
GATEWAY AUTO MALL

Project Narrative

Pecos Rd. – Signal Butte Rd. – SR 24

Submitted by:

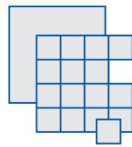
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Real Estate and Land Use Attorneys

On Behalf of:

The Gateway Auto Mall Development Group:

Gateway Land Investments, LLC

Signal Butte 20 DJB, LLC

Signal Butte 10 DJB, LLC

Submitted to:

City of Mesa

55 N. Center Street

Mesa, AZ 85201

January 15, 2024

I. Introduction

Pew & Lake, PLC, on behalf of our client, The Gateway Auto Mall Development Group, is pleased to submit this project narrative to the City of Mesa in support of General Plan Amendment, Rezoning, and Site Plan Review for the development of a regional auto mall commercial development ("Gateway Auto Mall"). The development is located on the approximately 58.6 net acres located on both sides of Signal Butte Road between the State Route 24 and Pecos Road.

Gateway Auto Mall will bring about an exciting regional commercial auto and commercial use at a key arterial intersection, freeway interchange, and gateway into Mesa from other southeast valley cities. The General Plan Request will make possible a mix of commercial and employment opportunities that will create jobs, promote business sustainability, and benefit the City's public programs and initiatives. This request will consolidate and organize multiple parcels with different ownership and different zoning categories into a cohesive zoning district. As envisioned in the General Plan and local plans, the proposed auto and regional commercial uses will implement desirable land uses where they expected to be located in the City limits. See the Site Aerial below.

Figure 1 – Site Aerial



II. Requests

The development requests to the City of Mesa are as follows:

1. General Plan Amendment of entire Property from Employment to Mixed Use Activity District; and
2. Rezoning of the overall Property from RU-43 (Mesa equivalent AG), AG, LI, and GI to General Commercial (GC) conventional zoning.
3. Site Plan Review

The applicant understands that future Site Plan Review, Design Review, and if necessary, a Preliminary Plat will be required prior to permitting.

III. Property Ownership

Significant to this request is how it represents a consolidation of multiple parcels and property owner interests. Table 1 below lists the parcels involved in this request and their respective owners.

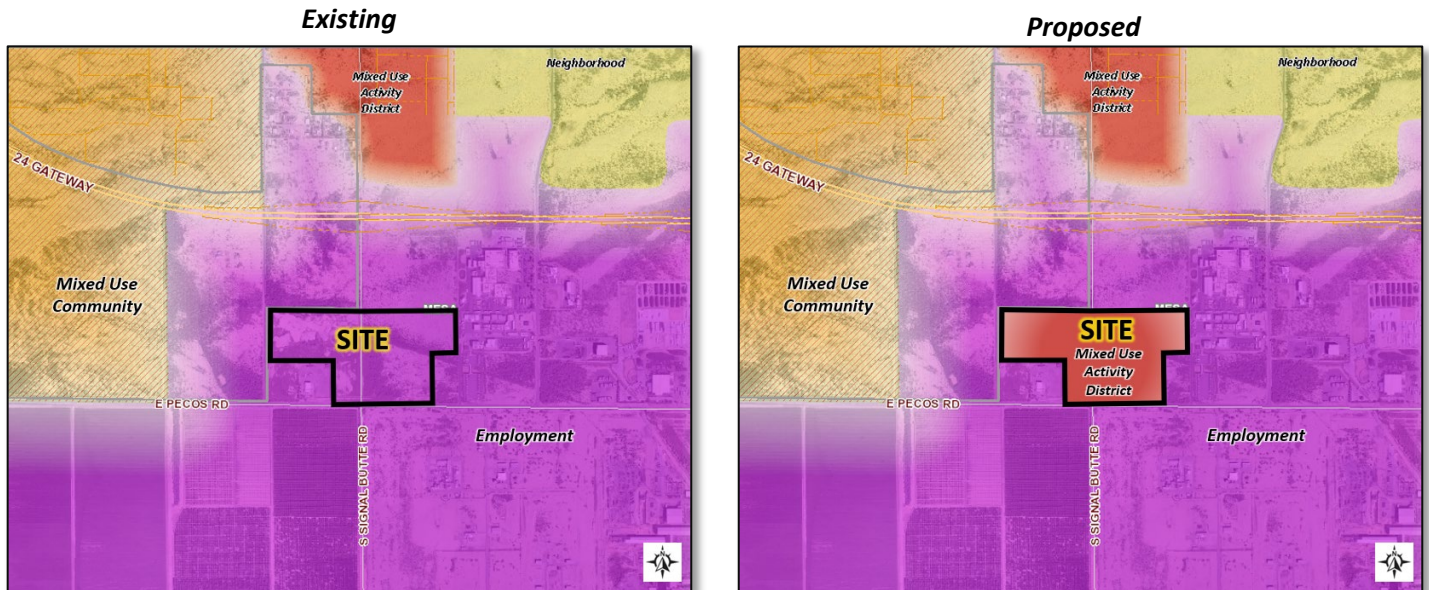
Table 1 – Property Owner Parcel List

Owner	Parcel Number	Zoning
Gateway Land Investments, LLC	304-43-934	LI
	304-34-935	LI
	304-34-933	LI
	304-36-005	LI
	304-36-006	LI
	304-34-043	GI
Signal Butte 20 DJB, LLC	304-34-019V	AG
	304-34-019U	AG
	304-34-019D	AG
	304-34-019J	AG
Signal Butte 10, LLC	304-36-007	AG

IV. General Plan and Zoning Designations

Currently, the Property is designated in the Mesa 2040 General Plan as Employment (See General Plan Map below). It is also located in the Mesa Gateway Strategic Development Plan boundaries. As previously listed, the property has various zoning designations.

Figure 1 – General Plan Character Area



Mesa Gateway Strategic Development Plan

The General Plan recognizes the Mesa Gateway Strategy Development Plan (MGSDP), which locates the subject Property in the Logistics and Commerce District on the boundary with the Mixed-Use Community district (see Figure 4 below). The intent of the Logistics and Commerce district is to allow a variety of commercial and employment uses. "Greater intensity and higher density uses [are] encouraged for development approaching the northern boundary of this area as it transitions to the planned freeway."

Located at the northern boundary of this area plan, this proposal complies with the intent of this district by proposing commercial auto mall and related uses that are deemed to be appropriate predominant uses in the Logistics part of the area plan. Proposed uses will generate a variety of employment opportunities in the employment, commercial, and retail sectors. Commercial and auto mall types of uses are the appropriate level of intensity given the proximity to the northern boundary of the district near the SR 24 and Pecos Road-Signal Butte Road arterial intersection.

Figure 2 – Framework Map

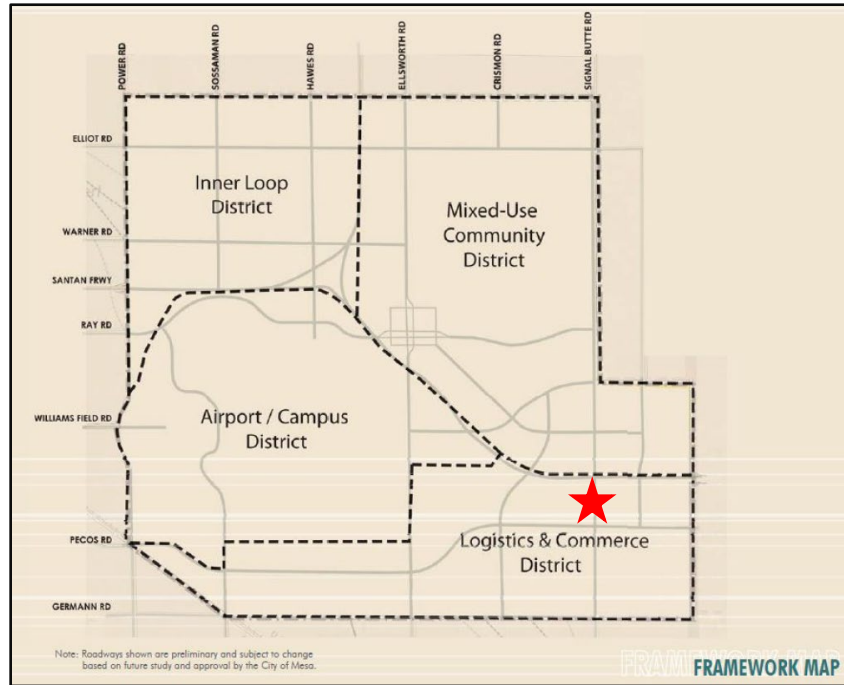


Figure 3 – Existing Zoning Map

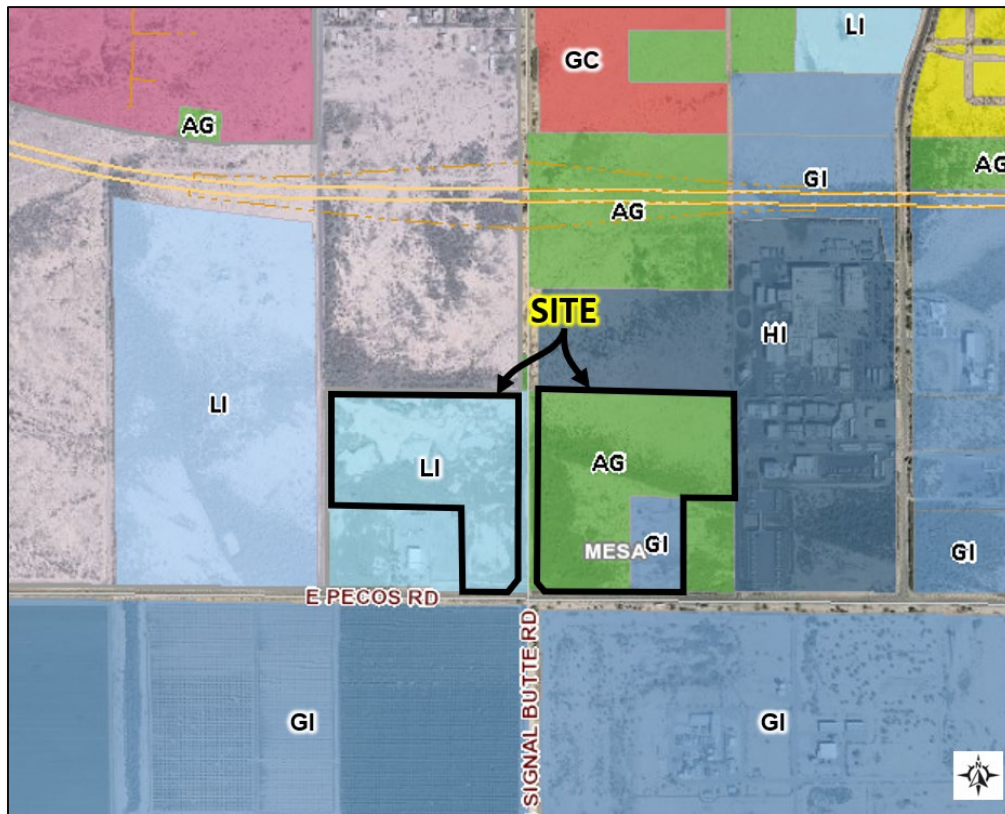
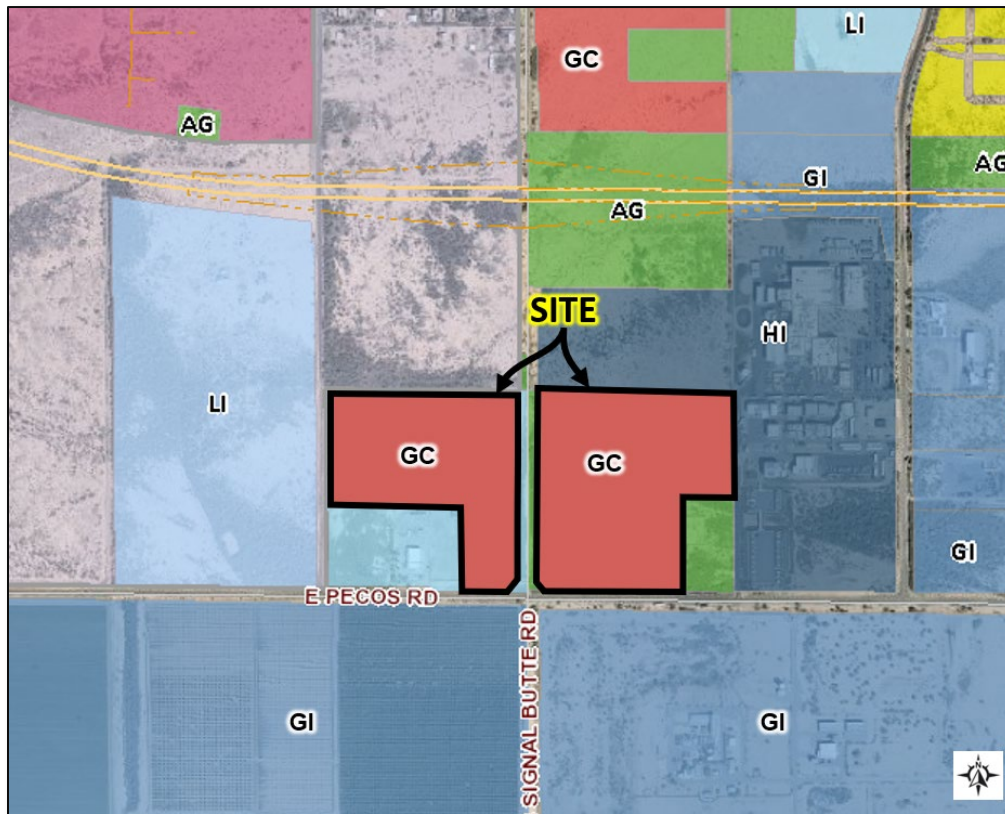
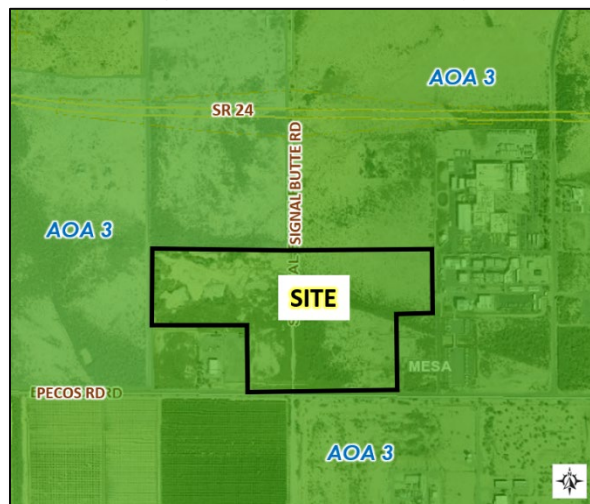


Figure 4 – Proposed Zoning Map



Pursuant to Chapter 19 of the Zoning Ordinance, the Property is located in the Airport Overflight Area for the Mesa Gateway Airport and will comply with the associated requirements. Because the site is 2+ miles away from the airport to the east, it is located in the least restrictive AOA 3 Overlay and well outside the flight patterns. The proposed mix of commercial and employment uses are the very types of developments envisioned for this overlay. This request will not have a detrimental effect on the airport but will provide stimulus and support for its ongoing viability. See the Airport Overlay Map in Figure 5 below.

Figure 5 – Airport Overlay



V. Existing Site Conditions and Relationship to Surrounding Properties

The Property is vacant and has relatively flat topography. The planned SR 24 freeway is located along the Property’s northern boundary. Signal Butte Road’s alignment cuts through the center of the project area. Pecos Road abuts the Property’s southern boundary. The surrounding properties are vacant, with the exception of the Fuji employment use east of the site and an indoor, building supplies commercial building to the west fronting Pecos Road.

Table 2 – Existing and Surrounding Land Use Context

Direction	Jurisdiction	General Plan Land Use	Existing Zoning	Existing Use
Property	Mesa & Maricopa County	Employment	LI, AG, GI, RU-43	Vacant
North	Maricopa County	Employment	HI, RU-43	Vacant, Future SR 24
East	Mesa	Employment	HI, AG	Vacant, Employment
South	Mesa	Employment	GI	Pecos Road, Vacant
West	Mesa	Employment	LI	Vacant, Agriculture

VI. Description

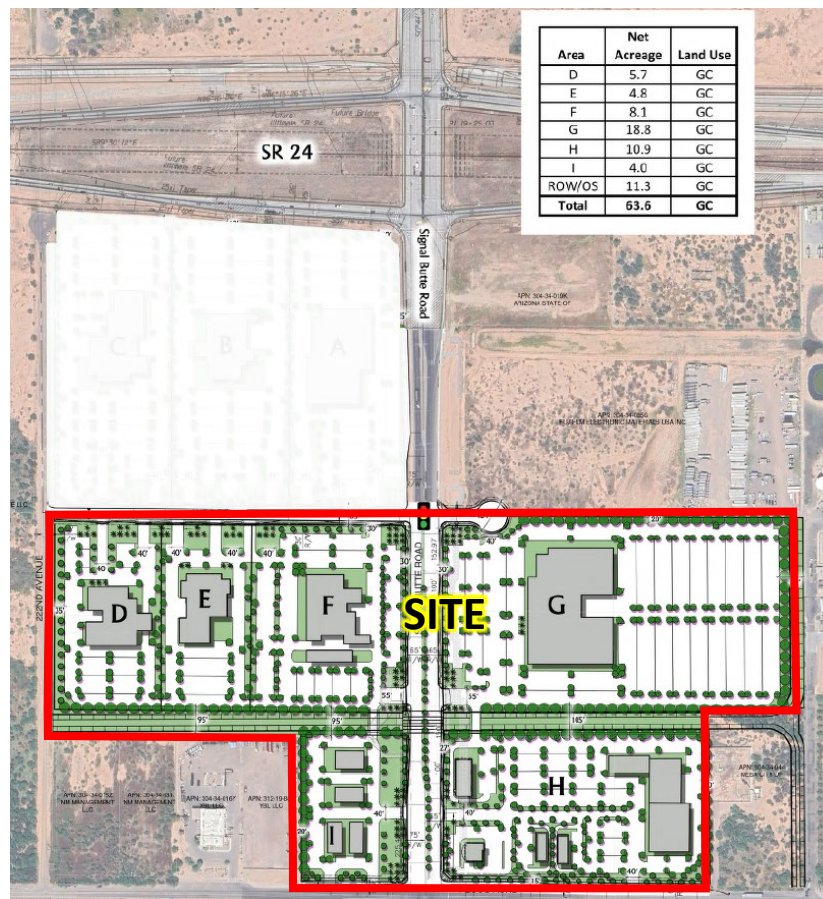
The purpose of this application is to request the Mixed Use Activity District General Plan category and GC conventional zoning to the Property. This request will allow for Gateway Auto Mall, which offers enhanced benefits to the County and will help ensure the health, safety, and welfare of the county’s citizens. The applicant aims to set the framework for future development of auto sales and commercial uses and to ensure compatibility with the surrounding neighborhood. This site is an ideal location because it is adjacent to two major arterials and a freeway in an area planned for commercial and industrial uses. Signal Butte is scheduled for roadway improvements that will connect Queen Creek and San Tan Valley neighborhoods to the interchange with the SR 24 freeway at Signal Butte Road.

Site plan review is also requested for the site to provide a master plan and layout for the development of the auto-related buildings and uses. Consistent with the City’s 2-step site plan process, detailed site and architectural drawings for standard design review and administrative site plan review processes will be submitted for city review for each phase of development.

In the exhibit below, the Property is the southern part of a larger site plan between Pecos Road and the SR-24 freeway. The remaining site plan at the northwest corner is located in the unincorporated Maricopa County, although it ties into this site plan.

Gateway Auto Mall's conceptual layout for the subject Property includes seven phases of buildings (D, E, F and G) planned for auto dealership and service uses. They are conceptually located central to the site adjacent to the primary access drive that runs east-west. In phases H and I, additional auto and/or general commercial buildings with potential retail commercial anchors are planned at the hard corner of Signal Butte Road and Pecos Road.

Figure 6 – Conceptual Site Plan



Given the nature of auto dealerships, the plans are preliminary and give a general indication of the nature of the development that could occur. Actual site configuration and building locations will be determined as each phase progresses in response to the unique limitations, design, and needs of the variety of dealerships that could locate here.

Site Access and Circulation

Regional Roadways, Accessibility: The adjacent SR 24 offers a regional freeway link between the larger market area and the subject Property. The Mesa General Plan has established the Signal Butte Road as a principal arterial road. Construction of improvements are in process for Signal Butte Road and the SR 24 interchange, which will help facilitate commercial access. Gateway Auto Mall will access Signal Butte Road consistent with Maricopa County and City of Mesa codes and standards. Currently, Pecos Road is a two-lane street. This project will contribute to the widening and improvement of this arterial roadway.

Site Circulation: As shown on the site plan, primary access to phases D, E, F, and G is provided at Signal Butte Road and Auto Drive (a proposed local industrial street) at a proposed traffic signal between Pecos Road and the SR 24. For the western portion, secondary access is also possible from 222nd Street, which intersects with Pecos Road. Phases H and I at the intersection corners include vehicular accesses at both Signal Butte Road and Pecos Road. Internal circulation will be determined during the detailed site plan review for the individual phases for each dealership.

Development Standards

The proposed development will be constructed in accordance with the applicable provisions in the Mesa Zoning Ordinance for the GC zoning district. The site planning, bulk standards, architectural, and landscape provisions for commercial developments will apply to the project site. For each phase of development, the site plan and each building design will incorporate quality design features tailored to the proposed type of use. Regarding landscaping, plant counts, types, sizes, and varieties will be installed in accordance with policies for perimeter landscaping along arterial streets and landscaping internal to the site.

Phasing

There are currently four separate phases proposed with the development. Each phase contains a portion of the total onsite and infrastructure improvements. These phases may change based upon unknown future real estate market conditions and the timing of City of Mesa approvals.

Public Utilities and Infrastructure

The proposed development will comply with all applicable City of Mesa regulations and standards regarding right-of-way and infrastructure improvements. Utilities in the Property's vicinity include City of Mesa for water, sewer, police, fire, and waste disposal. The Property is in the Southwest Gas service area for natural gas, and in the SRP electric supply service area. Based on a preliminary analysis, there is adequate capacity to service the proposed

development. Water and sewer connections will tie into the lines planned for the approved Property and will be developed with each phase. The preliminary utility plan indicates that the project could sewer Parcels A-G west down Auto Drive to 222nd Street. The sewer would then flow south in 222nd Street to Pecos Road. Parcels H & I could connect into the sewer in Pecos Road. A waterline could be extended from the 24" waterline in Signal Butte Road west in Auto Drive to 222nd Street, where it could tie into the existing 16" waterline in Pecos Road. Services would connect into this proposed line.

Proposed drainage for the project will comply with the City of Mesa standards for onsite and offsite drainage and retention and will be designed in conjunction with each phase. Near the center of the site plan, a drainage channel is proposed that will be designed to convey offsite flows through the site consistent with engineering standards, as provided in the submitted preliminary drainage report. The Property falls within FEMA Zone "X" on the Flood Insurance Rate Map (FIRM). The submitted drainage report indicates that the proposed development will retain runoff generated onsite from a 100-year, 2-hour storm event, as well as from any proposed offsite improvements. The volume of retention will accommodate any runoff from onsite stormwater.

VII. Justification and General Plan Compliance

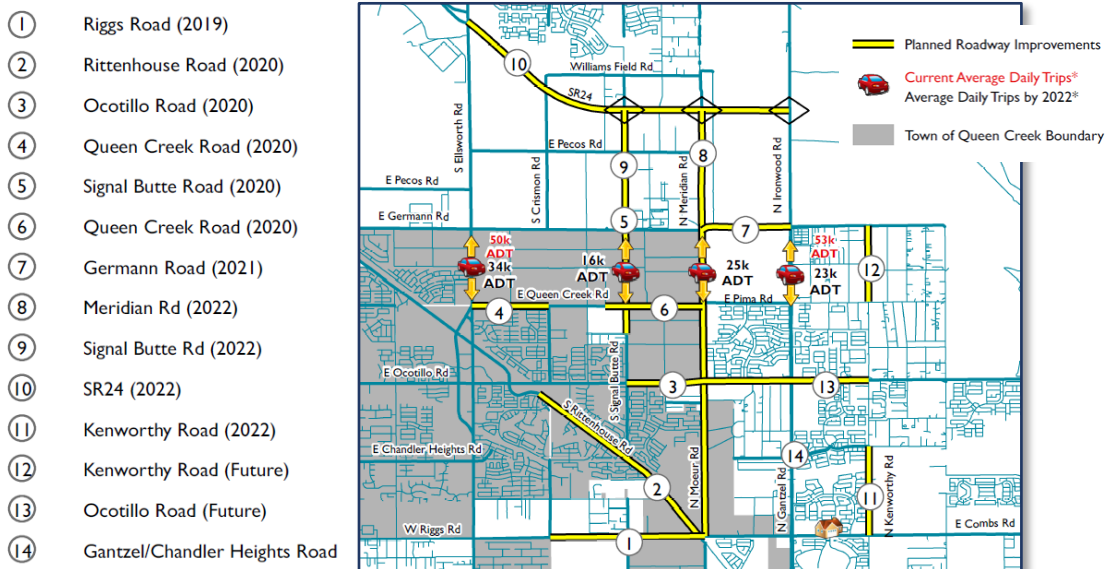
The proposed General Plan and Zoning requests for the Property grew out of noteworthy events that have transpired in the past few years relating to traffic improvements and major planning policy changes by Queen Creek, in conjunction with Mesa, Maricopa County, the State Land Department, and Apache Junction.

When the last General Plan update and the associated land use maps were adopted in 2014, the information available on transportation planning, future traffic patterns, and development in the vicinity was limited, conceptual in nature, and relatively uncertain. Also, at the time, Signal Butte did not connect as far south as Santan Valley, and no plans had been published to that effect. Only Ellsworth Road and Ironwood Road had direct access to those communities to the south.

Since 2014, significant policy changes affecting the Property have occurred. Specifically, Queen Creek has committed funding for upcoming roadway capital improvements designed to alleviate traffic conditions on its arterial streets. With the intent to provide alternative routes for traffic from Santan Valley heading toward Mesa's freeways, improvements are planned between now and 2022 to improve and expand 4 arterial road connections to the SR 24 future alignment, including Ellsworth Road, Signal Butte Road, Meridian Road, and Ironwood Road. These improvement plans were presented to the community in Queen Creek in January 2019 at the "Queen Creek Development Economic Forum. A July 15, 2019, article noted that Queen Creek partnered with Mesa to extend Signal Butte Road and Meridian Road

to from Combs Road to the SR 24 (July 15, 2019, "Signal Butte Extension to Offer Regional Connectivity," *Queen Creek Independent*, queencreekindependent.com). Figure 6 below summarizes these capital improvements, which are based on traffic studies in Queen Creek.

Figure 4- Planned Road Improvements to Future SR 24



Another key change was also announced in July 2019 – Queen Creek approved the annexation of the State Trust Land located east of Meridian Road and south of SR 24, which is near the Property. Similarly, Apache Junction has been approved by the State Land Department to annex the area north of the SR and east of Meridian Road next to the abutting Destination PAD area (Dyer, Richard "Annexation of State Trust Land Bridging Gap Between Queen Creek, Apache Junction," *Queen Creek Independent*, September 2, 2019, queencreek-independent.com). This news is evidence that the areas surrounding the Property are planned for growth sooner than later.

When the property owner learned about these recent updates and plans to accelerate funding of Signal Butte Roads connection to the SR 24 by 2022, it became apparent that Signal Butte Road will end up becoming a key point in the region’s transformation. Inasmuch as Signal Butte will become principal gateway into Mesa with more traffic than was previously known, the effects of increased visibility on Signal Butte Road and the Property resulted in what became the requests proposed in this application.

Accordingly, proposed on the Property is a regional commercial use on Signal Butte Road between Pecos Road and the SR-24, which respond to the dramatic events and future activity anticipated on Signal Butte Road.

Compliance with the General Plan Vision, Objectives, and Guidelines

The Property is consistent with the General Plan vision, goals, and policies, as follows:

- Character Area - Mixed Use Activity Districts are typically over 25 acres and have a significant commercial component to the mixed-use program that is designed to attract customers from a large radius. Regional-scale districts are typically larger than 60 acres and will include as one of the primary zoning districts the GC category. The Property in question is approximately 58.6 acres, and GC is the proposed zoning. The predominant uses anticipated are regional commercial uses, particularly high-quality auto dealerships, and other commercial uses, such as retail/commercial/office opportunities to service the surrounding neighborhoods and region.
- Appropriate land use and zoning – Provide for a “strong and viable center of commercial activity that attract people” from the larger region. GC zoning is requested to provide for proposed regional commercial uses, a major auto dealership, and other types of compatible uses. The primary uses proposed on the Property are designed to serve a population in the greater region, in addition to the immediate neighborhoods. Under the proposed zoning and uses contemplated on the Property, the auto mall will draw from not only Mesa residents but potential consumers from Gilbert, Queen Creek, and likely San Tan Valley residents that are anticipated to use the SR 24 at this future gateway into Mesa.
- The purpose of the proposed GC General Commercial is as follows:
 - “To provide indoor retail, limited outdoor display and related service-oriented businesses that serve a large surrounding residential trade area within a 4- to 5-mile radius. This district includes several automobile-oriented uses and similar support services related to automobiles, welding, and light assembly and fabrication related to an on-site commercial use. Other supportive uses may include, but are not limited to commercial lodging, automotive, restaurant, and movie uses, as well as office uses and public- and semi-public uses.”

This request complies with the above intent because it proposes retail, commercial, and auto-oriented uses and support services that serve a large residential trade area. This project will become a destination for retail and commercial shopping having market area attraction affecting multiple jurisdictions.

- Any proposed development on the GC properties will comply with the procedures for Site Plan Review and Design Review, which standards the City has adopted with the intent to provide for orderly and thoughtfully programmed development concepts

that will bring about desired commercial activity in GC zoning. These processes will provide will enable the City and stakeholders to review for compliance with all applicable development standards, guidelines, and policies.

- Compatibility with surrounding land uses – Proposed commercial and employment uses will not have a detrimental effect on surrounding properties, because a majority are vacant. The proposed use is likewise compatible and consistent with the two-story building supplies store on Pecos Road to the west and the Fuji employment uses located near part of the Property's eastern boundary. The bordering streets and landscape standards the zoning ordinance imposes will provide adequate buffers to the surrounding uses.
- Arterial street compatibility – Auto malls are best suited for locations on arterial streets and at or near a freeway interchange. The proposed development is located at the intersection of the alignment of the SR-24 freeway and two arterial roads – Signal Butte Road and Pecos Road, which makes it an ideal location for a regional destination for the broader area. The General Plan Circulation Plan classifies both Pecos Road and Signal Butte Road as arterials, making that intersection a planned area of higher transportation volume and visibility. The proposed Auto Mall and related commercial-employment uses are appropriate for this kind of roadway (General Plan, Transportation, p. 12-4).
- Roadway half-street improvements along Pecos Road and Signal Butte Road will complete gaps in the public roadway, bicycle, and sidewalk system. Currently Signal Butte south of the SR 24 alignment is under construction as a public project, and this project will add a collector street and other required improvements. Pecos Road is a two-lane street. This project will contribute to the widening and improvement of these roadways. (Transportation Goal 1, Objective 1 and 4).

VIII. Conclusion

The proposed Gateway Auto Mall request is a promising opportunity for the City. This application addresses significant steps in the progress of development in the region by proposing regional commercial uses and other compatible uses along Signal Butte Road between the SR 24 alignment and Pecos Road. Located at an optimal site, the proposed development on the Property fulfills the purposes of the General Plan by providing benefits to the City of Mesa through economic development growth and by providing jobs and services that promote the public welfare.