



PLANNING DIVISION
STAFF REPORT

City Council

September 9, 2024

CASE No.: **ZON24-00030**
Plan

PROJECT NAME: **Southgate Commerce Park Phasing**

Owner's Name:	Southgate Commerce Park Own Assoc of Mesa and Southgate North LLC
Applicant's Name:	Robert Burgheimer, AIA, NCARB, Sketch Architecture Company
Location of Request:	Within the 8800 block of East Germann Road (north side) and the 7300 to 7600 blocks of South 88th Street (east side). Located north of Germann Road and west of Ellsworth Road.
Parcel No(s):	304-62-750, 304-62-751, 304-62-752, 304-62-753, 304-62-754, 304-62-755, 304-62-756, 304-62-757, 304-62-758, 304-62-759, 304-62-760, 304-62-761, 304-62-762, 304-62-763, 304-62-764, 304-62-765, 304-62-766, 304-62-767, 304-62-768, 304-62-769, 304-62-770, 304-62-771, 304-62-772, 304-62-773, 304-62-774, 304-62-775, 304-62-776, 304-62-777, 304-62-778, 304-62-779, 304-62-780, 304-62-781, 304-62-782
Request:	Rezone from Office Commercial with a Planned Area Development Overlay (OC-PAD), Neighborhood Commercial with a Planned Area Development Overlay (NC-PAD), and Light Industrial with a Planned Area Development Overlay (LI-PAD) to OC-PAD, NC-PAD, and LI-PAD to modify the existing PAD to allow for phasing of the proposed business park.
Existing Zoning District:	OC-PAD, NC-PAD and LI-PAD
Council District:	6
Site Size:	16± acres
Proposed Use(s):	Business Park
Existing Use(s):	Commercial, Office and Vacant
P&Z Hearing Date(s):	August 14, 2024 / 4:00 p.m.
Staff Planner:	Charlotte Bridges, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and zoning Board Recommendation:	APPROVAL with Conditions (Vote: 6-0)

HISTORY

On **January 18, 1990**, City Council annexed 3,346± acres of land, including the 16± acre Project Site, into the City of Mesa (Ordinance No. 2473).

On **March 5, 1990**, City Council assigned SR (equivalent to Single Residence-43 [RS-43]) zoning to the Project Site (Case No. Z90-007; Ord. No. 2496).

On **May 6, 2002**, City Council approved the 1,282± acre area land use plan for the area south of Williams Gateway Airport to ensure that future development would be complementary to the airport (Case No. Z01-029; Resolution No. 7838).

On **June 21, 2004**, City Council rezoned the Project Site from RS-43 to Planned Employment Park (PEP) and Limited Industrial M-1 (equivalent to Light Industrial [LI]) as part of a larger 315± acre rezoning (Case No. Z04-001; Ord. No. 4208).

On **September 19, 2005**, City Council rezoned the Project Site (16± acres) from PEP and LI to Office Commercial with a Planned Area Development Overlay (OC-PAD), Neighborhood Commercial with a Planned Area Development Overlay (NC-PAD) and Light Industrial with a Planned Area Development Overlay (LI-PAD) and approved a site plan, preliminary plat and elevations to allow for the development of a business park (Case No. Z05-008; Ord. No. 4460).

On **September 7, 2005**, the Design Review Board approved the Proposed Project's building elevations. No changes are proposed to the approved elevations as a part of this request.

On **June 5, 2006**, the City Council approved the "*Southgate Commerce Park*" subdivision plat, 15± acres, to allow for the development of a business park with 32 individual building lots and one common tract to accommodate the infrastructure, parking and vehicular circulation improvements of the business park. (Case No. S05-048). The subdivision plat was recorded on November 7, 2006, (Book 878, page 44).

Beginning in **2006**, City of Mesa records indicate building permits were issued for the construction of the business park. Over the course of the following years, only the buildings on lots 27, 29, 30 and 32 were constructed along with the infrastructure required (i.e., utilities, parking spaces, drive aisles, etc.) for the buildings.

On **August 14, 2024**, the Planning and Zoning Board recommended that City Council approve the Proposed Project with Conditions (Vote 6-0).

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the Project Site from Office Commercial with a Planned Area Development Overlay (OC-PAD), Neighborhood Commercial with a Planned Area Development Overlay (NC-PAD) and Light Industrial with a Planned Area Development Overlay (LI-PAD) to OC-PAD, NC-PAD and LI-PAD to modify the existing PAD to allow for phasing of the proposed business park (Proposed Project). The 16± acres Project Site is located west of Ellsworth Road on the north side of Germann Road.

In 2005, the Project Site was rezoned OC-PAD, NC-PAD and LI-PAD and a site plan, preliminary plat and elevations were approved to allow for the construction of the Southgate Commerce Park. The west side of the business park is zoned OC-PAD, the frontage along Germann Road is zoned NC-PAD and the east side is zoned LI-PAD.

In June of 2006, the *“Southgate Commerce Park”* subdivision plat, was approved which facilitated the development of a business park with 32 individual building lots and one common tract to accommodate the infrastructure, parking and vehicular circulation improvements of the business park. Later in 2006, building permits were issued for the construction of the business park. However, only the buildings on lots 27, 29, 30 and 32 were constructed along with the infrastructure required for the buildings (i.e., utilities, parking spaces, drive aisles, etc.).

The Proposed Project would modify the previously approved PAD overlay to allow the phased installation of the remaining on-site improvements as shown on the proposed phasing plan and described as follows:

- Phase 1A would allow buildings 27, 29, 30 and 32 to be completed with no additional landscaping required.
- Phase 1B: Prior to a Certificate of Occupancy being issued for the first building in Phase 1B, which includes buildings 1, 2, 3, 4, 5, 6, 7, 28, and 31, all perimeter landscaping will be installed along 88th Street from Germann Road to the Phase 2 line, which is approximately the mid-point of the property. Prior to a Certificate of Occupancy being issued for the last building in Phase 1B, all of the perimeter landscaping will be installed along the east property line from Germann Road north to the Phase 2 line, as indicated on the proposed phasing plan
- Phase 2: Prior to a Certificate of Occupancy being issued for the first building in Phase 2, which includes buildings 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, and 26, the remainder of the perimeter landscaping will be installed on 88th Street from the phase line to the north property line and extending east along the north property line to the mid-point of building 17, as shown on the proposed phasing plan. Prior to a Certificate of Occupancy being issued for the last building in Phase 2, all of the perimeter landscaping will be installed along the east property line from the phase line to the north property line and the remainder of the landscaping installed along the

north property line from Germann Road north to the Phase 2 line, as indicated on the proposed phasing plan.

In addition to the request to phase the on-site landscape improvements, the applicant is requesting to revise the approved landscape plan to replace the fruit trees, Queen Palms and Sissoo trees with appropriate desert species.

Planning staff has included a condition of approval requiring the approval of an Administrative Review application to replace the approved tree species with desert species identified in the Arizona Department of Water Resources Low Water Use and Drought Tolerant Plant List. No other changes to the site plan or elevations are proposed as a part of this request.

General Plan Character Area Designation and Goals:

The project site is located within the Employment character area of the Mesa 2040 General Plan. Per Chapter 7 of the General Plan, the goal for these districts is to provide for a wide range of employment opportunities. The Proposed Project complies with the intent of the character area designation.

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

Mesa Gateway Strategic Development Plan:

The project site is 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 Project is consistent with the intent of the Mesa Gateway Strategic Development Plan.

Zoning District Designations:

The applicant is requesting a rezone of the Project Site from OC-PAD, NC-PAD and LI-PAD to OC-PAD, NC-PAD and LI-PAD to modify the existing PAD to allow for phasing of the proposed business park.

Per Section 11-6-1(B) the purpose of the OC and NC District is to allow small scale, locally oriented office, retail and services uses that serve the surrounding residential areas.

Per Section 11-7-1(B) 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.

The Proposed Project conforms to the goals of the OC, NC and LI Districts.

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 Three (AOA 3). The location of the property within the Airfield Overlay is due to its proximity to the Phoenix-Mesa Gateway Airport. Per Section 11-19-4(B), for areas within the AOA 3 Overflight Area, there are no use limitations beyond those in the base district.

Per the requirements of Section 11-19-5 of the MZO, at the time the Southgate Commerce Park subdivision plat was recorded, an avigation easement and release to the City of Mesa and pertaining to Phoenix-Mesa Gateway Airport was concurrently recorded and a note on the plat provides notice to future property owners that the Project Site is within one mile of the Williams Gateway Airport.

Planning staff has included conditions of approval requiring the Proposed Project complies with Section 11-19-5(D) and (E) of the MZO, which requires noise level reduction in buildings within an AOA and 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 prior to the issuance of a building permit, respectively.

PAD Overlay Modification – MZO Article 3, Chapter 22:

The Proposed Project 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. The PAD approved by Case No. Z05-008 allowed the creation of lots without frontage on a public right-of-way and lots that may be less than the width, depth and area required by the underlying zoning district.

As justification for the proposed MZO deviations, the Proposed Project provided a 64-foot-wide landscape yard along 88th Street and a vehicular non-access easement along 88th Street creating a high-quality buffer to the residential neighborhood to the west. The Proposed Project does not modify the deviations previously granted, and instead, the request is to modify the PAD to permit phasing of the development.

Staff finds that the modification to the PAD meets the requirements of 11-22-1.

Site Plan and General Site Development Standards:

The approved site plan shows four different building types for a total of 32 buildings totaling approximately 100,000 square feet. Primary access to the site is provided via Germann Road, while the curvilinear main drive aisle connects to the drive aisle of the industrial project to the north to provide a secondary access to Atwood (street) to the east. Interior to the site, 399 parking spaces are provided while 270 spaces are required.

At this time, only buildings 27, 29, 30 and 32 and the site improvement required to service the buildings have been constructed. No changes are proposed to the approved site plan except to allow for the construction of the remaining buildings and site improvements to be phased per the Final Phasing Plan submitted with this application.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (across 88 th Street and Woodland Avenue) OC and LI-PAD Open Space and Industrial Development	North LI-PAD Industrial Development	Northeast LI-PAD Industrial Development
West (across 88 th Street) RS-43 Single Residences	Project Site OC-PAD, NC-PAD and LI-PAD Office, Commercial and Vacant	East LI-PAD Industrial Development
Southwest (across Germann Road) Town of Queen Creek Single Residences	South (across Germann Road) Town of Queen Creek Single Residences and Vacant	Southeast (across Germann Road) Town of Queen Creek Single Residences and Vacant

Compatibility with Surrounding Land Uses:

To the north and east of the Project Site are industrial areas in varying stages of development. To the south, across Germann Road, is the Town of Queen Creek. This area is mostly low-density residential development. To the west, across 88th Street, is the Queens Park residential development.

At the time Case No. Z05-080 was approved, there was significant discussion with the property owners within the Queens Park subdivision regarding appropriate zoning and land uses for the Proposed Project, which resulted in the OC-PAD, NC-PAD and LI-PAD zoning for the Proposed Project, the 64-foot-wide landscape buffer along 88th street and the 30-foot-wide landscape yard along Germann Road.

The Proposed Project is compatible with the adjacent industrial project to the north and east and with the residential development to the west across 88th Street and to the east across Germann Road because of the landscape buffers provided adjacent to these roadway and the less intense OC-PAD and NC-PAD zoning districts.

Neighborhood Participation Plan and Public Comments:

The applicant completed a Citizen Participation Process which included inviting property owners within 500 feet of the site to a neighborhood meeting on March 21, 2024. The property owners attended the meeting and a summary of their concerns included minimizing the light at night, contractors driving on residential streets, trash blowing into the neighborhood and noise issues. Per the Citizen Participation Report submitted by the applicant:

- Site lighting is installed and will not be changed. No spotlights are included in the project. (Planning staff note: all future exterior building lights will be required to comply with MZO and building code requirements.)
- There is no need to have contractors using residential streets to the west. Development has its own entrance that will be utilized for construction.
- Trash is to be hauled off or a dumpster is to be placed on construction sites to maintain cleanliness around the construction site.
- The current tenants are office users that will leave at normal business hours. One current tenant is a restaurant that has been operating for several years and has had no complaints about them. (Planning staff note: all business are required to comply with the City of Mesa Noise Ordinance.)

As of the writing of this report, staff has not received any additional comments or concerns from surrounding property owners.

Staff Recommendation:

Staff finds that the requested rezone to modify the existing PAD is consistent with the Mesa 2040 General Plan, the Gateway Strategic Development Plan, and the purpose for a Planned Area Development Overlay outlined in Section 11-22 of the MZO.

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

1. Compliance with the Final Phasing Plan submitted with ZON24-00030.
2. Compliance with the approved site plan per Case No. Z05-008.
3. Compliance with all City development codes and regulations.
4. 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.
5. Due to the proximity to the 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.
6. Proposed changes to the approved landscape plan's plant palette require approval of an Administrative Review application prior to the issuance of a building permit. The revised plant palette shall use species identified in the Arizona Department of Water Resources Low Water Use and Drought Tolerant Plant List.

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