



City Council Report

Date: July 8, 2020
To: City Council
Through: Karolyn Kent, Assistant City Manager
From: Christine Zielonka, Development Services Director
Veronica Gonzalez, Development Services Project Manager
Subject: Development Agreement associated with the development of land located west of Signal Butte Road and south of Southern Avenue (also known as Mountain Vista Master Plan, rezoning case ZON19-00872).
Council District 6

Purpose and Recommendation

The purpose of this report is to recommend that the City Council approve a resolution authorizing the City Manager to enter into a Development Agreement (DA) with Signal Butte BFC, LLC (Developer). The DA has been prepared in conjunction with a request to rezone property located on the west side of Signal Butte Road and south of Southern Avenue.

Staff recommends approval of the DA.

Background

The Developer has made a request to rezone approximately 79.45 acres to Limited Commercial (LC) PAD, Multiple Residence 4 (RM-4) PAD and Multiple Residence 5 (RM-5) PAD (zoning case ZON19-00872). The purpose of the rezoning request is to accommodate future development of a high-quality, mixed-use project. To ensure a high-quality and cohesive built environment, a set of design guidelines that apply to all future development within this project site were approved by the Design Review Board on May 12, 2020 as case DRB19-00962.

The City and Developer have been working together on the terms of the DA for the development of the site. This Council report provides a summary of the DA terms that have been negotiated between the City and the Developer. The City Council is being asked to consider this DA in conjunction with the rezoning request.

Discussion

The purpose of the DA is to facilitate future mixed-use development of the property. The following is a summary of the deal points for the proposed DA. Please refer to Exhibit A for a layout of the proposed parcels:

1. The Developer shall complete construction of on-site water and sewer main lines on Parcels A, B, C, D-1 and D-2 as well as retention basins throughout the site prior to the issuance of building permits for vertical construction for any multi-residence development within the project.
2. Restaurants with drive-thru facilities may only be built along Southern Avenue and Signal Butte Road.
3. A maximum of four (4) restaurants with drive-thru facilities are allowed on Parcel A in locations as depicted on the rezoning request site plan.
4. Residential uses are prohibited on Parcels A and F-1.
5. Parcels A, D-1 and F-1 may not be rezoned to a residential zoning district for 20 years.
6. Development on Parcel D-1 shall maintain at least 40% of the gross floor area and at least 65% of the ground floor area as non-residential uses.
7. Future rezoning requests on Parcels D-2 and E shall consider the overall master plan and General Plan character designation to maintain the quality and cohesiveness of the development.

Alternatives

The following alternatives are presented for consideration:

APPROVAL OF THE DEVELOPMENT AGREEMENT.

The approval of the development agreement will ensure the preservation of commercial land uses on Parcels A, D-1 and F-1 for the term of the agreement as well as facilitate the development of a high-quality, mixed-use development that will benefit southeast Mesa.

NO ACTION.

Not approving the resolution would have the effect of allowing more residential uses within the project, diminishing the ability to create strong, viable commercial centers as envisioned by the General Plan and removing assurances from the Developer that will contribute to a high-quality development.

Staff recommends approval of the development agreement.

Fiscal Impact

While the development agreement does not require any additional investment or fiscal impact from the City, the proposed development is projected to bring long-term economic benefits to Mesa.

Coordinated With

The Development Agreement was coordinated with the Development Services Department and the City Attorney's Office.

Attachments: Exhibit A