



**PLANNING DIVISION  
STAFF REPORT**

**City Council Meeting**

**August 19, 2024**

CASE No.: <b>ZON24-00277</b>	PROJECT NAME: <b>Atwood and Winnston</b>
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Owner's Name:	Tyco Metal Works LLC
Applicant's Name:	Alex Hayes, Withey Morris Baugh PLC
Location of Request:	Within the 7400 block of South 89th Place (west side), within the 8900 block of East Winnston Avenue (north side), and within the 7400 block of South Atwood (east side). Located west of Ellsworth Road and north of Germann Road.
Parcel No(s):	304-62-164, 304-62-165, 304-62-180 & 304-62-181
Request:	Rezone from Light Industrial with a Planned Area Development overlay and a Bonus Intensity Zone overlay (LI-PAD-BIZ) to Light Industrial with a PAD overlay and a new Bonus Intensity Zone overlay (LI-PAD-BIZ) and Major Site Plan Modification.
Existing Zoning District:	Light Industrial with Planned Area Development and Bonus Intensity Zone overlays (LI-PAD-BIZ)
Council District:	6
Site Size:	2.4± acres
Proposed Use(s):	Industrial Development
Existing Use(s)	Vacant
<b>P&amp;Z Hearing Date(s):</b>	<b>July 10, 2024/ 4:00 p.m.</b>
Staff Planner:	Emily Johnson, Planner I
Staff Recommendation:	APPROVAL with conditions
Planning and Zoning Board Recommendation:	APPROVAL with conditions (5-0)
Proposition 207 Waiver Signed:	Yes

**HISTORY**

On **December 18, 1989**, City Council approved the annexation of approximately 3,346± acres of land, including the project site (Case No. A89-003; Ord. No. 2473).

On **March 5, 1990**, City Council established Suburban Ranch (SR) zoning, (equivalent to current Single Residence-43 [RS-43]) on the project site (Case No. Z90-007; Ord. No. 2496).

On **June 21, 2004**, City Council approved a rezoning for 315± acres, including the project site, from R1-43 to Manufacturing District (M-1) (equivalent to Light Industrial [LI]) (Case No. Z04-001; Ord. No.4208).

On **October 24, 2005**, City Council approved a rezone for 49± acres, including the project site, from M-1 to M-1-PAD and Site Plan Review to allow for a light industrial complex known as Gateway Airport Commerce Park (Case No. Z05-090; Ord. No. 4470). This approval included condition #2: “Review and approval by the Planning and Zoning Board, Design Review Board, and City Council of future development plans.”

On **December 18, 2006**, City Council approved an amendment to Ordinance #4470, modifying the previous condition to “Review and approval by the Design Review Board of all future development plans” (Case No. Z06-093; Ord. No. 4654).

On **June 6, 2023**, the Design Review Board approved the development of an industrial use on the project site (Case No. DRB22-01109).

On **July 26, 2023**, the Planning and Zoning Board approved a rezone from LI-PAD to LI-PAD-BIZ and Site Plan Review to allow for an industrial development (Case No. ZON23-00338).

On **July 9, 2024**, per Ordinance Number 4654 requiring the site plan be reviewed and approved by the Design Review Board (Case Number Z06-093), the Design Review Board approved the site plan.

On **July 10, 2024**, the Planning and Zoning Board voted to recommend approval of the rezone from LI-PAD-BIZ to LI-PAD-BIZ and the Major Site Plan Modification (5-0).

## **PROJECT DESCRIPTION**

### **Background:**

The applicant is requesting to rezone the project site from Light Industrial with a Planned Area Development overlay and a Bonus Intensity Zone overlay (LI-PAD-BIZ) to Light Industrial with a PAD overlay and a new Bonus Intensity Zone overlay (LI-PAD-BIZ) and Major Site Plan Modification to allow for an industrial development.

The site is located west of Ellsworth Road and north of Germann Road and occupies four parcels within the Gateway Airport Commerce Park. The site is currently vacant. The submitted site plan shows development of an industrial building totaling 37,296 square feet (Proposed Project).

The site is zoned LI-PAD-BIZ; the PAD overlay was approved in 2005 for the Gateway Airport Commerce Park industrial subdivision and the BIZ overlay was approved in 2023.

The applicant is retaining the existing PAD overlay, which applies to the entire subdivision, and requesting a new BIZ for additional modifications to development standards that would apply just to the project site.

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

The Mesa 2040 General Plan Character Area designation on the project site is Employment with a Business Park Sub-type. Per Chapter 7 of the General Plan, the focus of the Employment District is large areas devoted primarily to industrial, office, warehousing, and related uses. It may also include associated commercial uses. The goal of Employment Districts is to provide for a wide range of employment opportunities in high-quality settings.

The proposed industrial development meets the goals and intent of the Mesa 2040 General Plan.

**Mesa Gateway Strategic Development Plan**

The project site is also located within the Logistics and Commerce District of the Mesa Gateway Strategic Development Plan. Heavy industrial, light industrial, and business park uses will be predominant within this district. This district should provide a high-quality employment environment that is compatible with increasing over-flight activities associated with Phoenix-Mesa Gateway Airport.

The proposed industrial development is consistent with the intent of the Mesa Gateway Strategic Development Plan.

Staff reviewed the request and determined that the proposed BIZ overlay, and use of the property is consistent with the criteria for review of development outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan as it furthers the intent and direction contained in the General Plan, is consistent with adopted sub-area plans, and is consistent with the standards and guidelines established for the character type.

**Zoning District Designations:**

The applicant is requesting to rezone the site from LI-PAD-BIZ to LI-PAD-BIZ. Per Section 11-7-1 of the MZO, the purpose of the LI zoning district is to provide areas for limited manufacturing and processing, wholesaling, research, warehousing, and distribution activities within enclosed buildings, with restricted accessory outdoor storage as needed to support the primary uses.

Per Sections 11-7-2 and 11-30-7 of the MZO, industrial uses are permitted in the LI zoning district. Outdoor storage, as a specific accessory use, is permitted in the district only if all activities pertaining to the manufacturing or processing of the products are conducted entirely within an enclosed building. Accessory outdoor storage is permitted only if confined to the rear one-half of the lot.

The proposed rezoning and intended development of the site for industrial flex spaces for small businesses conforms to the goals of the LI District.

Airfield Overlay – MZO Article 3, Section 11-19:

Per Section 11-19 of the Mesa Zoning Ordinance (MZO), the site is located within the Airfield Overlay District, specifically within the Airport Overflight Area Two (AOA 2). The location of the property within the Airfield Overlay is due to its proximity to the Phoenix-Mesa Gateway Airport. Per Sections 11-19-4(B) and 11-7-2 of the MZO, office and warehouse uses are permitted in the LI zoning district in locations within the AOA 2.

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

<b>Northwest</b> (Across Atwood) LI-PAD Industrial	<b>North</b> LI-PAD Industrial	<b>Northeast</b> (Across 89 <sup>th</sup> Place) LI-PAD Industrial
<b>West</b> (Across Atwood) LI-PAD Vacant	<b>Project Site</b> LI-PAD-BIZ Vacant	<b>East</b> (Across 89 <sup>th</sup> Place) LI-PAD Vacant
<b>Southwest</b> (Across Atwood) LI-PAD Vacant	<b>South</b> (Across Winston Avenue) LI-PAD Industrial	<b>Southeast</b> (Across 89 <sup>th</sup> Place) LI Commercial Recreation

**Compatibility with Surrounding Land Uses:**

The project site is located within the Gateway Airport Commerce Park, west of Ellsworth Road and north of Germann Road. Across the streets to the east and west are vacant industrial properties, and to the north and across Winston to the south there are existing industrial uses and a trampoline park.

The proposed industrial use as shown on the site plan is compatible with the existing land uses.

**BIZ Overlay Modification – MZO Article 3, Chapter 21:**

The Proposed Project requests approval of a Bonus Intensity Zone overlay (BIZ) to allow for modifications to certain development standards of the MZO.

Per Section 11-21-1 of the MZO, the purpose of a BIZ overlay is to provide for variation from the application of development standards to allow greater intensity of development and encourage unique, innovative developments of superior quality.

Table 1 below shows the MZO required standards, the deviations approved through the Gateway Airport Commerce Park PAD, and the applicant’s proposed BIZ standards.

Table 1: Proposed Development Standards

Development Standards	MZO Required	Gateway Airport Commerce Park PAD	BIZ Proposed	Staff Recommendation
<u>Minimum Setback – MZO Section 11-7-3</u> -Front and Street-Facing Side Local Street (East - S. 89 <sup>th</sup> Pl.)  (West – S. Atwood)	20 feet  20 feet	20 feet  20 feet	<b>19 feet 8 inches</b>  <b>18 feet 4 inches</b>	As Proposed
<u>Minimum Setback – MZO Section 11-7-3</u> - Rear – Adjacent to LI, GI, or HI	0 feet	7 feet 6 inches	<b>0 feet</b>	As Proposed
<u>Minimum Parking Requirements – MZO Table 11-32-3.A &amp;</u> - Industrial	1 space per 600 sq. ft.	1 space per 500 sq. ft.	<b>1 space per 700 sq. ft.</b>	As Proposed
<u>Setback of Cross Drive Aisles – MZO Section 11-32-4(A)</u>	Parking spaces along main drive aisles connecting directly to a street shall be set back at least 50 ft. from the property line abutting the street	N/A	<b>Parking spaces along main drive aisles connecting directly to a street shall be set back at least 30 feet 9 inches from the property line abutting the street</b>	As Proposed

Development Standards	MZO Required	Gateway Airport Commerce Park PAD	BIZ Proposed	Staff Recommendation
<u>Foundation Base –</u> <i>MZO Section 11-33-5(A)(1)</i> -Exterior Walls with Public Entrance	15-foot-wide foundation base measured from face of building to face of curb along entire length of the exterior wall	N/A	<b>14 feet 4 inch-wide foundation base measured from face of building to face of curb along entire length of the exterior wall</b>	As Proposed

Minimum Setback Front and Street-Facing Sides:

Per Section 11-7-3 of the MZO, the front and street-facing setback is 20 feet when adjacent to a local street in the LI district. Per the Gateway Airport Commerce PAD, the front and side street setback is also 20 feet.

The applicant is requesting a 19-foot 8-inch building setback on the east property line along 89<sup>th</sup> Place and an 18-foot 4-inch building setback on the west property line along Atwood due to the orientation of Atwood and 89<sup>th</sup> Place which slightly pinch at the southern portion of the site.

Minimum Setback Rear:

Per the Gateway Airport Commerce Park PAD, the rear setback for the subdivision is 7 feet 6 inches.

The applicant is requesting a 0-foot rear setback along the north property line, adjacent to the LI zoning district, to allow for the loading and service areas to be oriented away from the three street frontages. This requested setback is consistent with Section 11-7-3 of the MZO for rear setbacks for LI districts adjacent to LI, GI, or HI districts.

Minimum Parking Requirements:

Per Table 11-32-3.A of the MZO, one space per 600 square feet is required for industrial uses. However, per the Gateway Airport Commerce Park PAD, one space per 500 square feet is required for industrial uses.

The Gateway Commerce Park PAD was established when a previous zoning code was in effect. At the time parking for industrial uses was based on number of employees. Since specific plan approval was not being sought for the entire 49-acre commerce park, a unique parking requirement was established at one space per 500 square feet for industrial use.

The applicant is requesting to park the industrial uses at one space per 700 square feet and the office use at one space per 375 square feet which would result in 55 parking spaces on-site.

Per the applicant, the anticipated users are small businesses that do not engage in on-site retail sales and therefore will not require any parking for customers on site. The applicant is also providing four parking spaces in the rear storage yard, to service any potential operational needs, which are not counted towards the total provided parking.

Setback of Cross Drive Aisles:

Per Section 11-32-4(A) of the MZO, parking spaces along main drive aisles connecting directly to a street shall be set back at least 50 feet from the property line abutting the street. The location of the proposed parking spaces along Winston Avenue do not meet the 50-foot setback requirement.

The applicant is requesting a 30-foot 9-inch setback. Per the narrative, because the site is bound on three sides by right-of-way, the areas that may be utilized for parking are limited.

Required Foundation Base:

Per Section 11-33-5(A)(1) of the MZO, a minimum 15-foot-wide foundation base shall be provided, measured from face of building to face of curb along the entire length of the exterior wall when there is a public entrance. A 15-foot-wide foundation base is required along the south elevation.

The applicant is requesting a reduction to 14 feet 4 inches to allow additional space in the rear to accommodate tenant operations without materially altering the aesthetics.

Justification:

Review and approval of a BIZ overlay is based on the criteria in Section 11-21 of the MZO. The City Council may approve a request for a BIZ overlay for projects that provide distinctive, superior quality designs and address environmental performance standards in the site or building design.

Per the project narrative, the Proposed Project meets superior design standards by exceeding the standards of Chapter 33 in the MZO by enhancing the landscape with additional trees along street frontages, all of which have been upgraded to 36-inch box size to provide an attractive landscape. Per the applicant, the Proposed Project is designed to be compatible with the site design and architecture of the surrounding area while providing superior aesthetics. Building facades include multiple materials and colors, changes in plane and height, and enhanced entry features to create visual interest.

The Proposed Project site design will address environmental standards set forth in Section 11-21-3 as it is designed to facilitate alternative modes of transportation. The Proposed Project is designed with priority parking locations for low emission vehicles and carpool spaces. Six bicycle spaces are provided for safe and secure storage on-site.

The Proposed Project demonstrates superior quality to meet the intent of the City's Zoning Ordinance, General Plan, and provides economic benefits to the City by offering flex industrial space for small businesses and manufacturers, which per the applicant, is a product type that is underserved in the submarket

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

The Proposed Project consists of a 37,296 square foot building which includes a 1,005 square foot office and 36,291 square feet of industrial building space. The building will contain four tenant spaces each with an outdoor storage yard. The building will be centrally located on the project site fronting Winston Avenue. The outdoor storage yards will be located on the rear one-half of the property and screened by an eight-foot wall in accordance with Section 11-30-7 of the MZO.

Primary access into the site is proposed via Winston Avenue, with secondary gated accesses to the outdoor storage yards from Atwood and 89<sup>th</sup> Place. Required parking will be provided on the southern portion of the lot accessed from Winston Avenue.

The applicant is requesting to park the industrial spaces at one space per 700 square feet and will park the office space per Table 11-32-3.A of the MZO, at one space per every 375 square feet. Fifty-five total required parking spaces are proposed. The applicant is also providing four parking spaces in the rear storage yard, to service any potential operational needs, which are not counted towards the total required parking.

The Proposed Project conforms to the criteria and requirements of a Site Plan Review outlined in Section 11-69-5 of the MZO.

**Neighborhood Participation Plan and Public Comments:**

On May 13, 2024, the applicant sent out letters to property owners within 1,000 feet of the Project Site to provide information on the proposal and to invite any feedback. No property owners reached out at that time.

The applicant sent the required notification letters to the surrounding property owners within 1,000 feet of the Project Site, as well as HOAs within ½ mile, and registered neighborhood within one mile.

As of the writing of this report, neither Staff nor the applicant have received any comments from the public.

**Staff Recommendation:**

Staff finds that the requested rezone and Major Site Plan Modification are consistent with the Mesa 2040 General Plan, the purpose for a Bonus Intensity Zone overlay outlined in Section 11-21 of the MZO, and the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO.



Staff recommends approval with the following **Conditions of Approval:**

1. Compliance with final site plan submitted.
2. 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.
3. Review and approval by the Design Review Board of all future development plans.
4. Compliance with Design Review Case No. DRB24-00276.
5. Prior to the issuance of any building permit, obtain approval of a lot combination for parcel numbers 304-62-164, 304-62-165, 304-62-180, and 304-62-181.
6. Compliance with all requirements of Chapter 19 of the Zoning Ordinance including:
  - a. Owner must execute the City's standard Avigation Easement and Release for Phoenix Mesa Gateway Airport prior to or concurrently with the recordation of the final subdivision map or the issuance of a building permit, whichever occurs first.
  - b. Due to the proximity to Phoenix Mesa Gateway Airport, any proposed permanent or temporary structure, as required by the FAA, 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. A completed form with a response by the FAA must accompany any building permit application for structure(s) on the property.
  - c. Prior to the issuance of any building permit, provide documentation by a registered professional engineer or registered professional architect demonstrating compliance with the noise level reductions required in Section 11-19-5 of the Mesa Zoning Ordinance.
  - d. Provide written notice to future property owners that the project is within one mile of Phoenix Mesa Gateway Airport
  - e. All final subdivision plats must include a disclosure notice in accordance with Section 11-19-5(C) of the Zoning Ordinance which must state in part: "This property, due to its proximity to Phoenix Mesa Gateway Airport, will experience aircraft overflights, which are expected
7. Compliance with all City development codes and regulations, including the modifications to the development standards as approved with the PAD in zoning case no. Z05-090 [Ordinance No. 4470], Z06-093 [Ordinance No. 4654], and with this BIZ shown on the following table:

Development Standards	Approved
<u>Minimum Setback –</u> <i>MZO Section 11-7-3</i> -Front and Street-Facing Side Local Street (East - S. 89 <sup>th</sup> Pl.)  (West – S. Atwood)	       19 feet 8 inches       18 feet 4 inches
<u>Minimum Setback –</u> <i>MZO Section 11-7-3</i> - Rear – Adjacent to LI, GI, or HI	       0 feet

Development Standards	Approved
<u>Minimum Parking Requirements – MZO</u> <i>Table 11-32-3.A</i> - Industrial	1 space per 700 sq. ft.
<u>Setback of Cross Drive Aisles –</u> <i>MZO Section 11-32-4(A)</i>	Parking spaces along main drive aisles connecting directly to a street shall be set back at least 30 feet 9 inches from the property line abutting the street
<u>Foundation Base –</u> <i>MZO Section 11-33-5(A)(1)</i> -Exterior Walls with Public Entrance	14 feet 4 inch foundation base measured from face of building to face of curb along entire length of the exterior wall

**Exhibits:**

- Exhibit 1 - Presentation
- Exhibit 2 - Ordinance
- Exhibit 3 - Ordinance Map
- Exhibit 4 - Vicinity Map
- Exhibit 5 - Site Plan
- Exhibit 6 - Minutes
- Exhibit 7 - Submittal Documents