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**SUBMITTED BY:** William D. Osborne, AICP, City Planner

**MANAGEMENT TEAM REVIEW:** Xenia Gonzalez, Neighborhood Services & Grants Director, Luis Pedroza, Deputy City Manager

**FOCUS AREA:** Strengthen Trade and Commerce

**ORGANIZATIONAL IMPROVEMENTS:** Brings opportunity for a significant number of non-conforming use and substandard-sized properties to be compliant without removing development potential intended by underlying zoning.

**SUBJECT:** **FIRST READING OF ORDINANCE NO. 24-1182**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **REZONING TWELVE PARCELS** of land located within the **MUSGRAVE ADDITION** from **LIMITED COMMERCIAL (LC)** to **INNOVATIVE COMMUNITY-MIXED-USE (IC-MU)** in the City of Douglas, Arizona; and amending the Official Zoning District Map, establishing severability of components of Ordinance; and establishing an effective date thereof.

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**EXECUTIVE SUMMARY:**

The Planning and Zoning Commission met on February 13, 2024, and recommended to the City Council to approve the proposed amendment of the City of Douglas Zoning Districts Map to include an overlay of Innovative Community-Mixed-Use (IC-MU) per ZMA-2023-07 for the parcels described in Exhibit A.

**BACKGROUND:**

Existing uses and building types in many of the proposed Innovative Community (IC) Overlay areas were built prior to the first adoption of Zoning Ordinance in 1966, and cannot expand any use that has not been allowed since then, and are too small to be built to the post-1966 standards for allowed uses in current zoning. Setback requirements from property lines and other buildings, and minimum off-street parking requirements are too burdensome for many properties subdivided in the early 1900s. Under existing zoning, many property owners within a proposed IC Overlay would otherwise need to file individual applications with fee payment for variances or conditional uses that would need to go to noticed public hearings.

Other areas of the city subdivided and built after 1966 have had less of a problem with their current zoning, and neighborhood residents generally prefer their more spacious lots and homes. These areas have therefore not been proposed at this time for IC Overlays. With permitting of accessory dwelling units (ADUs) made easier in Douglas, these property owners can also consider adding another housing unit to meet their needs. Also, it is important to note that there is no proven negative impact on property values from various types of new residential construction. Property values increase with periodic assessment inspections by Cochise County following city-issued residential permits.

By Amending the Zoning Districts Map to include the proposed Innovative Community-Mixed-Use (IC-MU) overlay for the following area specifically described with parcel numbers in Exhibit A:

**ZMA-2023-07 Musgrave Addition Block 38, Lots 9-16 and Block 39, Lots 9-16 IC-MU Overlay Zoning Districts Map Amendment of LC District.**

This proposal offers the possibility of mixed-use to achieve commercial development that otherwise would be out of scale and context with neighboring residential use.

**DISCUSSION & RECOMMENDATION:**

The proposed City of Douglas Zoning Districts Map amendments are consistent with General Plan goals, objectives and policies, without removing any use potential offered by underlying zoning. If ordinances are adopted, a property

owner would still need to choose to apply the overlay regulations to their property. Staff recommends approval of the ordinance for the above-delineated area.

**FISCAL IMPACT:**

N/A

**Fiscal Year:** 2023/2024

**Amount Requested:** \$0.00

**Budgeted:** Y / N

**Account (s):**

**“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE PLACEMENT OF ORDINANCE NO. 24-1182 ON ITS FIRST READING BY NUMBER AND TITLE ONLY.”**

**“...I MOVE THAT THE MAYOR AND COUNCIL APPROVE THE FIRST READING OF ORDINANCE NO. 24-1182 AND PLACE IT ON ITS SECOND READING BY NUMBER AND TITLE ONLY.”**