



**PLANNING DIVISION
STAFF REPORT**

Planning and Zoning Board

March 27, 2024

CASE No.: ZON23-00343	PROJECT NAME: The Craftsman on Elliot
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Owner's Name:	STECHNIJ H/GLENDA TR/ETAL
Applicant's Name:	Cory Bruce, Ware Malcomb
Location of Request:	Within the 8200 to 8400 blocks of East Elliot Road (north side), within the 3400 to 3500 blocks of South Hawes Road (west side), and within the 3400 to 3600 blocks of the South 82 nd Street alignment (east side). Located north of Elliot Road and west of Hawes Road.
Parcel No(s):	304-04-031
Request:	Council Use Permit (CUP), Site Plan Review; and Special Use Permit (SUP). This request will allow for a mixed-use development.
Existing Zoning District:	Mixed Use with a Planned Area Development Overlay (MX-PAD)
Council District:	6
Site Size:	22± acres
Proposed Use(s):	Multiple Residence and Commercial
Existing Use(s):	Vacant
P&Z Hearing Date(s):	March 27, 2024 / 4:00 p.m.
Staff Planner:	Sean Pesek, Senior Planner
Staff Recommendation:	APPROVAL with Conditions

HISTORY

On **February 22, 1990**, the City Council annexed 1,720± acres of land, including the 22± acre project site, into the City of Mesa and established Agricultural (AG) zoning (Case No. A88-013; Ordinance No. 2482).

On **April 20, 2020**, the City Council approved a rezoning of 535± acres, including the 22± acre project site, from AG to Mixed Use with a Planned Area Development Overlay (MX-PAD). Approval established the 'Hawes Crossing' PAD to guide the future review of specific development plans (Case No. ZON17-00606; Ordinance No. 5566).

On **April 29, 2020**, the Hawes Crossing Development Agreement was executed. This agreement addresses requirements pertaining to vesting rights, limitation of land uses, and timing of required infrastructure improvements (Recording No. 2020-0381318; Reference No. 20-A081).

PROJECT DESCRIPTION

Background:

The applicant is requesting approval of an Initial Site Plan (Specific Plan) to allow for a mixed-use project consisting of multiple residence, general retail, and office uses (Proposed Project). The request also includes a Special Use Permit (SUP) for the reduction of parking and a Council Use Permit (CUP) for a large commercial development. Per Section 11-69-4(D) of the Mesa Zoning Ordinance, an Initial Site Plan associated with a PAD or CUP is subject to recommendation by the Planning and Zoning Board and review/decision by the City Council. Per Section 11-66-2(C) of the MZO, the Planning and Zoning Board may hear and take action on Special Use Permits when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board.

The subject site consists of 22± acres of undeveloped property within Village 3 of Hawes Crossing, generally located at the northwest corner of Elliot Road and Hawes Road. The Proposed Project includes a 386-unit multiple residence development with studio, one-bedroom, and two-bedroom options. Buildings 2, 3, 4, and 5 are four-stories in height and contain 348 units. The carriage house buildings on the west side of the parcel are two stories in height and contain eight units in total. Lastly, two separate two-story mixed-use buildings are proposed on the southern portion of the lot for a total of 30 dwelling units, of which 18 are live/work units.

On the Hawes and Elliot Road frontages, six commercial buildings totaling approximately 39,000 square feet of gross floor area will be constructed. Two of the buildings will be mixed use, with commercial retail space on the ground floor and residential units above.

The Proposed Project is located within Village 3 of the Hawes Crossing Planned Area Development (PAD). As such, the request must conform to the regulations set forth in the PAD, the Development Agreement (DA) and Mesa Zoning Ordinance (MZO). To ensure a mixture of multiple residences with commercial and employment uses, the Hawes Crossing DA requires MX-zoned properties to include a minimum of 35% non-residential uses. The submitted site plan denotes approximately 6.55 acres (35% of the gross acreage) as commercial and approximately 12.71 acres (65% of the gross acreage) as residential.

General Plan Character Area Designation and Goals:

The Mesa 2040 General Plan Character Area designation on the property is Mixed Use Activity District. Per Chapter 7 of the General Plan, Mixed Use Activity with a Regional sub-type areas

are large-scale community and regional activity areas that usually have a significant retail commercial component including shopping centers, power centers, or lifestyle centers that are designed and developed to appeal to customers from a large radius. These districts may take on a significant residential character but will still have a strong mix of uses. The goal is to help these districts be strong and viable centers of commercial activity. The Proposed Project includes approximately 39,000 square feet of commercial space for various retail, office, and restaurant uses along Elliot Road that will attract surrounding Hawes Crossing residents to unique shopping and entertainment experiences. Overall, the request conforms to the land use requirements of the DA, the goals of the Mesa 2040 General Plan and meets the development review criteria outlined in Chapter 15 (pg. 15-1).

Gateway Strategic Development Plan:

The Proposed Project is also located within the Inner Loop District of the Gateway Strategic Development Plan. This district refers to the area south of the U.S. 60, between Power Road and the Loop 202 freeway. Per the Mesa Gateway Strategic Development Plan – Inner Loop District Update, the project site is designated as a Transit Corridor. Mixed Use (MX) is listed as a primary zone within the Transit Corridor; restaurants, retail, personal service, and multiple residence are also listed as primary land uses. Additionally, the development pattern along this corridor is expected to evolve into an urban pattern with buildings positioned closer to the front property lines and parking areas placed to the side or rear of the buildings. To focus activity on the public streetscape, all surface parking will be located behind the proposed commercial buildings, giving pedestrians safe and direct access from planned sidewalks along 82nd Street, Hawes Road, and Elliot Road.

Zoning District Designations:

The subject property is zoned MX-PAD. Per Section 11-6-1(B) of the MZO, the purpose of the Mixed Use District is to provide areas for a variety of purposes including employment centers, retail, and residential. Restaurant, retail, and office uses are permitted by-right in the MX district. Multiple residence is permitted in the MX district, provided the site is developed in accordance with applicable development standards, which includes the Hawes Crossing PAD and DA.

The Proposed Project is also located within the Airport Overflight Area Three (AOA 3), due to its proximity to the Phoenix-Mesa Gateway Airport. Per Section 11-19 of the MZO, there are no restrictions for residential and commercial uses in the AOA 3. Phoenix-Mesa Gateway Airport staff reviewed the subject request and had no concerns with the proposed development.

Site Plan and General Site Development Standards:

Residential:

The proposed site plan shows ten multiple residence buildings with a density of approximately 20 dwelling units per acre. Buildings 2, 3, 4, and 5 are four-stories in height and contain 348 units. The carriage house buildings on the west side of the parcel are two stories in height and contain eight units in total. Two separate two-story mixed-use buildings are proposed on the southern portion of the lot for a total of 30 dwelling units, of which 18 are live/work.

Each unit is provided with private open space that meets the minimum size and dimensional requirements set forth in the MZO. A 15-foot-wide open space buffer with meandering trail is proposed along the north property line, providing an east-west connection between 82nd Street and Hawes Road. Additional pedestrian walkways will provide direct connections between residential buildings, to existing and future public sidewalks, and to the proposed commercial buildings in the southern portion of the lot.

Primary vehicular access to the multiple residence development is from Elliot Road with a shared driveway that terminates at the proposed leasing center. Secondary access points are located along 82nd Street and Hawes Road with the southernmost driveways being restricted to right-in-right-out turning movements; the northernmost driveways provide full access from 82nd Street and Hawes Road.

Per Section 11-32-3 of the MZO, 811 parking spaces are required for the multiple residence portion, of which 386 spaces must be covered. The applicant is requesting a SUP for a parking reduction. According to the submitted site plan and parking study, 651 residential spaces will be provided, of which 479 will be covered.

Commercial:

The proposed site plan shows six commercial buildings totaling approximately 39,000 square feet of gross floor area in the southern portion of the lot: two office buildings of the same floor plan; one sit-down restaurant with an outdoor dining patio, one vertical mixed-use building with six ground floor commercial retail suites; and one multi-tenant building split between proposed retail and a limited restaurant with drive-thru. It is considered a Large Commercial Development pursuant to Sections 11-86-4 and 11-31-16 of the MZO.

Per Section 11-6-3(B)(1)(d) of the MZO, Large Commercial Developments shall provide public space at a rate of five (5) square feet per 1,000 square feet of building floor area. This equates to 195 square feet. To comply with this requirement, the applicant is proposing 24,550 square feet of urban plaza space along the Elliot Road frontage complete with shaded seating, lawn games, and raised planters.

Per Section 11-32-3 of the MZO, 219 parking spaces are required to support the proposed commercial uses. As described further below, the applicant is seeking approval of a parking reduction and is proposing 146 parking spaces for the commercial component.

Council Use Permit:

Per Table 11-6-2 of the MZO, Large Commercial Development within MX zones shall comply with the CUP review criteria set forth in Section 11-31-16(D):

- A. The use is found to be in compliance with the General Plan and other recognized development plans or policies, and will be compatible with surrounding uses;

The request conforms to the land use requirements of the DA, the goals of the Mesa 2040 General Plan and Mesa Gateway Strategic Development Plan and meets the

development review criteria outlined in Chapter 15 (pg. 15-1) by maintaining a mixture of commercial and residential uses on the property.

- B. A finding that a plan of operation has been submitted, which includes, but is not limited to, acceptable evidence of compliance with all zoning, building, and fire safety regulations;

The proposed project was reviewed by department staff and complies with applicable zoning, building, fire, and engineering codes.

- C. A finding that a "good neighbor policy" in narrative form has been submitted, which includes, but is not limited to, descriptions of acceptable measures to ensure ongoing compatibility with adjacent uses. Such policies shall include, but are not limited to, the name and telephone number of the manager or person responsible for the operation of the facility; complaint response procedures, including investigation, remedial action, and follow-up; and litter control measures;

A good neighbor policy has been submitted, which includes measures to ensure ongoing compatibility with adjacent property owners, including contact information for the developer and a process for residents and customers to file complaints.

- D. Evidence that acceptable documentation is present demonstrating that the building or site proposed for the use is in, or will be brought into, substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines;

The Proposed Project is in or will be brought into substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines.

- E. Evidence that acceptable documentation is present demonstrating that the building or site proposed for the use shall adequately provide paved parking and on-site circulation in a manner that minimizes impacts on adjacent sites; and existing or proposed improvements to the site shall minimize dust, fugitive light, glare, noise, offensive smells and traffic impacts on neighboring residential sites.

A parking study and traffic impact analysis were thoroughly reviewed by city staff to ensure that the Proposed Project provides adequate on-site parking and on-site circulation in a manner that minimizes impacts on adjacent properties. The applicant is seeking an SUP for reduction in parking; however, the parking study demonstrates the requested modification meets this requirement.

Special Use Permit – MZO Article 7, Section 11-70:

Section 11-66-2(C)(2) of the MZO allows the Planning and Zoning Board to hear and take action on a SUP when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board.

Parking:

Per Section 11-32-3 of the MZO, 1,030 parking spaces are required for the whole project. The applicant is requesting to reduce the number of required parking spaces from 1,030 to 797. The parking layout consists of 449 covered spaces (405 of which are covered residential parking and 44 covered office spaces), 74 residential garage spaces, and 274 uncovered spaces (78 of which are shared between residential tenants and commercial customers/employees. The 78 spots that are considered shared spaces are located near the pickleball area, retail buildings, and the apartment clubhouse, highlighted in Figure 2 with an “M” designation.

According to the submitted parking demand study which is based on the national Institute of Transportation Engineers and Urban Land Institute parking demand calculations, the proposed number of stalls will exceed parking demand anticipated for this development. Staff has no concerns with the request for reduced parking.

Section 11-32-6 of the MZO establishes criteria for approval of a SUP to allow the reduction in the number of parking spaces. Below is a summary of the criteria for the SUP and findings:

Parking Reduction Required Findings (MZO Section 11-32-6)	Findings
1. Special conditions – including but not limited to the nature of the proposed operation; proximity to frequent transit service; transportation characteristics of persons residing, working, or visiting the site – exist that will reduce parking demand at this site.	The multiple residence portion of the Proposed Project largely consists of studio and one-bedroom units. Approximately 65% of the total unit count is comprised of studio and one-bedroom apartments. Current MZO standards require 2.1 stalls per unit regardless of the number of bedrooms.
2. The use will adequately be served by the proposed parking.	The applicant provided a parking study to demonstrate that the proposed reduction would still adequately serve the development’s needs. In total, using the ITE Parking Generation, 796 total spaces would be required, while the ULI results indicate 787 total parking spaces would meet parking demand if the site were to accommodate peak demand for each individual land use. Therefore, the 797 parking spaces being proposed for the site would accommodate the individual peak parking demand estimated using the ITE or ULI peak parking rates.

3. Parking demand generated by the project will not exceed the capacity of or have a detrimental impact on the supply of on street parking in the surrounding area.	According to the parking study, the parking demand is not anticipated to exceed the capacity provided or impact the supply of on-street parking in the area.
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Design Review:

The Design Review Board is scheduled to review the subject request on April 9, 2024. Staff will work with the applicant to address any comments and incorporate recommendations into the final designs.

Surrounding Zoning Designations and Existing Use Activity:

<p style="text-align: center;">Northwest (Across S 82nd Street) RM-5-PAD-PAD Multiple Residence</p>	<p style="text-align: center;">North (Across Elliot Road) AG Agriculture</p>	<p style="text-align: center;">Northeast (Across Hawes Road) LI-PAD Industrial</p>
<p style="text-align: center;">West (Across S 82nd Street) MX-PAD Planned Mixed-Use</p>	<p style="text-align: center;">Project Site MX-PAD Vacant</p>	<p style="text-align: center;">East (Across Hawes Road) LI-PAD Industrial</p>
<p style="text-align: center;">Southwest (Across Elliot Road) MX-PAD Vacant</p>	<p style="text-align: center;">South (Across Elliot Road) MX-PAD Vacant</p>	<p style="text-align: center;">Southeast (Across Elliot Road) MX-PAD Vacant</p>

Compatibility with Surrounding Land Uses:

The Proposed Project is located within Hawes Crossing Village 3. North of the Proposed Project is developed with agricultural uses. To the east, across Hawes Road, is an existing logistics facility. Property to the south, across Elliot Road, is vacant land zoned MX-PAD (part of Hawes Crossing). To the west, across 82nd Street, is a planned mixed-use development on property zoned MX-PAD. The proposed development is consistent with the Hawes Crossing PAD, the Hawes Crossing DA, and it is compatible with the surrounding land uses.

Neighborhood Participation Plan and Public Comments:

The applicant submitted a Citizen Participation Plan that conforms to the requirements of the Community Plan and Mesa Zoning Ordinance (MZO) Chapter 11. The submitted Citizen Participation Plan included sending notifications to all HOAs and registered neighborhood associations within one (1) mile of the property boundary and all property owners within 1,000-feet of the property boundary.

Staff has not received any feedback from letter recipients. Staff will provide the Board with an update on the Citizen Participation efforts made by the applicant at the March 27, 2024, study session.

School Impact Analysis:

The Gilbert Public Schools District reviewed the request for its potential impact on the existing schools in the area. The school district provided the following analysis:

Table 1: School Impact Analysis

Proposed Development (58 units)	Name of School	Annual Estimated Demand	Adequate Capacity to Serve
Elementary	Boulder Creek	415	Yes
Middle School	Desert Ridge JH	902	Yes
High School	Desert Ridge	2,105	Yes

Staff Recommendation:

The request is consistent with the Mesa 2040 General Plan, the Mesa Gateway Strategic Development Plan, the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO, the review criteria for a Council Use Permit outlined in Section 11-31-16(D), the Hawes Crossing PAD, and Hawes Crossing Development Agreement, and meets the approval criteria for a Special Use Permit outlined in Section 11-32-6 of the MZO.

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

1. Compliance with the final site plan submitted.
2. Compliance with the Hawes Crossing Development Agreement No. 3144 (Recorders No. 2020-0381318) and approved master reports.
3. Compliance with all conditions of approval for Case No. ZON17-00606 (Ordinance No. 5566).
4. Compliance with all requirements of Design Review Case No. DRB23-00342.
5. Compliance with the Good Neighbor Policy submitted.
6. Compliance with all City development codes and regulations.
7. 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 three miles 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 to generate noise levels that may be of concern to some individuals."
- f. Sources of electromagnetic interference with aircraft instrumentation, ground-based radar, or navigational aids shall be considered through CFR Title 14 Part 77 (Form 7460) review.
- g. Any building uses, design, or exhaust features which may obscure a pilot's vision in any way resulting in glare, or flash blindness, should not be permitted.
- h. Avoid any lighting placement or systems that direct lighting upward or toward the approach paths of aircraft, or that could be confused with airport identification or navigational lighting.

Exhibits:

- Exhibit 1 – Staff Report
- Exhibit 2 – Vicinity Map
- Exhibit 3 – Project Narrative
- Exhibit 4 – Final Site Plans
- Exhibit 5 – Landscape Plan
- Exhibit 6 – Preliminary Grading and Drainage Plan
- Exhibit 7 – Elevations and Floor Plans
- Exhibit 8 - Renderings
- Exhibit 9 – Good Neighbor Policy
- Exhibit 10 – Parking Study
- Exhibit 11 – Traffic Impact Analysis
- Exhibit 12 – Citizen Participation Plan
- Exhibit 13 – Citizen Participation Report
- Exhibit 14 – Power Point Presentation