultimately come before Council through a public hearing process. As set forth in the draft text (Exhibit "A", attached), Staff has prepared the amendment to accomplish this direction.

**DISCUSSION**

For purposes of this ordinance, the term "large single use retail" would be defined in the Zoning Code as follows:

*"Large Single Use Retail: Any single use building, whether stand alone or within a multi-building development, wherein said single use building occupies at least one-hundred fifty thousand (150,000) square feet of building coverage primarily devoted to, or intended for, the sale or display of goods and merchandise for consumption by the general public, including any outdoor sales and display area(s) and storage/stockroom*

*area(s) but excluding any outdoor area for sale of cars, trucks, boats, recreational vehicles, or manufactured dwellings. For the purposes of this definition, calculation of such building coverage shall include all other indoor and outdoor sales areas or customer service area(s) that may be incidental to, but nevertheless share customer walking aisles or store entrances with the large single use retail operator, whether or not such area(s) are under the same management as the large single use retail operator."*

Examples of users that would meet or exceed the 150,000 sq. ft. threshold would, of course, include the discount "supercenters", such as Wal-Mart, Target, or Kmart (wherein their department store merchandise is under the same roof as their grocery store offerings), as well as larger home improvement stores (Lowe's, Home Depot Expo at 160,000 sq. ft. each), and some larger department stores (Robinson's-May at 199,000 sq. ft., Dillard's at 207,000 sq. ft.). Other "box" users that already exist, or currently are under construction, which would not exceed this square footage threshold would be stores such as Sam's Club (130,000 sq. ft.), Home Depot (117,000 sq. ft.), Great Indoors (132,000 sq. ft.), Nordstroms (144,000 sq. ft.), and Sears (131,000 sq. ft.).

To insure that all such projects would come before Council through a public hearing process, Staff proposes to add a footnote to the various categories of retail use already identified in the Table of Permitted Uses (Section 2100 of the Zoning Code). This footnote would reference conformance with certain location criteria and design standards to be set forth in Section 35-1902(9), including the requirement that such use(s) are permitted only on property zoned Planned Area Development (PAD). Other than the Chandler Fashion Center (mall), and two stores for Lowe's (Festival at the NEC Chandler Blvd./Loop 101, and the NWC at Ray Rd./56<sup>th</sup> St.) which have already received PAD zoning/PDP approvals by Commission and Council, there would be no other sites within the City zoned for large single use retail, upon passage of this amendment.

*Staff Note: An application has already been filed with the City for a mixed use development, including a large single use retail component (over the 150,000 sq. ft. threshold) on a parcel currently zoned AG-1 located at the SWC Arizona Avenue/Queen Creek. Irrespective of timing for Planning & Zoning/City Council action on that application, vs. timing for this Code amendment, Commission and Council have the option of stipulating any zoning/PDP approval (if granted for this site), upon the same type of standards and criteria set forth in the proposed Code amendment.*

#### **Location Criteria**

The amendment proposes that large single use retail development be eligible for consideration only at certain locations, i.e., at sites designated by the General Plan as "Commercial Node" or "Regional Major Commercial Development", or as expressly designated in an area plan approved by Commission and Council (Exhibit "D", map identifying potential locations). Other key location criteria specify that the development site be:

- a) not less than one (1) mile from the City Center District (CCD);
- b) not less than 1500 ft. from any parcel currently zoned for low density single-family residential;
- c) not less than 1320 ft. (1/4-mile) from any elementary, middle, or junior high school; and
- d) not less than 660 ft. (1/8-mile) from any high school.

At face value, the 1500 ft. distance from existing single-family zoning would seem to be the most onerous. However, Staff has included language that allows Council to grant some relief, if warranted, under the existing provisions of the PAD ordinance, based upon existing mitigating circumstances (e.g., arterial or freeway rights-of-way, railroads, or canals), design innovation (e.g., superior architecture and site plan techniques), or other meritorious feature(s). Further, the 1500 ft. distance is measured to the nearest exterior wall of the large single use retail building, thereby encouraging greater creativity in placing the building on the site, vis-à-vis other less intensive accessory pads.

#### **Design Standards**

Large single use retail development would be subject to all existing site development standards in the Zoning Code, including the new commercial design standards as recently adopted. In addition, several new design standards would be expressly applicable to large single use retail, such as maximum lot coverage (24%), proportionately increased setbacks (2 ft. additional setback for each 10,000 sq. ft. of building area over 150,000 sq. ft.), visual interest in exterior architecture, boulevard entry drives, pedestrian sidewalks through the site, fence enclosures for outdoor display, 4 ft. masonry wall screening for outdoor storage of shopping carts, no displacement of parking/loading by merchandise storage bins, and certain outdoor illumination standards. Traffic studies would be required, and overnight parking of RV's would be prohibited. Again, Council may grant departure from these standards, based upon a finding of design innovation or other merit, as provided for under the PAD ordinance.

#### **PUBLIC NOTIFICATION**

Staff has circulated two (2) drafts of this amendment to members of the development community that have either built, designed, or represented major commercial projects within the City (Exhibit "B", referral list, attached). The second draft was sent to our developer clientele following some additional language being inserted with the location criteria, allowing some relief from the 1500 ft. distance requirement (from the nearest single-family residential) if Council finds mitigating circumstances, design merit, or other meritorious reason [Sec. 35-1902(9)a/3]. At the time of this writing, Staff has responded to a number of questions and comments (Exhibit "C", letter from Ed Bull, dated 6/5/01); none have expressed opposition. The comments received have been constructive, and Staff has done some minor "word-smithing" in response throughout the process, even after posting an 1/8-page display ad in the Arizona Republic 30 days in advance of the June 20<sup>th</sup> Commission/July 12<sup>th</sup> City Council hearings.

The referral list (Exhibit "B") contains the name/address of at least one Ocotillo resident who expressly stated she did not want to be considered as supporting the ordinance as drafted.

**COMMISSION VOTE:**

Motion to recommend approval: 5 for; 0 against

At the June 20<sup>th</sup> Commission hearing, several residents from the Ocotillo area spoke, as did a representative from Valley Partnership, generally to express opposition. The residents who spoke felt that the ordinance should be toughened further, expressing concern that large single use developments may ultimately be approved too close to homes and schools, and that such uses not be allowed in the "commercial node" designations of the General Plan. In contrast, the Valley Partnership representative stated that the proposed ordinance was too restrictive, giving the impression that the City really doesn't want any large single use retail development.

In recommending approval unanimously, Commission members felt that the "big box" issue needs to be addressed, and that the ordinance proposed was a good first step. While some members questioned why the threshold was set as high as it was by Council (150,000 sq. ft.), all of them concurred with the Council directive to establish such regulations now.

**RECOMMENDATION**

Planning Commission and Staff recommend approval of the Zoning Code amendment as set forth in the attached draft, relative to definition, location criteria, and design standards for "large single use retail" development.

**PROPOSED MOTION**

Move to introduce and tentatively adopt Ordinance No. 3290, approving Zoning Case ZCA01-0003, Zoning Code Amendment for Large Single Use Retail Development, as set forth in the attached draft, Exhibit "A", and recommended by Planning Commission and Staff.

Attachments: Exhibit "A", draft text amendment  
Exhibit "B", referral list  
Exhibit "C", letter from Ed Bull (6/5/01)  
Exhibit "D", map of potential locations  
Ordinance No. 3290