



DRAFT MINUTES

ECONOMIC DEVELOPMENT COMMISSION MEETING October 28, 2009, 7:30 a.m. San Tan Conference Room

1. Call to order

Present:

Chairman John Schroeder
Vice Mayor Mortensen
Council Member Barnes
Lee Ester
Jason Barney
Carson Brown
Rustyn Sherer
David Valenzuela
Steve Sossaman
Jean Humphries
Doreen Cott
Kim Moyers
Dave Williams
Laura Moats

CGCC Williams Campus
Town of Queen Creek
Town of Queen Creek
SRP
Land Developer
Vanderbilt
Queen Creek Chamber of Commerce
Phoenix-Mesa Gateway Airport
Queen Creek Resident
Arizona State University Polytechnic
Town of Queen Creek
Town of Queen Creek
Town of Queen Creek
Town of Queen Creek

Guests:

Tyler Wright
Ralph Pew
Scott McCoy
Leah Grogan

Pew and Lake
Pew and Lake
Earl, Curley & Lagarde, P.C.
Taylor Morrison

Absent:

Roseann Sweet
Mark Schnepf

Queen Creek Resident
Schnepf Farms

The meeting was called to order at 7:34 a.m.

2. Public Comment

There was no public comment.

3. Items for Discussion:

A. Consideration and possible approval of the August 26, 2009 minutes.

A **MOTION** was made by Commissioner Sossaman, seconded by Commissioner Ester, to approve the minutes dated August 26, 2009, with the addition of the word "are" to the fifth

paragraph on page 4: “Mr. Duncan added that builders ARE looking at impact fees and design standards.”, and the deletion of the ‘are’ in Fencing and Design Guidelines. Motion carried unanimously by a voice vote.

B. Staff Introduction of Major General Plan Amendments

Dave Williams, Senior Planner for the Town, made a presentation on behalf of Wayne Balmer to the Commission on the 2009 Major General Plan Amendment applications. He explained State Statute mandates a specific time frame for processing annual Major General Plan Amendments. Staff is currently processing two applications: Victoria Estates, Parcels 10, 11 and 11A (GP09-057/RZ09-059) and Barney Farms (GP09-058/RZ09-060). Staff has conducted three open houses between August and October. Public Hearings on each application will be held at the Planning and Zoning Commission on November 10, 2009, and at Town Council on December 2, 2009.

C. Presentation, Discussion and Possible Recommendations to Council on Major General Plan Amendment Applications:

- 1. Taylor Morrison Homes (GP09-058 and RZ09-059) Victoria Estates, Parcels 10, 11 and 11a – 125 acres on the NEC of Ocotillo and Hawes roads**
- 2. Barney Farms (Gp09-058 and RZ09-060) 257 acres at the NWC of Queen Creek and Meridian roads**

Mr. Williams explained each application, beginning with Victoria Estates, Parcels 10, 11 and 11A (GP09-057/RZ09-059). This project is located on 131 acres at the northeast corner of Hawes and Ocotillo roads. It is currently designated in the General Plan as Medium High Density Residential (MHDR). The applicant is proposing a rezoning to MHDR-A, 3-5 dwelling units/acre.

Mr. Williams illustrated the surrounding parcels, noting initial groundwork and preliminary planning has already taken place on these parcels in previous years. Mr. Williams stated the applicant’s proposal reconfigures the parcel into three smaller parcels with a large community recreation area, pocket parks and an age-restricted community of 55 and over.

The proposal includes 475 lots with a gross density of 3.8 units/acre. Staff analysis has shown this will not negatively impact the water or sewer system. This project is not within the over flight area of Phoenix-Mesa Gateway Airport.

There is some neighborhood concern (per public comments) from residents in Roman Estates that this project will shift from an active adult community to a conventional residential community.

Since the site is located adjacent to Town Center, staff feels it will feed well into the existing and planned retail, service and recreational amenities. It is self-contained in that it is not at a location that would adversely affect any adjacent land uses.

Planning staff is recommending approval of this proposal with some zoning stipulations for the purpose of enforcing the proposed zoning uses.

Commissioner Sossaman questioned how this is less costly than a conventional development. Mr. Williams responded given tighter densities and looking at cost per dwelling unit, costs go down with infrastructure costs per unit.

Commissioner Lee Ester asked if this is the first age-restricted project in Queen Creek. Mr. Williams responded it is not the first. Previously Rancho Del Ray in The Villages was designated as age restricted, but has since lost this designation since Federal law requires that at least 50% of the residents are 55 or over.

Commissioner Ester questioned if Queen Creek is positioned with retail or commercial services for a dedicated older generation. He stated the average age in QC is 30.9. Mr. Williams responded that staff feels if the project locates in the Town, it would it make sense that it is located where it can feed into Town Center amenities.

Ms. Cott added that the Town Center Committee looked at this project and considered expanding the Town Center boundary to include this area. The Committee ultimately decided not to expand the boundary to include this project, but the Committee agreed it would have a positive impact upon the Town Center businesses.

Commissioner Ester asked if the Trail system goes through this site. Mr. Williams responded, "yes" and pointed out the Queen Creek wash area, which is set up as a 'node; or small entry point into the wash area for pedestrian/equestrian uses on the southwest corner of this parcel.

Vice Mayor Mortensen asked how this development will impact the school district. Commissioner Murlless responded that he has met with Ralph Pew and feels very comfortable with the proposal. He does not feel it will negatively impact the school system.

Commissioner Sossaman asked about the closest grocery shopping to this area. Ms. Cott responded: Super Target. In addition Victoria Parcels 5 and 9 may offer commercial amenities in the future since the Town Center Committee has made a recommendation to change the land use from residential to *Mixed Use* for this site.

Commissioner Sossaman noted this new demographic may provide a good opportunity to attract different retail businesses to the area.

Council Member Barnes stated Wal-Mart has a grocery component and Fresh and Easy will have a store at the Cornerstone project in the Town Center.

Council Member Barnes noted this project will not tax the sewer system; however, he asked how close to capacity the system would be once development goes in on other parcels to the east. Mr. Williams responded he could not answer that specifically. He stated he does not believe it will negatively impact the sewer utility.

Council Member Barnes questioned how the size of houses per acre compares to the Will Rogers Equestrian Subdivision. Mr. Williams responded these would be smaller lot sizes. He stated after the open space and rights-of-way are calculated, it would be approximately 5,000 square feet per lot. This compares with the Z-lots which are zoned R-2 and to KB Homes/Indigo Trails. Mr. Pew clarified that the project proposes single family detached homes with no walls between the houses.

Chairman Schroeder noted Mr. Pew would be presenting after Mr. Williams. Vice Chairman Sherer noted the community center will be built in the center of the development. He asked if there will be any restrictions for other possible uses in the community center, for example, does the applicant foresee putting a Starbucks on that site.

Mr. Pew responded the community center may include amenities for the residents but the site is not zoned for commercial uses. Leah Grogan with Taylor Morrison stated there will be no commercial services that would attract outside people from the age-restricted community.

Ralph Pew made a presentation on behalf of Taylor Morrison Homes.

Mr. Pew stated the applicant believes this project will have a positive impact on the Town. The purpose of this GPA application is to add one unit per acre of residential density. The entire area is planned for 2.8 units to the acre. A subdivision and preliminary plat have been approved. To build an age-restricted community requires a certain amount of acreage and houses to create a viable, sustainable community. The applicant is requesting to change from 2.8 units/acre to 3.8 units/acre. Key to this proposal is the age-restricted status. Deed Restrictions will handle most of the issues involved with the age-restricted status. From a school perspective there will be little to no impact as far as students, but there will be property tax generated from this site. Pew and Lake has spoken with the following entities, all of whom support this request: Vestar; Westcor; Ellsworth/Rittenhouse (Alan Marsh); and Heritage Square.

Council Member Barnes asked if the project will be gated. Mr. Pew explained that it would make sense to have gates for a community of this nature; however, Queen Creek has a policy on gated communities (against).

Commissioner Sossaman asked Mr. Pew to compare this project's size and density to Trilogy at Power Ranch. Mr. Pew explained that Trilogy is larger by hundreds of acres, but densities are the same - 4,000 to 6,000 feet in lot sizes depending on which home you buy. This community will provide open space because there will be no walls between houses. This density compares favorably to Encanterra, but Encanterra is much larger with a variety of densities. This site is not big enough for a golf course, but a golf course is not driving force in a community of this type.

Council Member Barnes asked if there are any two-story homes planned. Mr. Pew responded, "No." It will all be single family.

Ms. Grogan commented that the product is not fully developed yet, but it will cater to the community. Council Member Barnes used the example of Solera (age restricted community) and the high quality product they provide. He would like to see something similar in Queen Creek.

Mr. Pew commented that this will be reviewed at the Design Review phase.

If the amendment is approved the project will go from 325 to 425 homes; 1 additional unit per acre.

Commissioner Sossaman asked if there is a minimum acreage for this type of community. Mr. Pew explained that this project is 125 acres with 425 units and there are not many significantly smaller than this which is why Parcel 10 is being included in this application; all of the units are needed in order to make this a success. Mr. Pew stated that the word 'density' has different connotations but in this case people buying these homes typically don't want to care for a larger lot.

Chairman Schroeder asked if there will be golf cart connectivity to the shopping district.

Mr. Pew illustrated the common boundary at Queen Creek Marketplace. He stated when Queen Creek Marketplace was developed it included connectivity. Mr. Williams confirmed a vehicular connection between the two projects.

Commissioner Ester asked if motorized vehicles are allowed in the Queen Creek Wash. Mr. Williams responded “no”. The Queen Creek Wash is for bicycle, pedestrian and equestrian uses.

Chairman Schroeder asked if the Wash is considered an amenity. Mr. Pew commented that it is not an internal amenity but it will be a visual amenity.

Chairman Schroeder asked if the Commission was ready to make a recommendation to forward to Planning & Zoning Commission.

Ms. Cott responded the Commission may recommend approval, denial or staff can provide the Commission’s comments to the Planning & Zoning Commission.

A **MOTION** was made by Dr. Murlless, seconded by Carson Brown to recommend approval of Major General Plan Amendment (GPA09-057/RZ09-059), Victoria Estates, Parcels 10, 11 and 11A as recommended by Town Staff. Motion carried on a voice vote. Vice Mayor Mortensen, Council Member Barnes, and Planning Commissioner Sossaman abstained.

BARNEY FARMS:

Mr. Williams presented the request, stating the applicant is proposing rezoning from Employment Type B to a mix of Employment, Community Commercial, Medium High Density Residential-A and Medium High Density Residential-B on 257 acres located northwest of Meridian and Queen Creek roads.

Mr. Williams illustrated the existing Land Use Map. Mr. Williams noted this request includes a companion rezoning case. Mr. Williams illustrated the proposed zoning districts: C-2, R-5, R-4, I-1 on the northern boundary.

Mr. Williams illustrated the current planned transportation network in this area, noting Gantzel/Ironwood is one of the major roads. Mr. Williams illustrated the proposed 802 Freeway alignment. The future freeway will be just north of the Town limits. Signal Butte is anticipated to be a major access point to the 802 freeway. MCDOT is currently conducting a Signal Butte corridor study which analyzes the entire area.

Mr. Williams illustrated the Phoenix-Mesa Gateway Airport (PMGA) noise contours. This site is just slightly outside the over-flight area, but it is anticipated there will be an increase in over flights in the future. Staff has included in the recommendation that PMGA will be doing additional noise studies in the future.

The applicant’s position on noise contours and over flight areas was shared with the group:

- The applicant believes the future noise contours will decrease.
- The primary over flight area will be west of the subject property;
- The area is outside the 65 DNL; the FAA allows housing if the local community desires it;
- The AOA II Boundary is subject to question;
- Other communities have housing closer to the airport than this requested project;
- Local communities are “over protective” of Gateway.

Mr. Williams stated the Town's position has always been to be protective of the PMGA corridor. He illustrated staff's analysis as follows:

- The project is partially in AOA II – will have noise and over flight issues;
- The project would replace 217 acres designated for Employment use with residential uses. The applicant believes there is an oversupply of land for Employment;
- This project is inconsistent with the General Plan goal to develop a job to population ratio of .04 jobs per capita;
- The proposed land use plan would generate significantly less construction and operating revenue at build-out for the Town than the current plan.
- There is potential for future incompatibility with East Park;
- Compatibility of residential uses in an employment area – presents concern since it is so close to CMC Steel.

Mr. Williams stated that the applicant has very recently submitted an adjusted/alternative plan and is asking the alternative to be considered. Mr. Williams stated the alternative plan reconfigures the East Park site and would involve a redesign. This would also involve further review by the Parks and Recreation Advisory Board, Planning Staff and it would necessitate Council to give staff direction to proceed with the redesign. There is not enough time to consider all the additional issues raised with the alternative plan.

Mr. Williams stated it is Staff's recommendation to deny the request in its existing form, but approve staff and the applicant to continue working towards the 2010 submittal date to improve the proposal and allow adequate time to analyze it.

Commissioner Sossaman asked if staff's recommendation for denial would require the applicant to pay additional fees. Mr. Williams explained that the applicant would have to pay the fees again unless the request was continued.

Commissioner Sossaman commented that lights, traffic and all other considerations associated with the park site being adjusted need to be reviewed. Mr. Williams stated that staff needs more time to analyze the change and the implications it may have on the amenities that are planned for the park.

Commissioner Sossaman asked if there is a significant change in employment from the original submittal. Mr. Williams commented that because of reconfiguration there is additional planned residential which results in loss of employment land of approximately 50-75 acres.

Ms. Cott asked for the Parks and Recreation's initial reaction. Mr. Williams stated that Parks and Recreation liked the general concept but a detailed analysis needs to be completed for a redesign.

Chairman Schroeder likes the concept of moving the park away from the noise corridor.

Vice Chairman Sherer asked if the airport has changed its position on this GPA. Commissioner Valenzuela stated that the airport has submitted a letter opposing this case.

Commissioner Valenzuela asked if we are discussing the GPA submitted or the alternative.

Chairman Schroeder explained that the Commission's recommendation will be on what was originally submitted, not the alternative.

Mr. Williams stated that Planning's recommendation is based on the original submittal.

Commissioner Murlless asked if the plans include a school site. Mr. Pew said no but it is something to talk about and provide if necessary.

PRESENTATION by Ralph Pew:

Mr. Pew explained that the revised map or alternative recently submitted to the Town contains the same request for land use change.

The applicant feels this proposal will benefit the Town and create sustainable development, improve transportation corridors, provide housing near employment and bring people and utilities to this area.

Mr. Pew explained that the land east of this site is shown as Light Industrial on the Town's Land Use Map; however, residential development is planned in Pinal County. The owner intends to develop residential and have made arrangements for utilities through Johnson Utilities.

The General Plan request in this area allows for a new urban village concept with integrated mixed uses. Currently there is roughly 13,900 acres of land planned in various communities for mixed uses. The ULI study of 2006 states this area can support 2,000 to 2,500 acres of this type of development over the next few decades. This proposal opens up this area in Queen Creek to be more competitive.

Mr. Pew illustrated the noise contour levels in the different land use categories. The Barney Property is technically shown as partially in contour area 2 and partially in area 3. Residential uses can be developed in area 2. There is no documented evidence that residential development cannot occur in area 2.

Mr. Pew highlighted the Queen Creek Zoning Ordinance Section 4.15 – Purpose A.2 “establish noise attenuation requirements” Section 4.15 C.2, stating per the Town's Zoning Ordinance housing is allowed in area 2.

Mr. Pew illustrated the Utilities (Sewer) Exhibit and how the sewer line would extend along the Ryan Road alignment to the project.

Jean Humphries left the meeting at 8:37 a.m.

Mr. Pew illustrated Resolution 780-09 which provides for connectivity between Signal Butte and Meridian roads. The Barney Farms GPA proposal works with the planned connectivity (per Res. 780-09). He stated that the Town Council can establish zoning conditions since the applicant is proposing rezoning concurrent with General Plan case.

A unified application will be filed with the Town next year with an additional Plan Amendment to reconfigure the park site, finalize the roadway location and establish one square mile of integrated uses including employment, park and residential.

Chairman Schroeder asked for clarification on the employment acreage within the 257 acres. Mr. Pew stated the proposal retains 20 acres of industrial at the northern position to buffer and create a transition to heavier industrial adjacent to Germann Road.

Vice Chairman Sherer asked Scott McCoy to comment on CMC Steel's position.

Scott McCoy of Earl, Curley, Lagarde, P.C. addressed the Commission. He stated that the CMC Steel facility is located north of the subject property.

CMC is a micro-mill that manufactures steel rebar from recycled materials using a metal shredder which is an intense industrial use. He believes the Town should guard employment/industrial land in this area and thinks allowing residential encroachment would be a mistake.

CMC operates several mills all over the U.S. Their experience is largely that when you have an intense industrial use like a steel mill other industrial uses will co-locate. CMC would not have located in this area if they knew residential would be located adjacent to their site.

CMC has invested \$100 Million predicated on land use designations. Mr. McCoy expressed his appreciation in addressing the Commission.

Commissioner Sossaman asked Mr. McCoy about CMC's decision to locate in Mesa based on off-sites. In attracting other users in the area, what would Queen Creek have to do to attract these types of businesses Queen Creek? Mr. McCoy stated the extension of critical infrastructure (sewer water and transportation) are key.

Vice Chairman Sherer stated that CMC's property is quarter mile from Germann. What proximity would CMC feel comfortable with in regards to residential development? Mr. McCoy responded that he would feel comfortable with a one- mile buffer. Vice-Mayor Mortensen asked what kind of buffer the plan has from Germann. Mr. McCoy responded one quarter-mile internally.

Council Member Barnes asked how the steel manufacturer in Gilbert at McQueen and Guadalupe compares to CMC Steel's company. Mr. McCoy was not familiar with this company but stated that CMC smelters everything from recycled materials. The company is testing equipment right now and the sound of the plant is clearly discernable all the way down to Queen Creek Road. This is a clean use, although not a quiet use.

Council Member Barnes asked how this noise will affect the hotels planned in Mesa. Did Mesa guide them in the site location process? CMC met with Mesa and Queen Creek after narrowing down the location alternatives to this area.

Council Member Barnes asked about freeway access for the semi trucks at CMC Steel. Discussion followed on access points, alternative access points, etc. CMC Steel's obligation to improve Meridian Road will be triggered by the City of Mesa.

Mr. Pew clarified the purpose of Town Council Resolution 780-09 is to get traffic from Meridian Road to Signal Butte Road.

The existing transportation plan shows Signal Butte as an arterial road from Ocotillo to Queen Creek Road and as a Principal Arterial from Queen Creek Road north to Germann Road.

Ms. Cott commented that Economic Development needs to preserve employment areas in the community to provide a sustainable balance of land uses; however one of the biggest issues in attracting employers is infrastructure – water, sewer, roads. The Commission needs to consider the acceleration of infrastructure to the Town's main employment area while reviewing this application.

Commissioner Valenzuela asked if the entire Barney Farms area is industrial. Mr. Pew answered yes. The 20 acres of Employment Type A is being included in application to include transition between residential uses and Employment Type A, which is the most intense industrial use.

Commissioner Valenzuela provided further information on noise contour levels and the fact that noise is a subjective issue. The airport is looking at noise and compatibility with site lines. Commissioner Valenzuela cautioned that these noise levels are an average. There will be noise levels above 60 decibels as the airport continues to receive more air traffic.

Mr. Pew clarified the proposed alternative (re-submittal) does not change any of the land uses originally submitted in the application.

There was further discussion on noise issues, noise complaints and other considerations by the PMGA in reviewing submittals while considering the future of the airport.

Chairman Schroeder asked if anyone feels comfortable proposing a recommendation on this application.

Commissioner Sossaman noted that members of Planning & Zoning Commission and Town Council cannot comment.

Commissioner Ester stated this is very complicated. He appreciates staff's analysis and recommendations. His position is to support the Town's recommendation for denial in its existing form and approval to continue working forward until the next filing date.

Commissioner Sossaman asked why staff is recommending denial instead of continuance. Mr. Williams responded that the recently submitted alternative will require additional staff analysis and the applicant will need to resubmit. Next year staff will be looking at a different proposal with significant structural changes.

Chairman Schroeder likes the alternate proposal, however he is not comfortable making a recommendation with so many unknowns with the land parcel to the west.

Chairman Schroeder asked if everyone was comfortable forwarding comments to the Planning & Zoning Commission. He thinks getting infrastructure to this area will make the land more marketable.

Council member Barnes does not want the applicant to feel Queen Creek is not working with them.

Chairman Schroeder thinks that perhaps a continuance rather than a denial would be appropriate since he strongly feels they are on the right track.

Vice Mayor Mortensen added he would like CMC Steel to step up and work with Town on Economic Development issues. Vice Chairman Sherer agrees.

The Commission agreed to send a copy of the meeting's minutes forward to the P&Z Commission.

D. Update on the Tourism Stakeholder

Vice Mayor Mortensen requested a quick update. Ms. Cott stated a meeting was held the end of September, facilitated by Michael Martin with the Tempe Convention and Visitors Bureau. Mr. Martin provided the group a “Tourism 101” session and outlined what is needed to get hotel users to the community. The group went through a S.W.O.T. analysis - the results of which were distributed to the Commission. An action plan will be brought forward in the near future. Management Assistant Kim Moyers added that one of the main things the group agreed on was the need to attract demand generators for hotel development. The Town will need to figure out what we can do to attract demand generators. Ms. Cott stated staff will continue to update Commission on this.

Ms. Cott announced that the Mayor has appointed Jason Barney to represent Queen Creek on the GPEC Board.

E. Summary of current events- Reports from Chair, Commission Members and Economic Development Staff

Future meeting dates – staff will notify the Commission of the next meeting date and meeting schedule for 2010. Thanksgiving and Christmas conflict with the regularly scheduled meeting dates so there will be no meetings in November and December.

3. **Announcements**

There were no announcements.

4. **Adjournment**

The meeting adjourned at 9:25 a.m.

Next meeting is scheduled for January 27, 2010 at 7:30 a.m.