



PLANNING DIVISION
STAFF REPORT

City Council Report

December 1, 2022

CASE No.: ZON22-00431	PROJECT NAME: Millennium Superstition Springs
Owner's Name:	VHS Acquisition Subsidiary Number 11, INC.
Applicant's Name:	Charles Huellmantel, Huellmantel & Affiliates
Location of Request:	Within the 5700 to 5900 blocks of East Baseline Road (north side), within the 1800 to 1900 blocks of South Sunview (west side), and within the 5700 to 5900 blocks of East Inverness Avenue (south side). Located west of Recker Road on the north side of Baseline Road.
Parcel No(s):	141-53-896B
Request:	Rezone from Planned Employment Park with Planned Area Development overlay and Council Use Permit (PEP-PAD-CUP) to Multiple Residence 5 with a Planned Area Development overlay (RM-5-PAD) and Site Plan Review. This request will allow for a multiple residence development.
Existing Zoning District:	Planned Employment Park with Planned Area Development overlay and Council Use Permit (PEP-PAD-CUP)
Council District:	2
Site Size:	10± acres
Proposed Use(s):	Multiple Residence
Existing Use(s):	Vacant
P&Z Hearing Date(s):	September 14, 2022 / 4:00 p.m.
Staff Planner:	Cassidy Welch, Senior Planner
Staff Recommendation:	DENIAL
Planning and Zoning Board Recommendation: A motion to recommend denial resulted in a split vote of 3-3	
Proposition 207 Waiver Signed: Yes	

HISTORY

On **April 28, 1982**, the City Council annexed approximately 446± acres of property, including the subject site, into the City of Mesa and subsequently zoned the property to Agricultural (AG) (Ordinance No. 1590; Case No. Z82-091, Ordinance No. 1661).

On **October 20, 1997**, the City Council approved a rezone of 39± acres of land, including a portion of the subject site, from Agricultural (AG) to Light Industrial (LI) to allow for development of industrial uses (Case No. Z97-083).

On **August 1, 2000**, the City Council approved a rezone of 87.5± acres of land, including a portion of the subject site, from Agricultural (AG) and Light Industrial (LI) to Planned Employment Park with a Planned Area Development overlay (PEP-PAD) to allow for development of an industrial park (Case No. Z00-050, Ordinance No. 3808).

On **June 21, 2004**, the City Council approved a rezone of 78.5± acres of land, including the subject site, from AG and PEP-PAD to Planned Employment Park with a Planned Area Development Overlay and Council Use Permit (PEP-PAD-CUP) to allow for a hospital and associated medical uses (Case No. Z07-065, Ordinance No. 4734).

PROJECT DESCRIPTION

Background:

The applicant is requesting a rezone of a 10± acre site from Planned Employment Park with a Planned Area Development overlay and Council Use Permit (PEP-PAD-CUP) to Multiple Residence 5 with a Planned Area Development overlay (RM-5-PAD), and Site Plan Review of an Initial Site Plan to allow for a multiple residence development. The subject property is currently vacant and located north of Baseline Road and west of Recker Road. The applicant is proposing to develop a four-story 394-unit multiple residence development on the subject site.

The request for the PAD is to allow certain modifications to the City's development standards on the property. Per Section 11-22-1 of the MZO, the purpose of a PAD overlay is to allow modifications to certain required development standards to permit innovative design and flexibility that creates a high-quality development for the site. Staff is recommending denial of the subject request because the proposed development does not comply with the Mesa 2040 General Plan and certain deviations to the Mesa Zoning Ordinance requested with the PAD do not comply with the purpose and intent of the PAD overlay set forth in the Mesa Zoning Ordinance.

General Plan Character Area Designation and Goals:

As explained in more detail below, the subject request does not comply with the General Plan.

The Mesa 2040 General Plan character area designation on the property is Specialty. Per Chapter 7 of the General Plan, the primary focus of the Specialty character area designation is to provide for large areas with a single use such as an educational campus, airport, or medical

facility. Development in this character type should maintain a campus-like feel and connection between buildings. The site is located within the Medical Campus Sub-type of the Specialty character area designation. Per Chapter 7 of the General Plan, the Medical Campus Sub-type is intended for the development of hospitals and associated medical uses.

The Specialty character area has primary and secondary zoning and land uses with minimum percentage requirements. Per page 7-5 of the General Plan, for character types with primary and secondary zoning districts and land uses with specific percentage requirements, the minimum percentage of primary land uses and primary zoning districts must be established before any secondary land uses are permitted and only permitted up to the maximum amount specified in the General Plan. For the Medical Campus sub-type, a minimum 80% of the total character area shall be reserved for primary land uses such as hospitals, medical offices, clinics, rehabilitation centers, hospice and nursing, supportive hotel and pharmacies. The primary zoning districts to be utilized are Neighborhood Commercial (NC), Limited Commercial (LC), General Commercial (GC), Planned Employment Park (PEP), and Light Industrial (LI). Multiple residence and the RM-4 zoning district are identified as a secondary use and zoning district and can account for a maximum of 20% of the total Specialty character area once the minimum 80% primary land uses have been met.

The subject request does not comply with the General Plan. First, the proposed zoning district, Multiple Residence 5 (RM-5) is not a permitted zoning district, whether primary or secondary, in the Specialty - Medical Campus character area. Second, even if RM-5 was permitted, multiple residence is a secondary land use permitted in the Specialty – Medical character and is thus only permitted if the minimum 80% of primary land uses is established first. In this case, 80% of the subject character area has not been established with the primary land uses for the Specialty- Medical Campus character type and thus no secondary land uses are permitted at this time.

Chapter 15 of the General Plan includes five criteria that must be met in order to be considered as complying with the General Plan. Those criteria are listed below:

1. Is the proposed development consistent with furthering the intent and direction contained in the General Plan?

Staff finds that this project does not satisfy the first criteria for review because it does not further the intent and direction of the General Plan, as more fully described below.

The General Plan focuses on creating land development patterns that emphasize the character of place and focusing on those principles that build neighborhoods, stabilize the job base, and improve the sense of place. These three guiding principles work together to help move Mesa to become a more sustainable, balanced, and recognizable City.

Chapter 4 of the General Plan, Creating and Maintaining a Variety of Great Neighborhoods, identifies six key factors for a great neighborhood:

1. Safe, Clean, and Healthy Living Environment
2. Build Community and Foster Social Interaction

3. Connectivity and Walkability
4. Provide for Diversity
5. Neighborhood Character and Personality
6. Quality Design and Development

The proposed residential development is located in an area which is planned for semi-public, office, and industrial uses with no connection or relation to adjoining neighborhoods. The development provides adequate internal pedestrian connection and pedestrian connection to Baseline Road, however, that connection does not lead to any significant residential support uses. The proposed industrial development to the north of the subject property serves to further isolate the proposed multiple residence development and is not conducive to a long-term quality residential community.

Chapter 5 of the General Plan, Growing and Maintaining Diverse and Stable Jobs, states that the future of the City of Mesa is tied to its ability to continue to secure and maintain a stable and diverse employment base. Economic Development Policy P1 is to preserve designated commercial and industrial areas for future job growth. Mesa is currently an exporter of employees and has historically trailed behind other Valley cities in the jobs per capita ratio. The goal is to increase the ratio of jobs and this can only be achieved through the maintenance of valuable employment areas. Approval of the proposed project would be detrimental to the City's goal for the area and would reduce the odds that the surrounding area be developed with the similarly intended employment and commercial uses.

2. Is the proposed development consistent with adopted Sub-Area or Neighborhood Plans?

Staff finds that this criteria for review is inapplicable to this project because the subject site is not located within any designated Sub-Area or Neighborhood Plan areas.

3. Is the proposed development consistent with the standards and guidelines established for the applicable character type(s)?

Staff finds that this project does not satisfy the third criteria because the proposed development is not consistent with the standards and guidelines established for the applicable character type, as more fully described below.

As previously stated, the proposed zoning district, Multiple Residence 5 (RM-5) is not a permitted zoning district, whether primary or secondary, in the Specialty - Medical Campus character area. Next, even if RM-5 was permitted, multiple residence is a secondary land use permitted in the Specialty – Medical character and is thus only permitted if the minimum 80% of primary land uses is established first. In this case, 80% of the subject character area has not been established with the primary land uses for the Specialty-Medical Campus character type and thus no secondary land uses are permitted at this time. The proposed development exceeds the maximum density and secondary land area percentages and is not consistent with the standards and guidelines for the Specialty – Medical Campus character area designation.

4. Will the proposed development serve to strengthen the character of the area by:

- a. Providing appropriate infill development;

Staff finds that this criteria is inapplicable because the site is not a candidate for infill development.

- b. Removing development that is deteriorated and/or does not contribute to the quality of the surrounding area;

Staff finds that this criteria is inapplicable because the site is currently vacant.

- c. Adding to the mix of uses to further enhance the intended character of the area;

Staff finds that this project does not satisfy criteria 4(c) because it will not enhance the intended character of the area because the location and degree of the development proposed is not consistent with the surrounding area and the intent of the Specialty – Medical Campus character area.

- d. Improving the streetscape and connectivity within the area;

Staff finds that this project does not satisfy criteria 4(d) because no connections to adjacent residential or residential supporting uses are provided which will contribute to the isolated nature of this development and will not improve connectivity within the area.

- e. Meeting or exceeding the development quality of the surrounding area.

Staff finds that this project may meet the criteria of 5(e) because the proposed residential site plan includes site amenities, open space, and entry features that represent a level of quality that meets or exceeds the surrounding area. The applicant is currently going through the Design Review process and is working on providing a high-quality building design.

However, staff finds that the project does not satisfy multiple other parts of the fourth criteria for compliance with the General Plan.

5. Does the proposed development provide appropriate transitions between uses? In more urban areas these transitions should generally be accomplished by design elements that allow adjacent buildings to be close to one another. In more suburban locations these transitions should be addressed through separation of uses and/or screening;

The subject site is bordered by street frontages on the north, east and south. A proposed industrial development is proposed to the north of the subject property, across Inverness Avenue. Per the Mesa 2040 General Plan, proposed multiple residence developments

should provide an appropriate buffer and transition to existing uses. The proposed development includes proposed reductions to development standards, such as reduced landscape setbacks, that are not conducive to the appropriate transition of uses.

Overall, the proposed project does not meet the required five criteria and thus does not comply with the General Plan and staff is recommending denial.

Zoning District Designations:

The subject property is zoned Planned Employment Park with a Planned Area Development overlay and Council Use Permit (PEP-PAD-CUP). The applicant is requesting a rezone of the property to Multiple Residence 5 with a Planned Area Development overlay (RM-5-PAD). Per Section 11-5-1 of the Mesa Zoning Ordinance (MZO), the purpose of the RM district is to provide areas for a variety of housing types at densities of up to 43 dwelling units per gross acres (DU/ac). Again, as explained above, RM-5 is not allowed in the Specialty - Medical Campus character area. Thus, the fact that multiple residence is permitted in the RM-5 is irrelevant because the RM-5 zoning district is not permitted.

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

Per Section 11-19 of the MZO, the property is located within the 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 11-7-2 of the MZO, the proposed use is permitted in the AOA 3.

PAD Overlay Modification – MZO Article 3, Chapter 22:

Staff finds that some of the deviations to the Mesa Zoning Ordinance requested with the PAD overlay do not comply with the intent and purpose of a PAD and therefore staff are not in support of those deviations, as explained more fully below. Although other deviations in the PAD table below comply with the Mesa Zoning Ordinance, the subject request to rezone to RM-5 does not comply with the General Plan, so overall, staff is recommending denial of the entire request.

The subject request includes a Planned Area Development overlay (PAD) to allow for modifications to certain required development standards of the MZO on the property. Per Section 11-22 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 1 below shows the MZO required standards and the applicant's proposed PAD standards.

Table 1: Development Standards

Development Standards	MZO Required	PAD Proposed	Staff Recommendation
<u>Maximum Building Height –</u> <i>MZO Section 11-5-5</i>	50 feet	60 feet	As proposed

Development Standards	MZO Required	PAD Proposed	Staff Recommendation
<u>Required Yards –</u> <i>MZO Tables 11-5-5 & 11-6-3.B</i> Front and Street Facing sides -Baseline Road (south) -Inverness Avenue (north)	0 feet min.; 10 feet max. 0 feet min.; 10 feet max.	0 feet min.; 15 feet max. 0 feet min.; 29 feet max.	As proposed
<u>Landscape Yards –</u> <i>MZO Tables 11-5-5, 11-6-3.B & 11-33-3</i> Front and Street Facing Sides -According to the required yards -Baseline Road (south) -Inverness Avenue (north) Non-single residence uses adjacent to other non-single residence	0 feet min.; 10 feet max. 0 feet min.; 10 feet max. 15 feet	0 feet min.; 15 feet max. 0 feet min.; 20 feet max. 10 feet	As proposed As proposed Not in support
<u>Required Parking Spaces by Use –</u> <i>MZO Table 11-32-3.A</i> Multiple Residence	2.1 spaces per unit	1.66 spaces per unit	Not in support
<u>Setback of Cross Drive Aisles –</u> <i>MZO Section 11-32-4</i>	50 feet	41 feet	As proposed

Maximum Building Height:

Per MZO Table 11-5-5, the maximum building height in the RM-5 zoning district is 50 feet. The applicant is requesting an increase to the maximum building height from 50 feet to 60 feet. According to the applicant, the requested height increase is to accommodate varied parapets and mechanical screening.

Required Yards:

Per MZO Tables 11-5-5 & 11-6-3.B, the minimum front and street side setbacks is 0 feet, and the maximum setback is 10 feet for the frontages on Baseline Road, Sunview, and Inverness Avenue. The applicant is requesting an increase to the maximum setback along Baseline Road from 10 feet to 15 feet and an increase to the maximum setback along Inverness Avenue from 10 feet to 29 feet. According to the applicant, the increased building setbacks are necessary to accommodate existing public utility easements along Baseline Road and Inverness Avenue.

Landscape Yards:

Per MZO Tables 11-5-5 & 11-6-3.B, the minimum front and street side landscape setbacks is 0 feet, and the maximum landscape is 10 feet for the frontages on Baseline Road, Sunview, and Inverness Avenue. The applicant is requesting an increase to the maximum landscape setback along Baseline Road from 10 feet to 15 feet and an increase to the maximum landscape setback along Inverness Avenue from 10 feet to 20 feet. According to the applicant, the increased landscape setbacks are necessary to accommodate existing public utility easements along Baseline Road and Inverness Avenue.

Per MZO Section 11-33-3, a minimum 15-foot landscape yard is required along the west property line for non-single residence uses adjacent to other non-single residence uses. The applicant is requesting a reduction to the landscape setback from 15 feet to 10 feet. According to the applicant, the requested reduction is due to the lack of buildings immediately adjacent to the western property line.

Staff is not in support of the proposed landscape reduction on the west property line. Per MZO Section 11-33-3, for non-single residence uses adjacent to other non-single residence uses, a minimum setback of 15 feet is required. Further, a minimum of 3 non-deciduous trees and 20 shrubs per 100 linear feet of adjacent property line is required. This setback is intended to provide adequate space for the required plantings to grow. By reducing the landscape setback, it increases the chance that the required plantings will not thrive and serve the purpose of effectively screening adjacent uses. There are concerns with the proposed development's compatibility with surrounding existing uses. If incompatible uses are proposed adjacent to each other they should be developed in a manner that buffers uses such as increased setbacks. The proposed reduced landscape setback does not provide an appropriate transition and buffer between incompatible uses.

Required Parking Ratio:

Per MZO Table 11-32-3, the required parking ratio for multiple residence is 2.1 spaces per unit. The applicant is requesting a reduction to the required parking ratio from 2.1 spaces per unit to 1.66 spaces per unit. The applicant has provided a parking study conducted by a registered engineer that concluded the provided parking is adequate to serve the needs of the residents.

Staff is not in support of the proposed parking reduction. Staff has found that the required parking ratio of 2.1 spaces per unit is necessary to meet the needs of similar multiple residence developments and historic reductions to parking ratios has led to overflow parking in surrounding developments. On-street parking is prohibited on Sunview and limited on Inverness Avenue. Parking on Inverness Avenue is prohibited overnight, when multiple

residence parking is at its highest need. Staff has concerns about overflow parking of residents impacting surrounding existing uses and make development of the area for commercial and employment uses undesirable.

Setback of Cross Drive Aisles:

Per MZO Section 11-32-4, parking spaces and drive aisles 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 applicant is requesting a reduction to the minimum cross parking setback from 50 to 41 feet along Inverness Avenue. According to the applicant, this access drive will be for the exclusive use of residents and will not have guests or delivery vehicles waiting and therefore does not require the additional stacking distance.

Justification:

Per MZO Section 11-22-1, the purpose of the PAD overlay is to permit flexibility in the application of zoning standards and requirements where it can be demonstrated that the proposed development provides equivalent or superior standards in a creative way to meet the intent of the underlying zoning and General Plan. According to the applicant, the requested deviations are necessary to developing the site in a high-quality manner that will improve the area. The requested zoning of RM-5 and associated PAD overlay do not contribute to meeting the intent of the Specialty – Medical Campus character area and are not compatible with the surrounding area therefore, staff is unable to support the requested PAD overlay.

Site Plan and General Site Development Standards:

The proposed site plan shows development of a 394-unit multiple residence development. The site plan shows development of four (4) four-story buildings on the subject property. The development will be primarily accessed from Baseline Road on the south side of the site and a secondary access drive on Inverness Avenue on the north side of the site. Per the submitted plans, three buildings will be located on the street frontages of Baseline Road to the south and Sunview to the west. The remaining building is located in the center of the site with resident amenities located within an enclosed courtyard. The proposed buildings feature tandem garage and partially covered resident parking on the ground floor of each building with the remaining guest and resident parking located between buildings and along the perimeter of the site.

Design Review:

The Design Review Board is scheduled to review the subject request on September 13, 2022. Staff will be working with the applicant to address any comments and recommendations from the Design Review Board.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Inverness Avenue) PEP-PAD Vacant	North (Across Inverness Avenue) PEP-PAD Vacant	Northeast (Across Inverness Avenue & Sunview) LI-PAD-CUP University
--	--	--

West PEP-PAD-CUP Hospital	Subject Property PEP-PAD-CUP Vacant	East (Across Sunview) PEP-PAD Offices & Vacant
Southwest (Across Baseline Road) Town of Gilbert Vacant	South (Across Baseline Road) Town of Gilbert Vacant	Southeast (Across Baseline Road & Recker Road) Town of Gilbert Vacant

Compatibility with Surrounding Land Uses:

The subject property is currently zoned PEP-PAD-CUP and is vacant. An existing hospital exists to the west of the subject property and existing office buildings exist to the east of the site, across Sunview. The AT Still University campus is located to the northeast of the subject site. North of the site is vacant land zoned PEP-PAD. Staff is currently reviewing a request to rezone the property to the north of the site, across Inverness Avenue, to PEP-PAD and LI-PAD for the development of an industrial park (ZON22-00263). Staff is recommending denial of the request because the subject request to rezone the property does not comply with the General Plan Specialty Medical Campus character area and is not compatible with the surrounding and intended uses.

Economic Development:

Economic Development is opposed to rezoning this Planned Employment Park land to housing. The Medical Campus District land has strong potential to foster job creation in the high-growth healthcare and life sciences sectors, especially with the recent purchase by Steward Healthcare to the west of the site.

Neighborhood Participation Plan and Public Comments:

As part of the completed Citizen Participation Process, the applicant mailed notice letters to property owners within 1,000 feet of the site, as well as nearby HOAs and neighborhood associations. Staff has received one letter of support from AT Still University, which is included in the Citizen Participation Report.

School Impact Analysis:

Staff did not receive a response from the Mesa Public Schools District regarding the anticipated impact and capacity to nearby schools.

Staff Recommendation:

Based upon the application received and preceding analysis, Staff finds that the requested Rezone and Site Plan Review does not comply with the Mesa 2040 General Plan. Further, the proposed development does not meet the purpose for a Planned Area Development overlay outlined in Section 11-22-1 of the MZO and the criteria outlined in Section 11-69-5 of the MZO; therefore, staff recommends denial.

Exhibits:

Exhibit 1 – Vicinity Map

Exhibit 2 – Staff Report

Exhibit 3 – Application Information

3.1 Site Plan Project Narrative

3.2 Grading and Drainage Plan

3.3 Landscape Plan

3.4 Elevations

3.5 Project Narrative

3.6 Citizen Participation Plan

Exhibit 4 – Citizen Participation Report

Exhibit 5 – Avigation Easement

Exhibit 6 – Letters of Support