



CITY OF RIO RANCHO COVER PAGE

**Legislation Item: 26-100-
00005**

AGENDA DATE:

September 22, 2026

DEPARTMENT:

Development Services

SUBJECT:

Zone Map Amendment. The Applicant, PG Properties, LLC., through their agent, Modulus Architects & Land Use Planning, requests approval of a Zone Map Amendment from approximately 1.23 acres of C-1: Retail Commercial District (Lomas Encantadas, Tract 5) and approximately 0.5603 acres of PR: Parks & Recreation District (Portion of Lomas Encantadas, Tract 17-A) to SU: Special Use for R-6: Multi-Family Residential and C-1: Retail Commercial Uses. The subject properties comprise approximately 1.7895 acres. Staff contact is Tim Dvorak, and staff recommends the Planning & Zoning Board recommend approval of the Zone Map Amendment to the Governing Body, with findings and conditions.

BACKGROUND AND ANALYSIS:

The Applicant, PG Properties, LLC., through their agent, Modulus Architects & Land Use Planning, requests approval of a Zone Map Amendment from approximately 1.23 acres of C-1: Retail Commercial District (Lomas Encantadas, Tract 5) and approximately 0.5603 acres of PR: Parks & Recreation District (Portion of Lomas Encantadas, Tract 17-A) to SU: Special Use for R-6: Multi-Family Residential and C-1: Retail Commercial Uses. The subject properties comprise approximately 1.7895 acres.

The properties comprising the subject Zone Map Amendment request are outlined below with their current zoning:

- Lomas Encantadas, Tract 5: C-1: Retail Commercial District; approx. 1.23 acres
- A portion of Lomas Encantadas, Tract 17-A: PR: Parks & Recreation District; approx. 0.5603 acres of subject tract

The current zoning for both subject properties was established via Ordinance No. 30, Enactment No. 04-029, adopted August 11, 2004 by the Governing Body.

The subject properties are within the Lomas Encantadas Master Plan, originally adopted in 2004 and most recently amended on May 22, 2025 under Resolution No. 55, Enactment No. 25-054 by Governing Body. The Master Plan Amendments in 2025 did not change land use or zoning for the subject properties.

The Zone Map Amendment request for the above properties seeks to change the zoning of both properties to a SU: Special Use to allow multi-family residential units on the first floor in junction with the C-1: Retail Uses. The C-1: Retail Commercial allows for residential units above the first floor, the proposed zoning would not increase or change the type of uses for Tract 5, it just allows for a different configuration of the uses (apartments on the first floor) and would add an additional

level of review with the Site Plan requirement. The request would change the zoning for Tract 17-A which was formerly an undeveloped section of City property, zoned for a park, but not identified for improvements.

BACKGROUND OF LAND SALE FOR PR: PARKS & RECREATION PROPERTY:

The Camino Encantadas Park is approximately 1.8 acres of developed parkland. The original tract of land was 2.8 acres with a PR: Parks & Recreation zoning designation. This property is legally described as Lomas Encantadas, Tract 17-A. The Camino Encantadas Park features a dog park, a walking path, a playground structure with equipment, shading and park tables, a soccer field, and a pickle ball court.

Despite these amenities, approximately 1 acre of the real property comprising the Camino Encantadas Park remains unused. The 2.8 acre tract lends itself to park uses on the north side of the parcel, but the same cannot be said for the south 0.56 acres of the parcel.

Due to the nature and unusual shape of the 2.8 acre tract containing the Camino Encantadas Park, not many park amenities were able to be constructed on the near 1 acre portion of real property abutting Camino Venada. The Parcel is naturally restricted by the shape of the neighboring 1.23 acre vacant lot at 3820 Camino Encantadas NE (LE, Tract 5). The walking path that runs along the northeast property line of LE, Tract 17-A will remain and the City had no plans to develop additional parkland on this portion of the Parcel.

At the regular Governing Body Meeting held July 23, 2026, the Applicant requested approval of a sale of the undeveloped approximately 0.5603 acres of Lomas Encantadas, Tract 17-A, to be combined with the Applicant's property of Lomas Encantadas, Tract 5. The undeveloped portion of the park has some topography challenges and was not identified to be developed as park land on the ICIP. The Governing Body voted 4 FOR and 2 AGAINST, approving the sale of the approximately 0.5603 acres to the Applicant.

The purchase of the approx. 0.5603 acre from the City was necessary for the Applicant's request to move forward, as the existing LE, Tract 5 is located directly at the northeast intersection of Camino Encantadas NE (a minor arterial road) and Camino Venada NE (a minor collector road). Given this, LE, Tract 5 is not long enough itself to accommodate the minimum State Access Management Manual (SAMM) street access spacing requirements for a full access intersection. As such, the property purchase was an action in providing for the necessary distance to creating a better access point for the subject LE, Tract 5-A off of Camino Venada NE. The additional property is being used as the access point for the property and parking.

As a condition of approval of the sale, the Applicant submitted Summary Plat Request #26-200-00026 as an official platting action to combine the Applicant's owned property (LE, Tract 5) with the 0.5603 acre portion of purchased property of LE, Tract 17-A from the City. The plat is currently under review and the applicants have purchased from the property from the City. Once the plat is recorded with the County the new combined lots will be LE, Tract 5-A, comprising approx. 1.7895 acres.

ZONE MAP AMENDMENT GENERAL BACKGROUND INFORMATION:

The Applicant is proposing a Mixed-Use project on the combined Lomas Encatandas, Tract 5 and a portion of Lomas Encantadas Tract 17-A to be known as Tract 5-A, which will consist of approximately 55 R-6: multi-family units and C-1: retail commercial space.

The attached Site Plan to this request is part of the requirements for the SU: Special Use zoning. Future development of the site will need to conform to this Site Plan, unless a new Site Plan is

submitted for review and approval by the Governing Body.

The subject properties are abutted by the following zoning districts:

- PR: Parks & Recreation District: to the north
- OS: Open Space District: to the north
- R-1: Single-Family Residential District: to the north, west, & east
- R-4: Single-Family Residential District: to the north, west, & south

ANALYSIS:

CONFORMANCE WITH THE CITY ZONING ORDINANCE:

City of Rio Rancho Code of Ordinances (R.O. 2003) § 150.07 (A) requires that an applicant file a request for a zone map amendment through the City Planning and Zoning Board when a change in zoning designation is sought.

Staff recommends the Planning and Zoning Board find that the application, presented as an attachment, meets the submittal requirements for the proposed zoning request. Criteria is satisfied.

Pursuant to criteria provided by R.O. 2003 § 150.07 (D) (1) through (4) and (E) through (G), a request for a change in zoning designation must address the following policies and criterion for a zone map change:

(1) A proposed zone change must be found to be consistent with the health, safety, morals, and general welfare of the City.

The Applicant states in their justification, "The requested Special Use Zone Map Amendment is consistent with and affirmatively promotes the health, safety, and general welfare of the City because it replaces two fragmented zoning designations with one coordinated framework for a modest, walkable mixed-use community. The concept combines only 55 boutique luxury apartment homes with purposefully limited first-floor neighborhood commercial space, generous open space and landscaping, adequate code-compliant parking, and no requested variances. This balanced program supports daily needs, neighborhood activity, and efficient use of existing infrastructure while preserving a separate Governing Body review of the detailed site plan."

The Applicant continues, "The property's access and configuration make coordinated planning especially beneficial. The existing C-1 parcel has approximately 189 feet of frontage along Camino Encantadas and approximately 205 feet along Camino Venada, compared with the 330-foot minimum driveway-spacing standard identified in the Applicant's access analysis for a nonsignalized intersection. The corner parcel has no independent alternative access point. Combining the property with the adjoining remnant tract allows the City to evaluate access, circulation, emergency response, utilities, drainage, parking, pedestrian movement, landscaping, and buffering as one site."

Staff recommends the Planning and Zoning Board find that the proposed Zone Map Amendment would be in alignment with the health, safety, morals, and general welfare of the City. Staff finds that development of LE, Tract 5-A has better access with the additional property. Given that the Applicant has been able to officially obtain approx. 0.5603 acres of adjacent land from the existent Tract LE, 17-A, staff finds that the Applicant's coordinated approach will facilitate a better designed development of a C-1 parcel which has remained vacant since its original platting. Staff additionally finds that the Applicant's retention of low-impact commercial uses on the property provides a logical mix of land uses with the proposed multi-family units. Allowing for residential units on the first floor allows for the same mix of uses as allowed in the C-1, but for more flexibility in the design.

Staff recommends that the Planning and Zoning Board find that in addition to the presently zoned

PR: Park property re-zoning contributing to improved safety and welfare, that the proposed zoning of the C-1 parcel to Special Use for R-6 & C-1 would not be significantly changing the allowable uses on the property and would be in alignment with the morals and welfare of the City. The C-1 zoning of the property allows for residential uses as a secondary use or above the first floor, at a density of 50 units per acre or less. The proposed zoning maintains the C-1 uses while allowing residential on the first floor, and the attached Site Plan which will regulate development on the site, indicates Commercial Office/Retail space on the first floor. The balance of uses and continued commercial use shown on the proposed development would maintain the health, safety, morals, and welfare of the City and the potential development vision of this area. Criteria is satisfied.

(2) Stability of land use and zoning is desirable; therefore, the applicant must provide a sound justification for the change. The burden is on the applicant to show why the change should be made, not on the City to show why the change should not be made.

The Applicant states, "The Applicant acknowledges that stability of land use and zoning is an important public objective. The requested amendment is supported by a sound, site-specific justification: it replaces a fragmented pattern that has not produced development for more than twenty years with a unified SU framework for a modest, compatible, and walkable mixed-use community."

The Applicant continues, "The requested SU classification responds directly to these objective conditions. It would place the assembled property under one coordinated zoning framework and authorize the R-6 use family and selected C-1 uses as an integrated mixed-use concept. The anticipated program of only 55 boutique luxury apartment homes and purposefully limited first-floor neighborhood commercial space retains the property's commercial role, expands housing choice, and creates a scale compatible with the surrounding community and the site's access conditions."

Staff recommends the Planning and Zoning Board find that the proposed Zone Map Amendment presents additional oversight of what the development will look like and how the site will function under the Special Use framework. Scaled down commercial uses on the subject property provides a more harmonious fit with the surrounding neighbor versus a single use retail commercial development. Given that LE, Tract 5-A is surrounded by single-family residential and park facilities & open space, staff finds the mixture of R-6: multi-family and C-1: retail commercial to be a better transition to these primarily residential areas.

Staff recommends the Board finds that the change of allowing multi-family development on the first floor of potential development on the subject property maintains stability of land use, as the commercial use is maintained in the proposed zoning and shown in the attached Site Plan. Multi-family uses are permitted as a secondary use or above the first floor in the C-1 zoning, therefore the proposed change is not significantly changing how the property may be developed and promotes stability of land use and zoning. Criteria is satisfied.

(3) A proposed change shall generally be consistent with adopted elements of the Comprehensive Plan or other City master plans and amendments thereto including privately developed area plans which have been adopted by the City.

The Applicant states, "The requested Special Use Zone Map Amendment is generally consistent with and advances the Rio Rancho Comprehensive Plan because it establishes a controlled mixed-use framework that supports housing choice, coordinated planning, productive infill, neighborhood-scale retail, walkability, and efficient use of existing infrastructure. The zoning request is supported by a defined concept--only 55 boutique luxury apartment homes, purposefully limited first-floor commercial space, generous open space and landscaping, adequate parking, and no requested variances."

The Applicant continues, "The requested SU classification would authorize the R-6 use family and the compatible C-1 uses specifically identified in the adopting use schedule as a coordinated mixed-use concept. The residential and commercial components reinforce one another: residents provide regular support for small neighborhood businesses, and those businesses provided convenient day-to-day goods and services within walking distance of the homes and nearby community amenities.

The Applicant speaks to multiple policies and goals contained within the City's Comprehensive Plan, as outlined below. Further explanation and justification for each is provided in their justification letter.

- GOAL L-3: Maintain a balance of land uses throughout the City.
- POLICY L-1: Encourage the master planning of developments that establish a community character that considers circulation, landscaping, open space, storm drainage, utilities, and building location and design in the master plan.
- POLICY L-2: Promote and support neighborhood scale retail activities that are consistent with residential development.
- POLICY L-3: Promote and support development that incorporates walkability.
- GOAL PH-3: Promote a variety of housing types to meet the needs of all members of the community.
- POLICY PH-1: Promote quality, community-friendly multifamily development, through features such as enhanced open space and pedestrian connectivity.
- POLICY PH-4: Establish site and building design guidelines to create an effective transition, or necessary buffer, between substantially different land uses and densities.
- GOAL UD-1: Create focused growth areas where existing public infrastructure can support higher density development.
- GOAL UD-2: Create traditional neighborhood patterns that support a sense of place.
- GOAL UD-5: Support infill and redevelopment within areas of the city that have been neglected.
- POLICY UD-3: Provide development incentives for infill and redevelopment development projects.

Staff recommends the Planning and Zoning Board find that the proposed Zone Map Amendment furthers the goals, policies, and actions of the City's Comprehensive Plan outlined above. Integration of residential and commercial uses in this area presents an opportunity to better incorporate future nonresidential development within the southern portion of the Lomas Encantadas Master Plan, which primarily consists of single-family residential, institutional uses (schools), and parks/open space. Staff generally is not in favor of a reduction in commercial zoning; however, the unique dimensional and locational challenges of LE, Tract 5-A lend the subject property to an integration of uses. Staff finds the proposed Special Use framework will allow for more effective small-scale commercial usage within the proposed 55 multi-family units.

Staff additionally finds the proposed Zone Map Amendment furthers the availability of housing types within the area, as well as increases economic opportunity at a smaller scale, which is not likely to adversely impact the surrounding area. Criteria is satisfied.

- (4) The applicant must demonstrate that the existing zoning is inappropriate because:
- (a) There was an error, mistake or is necessary to correct an injustice that occurred when the existing zone map pattern was created, including the placement of an R-1 or transitional zone on an antiquated plat filed before the city's incorporation and adoption of its own zoning code or on land annexed by the City; or
 - (b) Changed neighborhood or community conditions justify the change; or
 - (c) A different use category is more advantageous to the community, as articulated in the comprehensive plan or other city master plan, even though (D)(1) or (2) does not apply. Applicant's reliance on this provision requires proof that (i) there is a public need for a change of the kind in

question, and (ii) that need will be best served by changing the classification of the particular piece of property in question as compared with other available property.

The Applicant states, "The Applicant relies primarily upon subsection (c). The requested SU classification is more advantageous to the community than retaining the existent C-1: Retail Commercial and Parks and Recreation zoning because it established a unified, property-specific mixed-use framework."

The Applicant continues, "This property is uniquely situated because the requested change converts site-specific constraints into an opportunity for a carefully scaled mixed-use community. [...] Tract 5 has remained vacant for more than twenty years despite its C-1 designation. The adjoining Parks and Recreation remnant has also remained vacant and unimproved and has never functioned as an active public park. The SU framework provides a positive path to combine these properties and introduce housing, neighborhood services, open space, and landscaping as one cohesive development."

Staff recommends the Planning and Zoning Board find that the proposed Zone Map Amendment is an action in furthering coordinated infill development within a challenging intersection in the city. Staff encouraged the Applicant to include a Site Plan with this subject Zone Map Amendment request, due to site renderings being shown during the Applicant's presentation for the purchase request of a portion of LE, Tract 17-A at the regular Governing Body meeting held July 23, 2026. Staff recommend the Board find that the attached Site Plan required for the Special Use zoning also maintains commercial uses on the site which achieves the underlying land use and vision of the property.

Staff have reviewed the Site Plan and have confirmed that it meets City standards for parking, landscaping, building design, and building height. As the attached Site Plan is able to meet minimum city requirements, including a main access point spaced away from the intersection and sufficient off-street parking, staff finds the Applicant's proposal provides the framework for an infill opportunity which can provide a complementary transition of land uses within the area. The proposed zoning and Site Plan maintain the planned use for the property while further several other Comprehensive Goals for housing, infill, walkability, and appropriate neighborhood scale mixed uses. Criteria is satisfied.

(E) The cost of land or other economic considerations pertaining to the applicant shall not be the determining factor for a change of zone.

The Applicant states, "The request is not determined by the Applicant's land cost, anticipated return, or other private economic considerations. The anticipated concept of 55 boutique luxury apartment homes and first-floor neighborhood commercial space is justified by public planning considerations, not by a tax projection, construction value, tenant commitment, or development schedule."

Staff recommends the Planning and Zoning Board find that the cost of land does not appear to be a determining factor for the proposed Zone Map Amendment. Criteria is satisfied.

(F) Location on a collector or major street is not in itself sufficient justification of apartment, office, or commercial zoning.

The Applicant states, "The Applicant acknowledges that proximity to a collector roadway, standing alone, is not sufficient justification for the requested zoning change. The request rests on the coordinated relationship among housing, neighborhood services, open space, access, infrastructure, and site-specific SU controls. The roadway setting is one relevant part of that broader planning context."

Staff recommends the Planning and Zoning Board find that the location at the intersection of Camino Encantadas NE and Camino Venada NE is not the sole justification for the Zone Map Amendment request. The proposed Special Use zoning designation would still retain C-1: Retail Commercial Uses while additionally allowing for multi-family residential on the first floor. Criteria is satisfied.

(G) A zone change request which would give a zone different from surrounding zoning to one small area, especially when only one premises is involved, is generally called a "spot zone." Such a change of zone may only be approved when:

(1) The change will clearly facilitate realization of the Comprehensive Plan and any applicable adopted sector development plan or area development plan; or

(2) The area of the proposed zone change is different from surrounding land because it could function as a transition between adjacent zones; because the site is not suitable for the uses allowed in any adjacent zone due to topography, traffic, or special adverse land uses nearby; or because the nature of structures already on the premises makes the site unsuitable for the uses allowed in any adjacent zone.

The Applicant states, "The requested SU Zone Map Amendment satisfies both independent bases for approval. It clearly facilitates implementation of the Rio Rancho Comprehensive Plan, and it establishes an appropriate transitional mixed-use classification for a property distinguished from surrounding land by its fragmented zoning, corner configuration, access conditions, parcel assembly, and relationship to adjoining residential, commercial, and public or recreational land-use patterns.

Staff recommends the Planning and Zoning Board find that the proposal would not create a spot zone, as the proposed Zone Map Amendment still retains C-1: Commercial uses and aligns with the proposed commercial land use for LE, Tract 5-A in the Lomas Encantadas Master Plan. Criteria is satisfied.

INTERDEPARTMENTAL/INTERAGENCY REVIEW: The reviewing agencies below received the subject application for review comments:

DSD Planning	Comments throughout ABM.
DSD Engineering	Comments attached in "Reviewer Comments."
Rio Rancho Fire and Rescue	Comments attached in "Reviewer Comments."
SSCAFCA	No adverse comments.
Parks, Recreation, and Community Services	No adverse comments.
Rio Rancho Police	No comments received.
Rio Rancho Public Schools	No comments received.
MRMPO	Comments attached in "Reviewer Comments."

NOTIFICATIONS: In accordance with State Statute NMSA 3-21-6, which stipulates notification procedures for this type of zoning action, all property owners within 100 feet of the subject properties were sent a certified letter, return receipt requested, containing a notice of action and impending Planning and Zoning Board hearing. Two notice signs were placed on the subject properties as required by ordinance, one week prior to the hearing. A legal notice was published in the September 7, 2026 edition of the Albuquerque Journal. All legal notice requirements have been met.

IMPACT:

Staff recommends the Planning and Zoning Board recommend approval of Zone Map Amendment Case No. 26-100-00005 to the Governing Body, subject to the following findings:

General Findings of Fact:

1. The Planning and Zoning Board may make a recommendation to the Governing Body on the Applicant's request for a Zone Map Amendment.
2. The Applicant has the authority to make an application to request a Zone Map Amendment.

Specific Findings of Fact for Approval:

The Applicant has submitted an application and narrative which demonstrates that the change in zoning designation meets the requirements of the Rio Rancho Code of Ordinances (R.O. 2003) § 150.07(D) Amendments, including:

1. The proposed zone change would be consistent with the health, safety, morals, and general welfare of the City by improving access for commercial property and maintaining the underlying land use while promoting house opportunities.
2. The Applicant has provided sound justification for the proposed zone change and the Zone Map Amendment would provide for stability of zoning by not modifying the underlying land use and not significantly changing the permissive uses on the subject property.
3. The proposed Zone Map Amendment would be consistent with adopted elements of the Comprehensive Plan, including housing, land use, and urban development goals.
4. The proposed Zone Map Amendment is consistent with the Lomas Encantadas Master Plan.
5. The cost of the land or other economic considerations does not appear to be a justification for the proposed Zone Map Amendment.
6. The Applicant has provided sufficient justification that the Zone Map Amendment request is not based on the properties' location.
7. The requested Zone Map Amendment would not create a "spot zone" in that it maintains commercial uses on the subject property and provides for multi-family housing, which complements the commercial usage.
8. Development of the site shall conform to the attached Site Plan.
9. A paper easement filed October 8, 2024 established a 10' maintenance easement for the stabilization rock supporting Camino Encantadas Park, directly north of LE, Tract 5. As such, a condition of approval shall be that this 10' maintenance easement either be included on Summary Plat Case No. 26-200-00026, or that grading and drainage be addressed for the subject Site and the subject 10' maintenance easement be vacated.
10. Summary Plat Case No. 26-200-00026 shall be recorded for the consolidation of the two properties, prior to approval of Building Permit.
11. Development of the Site shall have the following conditions::
 - a. Access along Camino Encantadas NE does not meet SAMM street spacing and must remain for emergency access only.
 - b. Development shall not infringe on existent parkland amenities and features.

However, if the Planning and Zoning Board finds that the proposed Zone Map Amendment is not consistent with City standards, staff recommends the specific findings of fact for denial below:

Specific Findings of Fact for Denial:

1. The Applicant has submitted an application and narrative which does not demonstrate that the proposed change in zoning designation meets the requirements of the Rio Rancho Code of Ordinances (R.O. 2003) § 150.07(D) Amendments.
2. The proposed zoning is not consistent with the health, safety, morals, and general welfare of the City.

ALTERNATIVES:

The Planning and Zoning Board may:

1. Recommend approval of the request to the Governing Body.

2. Recommend denial of the request to the Governing Body.
3. Modify the request and recommend approval of such modifications to the Governing Body.
4. Continue the public hearing to request additional information or to consider testimony provided at the public hearing.

DEPARTMENT RECOMMENDATION:

Staff recommends the Planning & Zoning Board recommend approval of the Zone Map Amendment to the Governing Body, with findings and conditions.

ATTACHMENT: [Location & Zone Map](#)

ATTACHMENT: [Application & Authorization](#)

ATTACHMENT: [Justification Letter](#)

ATTACHMENT: [Site Plan](#)

ATTACHMENT: [Proposed Elevations](#)

ATTACHMENT: [Summary Plat: LE, Tract 5-A](#)

ATTACHMENT: [7.23.26 GB ABM for Land Sale.pdf](#)

ATTACHMENT: [Reproduction of Notices & Legal Ad](#)

ATTACHMENT: [Reviewer Comments](#)

ATTACHMENT: [Public Comments](#)

ATTACHMENT: [Public Comments Map](#)

ATTACHMENT: [Draft_Ordinance_BMB.docx](#)