

**TOWN OF PRESCOTT VALLEY
REQUEST FOR COUNCIL ACTION
Date: September 10, 2015**

SUBJECT: Minor Amendment to *General Plan 2025* (GPA15-002) – Fain

SUBMITTING DEPARTMENT: Community Development Department

PREPARED BY: Richard Parker Community Development Director

AGENDA LOCATION: Comments/Communications , Consent , Work/Study ,
New Business , Public Hearing , Second Reading

ATTACHMENTS: a) Location Map, b) Site Plan, c) Resolution No. 1930 (with attachment)

SUMMARY/BACKGROUND: A public hearing to take comment on a request by the Fain Signature Group for an amendment to *General Plan 2025* changing the land use designation of an approximate nine (9) acre parcel in the downtown area known as the Entertainment District from Town Center “Mixed Use Low Intensity” to “Residential”. The applicant is requesting the minor General Plan Amendment in order to eventually permit re-zoning, and development of multiple-family uses on the subject property.

This application has been reviewed by the Planning Commission and Town Council twice in joint sessions, most recently on July 16, 2015. The applicant urges that allowing residential development in the downtown will bring new energy to the area since the previously entitled commercial zoning is well beyond what the market dictates, particularly since the success of the Crossroads development has arguably lessened the potential for “Big Box” commercial development in downtown. Also, the recent focus on development of an allied health university downtown will encourage high-density residential development in the area. (See Exhibit A)

Staff notes that this application should be considered as part of the larger picture for the downtown area. For example, litigation involving the nearby Events Center was recently settled and the settlement included an agreement by bondholders to support residential uses in the downtown which would not necessarily produce on-going transaction privilege tax revenues which might otherwise have been available to pay off the bonds issued to build the Events Center. At the same time, the bondholders supported the concept of the Town imposing a 2% surcharge on rents collected from residential apartment complexes (as it has in other areas of the community) and then arranging for those revenues to be made available for on-going operation and capital needs of the Events Center. The recent bankruptcy reorganization filing of the entity which leases and operates the Center underscores the importance of such new uses for the economic health of the downtown.

A concept site plan has been prepared illustrating a possible development plan configuration for the project. If the General Plan Amendment is ultimately approved, a subsequent re-zoning application would follow involving a preliminary development plan and supporting technical submittals involving traffic, drainage and site development issues. The Planning & Zoning Commission recommended approval of GPA15-002 at its August 10, 2015 meeting.

OPTIONS ANALYSIS: Public hearing – No Options Analysis Provided.

ACTION OPTION: Public hearing – No Action Options Provided.

RECOMMENDATION: Public hearing – No Recommendations Provided.

FISCAL ANALYSIS: The use of this property for residential apartments will produce one-time construction transaction privilege tax revenue along with revenue from an on-going 2% surcharge on rents. It has been discussed with the applicant (who currently plans to develop a residential apartment complex) about not only arranging for the revenues from such a surcharge being directed towards operation and capital costs of the Events Center (leased and operated by an entity which the applicant is involved with), but also providing as an economic incentive for building the residential apartments in the near term a reimbursement directly to the applicant of the one-time transaction privilege taxes that would be produced by the construction.

REVIEWED BY:

Management Services Director _____

Town Clerk _____

Town Attorney _____

Town Manager _____

COUNCIL ACTION:

Approved Denied Tabled/Deferred Assigned to _____