



**PLANNING DIVISION**  
**STAFF REPORT**

**City Council Hearing**

**July 1, 2020**

CASE No.: <b>ZON19-00871</b>	PROJECT NAME: <b>Crismon Commons</b>
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Owner's Name:	Overland Senior Housing Mesa AZ LLC
Applicant's Name:	Michael Holman, Overland Development
Location of Request:	Within the 1700 block of South Crismon Road (west side). Located north of Baseline Road on the west side of Crismon Road.
Parcel No(s):	220-81-956 and 220-81-778
Request:	Rezoning from Limited Commercial (LC) to LC Planned Area Rezoning from LC to LC-PAD with a Council Use Permit for residential uses within a commercial zoning district; and Site Plan Review. This request will allow for the development of apartments, a hotel, and a restaurant within a mixed-use development. Also consider a preliminary plat for "Crismon Commons"
Existing Zoning District:	Limited Commercial (LC)
Council District:	6
Site Size:	11± acres
Proposed Use(s):	Mixed use development (apartment, hotel and restaurant)
Existing Use(s):	Vacant
P&Z Hearing Date(s):	<b>May 27, 2020 / 4:00 p.m.</b>
Staff Planner:	Wahid Alam, AICP Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation: Approval with conditions	
Proposition 207 Waiver Signed: Yes	

**HISTORY**

On **September 2, 1987**, the City Council adopted an ordinance annexing the property into the City of Mesa (Ordinance No. 2249) and subsequently zoned the property to Single-Residential 43 (R1-43) (Case No. Z87-66).

On **June 7<sup>th</sup>, 2004**, the City Council adopted approved an ordinance to rezone the property from R1-43 to Limited Commercial (LC) and also approved a site plan for the development of commercial uses on both the subject site and 39 acres of property surrounding the site. (Case No. Z04-33, Ordinance No. 4199).

On **May 24<sup>th</sup>, 2007**, the Planning Hearing Officer approved a site plan modification to allow development of a medical and professional office condominium complex on the property. The office complex encompasses 10 acres, including the subject property and 1 acre located on the west side of Crimson Road (Case No. Z07-051).

On **November 5<sup>th</sup>, 2018**, the City Council approved a site plan modification and Special Use Permit to allow development of an assisted living facility on the subject site (Case No. ZON18- 00510, Ordinance No. 5476). After Planning and Zoning hearing, City Council reviewed the case at their own request.

## **PROJECT DESCRIPTION**

### **Background:**

In 2004, as part of a 24-acre commercial center, the City Council approved an LC zoning on the property. Subsequently in 2007, the City Council also approved a site plan modification to allow the development of a medical and professional office center on the 24-acre property which included eleven individual buildings on the subject proposed site. In 2018, the City Council approved a site plan modification to allow the development of an assisted living facility on the subject proposed eleven acre site.

The applicant is requesting to rezone the site with a Planned Area Development (PAD) overlay to allow certain deviations for the development of a mixed-use development, a council use permit to allow the proposed density and gross floor area of the multi-family residential development to exceed the maximum density allowed by right. The proposed development will consist of 240 units of an apartment complex, a 95 bedroom hotel and a 3,700 square foot restaurant building on the property.

### **General Plan Character Area Designation and Goals:**

The General Plan Character Area Designation on the property is Neighborhood with a Suburban sub-type. Per Chapter 7 of the General Plan, the primary focus of the Neighborhood Character Area is to provide safe places for people to live where they can feel secure and enjoy their surrounding community, as well as creating and maintaining a variety of great neighborhoods with diverse housing option. Per the Plan, the Suburban character type is the predominant pattern in Mesa and are primarily single-residence in nature. However, as part of a total neighborhood area, the character area may also contain duplexes and other multi-residence and commercial uses along arterial road frontages and at major street intersections. Small, neighborhood offices, retail, restaurants, and services are typical supporting uses appropriate in the Character area if located along arterial and collector roadways. The Plan further recommends that non-residential areas within the Neighborhood designation should be designed so as to not

disrupt the fabric and function of the neighborhood and provide opportunities for people to feel connected to the larger community.

The proposed mixed-use development conforms to the goals of the Neighborhood Character type. The multi-residence units will add to the diversity of housing in the neighborhood and the hotel and restaurant uses will further provide service to support the surrounding residence, including the professional office uses within the immediate vicinity of the site.

Staff reviewed the request and determined it is consistent with the criteria for review outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan.

**Zoning District Designations:**

The subject property is currently zoned Limited Commercial (LC). Per Section 11-6-1 of the Mesa Zoning Ordinance (MZO), the purpose of the Limited Commercial (LC) zoning district is to provide areas for indoor retail, entertainment and service-oriented businesses that serve the surrounding residential trade area within a one (1) to ten-mile radius. The proposed development of the site for multi-residential, hotel and a restaurant are all allowed in the LC district.

**Airfield Overlay – Mesa Zoning Ordinance (MZO) Article 3, Section 11-19:**

The proposed development is located approximately 4.5 miles north east of Phoenix-Mesa Gateway Airport. The entire development boundary of the site is located within the Airport Overflight Area (AOA) 3.

The development is not in the direct flight path of the airport runways; however, it is in close proximity and will likely experience noise from the airport. Per Section 11-5-2 of the Mesa Zoning Ordinance, multiple residence uses are allowed in the AOA 3 subject to specific conditions of approval (see condition number 6). The Phoenix-Mesa Gateway Airport staff reviewed the subject request and do not oppose the proposed development of the site. Staff has included standard conditions of approval for noise attenuation and notification requirements to be given to future property owners regarding proximity of the development to the airport.

**Council Use Permit (CUP) Conditional Use Permit**

Per Table 11-6-2 and Section 11-31-31 of the Mesa Zoning Ordinance (MZO), multi-family residential uses are allowed by right within the LC zoning district, provided:

1. A minimum of 40 percent of the Gross Floor Area of the entire project is reserved for non-residential uses.
2. A minimum of 65 percent of the ground floor of each building remains reserved for non-residential uses.
3. Maximum residential density shall be no more than 25 dwelling units per acre in the LC district.

The proposed multi-residence does not include any commercial on the ground floor and density exceeds 25 du/ac Per Section 11-31-31(A) of the MZO, a Council Use Permit is required to deviate from the minimum ground floor commercial and density required in LC district.

Table 1 below shows the MZO required standards and the applicant's proposed mixed-use development standards for the subject site:

Table 1

<b>MZO Section 11-6-2 and 11-31-31</b>	<b>Proposed Development (Crismon Commons)</b>
A minimum of 40 percent of the Gross Floor Area of the entire project is reserved for non-residential uses.	18.7 % of non-residential uses (i.e. hotel and restaurant only)
A minimum of 65 percent of the ground floor of each building remains reserved for non-residential uses.	No commercial uses on the ground floor of the multi-residence development
Maximum residential density shall be no more than 25 dwelling units per acre in the LC district.	Proposed maximum density is 30.7 du/ac for the development of the multi residence units (Lot 5A)

The applicant's proposal meets the criteria for approval of a CUP outlined in Section 11-31- 31(E) of the MZO. Per this Section of the MZO, the use is required to be in compliance with the General Plan, compatible with the surrounding uses and the site plan demonstrates compliance with the City's landscaping, parking, screening , design guidelines, and signage, among others. The request is consistent with the General Plan and the surrounding uses to the site. The submitted site and landscape plan demonstrates compliance with all zoning, building, and fire safety regulations. The location of the commercial uses on the site adjacent to the street (i.e. Crismon Road) is to ensure those uses have adequate visibility to attract customers and be viable commercial uses. Overall, the design of the site, including locating the more intense uses along the street, is to ensure the development will be compatible with the surrounding neighborhood and uses.

#### **Site Plan and General Site Development Standards:**

The proposed site plan shows a mixed-use development including apartments, a hotel and a restaurant designed as one unified project with strong pedestrian connections between the various parcels and development. The site plan shows access to the site will be from the existing signalized driveway access on Crismon Road. In addition, the hotel and restaurant buildings are shown to be developed immediately adjacent to Crismon Road with the multi-residence serving as a buffer between the commercial uses and the existing surrounding residential subdivision to the north and west. Table 2 below shows the project information with the proposed uses:

Table 2

<b>Proposed Uses</b>	<b>Lot number</b>	<b>Lot area in acres</b>	<b>Units and sq.ft.</b>	<b>Building height</b>	<b>Parking Required</b>	<b>Parking provided</b>
Apartments	5A	7.82	240 units (304,000 sq.ft.)	46' 4 floors	504 spaces	493 spaces

Restaurant	5C	1.16	3,700 sq.ft.	25'-2" 1 floor	37 spaces	37 spaces
Hotel	6	1.75	95 room (68,000 sq.ft.)	51' 4 floors	95 spaces	95 spaces
Total		10.73 acres	375,700 sq.ft.		636 spaces	625 spaces

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

The purpose of this request for an overlay is to allow modifications to certain required development standards on the property. Per Section 11-22-1 of the MZO, the purpose of the PAD overlay is to allow innovative design and flexibility that creates high-quality development for the site. Table 3 below shows the MZO required standards and the applicant's proposed PAD standards:

Table 3

<b>Limited Commercial (LC) Development Standards per</b>	<b>Required</b>	<b>Proposed</b>	<b>Staff Recommendation</b>
Maximum building height - Table 11-6-3A	30'	Apartments: <b>46'</b> Hotel: <b>51'</b>	As proposed
Minimum separation between buildings on same lot - Table 11-6-3A	30' for Buildings 20' to 40' high (Club house)	<b>16'</b> between Apartment building 'A' and the clubhouse.	As proposed
Parking Spaces Required 11-32-3	Apartments: 504 spaces @ 2.10/unit for 240 units	<b>493 spaces @ 2.05 spaces/unit</b>	As proposed

As shown on the table above, the applicant is requesting the following deviations from the LC zoning district standards outlined in Section 11-6-3 of the Mesa Zoning Ordinance:

**Maximum Building Height:**

Per Section 11-6-3 of the MZO, the required maximum building height in the LC zoning district is 30'. The applicant is proposing a maximum height of 46' for the apartment buildings and 51' for the hotel. As a mitigation for the increased height for the development of the multi residence, the proposed building setbacks exceed the minimum standard required in the LC district. Per Section 11-6-3 of the MZO, the minimum setback required is 75'. The site plan shows a minimum setback of 100'. The site plan also shows increased landscaping along the northern and western property lines of the site that is adjacent to single-residential subdivisions. The intent of the increase landscaping area is to mitigate the additional height proposed with multi residence and provide screening for the adjacent single residence. The provision of the additional landscaping is also a result of the responding to comments received from the neighborhood meetings.

**Minimum Building Separation:**

Per Section 11-6-3 of the MZO, the minimum building separation is 30' for buildings 20' to 40' high. The proposed site plan shows a minimum building separation of 16' between apartment building 'A' and the proposed clubhouse. The 16' separation is measured from the nearest point of the clubhouse to the apartment building 'A'. The site plan shows that the clubhouse is situated inside the courtyard of the apartment building 'A'.

**Minimum Parking:**

Per Section 11-32-3 of the MZO, the minimum required parking spaces for apartments not located within ¼ mile radius of bus rapid transit or light rail station, regardless of bedroom count, is 2.1 spaces per dwelling unit. The site plan shows development of 240 units. Per the MZO, 504 parking spaces are required for the proposed multi residence development. The proposed site plan shows development of 493 parking spaces for the multi residence development. The proposed reduction of 11 parking spaces results in a parking ratio of 2.05 spaces per unit. However, the reduction is comparable to similar parking reduction requests that have been approved for project of similar sizes. In addition, the proposed site plan shows that 100 (42%) out of the 240 units will be one-bedroom units which further support the need for the proposed reduction to the number of parking spaces.

**Design Review:**

Per Section 11-71-2 of the MZO, the applicant shall be required to obtain Design Review approval prior to submitting for any building permits for development of the site. All proposed building elevations and landscaping shall be required to meet the City of Mesa Design Guidelines for quality development. As part of the subject request, the applicant has submitted preliminary elevation renderings to demonstrate intended quality of buildings and landscaping to be developed on the site.

**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 modifications to lot sizes and configuration and a reduction in the number of lots.

The proposed preliminary plat is intended to replace the existing and approved office condominium plat on the site. The preliminary plat includes 3 lots for each of the proposed uses on the site (i.e. Lot 5A for apartment complex, Lot 5C for a restaurant, and Lot 6 for a hotel).

**Surrounding Zoning Designations and Existing Use Activity:**

<b>Northwest</b> RS-6 PAD Residential	<b>North</b> RS-6 PAD & RM-2 PAD Residential	<b>Northeast</b> RM-2 PAD Residential
<b>West</b> RS-6 Residential	<b>Subject Property</b> LC Vacant	<b>East</b> <b>LC – Auto/Vehicle Repair</b> (Across Crismon Road) LC Retail
<b>Southwest</b> RS-6 & LC Residential & Pre-School	<b>South</b> LC Pre-School	<b>Southeast</b> (Across Crismon Road) LC & LC-BIZ Retail & Offices

**Compatibility with Surrounding Land Uses:**

The subject site is adjacent to single-family residential subdivisions to the north and west and townhomes to the northeast. Currently, the site is undeveloped and has frontage on Crismon Road which is classified as main arterials. The site also abuts existing automobile/vehicle repair facility to the east, as well as an existing medical offices and Pre-School to the southwest corner.

The site plan shows design of the development to be integrated and be compatible with the surrounding development. The orientation of the buildings and setback for those buildings closer to the residential development are planned to have higher setback to offset potential impacts of height of the buildings on the adjacent residential development. The site plan also shows integration of the multi residence with the proposed commercial uses on the site through pedestrian connectivity and common vehicular circulation pattern. Overall, the site plan considered various responses from the surrounding residence and are planned to be compatible with the surrounding commercial and residential uses, as well as serve as transitional buffer between Crismon Road and the single residence subdivision to the west of the site.

**Neighborhood Participation Plan and Public Comments:**

As part of the required Citizen Participation Process (CPP), the applicant mailed letters to property owners within 1,000 feet of the site, Homeowner Associations (HOAs) within ½ mile of the site, and registered neighborhoods within one (1) mile of the site informing them of the request and neighborhood meetings to discuss the project.

The applicant held four neighborhood meetings as follows:

1. First meeting on December 11, 2019, with a total of 34 neighbors in attendance.

**Summary of concerns, issues, and problems discussed:**

- Height of proposed buildings
- Increased traffic on Crismon Road
- The project will cause or increase disruptive behavior in the neighborhood

2. Second meeting held on December 18, 2019, with a total of 8 neighbors in attendance.  
Summary of concerns, issues, and problems discussed:  
According to the applicant, there were no new concerns, issues, or problems addressed in this second neighborhood meeting that were different from those discussed during the first meeting.
3. Third meeting held on March 5, 2020, with a total of 9 neighbors in attendance.  
Summary of concerns, issues, and problems discussed: building height and setbacks, perimeter landscaping, increased traffic on Crismon Road, trash enclosure locations and quality of building design.  
A total of 39 questions and comments were discussed at the meeting with the developer.
4. The subject request was continued from the April 22, 2020 to May 27, 2020 Planning & Zoning Board hearing in order for the applicant to hold an additional neighborhood meeting to present updated plans and address neighborhood concerns.

The fourth meeting, via zoom, was held on April 30, 2020, with a total of 12 neighbors in attendance.

Summary of concerns, issues, and problems discussed:

- Proposed building height. In response to neighborhood concern regarding the proposed height of the apartment and hotel buildings, the applicant mentioned that the proposed heights are needed for their business model to work. In response to neighborhood concerns the applicant reduced the height of the hotel from 67 feet to 51 feet and reduced the height of the apartment buildings from 48 feet to 46 feet.
- Proposed perimeter landscaping. The applicant informed the neighbors that the landscape yard along the perimeter walls will be 25 feet wide adjacent to the existing residential development. Neighbors expressed concern over existing messy trees such as Mesquite and Palo Verde. Some neighbors suggested to replace them with Arizona Ash and Ficus tree, which was acceptable to the applicant.
- Grade differential and privacy. Neighbors expressed concerns about the grade difference between the back yards of the residential subdivision and the proposed development. The applicant recognized the difference and agreed to install an 8-foot-high perimeter wall, if all the homeowners give permission, to replace the existing perimeter wall along the north and west property lines.
- Potential traffic generation from the development. In response to concerns regarding traffic, the applicant shared current traffic counts along Crismon Road and stated that they're low compared to other arterials in the area. The applicant reminded the neighbors that there will not be any vehicular connection between the proposed development and the surrounding residential subdivision. The applicant also discussed the potential traffic generation of the proposed uses, which will be lower compared to any proposed commercial or retail uses. It was also mentioned that Crismon Road is designed to handle the potential traffic generation

of the proposed development.

- Quality Development. Neighbors are concerned about the quality of the proposed apartments including affordability. The applicant discussed the quality of the proposed building design and stated that the project will be market rate and not for affordable housing or senior living. The applicant informed the neighbors that the anticipated rents would range between \$1,200 to \$1,500 per month. The hotel would be a mid-priced extended stay for \$140.00 per night.

Planning Staff received twelve emails between December 10, 2019 and December 30, 2019 from surrounding residents in response to the applicant's CPP. Copies of the emails were provided to the applicant. According to the Citizen Participation Report (CPR), the applicant sent a follow-up letter to residents, responding to comments received and providing a revised site plan. Since the neighborhood meeting on April 30, 2020, Planning Staff was contacted by the neighboring medical business owners regarding their concerns about the proposed location of the access ramp to the basement parking and the potential impact on traffic flow around their businesses. Both the applicant and the City Traffic Engineer have been in contact with the medical business owners to discuss the concerns. The applicant has already revised the site plan relocating the proposed access ramp to the basement parking. The City of Mesa Traffic Engineer is aware of the concerns raised by the medical business owners and indicated that the existing traffic light configuration and timing is adequate for the existing development of the site and that the timing of the light will be reexamined to account for the traffic generated by the proposed development.

The applicant provided the following summary in the Citizen Participation Report showing responses to the resident's comments/concerns: The results of the neighborhood participation are outlined in the CPR as follows:

1. Summary of concerns, issues, and problems:

- a. Height of proposed buildings
- b. Clean-up and maintenance of perimeter landscaping
- c. Traffic congestion
- d. Lighting
- e. Restaurant odors
- f. Solid waste bins
- g. Quality design of buildings
- h. Project to cause an increase in disruptive behavior in the neighborhood

2. Summary of how the concerns, issues, and problems were addressed by the applicant:

a. Building height and setback:

- Increase the building setback for the multiple residence product from 75 feet to 90 – 100 feet.
- Increase the landscape setback from 20 feet to 25 feet.
- Provide 86 trees along the northern property line and 56 trees along the western property line.
- Increase the height of the existing perimeter wall from 6 feet to 8 feet.

According to the applicant, the request for additional building height (from 30 feet to 46 feet) request for the multi-residential buildings will have minimum impact to the surrounding properties. In order to demonstrate the impact of the building height increase would have, the applicant provided an exhibit showing the visibility from the fourth floor balconies with an increased setback (90'- 100' feet) from adjacent residential backyards.

b. Perimeter landscaping:

- In addition to increasing the plant materials along the perimeter of the site, the applicant will plant more non-deciduous trees along the adjacent property lines.
- The applicant will consider replacing the existing six-foot high perimeter wall with an eight-foot high block wall with homeowner's permission.

c. Traffic:

- The proposed multi-residence uses will generate significantly less vehicular trips as compared to typical commercial and office uses.
- There will not be any connection between the proposed development and surrounding residential subdivision.
- Crismon Road is designed to handle the potential traffic generation by the proposed development.

d. Lighting:

- The proposed development will incorporate low-level, low wattage lighting and will comply with the City of Mesa Standards for lighting.
- There will also be no lighting on pathways or pedestrian lights in the perimeter landscape area.

e. Restaurant odors:

- The proposed restaurant will be located next to the existing signalized entry adjacent to Crismon Road, and far away from the existing single residential homes.

f. Solid waste enclosures:

- The setback of the trash enclosures from the perimeter walls has been increased from 25 feet to more than 50 feet.
- The final location and number of enclosures will comply with the City's standards and there will be no encroachment into the required perimeter landscape yards.

g. Quality design of buildings:

- The proposed mixed-use development will be of a higher quality than required by the City of Mesa.
- The development will comply with the City of Mesa's quality design standards.
- Amenities will include a swimming pool, sitting areas, play spaces for children, and indoor amenities in the private residence clubhouse.

h. Project to cause an increase in disruptive behavior in the neighborhood:

- The apartment building location and layout will buffer the commercial uses along Crismon Road from existing homes.
- The open space and amenities are designed to be in courtyards surrounded by apartment building providing significant buffering from the single residences to the north and west.

As of the writing this report, staff has not received any additional comments or inquiries regarding the proposed request. Staff will provide any update of residents' comments to the Board during the scheduled May 27, 2020 study session.

**School Impact Analysis:**

Staff sent the request to the Mesa Public School District for a capacity analysis and has not yet received a response.

**Staff Recommendations:**

Based on the application received and proceeding analysis, staff finds that the subject request is consistent with the General Plan, meets the review criteria for CUP outlined in Section 11-31-31 of the MZO for Residential Uses in Commercial Districts, Site Plan Review outlined in Section 11-69-5 of the MZO, and meets the intent of a Planned Area Development overlays outlined in Section 11-22-5 of the MZO; therefore, staff recommends approval with the following conditions:

**Conditions of Approval:**

1. Compliance with final site plan and landscape plan submitted.
2. Compliance with all requirements of Design Review.
3. Compliance with all City development codes and regulations, except the modification to the design standards as approved with this PAD as follows:
  - a. Maximum building height for the apartment buildings is 46 feet and maximum building height for the hotel is 51 feet as shown on the site plan.
  - b. Minimum building separation between the clubhouse and apartment building 'A' is 16 feet as shown on the site plan.
  - c. Minimum required parking ratio for the apartment buildings is 2.05 spaces per unit.
4. All limits of construction shall have temporary landscaping, extruded curbs, and screen walls where parking and loading/service areas are visible from the right of way.
5. Compliance with all requirements of the Subdivision Regulations.
6. Compliance with all requirements of Chapter 19 of the Zoning Ordinance including:
  - a. Owner shall execute and record the City's standard Avigation Easement and Release for Phoenix Mesa Gateway Airport prior to the issuance of a building permit.
  - b. Prior to the issuance of a building permit, provide documentation that a registered professional engineer or registered professional architect has certified that noise attenuation measures have been incorporated into the design and construction of the buildings to achieve a noise level reduction to 45 decibels as specified in Section 11-19-5 of the Mesa Zoning Ordinance.
  - c. Provide written notice to future property owners that the project is within

4.5 mile(s) of Phoenix-Mesa Gateway Airport.

- d. Any proposed permanent or temporary structure is subject to an FAA filing for review in conformance with CFR Title 14 Part 77 (Form 7460) to determine any effect to navigable airspace and air navigation facilities. An FAA determination notice of no hazard to air navigation shall accompany any building permit application for the property.
- e. All final subdivision plats and sales and leasing offices shall include a disclosure notice in accordance with Section 11-19-5(C) of the Zoning Ordinance which shall state in part: "This property, due to its proximity to Phoenix- Mesa Gateway Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."

**Exhibits:**

**Exhibit 1-Staff Report**

**Exhibit 2-Vicinity Map**

**Exhibit 3- Application Information**

- 3.1 Project Narrative
- 3.2 Site Plan
- 3.3 Preliminary Plat
- 3.4 Landscape Plan
- 3.5 Elevations
- 3.6 Grading and Drainage Plan
- 3.7 Floor Plan
- 3.8 Traffic Analysis

**Exhibit 4- Citizen Participation Report**

**Exhibit 5- Avigation Easement**