



City Council Report

Date: June 2, 2025
To: City Council
Through: Christopher J. Brady, City Manager
Marc Heirshberg, Deputy City Manager
From: Nana Appiah, Development Services Director
Beth Hughes-Ornelas, Deputy Director Development Services
Subject: DA23-00024 Park North Development Agreement
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 with P&G LAND DEVELOPMENT, LLC ("Owner") for a multiple residence development located near the northeast corner of S. Power Road and E. Guadalupe Road. The subject property is approximately 5.05 +/- acres.

Staff recommends that the City Council approve the Development Agreement.

Background

The Property is currently zoned Limited Commercial with a Planned Area Development overlay ("LC-PAD"). The Owner is requesting a rezoning to LC with a new PAD, along with a Council Use Permit ("CUP") and Site Plan Review to allow for a multiple residence development on the Property.

Pursuant to Mesa City Code Section 11-31-31, residential uses are allowed in the LC district if: A minimum of 60% of the gross floor area (GFA) of all buildings for the project is reserved for commercial uses; and a minimum of 65% of the ground floor of the building is reserved for commercial uses.

The Owner is requesting a CUP to modify these commercial floor area requirements to allow for a residential only development. Due to the unique location and configuration of the Property, the City and Owner are entering into a Development Agreement to address zoning-related requirements, facilitate the development of the Property, and enhance connectivity to adjacent public amenities.

Discussion

The Development Agreement establishes obligations of the Owner to ensure high-quality design and compatibility of the development with surrounding public amenities and related infrastructure improvements. Key elements of the Development Agreement

include:

- **Guadalupe Road Landscaping:** Due to site constraints, perimeter landscaping will be installed on adjacent Flood Control District owned land. The Owner will obtain approvals from the District, install high-quality landscaping and irrigation systems, and maintain them throughout the life of the agreement.
- **Park Landscaping and Irrigation:** The Owner will install landscaping and an irrigation system within 15 feet of the northern property line in the adjacent City park. The improvements must comply with City standards, be coordinated with the Parks and Recreation Department, and include a 1-year warranty. Upon warranty completion, the City will assume maintenance responsibilities of the improvements.
- **Park Access Pathway:** The Owner will construct a pedestrian pathway and gate to provide access between the development and the City park. The path will match existing park sidewalks and be accessible to both tenants and the public. The City will take over maintenance of the path following completion and approval.
- **Tenant Disclosures:** The Owner will include a disclosure in all lease agreements notifying residents of potential noise and light from the City's park activities.
- **Bridge Crossing:** The development includes a private bridge or culvert over a District-owned canal. The City will not own or maintain this structure and will not be liable for any related issues.
- **Fence and Gate Responsibility:** The fence separating the Property from the Park and the pedestrian gate are solely the Owner's responsibility, and the City assumes no liability related to security or maintenance.

The Agreement also formalizes the City's responsibilities, including permit processing, coordination of park improvements, and temporary construction easements to facilitate the required work.

Alternatives

The following alternatives are presented for consideration:

Not to Approve the Development Agreement:

If Council chooses not to approve the Development Agreement, the proposed zoning request may not proceed, and the development could be delayed or required to significantly modify the site plan to comply with existing commercial standards.

Staff recommends the City Council approve the development agreement.

Fiscal Impact

While the Development Agreement does not require any additional investment or fiscal impact from the City, the proposed project is expected to contribute to long-term revenue generation through construction activity, utility services, and increased property tax valuation.

Coordinated With

The DA was coordinated with the Development Services Department, Parks, Recreation, and Community Facilities Department, Water Resources Department, and the City Attorney's Office.