



**PLANNING DIVISION
STAFF REPORT**

City Council Meeting

June 3, 2024

CASE No.: ZON22-00267	PROJECT NAME: GP RZ PP, Signal Butte & Williams Field
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Owner's Name:	BCB Group Investments LLC
Applicant's Name:	Sean Lake on behalf of Pew & Lake PLC
Location of Request	Within the 10600 and 11000 blocks of East Williams Field Road (south side) and within the 6200 and 6300 blocks of South Signal Butte Road (both sides). Located south of Williams Field Road on both sides of Signal Butte Road.
Parcel No(s):	304-34-022D, 304-34-025F, 304-34-021S, 304-34-203B, 304-34-203A, 304-34-035F, 304-34-025A, 304-34-025E, 304-36-228, 304-36-227
Request:	Rezone from Agriculture (AG), Light Industrial with a Planned Area Development overlay (LI-PAD), General Commercial with a Planned Area Development overlay (GC-PAD), and General Industrial (GI) to General Commercial with a Planned Area Development overlay (GC-PAD), and Light Industrial with a Planned Area Development overlay (LI-PAD), and Council Use Permit (CUP). This request will allow for the future development of an auto mall, large commercial development, and a multiple residence development.
Existing Zoning District:	Agriculture (AG), Light Industrial with a Planned Area Development overlay (LI-PAD), General Commercial with a Planned Area Development overlay (GC-PAD), and General Industrial (GI)
Council District:	6
Site Size:	125± acres
Proposed Use(s):	Auto Mall, Residential, and Large Commercial Development
Existing Use(s):	Vacant
P&Z Hearing Date(s):	September 28, 2022 / 4:00 p.m.
Staff Planner:	Josh Grandlienard, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	APPROVAL with Conditions (7-0)
Proposition 207 Waiver Signed:	Yes

HISTORY

On **April 16, 1990**, the City of Mesa’s City Council annexed 626± acres of land, including a portion of the project site on the east side of Signal Butte Road (Ord. No. 2514).

On **June 4, 1990**, the City Council approved a rezoning of recently annexed lands from County Rural (RU-43) to Agriculture (AG) (Case No. Z90-025; Ord. No. 2529).

On **April 4, 2005**, the City Council approved a rezoning of a 10± acre parcel, 304-34-203A, from Agriculture (AG) to M-2 (Now General Industrial [GI]) (Case No. Z05-024; Ord. No. 4371).

On **July 12, 2006**, the City Council approved a rezoning of an 11± acre parcel, 304-34-203B, from Agriculture (AG) to M-1 PAD (now Light Industrial with a Planned Area Development Overlay [LI-PAD]) (Case No. Z06-046, Ord. No. 4575).

On **July 18, 2018**, the City Council annexed a portion of the property located on the west side of Signal Butte (27± acres) and established comparable zoning of Agriculture (AG) on the property (Case No. ANX17-00253; Ord. No. 5448).

On **June 18, 2018**, the City Council approved a Minor General Plan Amendment to change the land use designation on the property from Employment to Neighborhood and rezoned the property from Agriculture (AG) and General Industrial with a Council Use Permit (GI-CUP) to Multiple Residence-2 with a Planned Area Development overlay (RM-2-PAD), Small Lot Residential-4.5 with a Planned Area Development overlay (RSL-4.5-PAD), Single Residence-6 with a Planned Area Development overlay (RS-6-PAD), Single Residence-7 with a Planned Area Development overlay (RS-7-PAD), and Single Residence-9 with a Planned Area Development overlay (RS-9-PAD), and General Commercial with a Planned Area Development overlay and with a Council Use Permit (GC-PAD-CUP) to allow for the development of a master planned community called Destination at Gateway (Case No. ZON18-00142, Resolution No. 11171; Case No. ZON17-00247, Ord. No. 5450).

On **April 15, 2019**, the City Council approved modifications to the Destination at Gateway PAD. (Case No. ZON18-00933; Ord. No. 5501).

On **July 8, 2020**, the City Council approved a Minor General Plan Amendment to change the land use designation on the property from Neighborhood to Mixed-use Activity (Case No. ZON20-00129; Res. No. 11544).

On **September 28, 2022**, the Planning and Zoning Board recommended approval of the rezoning and Council Use Permit with conditions (Vote: 7-0).

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the project site from Agriculture (AG), Light Industrial with a Planned Area Development overlay (LI-PAD), General Commercial with a Planned Area Development overlay (GC-PAD), and General Industrial (GI) to General Commercial with a Planned Area Development

overlay (GC-PAD), and Light Industrial with a Planned Area Development overlay (LI-PAD), and approval of a Council Use Permit (CUP) (Proposed Project).

The project site is currently vacant and located south of Williams Field Road on both sides (east and west) of Signal Butte Road. The applicant is requesting a Planned Area Development to receive approval of a conceptual site plan and phasing plan. The conceptual site plan shows the development of 17 parcels to be used for commercial and multiple residence uses. Each parcel on the conceptual site plan is a potential phase of development, the order of which has not yet been determined. Specific site plan review and approval will be required for the development of each phase on the site.

To provide the greatest flexibility with future phasing, the applicant is also seeking Council Use Permit approval that would allow for large commercial development anywhere on site as well residential uses within the GC-PAD zoning districts to exceed 25-units per acres and the commercial floor area requirements for residential used in commercial districts outlined in Section 11-31-31 of the Mesa Zoning Ordinance (MZO).

Approval of this request would allow for the future development of an auto mall, large commercial development, and multiple residence development.

General Plan Character Area Designation and Goals:

The Mesa 2040 General Plan Character Area designation on the property is Employment and Mixed Use Activity Districts. Per Chapter 7 of the General Plan, Employment Districts typically have minimal connection to the surrounding area and are used for employment-type uses such as manufacturing facilities, warehousing, and business parks. Per the Plan, one of the goals for Employment Districts is to provide for a wide range of employment opportunities in high-quality settings.

The Mixed Use Activity District is a large-scale (typically over 25 acres) community and regional activity area that usually has a significant retail commercial component including shopping areas such as malls, power centers, or lifestyle centers that are designed and developed to attract customers from a large radius. These districts often include other uses such as office, entertainment, and residential. The Proposed Project would allow for a mixed-use development consistent with the goals of the Employment and Mixed Use Activity District Character Areas.

Per Chapter 7 (pg. 7-22) of the General Plan, at least 70% of the total Mixed Use Activity District character area shall be reserved for primary zoning designations and primary uses. Primary zoning districts include districts such as Office Commercial (OC), Limited Commercial (LC), General Commercial (GC), Mixed-Use (MX), Planned Employment Park (PEP), and Infill Incentive District 2 (ID-2). Primary land uses include general retail, restaurants, offices, personal services, movie theatres, and hotels.

Approximately 100% of the total area for the Mixed Use Activity District located at the intersection of Signal Butte and Williams Field will be zoned General Commercial with a Planned Area Development and Council Use Permit (GC-PAD-CUP) with the Light Industrial portion of the site proposed to be fully within the Employment General Plan Designation consistent with the Primary Zoning Districts for both the Mixed Use Activity and Employment types.

Gateway Strategic Development Plan:

The project site is also located within the Mixed-Use Community District of the Mesa Gateway Strategic Development Plan (GSDP). Per the GSDP, this district is envisioned to be the area that solidifies the goal to balance land uses and provide sustainability through the creation of a live/work/play community. It will contain the widest variety of land uses within the planning area, with ultimate development including low- to high-density residential, commercial, employment, civic, and recreational use to provide a complete community experience. This district will also include walkable mixed-use “urban core” areas to provide focus and identity. The Proposed Project meets the goals and intent of the Mesa Gateway Strategic Development Plan.

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

The Proposed Project is consistent with the goals of the Employment Character Area designation, the goals of the Mixed Use Activity District and the Gateway Strategic Development Plan.

Zoning District Designations:

The project site is currently zoned Agriculture (AG), Light Industrial with a Planned Area Development overlay (LI-PAD), General Commercial with a Planned Area Development overlay and Council Use Permit (GC-PAD-CUP), and General Industrial (GI). The applicant is requesting to rezone to General Commercial with a Planned Area Development overlay and Council Use Permit (GC-PAD-CUP), and Light Industrial with a Planned Area Development overlay and Council Use Permit (LI-PAD-CUP).

The Proposed Project conforms to the goals of the GC and LI Districts.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the MZO, the site is located within the City of Mesa Airfield (AF) Overlay District; specifically, within the Airport Overflight Area Three (AOA 3). The location of the property within the AOA 3 is due to its proximity to the Phoenix-Mesa Gateway Airport.

Per Section 11-19-4 of the MZO, there are no additional land use limitations beyond the base zoning.

PAD Overlay Modification – MZO Article 3, Chapter 22:

The Proposed Project includes a Planned Area Development overlay (PAD) to allow for the approval of a conceptual site plan and a phased development plan. The Proposed Project includes 17 parcels that are intended to be developed in phases. The timing of the phases has not yet been determined by the applicant. However, all future development of the site will require Site Plan Review and Design Review approval.

Council Use Permit:

The applicant is requesting a Council Use Permit to allow for large commercial development on the project site. Per Table 11-7-2 of the MZO, large commercial developments are permitted in the LI District subject to approval of CUP.

The applicant is also requesting a CUP to eliminate or limit the amount of commercial uses required in association with a multiple residence development within the GC district. Per Section 11-31-31,

residential uses are allowed in the GC district if they adhere to certain commercial floor areas and density requirements outlined in the section.

Modifications to these standards require a CUP.

Section 11-70-6(D) of the MZO, outlines the review criteria for approval of a CUP. These requirements include showing that the proposed project will advance the goals and objectives of the General Plan and other City policies, and demonstrate that the location, size, design, and operating characteristics of the project are consistent with the purpose of the zoning district designation on the property.

The CUP is also required to show that approval of the project will not be injurious or detrimental to adjacent properties or surrounding areas, and there is adequate public services and infrastructure to support the development. A CUP for modifications to the standards for residential uses in commercial districts requires additional findings per Section 11-31-31(F). These additional findings include the submission of an operational plan, a good neighbor policy, demonstration that the site will be brought into substantial conformance with all city standards and guidelines, and evidence that the overall project conforms to the intent of the zoning district and is part of a well-integrated mixed-use project.

The Proposed Project conforms to the criteria for approving a CUP outlined in Sections 11-70-6(D) of the MZO, which requires the proposed project to be consistent with the Goals and Policies of the General Plan, the proposed project will not be injurious or detrimental to the surrounding area or welfare of the city and has adequate public services to serve the proposed project.

The Proposed Project advances the goals and objective of the General Plan, specifically meeting and advancing Economic Development Policy P1, to provide and preserve future sites for future job growth, and Economic Development Strategies 3, 4, and 5 by providing for a regional center that advances the overall economic development strategy for the City of Mesa and by continuing working with the overall business community to retain users such as Berge.

The Proposed Project is consistent with the General Plan designations of Employment and Mixed use activity by providing the ability for future job creation on this site in addition to providing for new locations within the Mixed Use Activity designation for citizens to work and play and to provide for more commercial options to support the surrounding neighborhood designations. The existing Development Agreement, and any future amendments with the City, will limit the location of any future multiple residence uses on the General Commercial to the previously approved location per the Destination at Gateway PAD and allow for the long-term development of an auto mall within the GC portion of the site.

The Proposed Project will not be injurious or detrimental to adjacent properties or surrounding areas and will contribute to creating a strong neighborhood, and is consistent with the overall General Plan Designation for Mixed Use Activity by providing for a future regional commercial center that will have limited residential uses within but will serve the existing communities that currently surround the proposed development, while also consistent with the Employment General Plan designation by providing for more job opportunities that are at various different levels of employment.

Site Plan and General Site Development Standards:

The applicant is proposing multiple phases of development as indicated on the conceptual site plan. The applicant is requesting conceptual site plan approval with formal site plan review required at time of development. Per Section 11-69-2 of the MZO, a specific site plan shall be required prior to site development.

The site plan shows access to the site will be from Williams Field Road, Signal Butte Road, and Mountain Road. Perimeter landscaping along Williams Field Road and Signal Butte Road will be installed with Phase I of construction. Each phase will provide for adequate access and circulation, drainage, and retention, as well as ample landscaping required for that phase.

Prior to permitting each phase, the proposed phasing design will be submitted, which will accommodate for the development of efficient infrastructure facilities between phases.

Design Review:

Any proposed structures for the Proposed Projects will require Design Review and approval.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across William Field Road) PC Single Residence	North (Across William Field Road) RS-6-PAD & RS-6-PAD Single Residence	Northeast (Across William Field Road) RS-6-PAD Single Residence
West RU-43 (Maricopa County) & RS-9 Vacant	Project Site LI-PAD and LC-PAD Vacant	East RS-6-PAD & RSL-4.5-PAD Vacant
Southwest RU-43 (Maricopa County) Vacant	South RU-43 (Maricopa County, AG, & GI Vacant	Southeast GI & AG Vacant

Compatibility with Surrounding Land Uses:

The project site is currently vacant. To the north of the site is approved and existing residential uses. To the east of the site is a vacant property within the Destination at Gateway property that is currently in development. South of the site is the alignment for State Route 24 Gateway Freeway. West of the proposed site are currently vacant or small single residence uses within the jurisdiction of Maricopa County. The Proposed Project is compatible with the surrounding development and land uses.

Neighborhood Participation Plan and Public Comments:

The applicant completed a Citizen Participation Process which included mailing letters to property owners within 1,000 feet of the site as well as HOAs within ½ mile or registered neighborhoods within one mile of the site.

As of the date of this report, staff has not been contacted by any resident or property owner to express support or opposition to this request.

Staff Recommendations:

Based on the application received and the preceding analysis, staff finds the Proposed Project is consistent with the Mesa 2040 General Plan, the Gateway Strategic Development Plan, approval criteria for a Council Use Permit per Section 11-70-6(D) of the MZO and meets the review criteria for a Planned Area Development outlined in Section 11-22-3 of the MZO.

Staff is recommending removal of two conditions of approval (condition nos. 7 and 9 in the staff report presented to the P&Z Board in 2022) and the addition of two condition of approval (condition nos. 10 and 11 below) regarding the related development agreement. These revisions are to replace the condition of approval which referenced a future development agreement with a condition of approval requiring compliance with the specific development agreement (DA22-00031) executed by the parties and to remove the condition of approval requiring compliance with the prior development agreement. Since the development agreement was being negotiated at the time, these were not part of the recommendation made by the Planning and Zoning Board on September 28, 2022. City Council will vote on the development agreement (DA22-00031) at the same meeting as this request.

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

1. Prior to the issuance of any building permit, specific site plan(s) shall be submitted and approved in accordance with Chapter 69 of the Mesa Zoning Ordinance.
2. Prior to the issuance of any building permit, Design Review application(s) shall be submitted and approved in accordance with Chapter 71 of the Mesa Zoning Ordinance.
3. 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.
4. All off-site improvements and perimeter landscaping along Williams Field Road shall be installed with the first phase of construction.
5. All off-site improvements and perimeter landscaping along Signal Butte Road shall be installed with the first phase of construction.
6. Access and circulation, drainage, and retention, internal landscaping, and landscape yard landscaping shall be installed with the corresponding phase as shown on the conceptual site plan.
7. Concurrently with submission of the specific site plan application, submit an operational plan and good neighbor policy for the future development of multiple residence in the General Commercial district.
8. 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. Provide written notice to future property owners that the project is within two miles of Phoenix-Mesa Gateway Airport.

- d. Prior to 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.
 - 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 the Phoenix-Mesa Gateway Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."
9. Compliance with all City development codes and regulations.
 10. Execute and comply with development agreement DA22-00031 and all future amendments to it.
 11. Prior to the issuance of any building permits submit and receive approval of design guidelines from the Design Review Board.

Exhibits:

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