

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

**MANAGEMENT TEAM REVIEW:** Ana Urquijo, City Manager

**FOCUS AREA:** Strengthen Trade and Commerce

**ORGANIZATIONAL IMPROVEMENTS:** Increase consistency between development regulations and General Plan policies; improving economic and community development processes and outcomes.

**SUBJECT:** **SECOND READING OF ORDINANCE NO. 22-1143**, an Ordinance of the Mayor and Council of the City of Douglas, Cochise County, Arizona, **ADOPTING “2022 AMENDMENTS to ARTICLE 5 of the ZONING REGULATIONS”** by reference to AMEND SECTION 510.1, SECTION 510.2, SECTION 510.7, SECTION 510.8, AND SECTION 513.1, RENUMBER and AMEND SECTION 513.2, SECTION 513.3, and SECTION 513.4, and ADD SECTION 513.2, PERMITTED USES, and SECTION 513.3, PROPERTY DEVELOPMENT STANDARDS, of the CITY of DOUGLAS ZONING REGULATIONS; Providing for Severability; and establishing an effective date thereof.

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**EXECUTIVE SUMMARY:**

The Planning and Zoning Commission will meet on March 8, 2022, to recommend to the City Council the following amendments to the current Official Zoning Code. It is in the City’s best interest to modify zoning regulations, for possible investors, by amending the language below.

**BACKGROUND:**

By amending language of the Heavy Industry Zoning District (DMC 17-5-510) for Sections 510.1, 510.2, 510.7 and 510.8 to affect changes allowing for reuse of existing buildings and standard-sized parcels within the Heavy Industry (HI) Zoning District, and include documented state environmental review as part of the approval process.

- Any standard-sized parcel proposed for a principally-permitted use as listed in Section 510.4 would be required to apply for a conditional use permit, consistent with DMC 17-3-310.
- Any standard-sized parcel proposed for a conditionally-permitted use as listed in Section 510.5 would be required to apply for a planned development, consistent with the requirements of DMC 17-9.
- Arizona Department of Environmental Quality (ADEQ) contact, review, commentary, and decisions or guidance would be required and documented, per an amended Section 510.2.
- Yard requirements of Section 510.7 and nonresidential accessory building requirements of Section 510.8 would be amended with respect to processes associated with conditional use permitting and planned development approvals.

Further, amending language for the Historic Preservation (H-P) Overlay Zoning District (DMC 17-5-513) to explicitly encourage adaptive reuse, incorporating land uses into the Section, including those from lesser intensity zoning districts than allowed by underlying districts. Also included are visible, activating land uses like craft manufacturing, micro-breweries, micro-distilleries. The role of the City Planner in administering planning and zoning for the Historic Preservation Overlay Zoning District is codified into several subsections. A summary of the proposed amendment follows:

- Section 513.1 amended to include support for adaptive reuse land uses and role of City Planner.
- Section 513.2 Permitted Uses, Principal, Conditional, and Accessory added.
  - Mixed use, transparent storefronts, allowing less intensive uses than underlying zoning by right, as well as some craft and artisanal manufacturing uses by conditional use permit.
  - Craft brewing, craft distilling, craft winery uses allowed by conditional use permit, with mention of statutory separation distance requirements without exemptions pursuant to a City Council resolution establishing an *Entertainment District*, as allowed by A.R.S. §4-207.
  - Vertical agriculture as an adaptive reuse in vacant buildings and spaces allowed with a conditional use permit to support local food and beverage production and food security.

- Accessory uses to follow H-P regulations, and to allow rooftop gardens to support resilience and food security.
- Section 513.3 Property Development Standards established with no minimum area, but a 10,000 square foot maximum area for conditional uses. Also, height limit established at forty-five (45) feet in height, and four (4) stories measured above-ground. Setbacks are zero (0) feet, all around.
- Section 513.4 Design Review Requirements and Procedure amended to have space occupancy amounts shown on site plan submittals. City Planner authority in review and decision-making processes also included here, as well as in Sections 513.5 and 513.6.

**DISCUSSION:**

The proposed code amendments are consistent with General Plan goals, objectives and policies. Staff recommends approval of ordinance 22-1143.

**FISCAL IMPACT:**

**None**

**Fiscal Year:** 2021/2022

**Amount Requested:** \$

**Budgeted:** Y / N

**Account (s):**

**“...I move that the Mayor and Council approve the second reading of Ordinance No. 22-1143 and to place it on third reading by number and title only.”**