



Planning and Zoning Board

Staff Report

CASE NUMBER: ZON18-00592
LOCATION/ADDRESS: Within the 10200 and 10300 blocks of East Hampton Avenue (south side)
GENERAL VICINITY: Located north of US 60 east of Crismon Road.
REQUEST: Rezoning from LI and LI-BIZ to LC-PAD; Site Plan Review; Special Use Permits for reduction in parking and for assisted living; and Council Use Permit for multi-residence use in the LC zoning district.
PURPOSE: This request will allow for the development of a medical, commercial and residential mixed-use campus.

COUNCIL DISTRICT: District 6
OWNER: Ski Properties, LLC, VJ Crismon, LLC, Sterling Hospitality, LLC and Legacy Hospital, LLC
APPLICANT: Kevin Howard, Kevin B. Howard Architects, Inc.
STAFF PLANNER: Evan Balmer, AICP, Planner I

SITE DATA

PARCEL NO.: 220-81-740C, 220-81-740E, 220-81-740F, 220-81-740G and 220-81-740H
PARCEL SIZE: 20± acres
EXISTING ZONING: LI and LI-BIZ
GENERAL PLAN CHARACTER: Employment
CURRENT LAND USE: Marriott Residence in under construction on parcel 220-81-740E. The balance of the property is vacant

SITE CONTEXT

NORTH: Existing hospital (Mountain Vista Medical Center), zoned NC-BIZ
EAST: Vacant, zoned LC-PAD-BIZ
SOUTH: U.S. Highway 60
WEST: Existing office complex, zoned LI

STAFF RECOMMENDATION: Approval with conditions

P&Z BOARD RECOMMENDATION: ☒ Approval with conditions. ☐ Denial

PROPOSITION 207 WAIVER SIGNED: ☒ Yes ☐ No

HISTORY/RELATED CASES

September 3, 1987: Annexation of 1,140± acres into the City of Mesa (Ord. No. 2249).
October 5, 1987: Established City of Mesa Zoning SR and R1-9 districts, 1,140± acres (Z87-066).
March 6, 2000: Rezoned to C-2, M-1 and M-2, 96± acres (Z99-096).
November 19, 2007: Rezoned 5.91± acres to M-1-BIZ to allow the development of two hotels (Z07-103).
January 26, 2015: Rezoned 11.1± acres to LI-BIZ to allow the development of a medical center (Z14-055).

PROJECT DESCRIPTION / REQUEST

This is a request for rezoning, Site Plan Review, Council Use Permit and two Special Use Permits to allow the development of a medical, commercial and residential mixed-use campus. The requested rezoning is from Light Industrial, LI and LI-BIZ, to Limited Commercial, LC-PAD. A Council Use permit is required for multiple residences in the LC zone, a Special Use Permit is required for assisted living in the LC zone and an additional Special Use Permit is being requested for a parking reduction. The site is located north of US 60 and east of Crismon Road.

NEIGHBORHOOD PARTICIPATION:

The applicant has completed a Citizen Participation Process, which included a mailed letter to property owners within 1,000' of the site, as well as HOAs and registered neighborhoods within a mile. The applicant held a neighborhood meeting on September 24, 2018 at Stevenson Elementary School, which is located within 1.2 miles of the site.

At the time that this report was written staff had not been contacted by any residents or property owners in the area. The applicant will be providing an updated Citizen Participation Report prior to the October 16, 2018 Study Session. An update will be provided by staff at that Planning and Zoning Board Study Session.

STAFF ANALYSIS

MESA 2040 GENERAL PLAN:

Staff has reviewed the proposal and found that it is consistent with the criteria for review has outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan and has determined that the proposed project is in conformance with the General Plan.

The Mesa 2040 General Plan Character area designation for the site is Employment. The primary focus of the employment character type is to provide for a wide range of employment opportunities in high quality settings. Employment-type land uses are generally at least 20-acres in size and have minimal connection to the surrounding area. The proposed project is consistent with the General Plan by providing a well-designed, mixed-use campus that includes medical, commercial and residential uses that provide the opportunity for quality jobs while minimizing impact to the surrounding area.

The site is located in the Superstition Freeway East Economic activity area and district. Mesa has identified four major employment activity areas containing, and which will continue to provide, the locations for most of Mesa's employment. This site is in one of the four identified areas. The Superstition/Power Road Economic Activity Area is established around the opportunity to grow employment opportunities associated with the Loop 202 and US 60 Freeways and expand medical services. Superstition Freeway East: Superstition Springs Center, one of two regional shopping centers

located in Mesa, serves as a focal point for the Superstition Freeway East Corridor. It is dominated by businesses representing the advanced business services, healthcare services and retail industry clusters extending for approximately eight miles along the Superstition Freeway (US 60). This area is expected to see further growth in these clusters as vacant parcels throughout the corridor are developed over time.

ZONING:

This request is to rezone from Light Industrial, LI and LI-BIZ, to Limited Commercial, LC-PAD, to allow the development of the medical, commercial and residential mixed-use campus. The proposed zoning district is consistent with the existing commercial development adjacent to the west of the subject property. The property adjacent to the east of the site is currently undeveloped but was rezoned to Limited Commercial in 2007. The Mountain Vista Medical Center is located across Hampton Avenue directly north of the subject property. The LC-PAD zoning being requested is compatible with the zoning of the hospital. In addition, the specific medical office, assisted living and hotel uses being proposed with this rezoning further complement the Mountain Vista Medical Center. The applicant's rezoning request is consistent with the surrounding entitlements and the existing development in the surrounding area.

PAD OVERLAY MODIFICATIONS – MZO Article 3:

The purpose of the Planned Area Development Overlay (PAD) is to allow flexibility for the development of a cohesive project. The intent of the PAD overlay is to provide for creative, high-quality development in exchange for the flexibility in development standards. MZO section 11-22 lists some elements to be considered when evaluating the quality of a proposed PAD. Some of these elements include building design, site design and amenities that create a unique and sustainable alternative to conventional development. The applicant's proposal for the GrandeVita campus includes seven new buildings including two medical office buildings, a hotel, a nursing school, two restaurants and a residential tower, in addition to a Marriott hotel that is currently under construction. The three main buildings, a medical office building, the residential tower and the nursing school, are located in the middle of the property and are connected by two elevated pedestrian walkways that allow residents and guests to travel between the buildings without having to walk through the drive aisles and parking areas. This type of pedestrian connection will be very unique to the area. The buildings themselves also offer designs that are unique to the area. Instead of more traditional forms, the buildings feature a curvilinear design and include design enhancements such as green roofs and several water features, which can be seen in the images below from the corresponding Design Review Board case:





In exchange for these higher quality design elements, the applicant is requesting a PAD overlay to deviate from some of the development standards of the Limited Commercial zone and the General Development Standards. The specific deviations requested with the PAD overlay are listed in Tables 1 and 2 below:

Table 1

Standard	LC (Proposed)	LC (Required)
Minimum Lot Area (SF)	10,000	10,000
Minimum Lot Width	100'	100'
Minimum Lot Depth	100'	100'
Maximum Height	Phase II (Medical Office) – 76' Phase II (Independent Living) – 150' Phase II (Nursing School/Rehab Hospital) – 76' Phase III (Medical Office) – 32' Phase IV (Future Hotel) – 101'	30'
Front and Street-Facing Side	20'	20'
Interior Side and Rear Adjacent to Non-residential District (each story)	Phase II (Nursing School/Rehab Hospital) – 15' per story, maximum of 45' Phase IV (Future Hotel) – 15' per story, maximum of 45'	15'
Landscape Requirement for Side and Rear Adjacent to Non-residential District	10' (east setback will be 10' landscaped and include a masonry wall. The landscape setback will be placed on the western boundary of the right of entry easement of the flood control structure)	15'
Maximum Density (du/ac)	8.4	25
Minimum Density	-	-

Table 2

General Development Standards	Proposed	Required
11-30-4 B.1	A dog park fence shall be allowed to exceed the 3.5' maximum height within the exterior boundary of the required front yard. The dog park fence shall not exceed 6' in height.	No fence or freestanding wall within or along the exterior boundary of the required front yard shall exceed 3.5' in height.
11-33-4 B.1	Landscape islands may be eliminated if the adjacent landscaped areas meet the minimum square footage requirements for landscape islands. Trees in the adjacent landscape areas shall be spaced so that the distance from trunk to adjacent trunk does not exceed the width of eight contiguous stalls.	Parking lot landscape islands shall be installed at each end of a row of stalls and in between for a maximum 8 contiguous spaces.

Council Use Permit:

Multiple-residence uses are allowed in the Limited Commercial zone with the approval of a Council Use Permit. The Mesa Zoning Ordinance (MZO) Section 11-70-6.D addresses Council Use Permits (CUP) and provides review criteria. A CUP shall only be granted if the approving body determines that the project as submitted or modified conforms to all of the following criteria. If it is determined that it is not possible to meet all of the review criteria, the application shall be denied. The specific basis for denial shall be established in the record. The criteria with staff comments are as follows:

1. Approval of the proposed project will advance the goals and objectives of and is consistent with the policies of the General Plan and any other applicable City plan and/or policies:
One Goal of the General Plan is to Create and maintain a variety of great neighborhoods. Create and maintain a variety of great neighborhoods. Within this goal there is a policy strategy that reads as follows:
Encourage a range of housing options in all areas of the City in order to allow people to stay in their neighborhood as their housing needs change.
The proposed multi-residence aspect of this project is an independent and assisted living facility. The specific model being proposed allows the residents to stay in the same dwelling unit as their medical needs change. A resident will maintain the same residence should they be living independently or require assistance and specific medical care. This model will allow the residents to age in place in surroundings they have become accustomed to.
2. The location, size, design, and operating characteristics of the proposed project are consistent with the purposes of the district where it is located and conform with the General Plan and with any other applicable City plan or policies;
The location size and design are consistent with the purposes of the district. The design of the residential tower, as well as the development as a whole, feature many modern elements that

will be unique to this area. The operating characteristics identified in the project narrative and good neighbor policy conform with the General Plan.

3. The proposed project will not be injurious or detrimental to the adjacent or surrounding properties in the area of the proposed project or improvements in the neighborhood or to the general welfare of the City; and
This proposed project will not be injurious or detrimental to adjacent or surrounding properties or to the general welfare of the City. This project is located directly south of a full-service hospital, Mountain Vista Medical Center, which makes this an ideal location for an independent and assisted living facility. Should the need arise, residents of this development will have easy access to a hospital. Another major component of this development is two large medical office buildings. These will also be easily accessible for residents of this development.
4. Adequate public services, public facilities and public infrastructure are available to serve the proposed project.
The proposed site does have adequate public services, public infrastructure that are available to serve the site.

In addition to the CUP review criteria, residential facilities in commercial zones are required to meet additional standards through the CUP process. MZO Section 11-31-31-E provides standards that must be met and are as follows with staff comment:

1. The use is found to be in compliance with the General Plan, Sub Area Plans and other recognized development plans or policies, and will be compatible with surrounding uses; and
The General Plan designation for this property is Employment. The goal of the Employment designation is to provide a wide range of employment opportunities in a high-quality setting. The proposed residential tower will be one component of the larger GrandeVita mixed-use development. The residential tower is an independent and assisted living facility, which will provide diverse employment activities. In addition, the other proposed uses on the site include medical offices and rehabilitation facilities, which will also provide a wide-range of employment opportunities. The proposed residential use will work well with and help facilitate the success of the employment uses.
2. A finding that a plan of operation has been submitted, which includes, but is not limited to acceptable evidence of compliance with all zoning, building, and fire safety regulations; and
The applicant has indicated through their submittal documents evidence of compliance with all applicable codes including zoning and building codes. The applicant has been working with the fire department to meet all applicable fire codes. A condition of approval has been included to ensure compliance with all fire safety regulations.
3. A finding that a “good neighbor policy” in narrative form has been submitted, which includes, but is not limited to, descriptions of acceptable measures to ensure ongoing compatibility with adjacent uses; including measures to assure that commercial activity will remain as a viable activity on this site; and
The applicant has indicated in their “good neighbor policy” the steps they intend to take to ensure ongoing compatibility with surrounding uses and that the commercial activity will remain

viable on this property. These include situating the commercial activities, such as the proposed restaurants, away from the residential component, noise limitations on the restaurants and commercial activities and pedestrian connections between buildings on the site as well as surrounding properties. The viability of the commercial component will come through the diversity of uses provided on the site and the proximity of single-resident and multi-residential developments in the area.

4. Evidence that acceptable documentation is present demonstrating that the building or site proposed for this use is in, or will be brought into, substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines.

The proposed uses on the site are in conformance with all current City development standards as evidenced by the applicant's submittal documents.

SITE PLAN - MZO Section 11-69-5:

This proposal for a mixed-use campus style development that includes two medical office buildings, two hotels, two restaurants, a residential tower with independent and assisted living and a nursing school/rehabilitation hospital on 20± acres. Seven of the buildings shown on the site plan will be new construction and will total 586,864 square feet. The hotel in the southwest corner of the site plan is a Marriott Residence Inn that was previously approved by zoning case Z07-103 and is currently under construction.

The campus has been designed in a cohesive fashion and includes two entrances off Hampton Avenue and three entrances on the west side of the site. The main entrance will be located on Hampton Avenue and will feature a large entry monument, decorative paving and two water features. The main access drive also includes a large roundabout with a sculpture monument in the center of the site. The site is designed in a way that promotes pedestrian connectivity both around the perimeter of the development and with the existing infrastructure on Hampton Avenue, as well as between the buildings themselves. One of the more unique aspects of the site are the two elevated pedestrian connections that connect the three main buildings in the center of the site. In addition to being visually interesting, these connections also allow pedestrians access to the main buildings on the site without having to worry about potential conflicts with vehicular traffic.

The buildings themselves are visually interesting and feature a modern design that will be distinctive in the area. There will be four underground parking structures included with this site. They will be located under the medical office building, residential tower, the nursing school/rehabilitation hospital and the future hotel located in the southeast corner of the site. In addition to the distinctive architecture of the buildings, the site plan is providing ample landscaping that adds to the overall quality of the development.

There are some constraints present on the site, notably the large Maricopa County Flood Control structure on the east side of the property. The flood control structure is within a 130' easement and is under the control of Maricopa County. In an attempt to mitigate the visual impact of the structure, the applicant is providing a 10' landscape buffer with additional trees and a decorative 6' masonry wall along the west side.

Additionally, as part of the review process, the City of Mesa Fire Marshal expressed some concerns with the fire access routes shown on the site plan, specifically relating to the future hotel proposed in phase four of development located in the southeast corner of the property. The Fire Marshal would like to see improved access to the south and east sides of that building. Staff has included a condition that the applicant submit a revised site plan that complies with this standard for review and acceptance by the Planning Director prior to the issuance of a building permit.

SPECIAL USE PERMIT – MZO Section 11-32-6 and 11-70-5:

The Special Use Permit (SUP) for the parking reduction is for all phases of development on the 20± acre site. The proposed parking reduction complies with the four standard required findings outlined in MZO Section 11-70-5 for a SUP. The proposed use is in conformance with the General Plan designation of Employment and meets all of the design criteria of the LC zone. A mixed-use campus with the uses proposed is consistent with surrounding land uses and will be able to be adequately served by utilities and other public services.

The SUP requested is for a reduction in parking from the 1,306 spaces required by the Zoning Ordinance to 1,055 total spaces. The applicant provided a parking analysis that was conducted by a professional engineer that analyzed the parking requirements for the development. The engineer conducted several different analyses including a shared parking interaction study, a peak parking demand analysis and parking generation calculations. As a result of these studies, the engineer determined the peak parking demand for the GrandeVita development to be 962 spaces on a typical weekday. The 1,055 spaces being proposed will provide for the 962 spaces needed based on the parking study and allow for a buffer of 93 spaces. The development is providing 522 surface parking spaces with the additional 533 proposed spaces being provided in four underground parking garages as follows:

- 170 spaces located below the medical office building
- 172 spaces located below the residential tower
- 126 spaces located below the nursing school and rehabilitation center
- 66 spaces located below the future hotel in the southeast corner of the campus

The northwest portion of the site with the medical office building and two restaurants experiences a peak parking demand of 432 spaces at 11:00 AM on a typical weekday. Between the surface parking and the garage parking there are only 316 spaces available in this area. The parking analysis recommends that the restaurants utilize valet parking and the onsite shuttle system to mitigate the shortage of parking spaces that occur in this area during the peak parking demand.

Because the SUP request is for a parking reduction, the proposal must also comply with three additional criteria outlined in MZO Section 11-32-6. The applicant has shown sufficient justification to reduce the amount of parking on the site and complies with the standard findings for a SUP as outlined in MZO section 11-70-5 as well as the additional criteria for a parking reduction as outlined in MZO 11-32-6 and summarized in Table 1 below. The Planning and Zoning Board may hear and take action on SUP only when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board, as authorized by MZO section 11-66-2.C. Any Planning and Zoning Board approval of a SUP that requires the associated request, in this case a rezoning from LI and LI-BIZ to LC-PAD, to be approved by the City Council is conditioned upon Council approval of the associated request.

In the event the City Council denies the rezone request, the SUP for a parking reduction shall also be considered denied.

Table 3

Special Use Permit Required Findings	Finding
Approval of the proposed project will advance the goals and objectives of and is consistent with the policies of the General Plan and any other applicable City plan and/or policies.	The proposed use of the property as a mixed-use development featuring medical office, residential, hotel, restaurant and nursing school/rehabilitation facilities is consistent with the General Plan designation of Employment in place on the property.
The location, size, design, and operating characteristics of the proposed project are consistent with the purposes of the district where it is located and conform with the General Plan and with any other applicable City plan or policies.	The applicant's proposal is in conformance with the design requirements of the LC zone.
The proposed project will not be injurious or detrimental to the adjacent or surrounding properties in the area, nor will the proposed project or improvements be injurious or detrimental to the neighborhood or to the general welfare of the City.	The proposed mixed-use campus is consistent with the development pattern in the area and would not be detrimental to surrounding properties.
Adequate public services, public facilities and public infrastructure are available to serve the proposed project.	The proposed project will be able to be adequately served by public utilities and all other public services.
Parking Reduction Required Findings	Finding
Special conditions – including but not limited to the nature of the proposed operation; proximity to frequent transit service; transportation characteristics of persons residing, working or visiting the site exist that will reduce the parking demand at the site.	The applicant has provided a parking study to justify the requested parking reduction. This project is being developed as a mixed-use campus with a high degree of interaction expected between the uses on the site. The development features a large independent and assisted living tower and it is anticipated that the residents of the tower will be the primary users of many of the buildings on the site. Additionally, the applicant is proposing an on-site shuttle service to transport residents and guests to various points of the development.
The use will adequately be served by the proposed parking.	Based on the information provided in the parking analysis that was submitted with this request, the 1,055 parking spaces provided will adequately serve the development.

Parking demand generated by the project will not exceed the capacity of or have a detrimental impact on the supply of on street parking in the surrounding area.	The parking demand is not anticipated to exceed the capacity provided or impact the supply of on-street parking in the area.
--	--

SPECIAL USE PERMIT – MZO Section 11-70-5:

The MZO requires a Special Use Permit (SUP) for assisted living facilities. While there is another assisted living facility located approximately 1,800' from this proposed facility, the operational model of the GrandeVita project is slightly different. Because the GrandeVita project allows residents to transition from independent to assisted living while residing in the same unit, the mixture of independent living and assisted living will be changing regularly. Additionally, both the existing facility and the proposed GrandeVita facility are located adjacent to the Mountain View Medical Center. The location of these facilities in close proximity to a hospital is ideal as it allows for easy access to medical facilities should an emergency arise. A SUP shall only be granted if the approving body determines that the project as submitted or modified conforms to all the required findings. The findings for a SUP are as follows:

Table 4

Assisted Living Required Findings	Finding
The proposed development is consistent with the policies of the General Plan and advances the goals and objectives therein;	Approval of the proposed project will advance the goals and objectives of the General Plan by providing a variety of housing options in this area.
The location, size, design, and operating characteristics are consistent with the purposes of the district where the project is located and conforms with the General Plan and other applicable City plans and policies;	The proposal is for a twelve-story building that will fit well in this commercial setting. Mountain Vista Medical Center is located directly north of the subject property making this an ideal location for an assisted living facility. The proposed development is consistent with the Employment designation of the General Plan and all other applicable City plans.
It will not be injurious or detrimental to the adjacent or surrounding properties in the area nor will it be injurious or detrimental to the neighborhood or to the general welfare of the City; and	This assisted living facility is a component of a larger mixed-use development that will not negatively impact the surrounding uses. The close proximity to a hospital makes it an ideal location for this type of use.
There are public services, public facilities and public infrastructure available to serve the proposed project.	The proposed development is surrounded by existing public services, public facilities and public infrastructure including health care, retail, commercial, etc. are available to serve the proposed project.

Staff finds that the above findings meet criteria identified in MZO Section 11-70-5 for Special Use Permit.

CONCLUSION:

The proposed project complies with the General Plan and meets the review criteria for rezoning from LI and LI-BIZ to LC-PAD, MZO section 11-6, a Council Use Permit, MZO Section 11-70-6 and 11-31-31, Site Plan Review from MZO, Chapter 69 Section 11-69-5, a Special Use Permit for a parking reduction, MZO Section 11-32-6 and 11-70-5, and a Special Use Permit for assisted living, MZO Section 11-70-5 . Staff recommends approval with the following conditions:

CONDITIONS OF APPROVAL:

1. Compliance with the basic development as shown on the site plan and preliminary landscape plans and described in the good neighbor policy and architectural guidelines.
2. Compliance with all requirements of Design Review.
3. Compliance with all City development codes and regulations, except as modified in Table 1 and Table 2 of the staff report.
4. Prior to submittal of a building permit for the first phase of development, a modified site plan shall be submitted for review and acceptance by the Planning Director that includes two fire access roads to each building on the site.
5. All off-site improvements and street frontage landscaping to be installed in the first phase of construction.
6. Prior to the submittal of a building permit, recordation of cross-access and reciprocal parking easement among all parcels located within the 20-acre development area identified in the site plan.