



City Council Memo

Date: February 10, 2020
To: Mayor and City Council
Through: Kari Kent, Assistant City Manager
From: Christine Zielonka, Development Services Director
Nana Appiah, Planning Director

Subject: Overview of Hawes Crossing Annexations, Minor General Plan Amendments, Rezoning with a Planned Area Development, and Associated Development Agreements

BACKGROUND:

Mesa has been collaborating with seven major private property owners and the Arizona State Land Department (ASLD) to establish a proposed land use plan for approximately 1,131 acres of land within the 3,000-acre Inner Loop District (which was one area identified in the 2008 Mesa Gateway Strategic Development Plan). The Inner Loop area is generally located south of the U.S. 60 and east of the Loop 202, west to Power Rd. One portion of the ASLD land is located east of Loop 202 to Ellsworth Rd, south of Elliot Rd. In March 2016, the City of Mesa received a request from seven major private property owners and the ASLD proposing a mixed use Planned Area Development (i.e. Hawes Crossing Development). Currently, approximately 540 acres of the land is used for dairy farming and approximately 591 acres is owned by the ASLD. Of the 1,131 acres of land, 161 acres are currently located in the City of Mesa. The remaining 970± acres of land are within Maricopa County.

During the initial discussions of the project, both City staff and the applicants agreed to temporarily halt moving forward with the request until the City retained a land use and economic analysis consultant to conduct a thorough land use and economic impact study (The Inner Loop Study which has previously been provided to the City Council). The goal of the Study was to help identify the best land uses considering the balance of jobs to residences, freeway access and visibility, and the power transmission line (north of Elliott Rd). Insuring protection of future development in and around the Phoenix-Mesa Gateway Airport (PMGA) was also a major focus of the Inner Loop Study.

In conducting the study, the consultant facilitated numerous discussions with various stakeholders, including the PMGA and surrounding property owners and residents. The Inner Loop Study was completed in August 2018. Results of the study included recommendations to allow a diversity of land uses that could result in creating approximately 55,000 jobs in the area. The study recommended allocating employment related land uses along the 202 Freeway to provide visibility and freeway access. The allocation of residential land uses follows the recommendations from the PMGA's Land Use Compatibility Study that was completed in 2018. Pursuant to the study's recommendations, no residential development will be permitted in the intense overflight areas designated as AOA-1 and AOA-2. Residential development is located near the interior of the

study area and away from the highest concentration of overflight activity from the airport. All residential uses will be required to include noise attenuation measures to reduce noise decibels to 45db. Mixed development with an emphasis on employment uses are located along the Elliot Road Technology Corridor.

In June of 2019, after various iterations and changes to the initial land use and development application that had been submitted to the City for the “Hawes Crossing Development”, staff and the applicant were able to reach a consensus on a plan for the development that aligned with recommendations of the Inner Loop Study land use allocations. Staff and the applicant also agreed to include Development Agreements with both the private property owners and the ASLD which would include specific requirements that are beyond the City’s typical development and zoning standards. Over the past six months, staff and the applicants agreed on the requirements which are included in the Planned Area Development (PAD) rezoning conditions of approval and the proposed Development Agreements.

On October 23, 2019, the Planning and Zoning Board considered the subject request and recommended approval to the City Council by a majority vote of 3-2, with 2 members absent from the meeting. During the hearing, the members who voted in support expressed that their decision was informed by the thorough study that had been conducted to guide the allocation of the land uses proposed with the request, as well as the Study’s consideration of the PMGA’s prior Land Use Compatibility Study. The two members who voted against the plan expressed concerns with the potential threat of the development to continuous operations of the PMGA because of the inclusion of substantial amount of residential in the development. The PMGA’s Director attended the Planning and Zoning Board and City Council meetings and informed the Board and City Council that the proposed development conformed to the Airport’s Land Use Compatibility Plan.

On December 9, 2019, at the City Council’s Study Session, staff discussed certain sections of the proposed development and its compatibility with activities of the PMGA with the City Council. During the Study Session, Council directed staff to coordinate with the applicants to address three major concerns that pertained to: (1) Protection of the continuous development of the Elliot Road Technology Corridor; (2) Ensuring access to the Salt River Project (SRP) high voltage power line located north of Elliot Road; and (3) Including additional protective measures to ensure the development will not be detrimental to the operations of the PMGA’s activities.

Subsequently, the following restrictions are proposed for the Hawes Crossing development.

1. Restricted residential development along the Elliot Road Corridor: No residential use will be allowed on the ground floor of any building that is within 200 ft. north and 200 ft. south of Elliott Rd from Ellsworth Rd. to west of 80th St. The intent of this residential restriction is to ensure the Elliot Road Corridor is maintained as a vibrant commercial and employment corridor.
2. Dedication of 30-foot utility easement north of the Elliot Road Corridor and along the west side of Hawes Road: The applicant has agreed to dedicate a 30-foot SRP easement adjacent to the west side of Hawes Road right-of-way. Overall, the length of the easement is approximately 2,272 feet. There is an outparcel in the middle of the easement that is approximately 338 feet. The future dedication of the easement does not include this outparcel since the parcel is outside the boundaries of the proposed development. Overall, the 30-foot easement within the development will provide the needed access for potential users to connect to the SRP power line.

3. Phoenix-Mesa Gateway Airport Compatibility Conditions: The applicant has also agreed to two conditions of approval that are in addition to the City's standard conditions of approval for developments that are in close proximity to the PMGA: (1) Including specific notification language in any Covenants, Conditions and Restrictions (CC&Rs) for all property identifying the proximity to the PMGA, as well as a public disclosure map that visually depicts location of the property in relation to the Airport; and (2) Requirement for the installation and maintenance of "Airport Wayfinding" signage at all arterial intersections within the proposed development. This will serve as an additional notification to inform the public of the proximity of the development to the Airport. The signage shall be approved by the City during review of specific development plans. Maintaining the signs shall be the responsibility of the property owners.

RECOMMENDATION:

After thorough evaluation of the proposed development with the City's General Plan, the 2008 Mesa Gateway Strategic Plan and the 2018 Inner Loop Study, staff is recommending approval of the proposed annexation, minor general plan amendments and rezoning of the Hawes Crossing PAD and associated conditions of approval and Development Agreements.