



PLANNING DIVISION
STAFF REPORT

City Council Hearing

April 6, 2020

CASE Nos.: **ZON19-00935**

PROJECT NAME: **Metro East Valley Commerce Center III**

Owner's Name:	Puppyfeathers, LLLP
Applicant's Name:	Jeff McCall, McCall & Associates
Location of Request:	20.68 ± acres of the property is located within the 1800 to 2000 blocks of South Hobson (east side); the 600 to 800 blocks of East Baseline Road (north side); and the 1900 to 2000 blocks of South Horne (west side) and 4.5 ± acres of the property is located within the 500 block of East Auto Center Drive (south side); and within the 1700 to 1900 blocks of South Hobson (west side). Rezoning from LI and LI-PAD to LI-PAD; and Site Plan Review (overall 25.18± acres). This request will establish the Metro East Valley PAD and allow for an industrial development.
Parcel No(s):	139-12-002C, 139-12-001E, 139-12-029B, 139-12-041, and 139-12-008A
Requests:	Rezoning from Light Industrial (LI) and Light Industrial Planned Area Development (LI PAD) to Light Industrial with a Planned Area Development overlay; and Site Plan Review; And consider the preliminary plat for "Metro East Valley Commerce Center III". This request will allow for an industrial development.
Existing Zoning District:	Light Industrial (LI)/ Light Industrial with a Planned Area Development overlay (LI-PAD)
Council District:	3
Site Size:	25.18± acres
Proposed Use(s):	Industrial
Existing Use(s):	Vacant
P&Z Hearing Date(s):	March 25, 2020 / 4:00 p.m.
Staff Planner:	Ryan McCann
Staff Recommendation:	Approval with Conditions
Planning and Zoning Board Recommendation:	Approval with conditions
Proposition 207 Waiver Signed:	Yes

HISTORY

On **June 18, 1973**, the City Council approved an ordinance annexing a portion of the property (parcel nos. 139-12-002C, 139-12-001E, & a portion of 139-12-056) into the City of Mesa (4,119.8± acres) (Ord. #812).

On **December 16, 1974**, the City Council approved an ordinance annexing a portion of the property (parcel nos. 139-12-029B & 139-12-041) into the City of Mesa (3956.6± acres) (Ord. #907).

On **January 28, 1985**, the City Council approved an ordinance rezoning the property from Agriculture (AG) to Light Industrial with a Planned Area Development overlay (LI-PAD) to allow for the development of a planned commercial area (63.9± acres). The PAD was specifically geared towards automobile dealerships (Z84-187; Ord. #1912).

On **February 23, 2015**, the City Council approved an ordinance rezoning for the property located at the northwest corner of Horne and Auto Center Drive from LI-PAD to LI-PAD to allow for the development of four industrial buildings (i.e. the Metro East Valley Commerce Center Phase 1: case no. ZON15-002; Ord. #5277).

On **August 27, 2018**, the City Council approved an ordinance rezoning for the property located south of Auto Center Drive and west of Horne from LI and LI-PAD to LI-PAD to allow for the development of two industrial buildings (i.e. the Metro East Valley Commerce Center Phase II: case no. ZON18-00310; Ord. #5460).

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the property to a light industrial district with a Planned Area Overlay. Specifically, the request consists of five parcels (see exhibit 1). Two of these parcels are currently zoned LI with a PAD overlay. This PAD was approved in 1985 (Ord Z84-187) to allow the development of automobile dealership for a large area that encompasses the two parcels. The remaining three parcels that are part of the subject request are currently vacant and zoned LI. The purpose of the subject request to rezone the property with a PAD overlay is to allow for certain deviations to development standards in the LI zoning district and also remove the two parcels from the previous PAD that was approved in 1985 (Case no. Z84-187), and create one overall development with a PAD overlay on the property.

The proposed site plan shows five industrial buildings (buildings A-E) for a total of approximately 406,000 square feet. Vehicular access to Buildings A through D will be through Horne Street to the east of the site, Hobson to the west of the site, and Baseline Road located to the south of the site. Specifically, construction of three driveway access on Horne street and one driveway on Hobson Street, and the fifth driveway access on baseline road. For building E, the site plan shows

construction of two driveways on Hobson Road located to the east of the site and one driveway access on Auto Center Drive located to the north of the site.

According to the applicant and submitted plans, the proposed development with associated PAD overlay will create Phase III of the Industrial complex located to the north of the site (i.e Metro East Valley Commerce Center Phases I and II) (see exhibit 1). Phase I and II of the Center were approved in 2015 and 2018 respectively with similar deviations such as building height and parking reductions. Both Phase I and Phase II of the Commerce center have been completed.

General Plan Character Area Designation and Goals:

The subject site is designated as an Employment Character Area with a Sub-type of Business Parks within the Mesa 2040 General Plan. Per Chapter Seven of the General Plan, the primary focus of the employment character type is to provide employment type uses. Examples of employment districts include areas for large manufacturing facilities, warehousing, business parks, etc. Per the Plan, Employment districts may include supporting retail and office areas but rarely include any type of residential uses.

Per Chapter of the General Plan, the Business Parks character type is for areas that contain a number of separate businesses, offices, light industrial facilities, accessory and supporting uses joined together through the street, sidewalk, and/or open space systems and usually have common landscaping and signage. This character type is typically for low intensity developments comprised mainly of office, office/warehouse, research and development, and other similar uses.

Per Chapter four of the General Plan, the site is also located within the Superstition Freeway West Economic Activity Area. According to the Plan, the Superstition Freeway West Corridor has a diverse mix of business firms representing education, financial services, high-tech, manufacturing, and retail industry clusters and extends for approximately three miles along the freeway. The corridor is expected to continue to be an ideal location for the type diverse mix of uses.

The proposed industrial development is expected to provide employment generating uses envisioned for properties in the Employment Character area and also contribute to the diverse development types expected in the Superstition Freeway West Economic Activity Area. Overall, staff reviewed the request and determined it conforms to the Employment Area character designation and the Superstition Freeway West Economic Activity Area.

Zoning District Designations:

The subject request included rezoning of the property from LI and LI-PAD to LI-PAD to allow the development of light industrial uses with a PAD overlay.

Planned Area Development (PAD) Overlay – MZO Article 3, Chapter 22:

The purpose of this request for a PAD overlay is to allow modifications to certain required development standards on the property. The overlay is also to allow innovative design and flexibility that creates high-quality development on the property.

Per the submitted site plan and building elevations, the proposed development consist of a uniquely designed site that utilizes superior site design by location certain functions of the building such as loading docks and storage to the interior of the site, specifically between buildings instead of locating such features at the front of the building areas visible from public view.

Table 1 below shows the MZO required standards, the applicant's proposed PAD standards, and staff recommendations:

Table 1

Development Standard	Required LI	Proposed LI-PAD	Staff Recommendation
Maximum height (ft.)	40'	56'	As proposed
Arterial Landscape setback (Baseline Road)	20'	10'	As proposed
Parking spaces required	883	756	As proposed
Landscape setback adjacent to screen wall	5'	1'*	As proposed
Outdoor storage	Only in rear ½ of site	In truck loading areas for Buildings A-D, shall be screened by 8' wall & south of Building E screened shall be screen by 8' wall from Hobson	As proposed
Screening: Overhead doors	Screened from public view by min. 8' wall	Street facing overhead doors shall be screened by 6' screen wall and enhanced landscaping. Internal overhead doors shall not require screening	As proposed
Parking lot landscaping standards	Applies to all parking lots containing 10 or more spaces	Does not apply to truck loading areas	As proposed
Foundation base for exterior walls with public entrances	15'	14'***	As proposed

***Only when adjacent to Baseline Road.**

****Only when adjacent to Buildings A & B.**

As shown on the table above, the applicant is requesting the following deviations from the LI zoning district development standards:

Building Height:

Per Section 11-7-3 of the MZO, the maximum building height allowed in the LI zoning district is 40'. The applicant is requesting a height increase of fourteen (14) feet to allow a maximum height

of 56' for the proposed buildings. This request for such a height increase is similar to industrial/warehouse related uses approved for such deviations. A similar height increase was approved for the development of the Phase 1 & 2 of the Commerce Center.

Landscape Setbacks:

Per Section 11-33-3 of the MZO, a 20' landscape setback is required to be constructed adjacent to the section of the property adjacent to Baseline Road. The applicant is requesting for a reduction of the required landscape setback to 10'. According to the applicant, the reduction is as a result of right of way dedication on Baseline Road required by the City. As a mitigation for the reduced landscape, the applicant is proposing an enhanced landscaping beyond the standard required landscaping along Baseline Road. Per Section 11-33-3 of the MZO, the required landscaping along Baseline road is 50 trees and 300 shrubs, the applicant is proposing to install 82 trees and 334 shrubs along Baseline Road.

Section 11-30-9.H of the MZO required a 5' landscape setback between parking screen walls and the edge of parking areas on the site. The site plan shows a landscape setback of 1' for the parking screen walls along Baseline Road. According to the applicant, this modification is to keep the proposed screen wall for the development out of an existing public utilities and facilities easement located within the required setback.

Outdoor Storage:

Per Section 11-7-2 of the MZO, outdoor storage is permitted only in the rear ½ of a lot within the LI zoning district. The proposed site plan shows location of outdoor storage between Buildings A-D for truck loading areas of the site. This area is also proposed to be screened by an 8' wall. For Building E, the outdoor storage areas for truck loading areas is proposed to be located behind the building and screened from Hobson Road by an 8' wall.

Screening:

Section 11-30-13 of the MZO requires overhead doors to be screened from public view with a minimum of 8' wall. Per the site plan, the overhead doors between buildings will be screened by the proposed buildings from the public right-of-way and achieve the intent for requiring such screening. For those proposed overhead doors facing public streets and shown on the site plan will be screened by a 6' screen wall with enhanced landscaping along Hobson and Horne.

Parking:

The site plan shows 756 parking spaces. Per Section 11-32-2 of the MZO, 883 parking spaces are required spaces. According to the applicant, the development is primary for industrial and warehouse uses requires less parking than those anticipated in the MZO. In addition, Phase I and II of the Metro East Valley Commerce Center was approved with a similar parking reduction that has proved to be adequate for uses on the property.

Parking Lot Landscaping:

Section 11-33-4 of the MZO requires parking lot landscaping for required parking spaces on the property. The site plan shows no landscaping in the truck loading areas on the property. However, these truck loading areas will be screened from public view by an 8' wall. According to the applicant, the landscaping required landscaping could also be detrimental to effective maneuvering of large truck vehicles on the area of the property.

Foundation Base:

Section 11-33-5 of the MZO requires a 15' foundation base for exterior walls with public entrances. The site plan shows a 1' deviation to allow a 14' foundation base for the area north of Buildings A & B. All the other areas of the building conform to the required 15' foundation base landscaping. The site plan shows proposed installation of additional vegetation and larger species of trees in that area of the property as a mitigation measure to the requested modification.

Site Plan:

The proposed site plan conformed to the review criteria outlined in Section 11-69-5 of the Mesa Zoning Ordinance. The proposed development conforms to the development pattern created by Phase I and Phase II of the Commerce Center, including providing quality landscape and building elevation and designs. The orientation of the proposed buildings towards street frontages with screened loading dock areas located at the rear and interior of the sites provides aesthetically pleasing street frontage for such an industrial development.

Design Review:

On February 11, 2020, the Design Review Board reviewed the proposed building elevations and landscape plan for the development and recommended certain modifications. The modifications included revisions to the proposed roof parapets, scale and massing, colors, and tree species. Staff has worked with the applicant to include the recommended changes to the final design.

Preliminary Plat

Section 9-6-2 of the Mesa Subdivision standards requires approval of all subdivision plats located in the City to be processed through four progressive stages. Review and approval of a preliminary plat is the second stage in the series of the progressive stages. Per Section 11-66-2 of the Mesa Zoning Ordinance, the preliminary plat is reviewed and approved by the Planning and Zoning Board. All approved preliminary plats are subject to potential modification through the City's Subdivision Technical Review process, which is the third stage after approval of the preliminary plat. The Subdivision Technical Review process considers the overall design of the subdivision and details, such as utilities layout, ADA compliance, detention requirements, etc. This process can sometimes result in modification to lot sizes and configuration and a reduction in the number of lots.

Surrounding Zoning Designations and Existing Use Activity:

Buildings A-D		
Northwest Across Hobson LI Industrial	North LI-PAD Metro East Valley Commerce Center Phase 2	Northeast Across Horne LI Industrial
West Across Hobson LI Industrial	Subject Property LI Vacant	East Across Horne LI Industrial
Southwest	South	Southeast

Across Baseline Road Town of Gilbert	Across Baseline Road Town of Gilbert	Across Baseline Road Town of Gilbert
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Building E		
Northwest Across Auto Center Drive LI-PAD Automobile Sales	North LI-PAD Metro East Valley Commerce Center Phase 2/ Automobile Sales	Northeast Across Auto Center Drive LI-PAD Metro East Valley Commerce Center Phase 1
West LI-PAD Automobile Sales	Subject Property LI / LI PAD Vacant	East Across Hobson LI-PAD Metro East Valley Commerce Center Phase 2
Southwest LI Industrial	South LI Industrial	Southeast Across Hobson LI-PAD Metro East Valley Commerce Center Phase 2

Compatibility with Surrounding Land Uses:

The subject site is adjacent to existing industrial uses as well as Phase 2 of the Metro East Valley Commerce Center. The proposed industrial development will be compatible with the surrounding development and land uses.

Neighborhood Participation Plan and Public Comments

The applicant has completed a Citizen Participation Process which included mailed letters to property owners within 1,000-feet of the site, as well as HOAs within ½ mile and registered neighborhoods within one mile of the site. As of writing this report, neither the applicant nor staff has received any comments/concerns from surrounding property owners. Staff will provide the Board with any new information during the scheduled Study Session on March 25, 2020.

Staff Recommendations:

The request for rezoning from LI/LI-PAD to LI-PAD and Site Plan Review is consistent with the goals of the Employment character type outlined in the Mesa 2040 General Plan, is consistent with the purpose for a Planned Area Development Overlay outlined in Section 11-22-1 of the MZO, and meets the review criteria for Site Plan Review outlined in Chapter 69 of the MZO; Therefore, staff recommends approval of the subject request with the following conditions:

Conditions of Approval for ZON19-00935;

1. Compliance with the City of Mesa Zoning Ordinance; except the design standards modified in Table 1 of the staff report.
2. Compliance with the final site plan submitted.
3. Compliance with all requirements of the Subdivision Regulations.
4. Compliance with all City development codes and regulations.

5. Dedicate the right-of-way and easements required under the Mesa City Code at the time of application for a building permit, at the time of recordation of the subdivision plat, or at the time of the City's request for dedication, whichever comes first.
6. Compliance with all requirements of Design Review.

List of Exhibits:

Exhibit 1: Building locations & Phases

