



TOWN OF FOUNTAIN HILLS

STAFF REPORT

Meeting Date: 12/16/2025
Meeting Type: Town Council Regular Meeting - **AMENDED**
Submitting Department: Development Services
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Request to Town Council Regular Meeting (Agenda Language)

PUBLIC HEARING, with CONSIDERATION AND POSSIBLE ACTION: Relating to a request for approval of a Special Use Permit for property at 13212 N. Saguaro Blvd. (southwest corner of Saguaro and Palisades Blvds.) to reduce the required number of parking spaces by up to nine spaces.

Staff Summary (background)

The Request

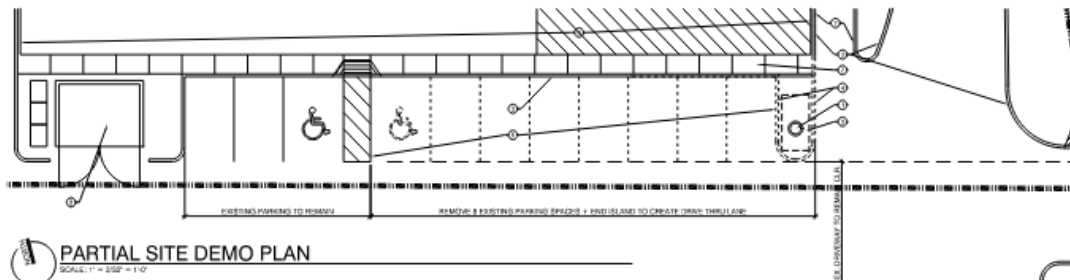
The property owner at 13212 N. Saguaro Blvd (southwest corner of Saguaro and Palisades Blvds.) is requesting approval of a Special Use Permit (SUP) to allow a reduction in the total number of parking spaces required for the existing building. This SUP request is allowed by Zoning Ordinance Section 26.06 A, which allows up to a 50% reduction of required parking for properties within the Planned Shopping Plaza Overlay District.

Section 7.06 of the Zoning Ordinance establishes the minimum parking requirements for developments. For lots such as this with a group commercial building that can have a variety of uses in it over time, the parking requirement is one space for each 275 gross square feet of floor area. This building requires 41 parking spaces. There are 41 spaces currently provided on the lot.

A suite in the building is being remodeled to a quick-serve restaurant (Dairy Queen). The standard for Dairy Queen is to have room for a minimum of five vehicles between the pick-up window and the order board. There is also a need for vehicles to stack behind the order board in a way that does not block traffic. To provide the needed drive-up lane, parking spaces and a landscape island need to be removed from the south side of the building.



Existing parking spaces and landscape island to be removed:



Site plan for the proposed drive-up lane:

maintain and protect existing neighborhoods, the Town's economic health, community well-being, and natural environment.

GOAL 2: Development, redevelopment and infill support Fountain Hill's small-town identity and the distinct character of each area while fostering long-term viability.

GOAL 4: Allow the Town Center to achieve its full potential.

2. Attract and retain small and medium-sized businesses to mixed-use projects in the Town Center to promote day and evening activities.

Zoning Ordinance

This lot and the surrounding area is zoned C-2 and developed with a variety of commercial uses. The Zoning Ordinance, Chapter 12, defines the intention of the C-2 zoning district as follows:

"C-2. Intermediate Commercial Zoning District: The principal purpose of this Zoning District is to provide for the sale of commodities and the performance of services and other activities in locations for which the market area extends beyond the immediate residential neighborhoods. Principal uses permitted in this Zoning District include furniture stores, hotels and motels, restaurants, and some commercial recreation and cultural facilities such as movies and instruction in art and music. This Zoning District is designed for application at major street intersections"

Section 26.06 A of the Zoning Ordinance allows for consideration of reducing the required parking in the Planning Shopping Plaza Overlay zoning district through a Special Use Permit. This section of the ordinance allows for a reduction of up to 50% of the required parking.

Section 2.02 of the zoning ordinance establishes the process and criteria for consideration of a SUP. Section 2.02 F. 1. d. of the zoning ordinance states:

- d. In order to recommend approval of any use permit, the findings of the Commission must be that the establishment, maintenance, or operation of the use or building applied for will not be detrimental to the public health, safety, peace, comfort, and general welfare of persons residing or working in the neighborhood of such proposed use, nor shall it be detrimental or injurious to property and improvements in the neighborhood or to the general welfare of the Town.

Analysis

This area has been zoned, platted and developed for a variety of commercial and business uses. Plat 208 was developed with a large common parking field to serve the needs of most of the lots within the Plat. The exception was five larger corner lots that are to provide all of their own parking. This lot is one of the lots required to provide its own parking. The use being proposed for the site will require elimination of up to nine existing parking spaces.

Based on the requirements stated above, the consideration for approval of this SUP is based on the Commission determining the following conditions have been met.

- Will approval of the SUP to reduce the on-site required parking be detrimental to the public health, safety, peace, or comfort of the neighborhood?

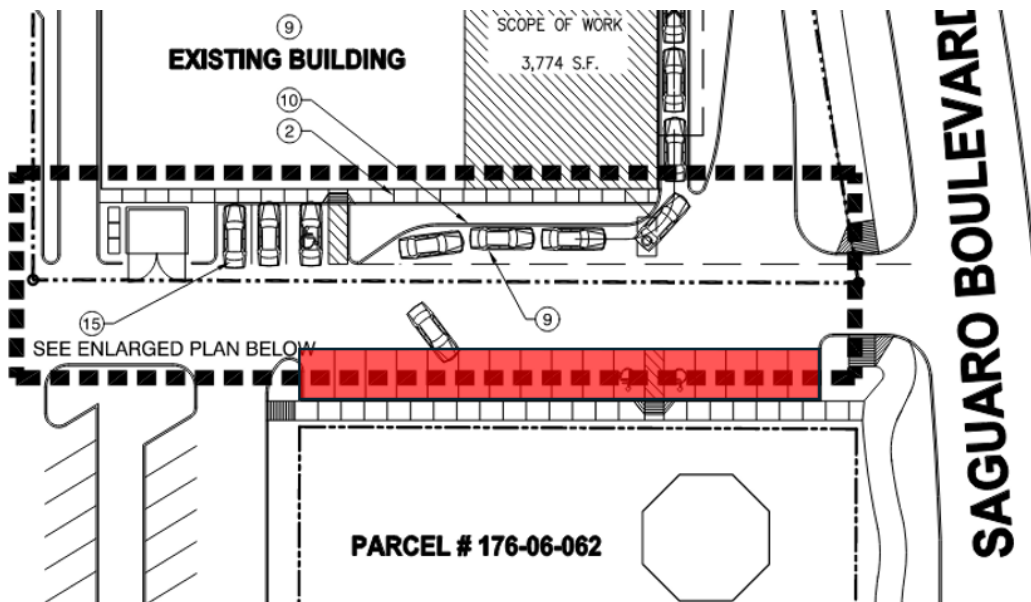
In practice today, the other uses of this building do not generate much parking demand. The parking lot typically has ample spaces available to serve the new restaurant use. The applicant has provided information stating they calculated a parking demand for the

restaurant at 16 spaces.

The eastern end of the block (area bounded by Verde River, Palisades, Saguaro, and Parkview) contains 216 common-use parking spaces. The calculated parking requirement for this area at build out will need is 142 parking spaces. Based on this calculation, there is an excess of 74 spaces. If there is a high concentration of restaurants or medical offices in this area, the number of excess spaces would be reduced.

- Will approval of the SUP be detrimental or injurious to the current commercial improvements within this Plat?

Staff has been in discussions with owners of the two lots along Saguaro south of this property. They are considering restaurant uses of these properties. The owner of the lot immediately south of the access drive has concerns that reduced parking on this lot will impact the parking available for her lot (the area in red below). Given access challenges from this area to the businesses, customers are unlikely to park here, but employees might.



A related concern comes from the proposed re-use of the parking area as a drive-thru lane. The site plan provided shows a maximum of 7 cars stacked from the pick-up window to the end of the drive-up lane. There are only two spaces behind the vehicle stopped at the menu board. Under the ordinances today, there is no specific requirement for the number of stacking spaces required. Chapter 19 of the zoning ordinance recommends 11 spaces. Staff has researched the stacking requirement in other jurisdictions and find that most require six or seven spaces behind the pick up window.

Staff has some concern the stacking behind the menu board will impede circulation in the driveway from Saguaro leading into the parking lot. The owner of the lot to the south has also expressed some concerns that stacking in this drive-thru lane could impact costumers coming and going from her business. The applicant has supplied

information from their corporate perspective that states they are comfortable this amount of stacking will work for this building and will not cause a conflict. There is also a commitment from the applicant that if a problem arises they will put out cones to direct the traffic.

- Will the approval of this SUP be detrimental or injurious to the general welfare of the Town?

Staff has not identified any impacts of approval of this SUP on the general welfare of the Town.

ADDITIONAL ITEMS

The documents submitted with the application show a menu board 40 square feet in size. The maximum allowed by code is 20 square feet. Further, there is an approved comprehensive sign plan for this property that also limits the size of a menu board to 20 square feet. The size of the menu board is not part of this request. However, because this information was included in the packet of materials for this SUP, staff does not want the applicant to believe approval of the SUP also approves the menu board.

There is an existing grease interceptor for the sanitary sewer in the landscape island at the corner of the building. In order to construct the new drive-thru lane, they will remove the landscape island and lower the manhole for the grease interceptor. Fountain Hills Sanitary District has expressed concerns with this solution and wants to see the grease interceptor moved. Again, this is not directly an issue at this point but will be if the SUP is approved, and they move forward with the drive-thru lane.

Citizen Participation

Copies of the applicant's citizen participation plan and report are attached. Two virtual meetings were held, one on October 15 and one on October 22. Two neighbors attended the meeting on the 15th; no one attended the meeting on the 22nd.

Concerns raised at the meeting on the 15th included:

- Concern about stacking traffic from the drive-thru blocking the main drive to the south of the property.
- Common parking parcel, the POA concerned about dedicating parking to this tenant.

Applicant responses to these concerns included:

- The applicant noted that they would address any parking that blocked the main drive immediately. The applicant said they would use cones or other necessary measures to immediately address traffic. The neighbor was comfortable with this proposal.
- The applicant had several calls with HOA and Town staff to address parking. The HOA submitted a letter to staff on October 22, 2025, supporting our proposal and use of parking.

Related Ordinance, Policy or Guiding Principle

Zoning Ordinance Section 2.02, Special Use Permits
Zoning Ordinance Section 7.06, Schedule of Off-street Parking Spaces
Zoning Ordinance Chapter 26, Planned Shopping Plaza Overlay

Risk Analysis

N/A

Recommendation(s) by Board(s) or Commission(s)

The Planning and Zoning Commission held a public hearing and discussed this request at their regular meeting on November 10, 2025. There were no members of the public who spoke on this item.

The Commissioners raised some questions about access to the property, possible impacts on the general traffic circulation through the area, and options for changing the circulation pattern. In response to questions, the applicant explained their plan for signage to the drive-thru lane will direct customers to enter from the main parking lot entrance on Palisades to the west of this lot or from Parkview. Following discussion, the Commission voted 5-1 to recommend approval with the conditions stated in the staff report.

Staff Recommendation(s)

There is clearly excess parking in the area today. The property owner projects there are plenty of spaces on the lot to contain all the parking necessary for the proposed use. Staff has some concern that the stacking of vehicles for the order board will interfere with or block traffic using the adjacent driveway and seeks comments from the Commissioners regarding these possible impacts on the area.

If the Planning and Zoning Commission is satisfied the issue with the stacking of vehicles for the future drive-thru lane can be handled, Staff recommends approval of the SUP to allow a reduction of up to nine parking spaces on this lot, leaving a requirement for a minimum of 32 spaces on this lot.

Conditions that could be placed on the approval to address concerns include:

- Resolving the issue of the location of the grease interceptor with the Fountain Hills Sanitary District prior to submission of a building permit application.
- Requiring all employees of businesses in this building to park either on site or in the parking area to the southwest, not in the parking spaces directly to the south.

Suggested Motion

MOVE TO approve SUP25-000002 to allow a reduction of up to 9 parking spaces subject to relocating the grease interceptor as shown in the revised site plan and ensuring employees of the businesses on this lot do not park in the spaces on the south side of the access drive adjacent to 13050 N. Saguaro Boulevard.

FISCAL IMPACT

Fiscal Impact: N/A

Budget Reference: N/A

Funding Source: N/A

ATTACHMENTS

1. Case Details Map

2. 009-narrative-9-3-2025
3. site plans (1)
4. SUP-PROPOSED SITE PLAN (11-5-25) - moved grease interceptor
5. Dairy Queen ENLARGED SITE PLAN w 14' Turning Rad (10-29-25)
6. Citizen Participation Plan Response Report-10-23-25
7. 011-GOOD NEIGHBOR STATEMENT