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STAFF REPORT

CASE # PAD22-11

To:	Honorable Mayor and City Council
Through:	Richard Williams, Development Services, Planning Manager
From:	Byron Easton, Development Services, Senior Planner
Meeting Date:	October 18, 2022

REQUEST

PUBLIC HEARING: PAD22-11 PHX Surf: A request by Pew & Lake, PLC, on behalf of PHX Surf, LLC, to create the PHX Surf Planned Area Development (PAD), including the creation of the development land use plan, permitted uses, and development standards for PHX Surf, a proposed surf and water park, on-site hospitality, retail, restaurant and outdoor entertainment center. The property is generally located at the southwest corner of Smith Enke Road (State Route 238) and North Loma Road. **DISCUSSION AND ACTION.**

COUNCIL PRIORITIES CONSIDERED

- Quality of Life
- Economic Sustainability
- Managing the Future
- Public Safety

APPLICANT

Jon Gillespie
 Pew & Lake, P.L.C.
 1744 S.Val Vista Dr.
 Mesa, Arizona 85204
 Phone: (480) 461-4670
 Email: jon.gillespie@pewandlake.com

PROPERTY OWNER

E. JAICKS LLC
 940 N. Vale
 Mesa, AZ 85201

PROJECT DATA

- | | |
|--------------------------|--------------------------------|
| • Site Acreage: | 71 +/- Gross Acres |
| • Parcel #: | 510-17-003D & 510-17-004C |
| • Site Address: | N/A |
| • Existing Zoning: | Industrial (CI-2) |
| • Proposed Zoning: | Planned Area Development (PAD) |
| • General Plan Land Use: | Employment (E), Commercial (C) |

HISTORY SUMMARY

- 1963 – Rezone to General Rual (GR) fom Industrial (CI-2), Pinal County case # PZ-007-63

SURROUNDING USES

Direction	Existing Zoning	Existing Use
North	N/A	Ak Chin Indian Reservation
South	Industrial (CI-2), General Rural (GR)	Vacant/Single Family Residential
East	Planned Area Development (PAD)	West Maricopa Village Mixed Use
West	Industrial (CI-2)	Hogenes Farms Dairy

ANALYSIS

PHX Surf is proposed as a mixed-use project that permits uses such as entertainment, hospitality, retail, restaurant and outdoor recreation. Including both recreation and commercial opportunity, the PHX Surf project will be a world-class entertainment and lifestyle venue with a destination surf and water park. The Applicant is proposing an innovative set of development standards that will allow for the unique use of the property (See **Exhibit B: Standards & Guidelines Report**), a one of kind project that does not appear anywhere in the State of Arizona, much less the Southwest.

Active entertainment sits at the helm of PHX Surf, tying together retail, dining, and hospitality experiences. A broad range of year-round experiences are planned for all ages, experience, and skill levels. PHX Surf is highlighted by two (2) approximately 5-acre surf lagoons (**See Exhibit H: Project Summary**) integrated into an approximately 71-acre site featuring various water attractions including slides and a “lazy river”, pump track, a spa, and an outdoor concert stage. Various hospitality options exist, including upscale hotel, surf villas, and an RV Campground that will allow patrons the unique ability to bring their own recreational vehicle (RV) to the site, all of which will allow the Project to capitalize on various types of patron demand. . PHX Surf expects patrons from much more than just the State of Arizona or other nearby states, but internationally, who will come to “stay and play” with direct access to the surf, beaches, aquatic experiences and more.

In addition to the planned recreational and lodging enclaves within the PAD, the proposal is to provide for a retail district which will be composed of three commercial buildings totaling approximately 31,000 SF of commercial space. The Surf Center and Surf Academy Village located in the heart of the development, maintains 26,100 SF for administration, ticketing, and instruction areas. The retail buildings are raised up above the surf beach and fronted with a boardwalk that not only recalls the iconic boardwalks of the world’s famous surf beaches but provides an elevated viewing experience for the public and restaurant guests. The waterpark and event venue also provide views of the surfers, particularly while queueing for an event.

Land uses and development standards will be regulated by the Standards & Guidelines Report (**Exhibit B**) The PAD district structure is flexible in nature and will both optimize the City’s interests and allow the applicant to develop the property to the highest and best use. Development of this PAD allows the applicant to bring a vital and vibrant, village-scaled development to the City of Maricopa.

The PAD divides the main uses into “districts” (See **Exhibit J: Zone/District Diagram**), each with its own distinct design and theme. Refer to (**Exhibit A: PAD Narrative**) for further details on each district. The following briefly explains the districts:

Retail District

The Retail District will be free to access by nonpaying public, offering everyone an opportunity to observe the surfing action whilst enjoying quality food & beverage. This district will also include the sales of equipment, accessories, and apparel to support the patrons.

Hotel District

The Hotel District includes the hotel itself and is projected to have 80 beds. The hotel will also include a pool, spa, and other amenities.

Main Arrival Plaza

The Main Arrival Plaza will feature the Admin/Check-in and the initial gathering/meeting area for the Project. Cabanas, shaded seating, lounge furniture and other amenities are abundant as well as large patios and walking paths.

Surf Village District

The Surf Village will feature the surfing lagoons, the Surf Center and Surf Academy. The two later buildings will host health, wellness and fitness programs, high performance training and coaching, and recreation related services and activities.

Surf Villas District

The 42 Surf Villas (with a total of 62 beds) will have controlled access to the lagoon side amenities.

The Project is planned to be developed in multiple phases with the surf lagoon and related academy buildings built in the first phase and other districts developing organically according to market conditions. Specific timing of roadway and infrastructure improvements associated with the phasing will be evaluated and decided later in the develop process. As a guide, please refer to **(Exhibit G: Conceptual Phasing Plan)**.

Open Space

The Applicant is proposing ample +/- 40% open space for the site. The overall Site envisions a unique open space plan which is accomplished through a combination of perimeter landscaping, large water features, and landscaped walkways and nodes. The active and passive recreation amenities include elements such as picnic areas, play areas, and walking trails. Pedestrian circulation and connectivity will be provided within and between each use district. Additionally, pathway lighting and rest stations will be provided at strategic locations throughout the open space areas. Please see **(Exhibit E: Open Space Plan)** and **(Exhibit F: Pedestrian Circulation Plan)** for a preliminary look at the abundant amount of open space and both public and private pathways/trails and connections. Prior to Development Review Permit approval, the development will need to provide a Fire and Life Safety Code Analysis of the proposed project as required by the 2018 IFC Chapter 1 section A.104.7.2. The report shall include a minimum of:

1. Fire and Aerial Apparatus Access roads analysis for all areas including homes, hotels, event center and commercial sites;
2. Fire Protection requirements;
3. Life Safety evacuation for large events;
4. Fire Flow analysis including fire pumps and on-site water storage; and
5. Emergency responders' access to water features areas and project capability of self-rescue.

The site shall comply with Section 510 Emergency Responders Radio Coverage of the 2018 International Fire Code. Please see **(Exhibit I: Draft Fire Access Plan)** for a preliminary look at planned fire and emergency access provisions.

The venue will operate approximately 340 days of the year. For approximately two (2) weeks each year, typically, in the winter, the surfing lagoons will be closed for annual maintenance and repairs. Please note that surfing during the colder months will continue with the use of wetsuits, while the waterpark will close when demand diminishes below operational thresholds.

The PHX Surf development meets the goals, policies, and intent of the City's General Plan and demonstrates compatibility between new development and existing neighborhoods by incorporating much needed recreational and economic opportunity for the residents of Maricopa. The Property is currently zoned Industrial (CI-2). **(See Exhibit C: Existing/Proposed Zoning Map)**. Specifically, the PAD rezoning addresses the following:

- Objective B1.3.2: Encourage developers to take advantage of opportunities provided by mixed-use standards especially within the designated redevelopment areas and along transit corridors.
- Objective B1.3.3: Promote a variety of commercial and retail spaces to expand opportunities for small businesses.
- Objective B1.1.5: Promote commercial and office development near neighborhood nodes, along arterials, and other appropriate locations.
- Objective B1.3.5: Establish guidelines for the appropriate inclusion of green spaces, paths and other people-oriented amenities.
- Goal B1.3: Encourage mixed-use development.

A Traffic Impact Analysis is being conducted as part of the application process. The purpose of this study is to assess traffic and transportation impacts of the proposed development on the surrounding streets, intersections and major roads serving the area. The study is being prepared in conformance with the City of Maricopa Improvement Requirements and the format for the Traffic Impact Analysis Guidelines (2018).

As part of the offsite improvements to increase traffic flow into and out of the development, the applicant will be constructing half street improvements along Loma Rd including an additional lane from SR238 and Loma Rd. intersection to approximately 1300’ south. Improvements on Loma Rd also include landscape, sidewalk, curb, gutter, signing and striping. Dedication of 55’ right-of-way and half street improvements on SR238 will also be required. On Green Rd. alignment, the developer will dedicate 58’ min. Right-of-Way and will construct half street improvements coordinating future alignment of the overpass over Union Pacific Rail Road.

CITIZEN PARTICIPATION:

Prior to recommending approval of the rezoning, the applicant submitted a public participation plan to inform residents of the proposed PAD zoning change, as required per the city’s Zoning Code. The Public Participation Plan included a neighborhood meeting, notification letters to all property owners within 600 feet of the subject area, public notice signs within the subject area, and legal notices in the local newspaper circulator. A timeline of the participation event is shown below (refer to **Exhibit D** for the **Citizen Participation Report**). The Citizen Participation Report also provides a summary of the neighborhood meeting, including all comments made by attendees.

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| <ul style="list-style-type: none"> • June 24, 2022 • June 24, 2022 • July 11, 2022 • September 8, 2022 • September 8, 2022 • September 8, 2022 • September 26, 2022 | <ul style="list-style-type: none"> - Neighborhood meeting notification letters sent to residents within 1,000-foot - Sign posted on site - Neighborhood meeting held - Public Hearing notification letters sent - Newspaper legal noticed published - Sign Posted - Planning and Zoning Commission |
|--|---|

PUBLIC COMMENT:

At the time that the report was written, staff has received no public comment.

FINDINGS:

As required by Sec. 18.140.060 of the City’s Zoning Code, the Planning & Zoning Commission made the following findings in their recommendation to the City Council:

1. The proposed development is consistent with the General Plan, the Subdivision Ordinance, and any applicable specific plan or master plan, including the density and intensity limitations that apply;

Staff Analysis: Approval of the proposed project will advance the goals and objectives of the General Plan and is consistent with the policies of the General Plan and any other applicable plan and/or policies that the City has adopted.

2. The subject site is physically suitable for the type and intensity of the land use being proposed;

Staff Analysis: The proposed PAD will be required to be developed and designed to be in compliance with applicable design standards.

3. Adequate transportation facilities and public services exist or will be provided in accordance with the conditions of PAD plan approval, to serve the proposed development and the approval of the proposed development will not result in a reduction of traffic levels of service or public services so as to be a detriment to public health, safety, or welfare;

Staff Analysis: The proposal will mitigate all potential vehicular and pedestrian traffic that will impact public health, safety, and welfare. A Traffic Impact Analysis was completed as part of the application process and will require an updated report or addendum at the time of platting or submittal of a development review permit application as determined by the City Engineer.

4. The proposed development will not have a substantial adverse effect on surrounding land uses and will be compatible with the existing and planned land use character of the surrounding area;

Staff Analysis: The proposed PAD will be compatible with the existing planned land uses within the surrounding area; the use itself will complement neighborhood area that has already been established and further advances goals and objective of the city’s General Plan for a village type development pattern.

5. The development complies with applicable adopted design guidelines; and the proposed development carries out the intent of the Planned Area Development provisions by providing a more efficient use of the land and an excellence of architecture and site design greater than that which could be achieved through the application of the base district regulations.

Staff Analysis: The proposed PAD is planned to have exceptional architectural and design elements that is not typically permitted by right by conventual standards.

CONCLUSION:

On September 26, 2022, the Planning and Zoning Commission recommended **approval (7-0)** of case #PAD22-11, subject to the conditions of approval stated in this staff report, and as amended by the Planning and Zoning Commission.

1. The PAD request case #PAD22-11 will be fully subject to all applicable development standards of the Maricopa Zoning Code, Subdivision Ordinance and all provisions thereof.
2. The development shall be responsible for any offsite and onsite improvements identified by the City's Engineering Division at the time platting or the submittal of a Development Review Permit.
3. All public roadway and infrastructure improvements shall be in accordance with the current City of Maricopa standards and/or subsequent standards that are developed by the City, as approved by the City Engineer and installed by the developer.
4. 30 days after approval by City Council, the applicant/property owner shall submit a final version of the PAD booklet and shall address all comments per the final recommendations and approval by the Planning and Zoning and City Council, if any.
5. Zoning development standards shall be in accordance to the PHX Surf PAD booklet. All other development standards not listed in the PAD booklet shall adhere to the City of Maricopa Zoning Code and Subdivision Code.
6. Prior to issuance of any building permit, a clearance letter from the State Historic Preservation Office (SHPO) for archaeological and historical preservation information shall be submitted, as applicable.
7. Prior to preliminary plat or site plan submittal, the applicant/property owner shall submit and secure all required applications, plans, supporting document submittals, approvals and permits from the applicable and appropriate federal, state, county, and local regulatory agencies.
8. If a different builder is ultimately responsible for the construction of housing product, elevations and floor plans shall be submitted to the City for review and approval prior to issuance of any building permits. This will be accomplished through the City Design Review Permit process.
9. Prior to the City Council approval of the PAD22-11, the applicant shall submit to the city a signed waiver pursuant to Proposition – 207, as applicable.
10. Prior to issuance of a building permit, the applicant or property owner shall submit and secure all required applications, plans, supporting document submittals, approvals and permits from the applicable and appropriate Federal, State, County and Local regulatory agencies.
11. The applicant/property owner shall have met and complied with all applicable fire codes as well as related National Fire Protection Agency (NFPA) guidelines to the satisfaction to the City of Maricopa.
12. The development and operation of the proposed Facility shall be in accordance with all applicable Arizona Department of Environmental Quality (ADEQ), if applicable and other regulatory agencies rules and regulations.
13. The Applicant is required to construct half street improvements along Loma Road, including an additional lane from the SR238 and Loma Rd. intersection to approximately 1300' south of

the intersection. These improvements shall include landscape, sidewalk, curb, gutter, signing and striping.

14. The Applicant shall dedicate 55' right-of-way and half street improvements on SR238 and shall dedicate 58' minimum right-of-way on the Green Rd. alignment. In addition, they shall construct half street improvements coordinating future alignment of the overpass over Union Pacific Railroad.

ATTACHMENTS:

Exhibit A: PAD Narrative

Exhibit B: Standards and Guidelines Report

Exhibit C: Existing/Proposed Zoning Map

Exhibit D: Citizen Participation Report

Exhibit E: Open Space Plan

Exhibit F: Pedestrian Circulation Plan

Exhibit G: Conceptual Phasing Plan

Exhibit H: Project Summary

Exhibit I: Draft Fire Access Plan

Exhibit J: Zone/District Diagram

Exhibit K: Legal Description

-- End of staff report --