



PLANNING DIVISION

STAFF REPORT

Board of Adjustment

February 5, 2020

CASE No.: **BOA19-00798**

PROJECT NAME: **Mesa Mercado Fiesta Center**

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|---------------------------|---|
| Owner's Name: | Bear Stearns Commercial Mortgage Securities |
| Applicant's Name: | Kimley Horn |
| Location of Request: | Within the 1300 and 1400 blocks of West Southern Avenue (south side) and within the 1200 block of South Longmore (east side). |
| Parcel No(s): | 134-26-810 |
| Request: | Requesting a Substantial Conformance Improvement Permit (SCIP) to allow modifications to certain development standards for redevelopment of an existing group commercial. |
| Existing Zoning District: | Limited Commercial (LC) |
| Council District: | 3 |
| Site Size: | 6.9 ± acres |
| Proposed Use(s): | Medical Office, Restaurant, General Office and Retail |
| Existing Use(s): | Medical Office, Restaurant, General Office and Retail |
| Staff Planner: | Cassidy Welch |
| Staff Recommendation: | APPROVAL with Conditions |

HISTORY

On **August 17, 1970**, the property was annexed into the City of Mesa (Ord. #675) and rezoned to Limited Commercial (LC).

On **November 17, 1980**, the City Council approved a site plan to allow a group commercial center development on the subject property (SPM80-017).

On **January 22, 2020**, the Planning & Zoning Board approved a site plan modification for the subject property (ZON19-00802) conditioned on obtaining approval of a Substantial Conformance Improvement Permit (SCIP).

PROJECT DESCRIPTION

Background:

The applicant is requesting a Substantial Conformance Improvement Permit (SCIP) to allow for the redevelopment of an existing group commercial center. The subject site consists of four existing buildings (Buildings A-D) as shown on the attached site plan. The proposed redevelopment will include:

1. The partial demolition of Building D reducing the building size by 7,647 square-foot (SF);
2. A 6,270 SF expansion to join Buildings A & B;
3. The partial demolition of Building C, currently 11,744 SF, to create two separate buildings, Buildings C with a new drive thru at 3,400 SF and Building F at 3,600 SF; and
4. The construction of Building E, a new restaurant building with a drive thru.

The subject site was originally developed in the 1980s with minimal landscape setbacks, minimal landscaping and foundation base, and minimal interior lot landscaping. The site does not conform to landscape setbacks per Section 11-7-3 of the Mesa Zoning Ordinance (MZO) or landscape standards per Section 11-33 of the MZO; therefore, the existing site is considered a legal non-conforming site. Due to existing conditions, achieving full conformance with the MZO would require significant alterations to the site including demolition of buildings and parking and circulation areas. Section 11-73 of the MZO establishes the Substantial Conformance Improvement Permit (SCIP) process and review criteria. The intent of a SCIP is to achieve a proportional degree of improvement that brings a site into substantial conformance with certain requirements of the MZO without having to bring the site into full conformance. To bring the site into substantial conformance with the MZO, the applicant proposes the following improvements:

1. Installation of new landscape islands, landscape areas and landscape material within the parking lot;
2. Installation of new landscape material and a parking lot screen wall adjacent to Southern Avenue and Longmore; and
3. Installation of new landscape material within the foundation base areas of the existing buildings.

General Plan Character Area Designation and Goals:

The property is located within the Mixed-Use Activity District character area as well as in a Transit Corridor area. Per Chapter 7 of the Mesa 2040 General Plan, the goal of the Mixed-Use Activity District is to help these districts be strong and viable centers of commercial activity that attract people to unique shopping and entertainment experiences. Retail, professional and medical offices, and restaurants, as proposed on the site, are typical primary uses allowed within the Mixed-Use Activity District character area designation.

The Transit Corridor designation applies to development of corridors between stations and stops. It is intended to create urban patterns such as a pedestrian-oriented urban environment that results in development within walking distance to and from transit stops. The proposed changes

to the existing development will improve pedestrian connections on the site and orient the development towards Southern Avenue; thus, contributing to the desired pedestrian-oriented urban environment. Staff has reviewed the request and determined it is consistent with the criteria for review outlined in Chapter 15 of the Mesa 2040 General Plan.

The site is also located within the Fiesta Economic Activity District. Per Chapter 5 of the Mesa 2040 General Plan, the Fiesta District is primed to revitalize and re-energize over the next decade. In accordance with the Plan, development efforts should focus on the redevelopment and revitalization of retail and entertainment uses to a regional mixed-use activity hub. The proposed redevelopment of a group commercial center conforms to the goal of the district to encourage revitalization and development of various properties in the sub area.

Site Characteristics:

The subject site located south of Southern Avenue and west of Alma School Road, is approximately 6.9 acres in size and is zoned Limited Commercial (LC). The subject site is located on the north side of Fiesta Mall. Southern Avenue Improvements, a \$25.8 million project, at the north side of the site encompassed improvements from Alma School Road to Tempe Canal including narrowing of street width, installation of larger landscape areas and the installation of the Fiesta District Identification signs at the northwest and southwest corners of Alma School Road and Southern Avenue. The site consists of 4 existing commercial buildings identified as buildings A-D on the attached site plan.

Surrounding Zoning Designations and Existing Use Activity:

| | | |
|--|---|--|
| Northwest (Across Southern Avenue & Longmore) LC Commercial | North (Across Southern Avenue) LC Commercial | Northeast (Across Southern Avenue) LC Commercial |
| West (Across Longmore) LC-BIZ Retail | Subject Property LC Commercial | East LC Bank |
| Southwest (Across Longmore) LC-BIZ Retail | South LC Fiesta Mall | Southeast LC Fiesta Mall |

Mesa Zoning Ordinance Requirements and Regulations:

Substantial Conformance Improvement Permit (SCIP) MZO Section 11-73:

The subject site is legal non-conforming as it does not conform to current landscape setback standards per Section 11-6-3, landscape standards per Section 11-33, or parking requirements per Section 11-32 of the MZO. Table 1 below summarizes the minimum MZO requirements, the applicant's proposal, and staff's recommendations. Text in bold indicates modifications from the MZO code requirements.

TABLE 1 DEVELOPMENT STANDARDS:

| Development Standard | MZO Requirement: | Applicant Proposed: | Staff Recommends: |
|--|---|-----------------------------|--------------------------|
| <i>Setbacks - landscape:</i> Southern Avenue | 15' | 8' existing | As proposed |
| Longmore | 15' | 10' min. existing | As proposed |
| <i>Interior Parking Lot Island Landscaping</i> | 1 tree & 3 shrubs per island; 59 trees, 177 shrubs | 56 trees, 177 shrubs | As proposed |
| <i>Foundation base:</i> <i>Building D, east elevation</i> | 15' | 9' existing | As proposed |
| <i>Building B, west elevation</i> | 15' | 9' existing | As proposed |
| <i>Maximum number of contiguous parking stalls between landscape islands</i> | 8 | 18 existing | As proposed |
| <i>Double-Row Parking Median Width</i> | 8' | 5' existing | As proposed |

In order to achieve substantial conformance, the applicant is proposing new landscaping and parking lot screening along Southern Avenue and Longmore in conformance with current code requirements, new parking lot landscape islands, and increased interior parking lot and foundation base landscaping.

Staff believes the proposed modifications are consistent with the degree of improvements to be constructed on the property

Per Section 11-73-3 of the MZO, when deciding on a SCIP, the Board of Adjustment shall find upon sufficient evidence that:

- A. The entire development site will be brought into substantial conformance. Substantial conformance shall mean physical improvements to the existing development site which constitute the greatest degree of compliance with this Ordinance that can be attained without causing or creating any of the following conditions:

1. The demolition or reconstruction of existing buildings or other significant structures (except signs); or

To meet the current MZO minimum foundation base requirements, a portion of Building D and Building B would need to be demolished. To meet current MZO minimum interior landscaping requirements, a significant portion of the existing parking and circulation areas would also need to be demolished.

2. The cessation of the existing conforming use, or the preclusion of any other lawful, permitted use.

Full compliance with current development standards would impact current operating businesses and discourage much needed redevelopment on this site.

3. The creation of new non-conforming conditions.

The applicant is proposing the partial demolition and expansion of existing buildings, as well as a new drive-thru building located at the northwest corner of the site. Where all existing buildings are modified, current development standards are proposed. The new proposed building will also conform to all current development standards.

The request complies with this criterion.

- B. The improvements authorized by the SCIP will result in a development that is compatible with, and not detrimental to, adjacent properties or neighborhoods.

The proposed improvements are compatible with and not detrimental to, adjacent properties or neighborhoods. The improvements will bring the site into further compliance with the MZO, enhance the appearance of the site, and improve the streetscape.

The request complies with this criterion.

SCIP Findings

- A. The existing buildings and subject site were originally constructed in the 1980s for office/ retail uses, does not meet current MZO development standards and is therefore legal non-conforming.
- B. Full compliance with current MZO would require significant alterations to the site and removal of portions of existing buildings.
- C. Improvements to the site include additional perimeter landscaping and parking lot screening, parking lot islands, and foundation base landscaping.

- D. The modifications requested along with the proposed improvements and conditions of approval are consistent with the degree of change requested to improve the site and to bring the site into a closer degree of conformance with current MZO standards.
- E. The proposed improvements will result in a development that is compatible with, and not detrimental to, adjacent properties or neighborhoods.

Neighborhood Participation Plan and Public Comments:

The applicant mailed the required notification letters to all property owners within 500' of the site. As of the date of this report, staff has not been contacted by any resident or property owner to express support or opposition to this request.

Staff Recommendations:

Based on the application received and preceding analysis, Staff finds the request for a Substantial Conformance Improvement Permit meets the required findings in 11-73-3, and therefore recommends approval with the following conditions:

Conditions of Approval:

1. *Compliance with the final site plan as submitted.*
2. *Compliance with all City development codes and regulations, except as identified in Table 1 of this report.*
3. *Compliance with all requirements of ZON19-00802 for site plan approval.*
4. *Compliance with all requirements of the Development Services Department regarding the issuance of building permits.*