



**PLANNING DIVISION  
STAFF REPORT**

**City Council Hearing**

**November 1, 2021**

CASE No.: <b>ZON20-00210</b>	PROJECT NAME: <b>Power Village</b>
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Owner's Name:	ETR Enterprises LLC and United States Department of Interior Bureau of Land Management
Applicant's Name:	John Reddell, Reddell Architects
Location of Request:	Within the 6800 to 7000 blocks of East University Drive (south side). Located east of Power Road on the south side of University Drive.
Parcel No(s):	218-10-0003A and 218-10-003B
Request:	Rezone from Limited Commercial (LC) to LC with a Bonus Intensity Zone (BIZ) Overlay; and Site Plan Review. This request will allow for the development of a commercial center.
Existing Zoning District:	Limited Commercial (LC)
Council District:	5
Site Size:	1.6± acres
Proposed Use(s):	Commercial Center
Existing Use(s):	Vacant
P&Z Hearing Date(s):	<b>August 25, 2021 / 4:00 p.m.</b>
Staff Planner:	Charlotte Bridges, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	Approval with conditions
Proposition 207 Waiver Signed:	Yes

**HISTORY**

On **September 6, 1983**, the subject property was annexed into the City of Mesa as part of a 1,382± acre annexation area, and subsequently zoned Limited Commercial (LC) (Ordinance No. 1737).

## PROJECT DESCRIPTION

### **Background:**

The applicant is requesting to rezone the subject site from Limited Commercial (LC) to LC with a Bonus Intensity Zone (BIZ) Overlay and site plan review to allow development of two commercial buildings. The proposed buildings total approximately 8,521 square feet. There are three lots within the proposed development site. Two of the lots are currently owned by the applicant and are the lots with the proposed buildings and parking areas (See exhibit 3.2). The third lot is owned by the Bureau of Land Management (BLM) and located on the western section of the development. The utilization of the third lot is mainly to provide vehicular access to the proposed development. There are also proposed landscaping areas on the third lot. Currently, the Department of Interior Bureau of Land Management has granted the third lot to the City of Mesa to use as right-of-way. The applicant and the City of Mesa are coordinating a use agreement to allow driveway access to University Drive and landscaping on the BLM property to the west. Recordation of this use agreement shall be required prior to the City granting a building permit to allow development of the property.

As part of the rezoning, the applicant is requesting a BIZ overlay to allow modifications to certain development standards on the property. The proposed modifications include reduction in building and landscape setbacks, reduction in the number of parking lot landscape islands, and reduction in the width of required foundation base landscaping for the development. According to the applicant, the proposed modifications are needed to facilitate the development of the site due to unique configuration of the lots. Per Section 11-21-1 of the Mesa Zoning Ordinance (MZO), the purpose of the BIZ overlay is to provide for variations from certain development standards to allow greater intensity of development and encourage unique, innovative developments of superior quality. The proposed site plan, landscape plan and building elevations conform to the criteria for review of a BIZ as outlined in Section 11-21 of the MZO and the criteria of site plan review per Section 11-69-5 of the MZO.

### **General Plan Character Area Designation and Goals:**

The 2040 Mesa General Plan Character area designation on the property is Neighborhood Village. Per Chapter 7 of the General Plan, Neighborhood Village areas are typically shopping areas that serve the population within less than a two-mile radius of the area. The goal for such areas is to provide regular shopping and service needs of the nearby population while also becoming a center or focal point to the surrounding neighborhoods; to become a gathering place for local residents. Typical uses in the character area include retail, restaurants, and offices, with limited fast food and drive-thru uses. Per the General Plan, site designs for such character designation areas should include spaces for pedestrian activity as well as create a sense of place within the development, such as providing attractive landscaping that enhances the character and identity of the overall area of the development and the character area.

Staff reviewed the request 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 development is also consistent with the goals of the Neighborhood Village Character area by providing shopping opportunities to meet the needs of the surrounding community; thereby creating a sense of place for the neighborhood. The proposed site plan and landscape plan also

show the buildings will be constructed closer to the street with the site landscaped to create an attractive and well-designed site that enhances the character of the area.

**Zoning District Designations:**

Per Section 11-6-1(B) of the MZO, the purpose of the LC District is to provide areas for indoor retail, entertainment and service-oriented businesses that serve the surrounding residential trade area within a one to 10-mile radius. The proposed commercial center is intended to provide a wide range of commercial and service-oriented businesses that will contribute to and serve the needs of the surrounding community.

**Bonus Intensity Zone (BIZ) Overlay – MZO Article 3, Chapter 21:**

The subject request includes a BIZ overlay to allow for deviations from certain required development standards of the MZO. Per Section 11-21-1 of the MZO, the purpose of the overlay is to provide for variations from certain development standards to allow greater intensity of development and encourage unique, innovative developments of superior quality.

Table 1 below shows the MZO required standards and the applicant’s proposed BIZ standards.

*Table 1*

<b>MZO Development Standards</b>	<b>Required</b>	<b>Proposed</b>	<b>Staff Recommendation</b>
<u>Minimum Setback along Property Lines for Building and Parking Areas – (north property line)</u> MZO Section 11-6-3: <i>Front and Street Facing Side – 6-lane arterial (University Drive)</i>	15 feet	<b>8 feet</b>	As proposed
<u>Minimum Landscape Yard Setback – (north property line)</u> MZO Section 11-33-3(B)(2): <i>Landscape yard width for non-single residence uses adjacent to non-residential districts or uses</i>	15 feet	<b>8 feet</b>	As proposed
<u>Minimum Setback along Property Lines or Building and Parking Areas – (east property line)</u> MZO Section 11-6-3: <i>Interior Side (single story): Adjacent to RSL District</i>	25 feet	<b>15 feet</b>	As proposed
<u>Minimum Landscape Yard – (east property line)</u> MZO Section 11-33-3(B)(1): <i>Adjacent to RSL District</i>	20 feet	<b>0 feet to 15 feet</b>	As proposed
<u>Parking Lot Landscape Islands –</u> MZO Section 11-33-4(B)(1)	Install at each end of a row of stalls and in between for a maximum of 8 contiguous parking	<b>For the two rows of parking stalls that exceed 8 contiguous stalls, as shown on the final site plan, install a landscape island at only</b>	As proposed

	stalls	one end of the rows	
Parking Lot Landscape Islands– MZO Section 11-33-4(D)(1)(a): <i>required plant material</i>	1 shade tree and three shrubs for every 15-foot parking island	<b>No trees or shrubs to be installed. Only install ground cover as shown on the final landscape plan</b>	As proposed
Foundation Base - MZO Section 11-33-5: <i>Exterior wall w/ public entrance:</i>	15-foot wide	<b>Varies between 7 feet, 6-inches to 12feet, as shown on the final site plan</b>	As proposed

As shown on the table above, the applicant is requesting the following deviations from the LC zoning district development standards outlined in Sections 11-6-3 and 11-33-3 of the MZO:

Front and Street Facing Side Setback: Per Section 11-6-3 of the MZO, the required building and landscape setback along University Drive (i.e. a six-lane arterial road) is 15 feet. The applicant is requesting a reduction in the required setback from 15 feet to 8 feet. As mitigation for the reduced setback, the north elevations for the proposed buildings are designed to include storefront window systems to enhance and improved the façade of the development.

Side Setback Adjacent to RS District (east property line): Per Sections 11-6-3 and 11-33-3(B)(1) of the MZO, the required building and landscape setback adjacent to an RSL District is 25-feet and 20 feet, respectively. The site plan shows the east property line is adjacent to an access drive serving a single residential development to the south of the subject site. The applicant is requesting a 15-foot building setback and a landscape width that varies from zero-feet to 15-foot adjacent to the access drive along the east property line. According to the applicant, the proposed reduction in the required building and landscape setback is needed to accommodate the buildings and a required dumpster enclosure on the property. Also, the property is encumbered by utility easements. Specifically, there is an existing 30-foot-wide Salt River Project (SRP) easement that runs through the property from east to west, and an eight-foot-wide public utility easement also located along the northern section of the development. These required easements for the utilities drastically reduce the “developable” area of the subject site, hence the required for modification to the required setbacks and landscape widths.

Parking Lot Landscape Islands: Per Section 11-33-4(B)(1) of the MZO, landscape islands are required to be installed at each end of a row of stalls and in between for a maximum of eight contiguous parking spaces. The rows of head-in parking spaces along the south side of the proposed buildings do not meet this requirement. The site plan shows nine and 10 contiguous head-in parking spaces along the south sides of the buildings and only one landscape island installed at the end of the rows of stalls. According to the applicant, the proposed modification to allow an increase in the number of contiguous parking spaces is needed to accommodate the number of required parking spaces for the development. This is also because of limitations due to the location of the SRP easement, as only 13 spaces are allowed in the easement.

Parking Lot Landscape Island Plant Materials: Per Section 11-33-4(D)(1)(a) of the MZO, one shade tree and three shrubs shall be provided for every 15-foot parking island. The applicant is requesting to be allowed to not provide the required shade tree and shrubs in the landscape islands adjacent to the southern property line. These islands are within the SPR utility

easement which contains overhead power lines and SRP does not allow such trees and shrubs under such overhead power lines. From the landscape plan, the applicant is proposing to provide groundcover plant material in the landscape islands as a mitigation for the proposed deviation to not provide trees and shrubs in the required area.

Foundation Base – Exterior walls with a public entrance: Per Section 11-33-5.A.1 of the MZO, the required minimum foundation base area for exterior walls with public entrances is 15 feet. The applicant is requesting a reduction in the required foundation base area from 15 feet to a width that varies from seven feet, six inches to 12-feet as shown on the site plans (Exhibit 3.2). According to the applicant, the reduction to the landscape foundation base is necessary to accommodate the drive aisle and vehicular parking spaces for the development, as the site has been encumbered with various utility easements.

Overall, the proposed development complies with the BIZ Overlay requirements as outlined in Section 11-21-3 of the MZO to provide superior quality and allow development of an economically stressed property. The applicant is proposing a well-designed site plan, landscape plan, and quality building elevations to develop a site that is physically constrained with utility easements.

**Site Plan and General Site Development Standards:**

The proposed site plan shows development of two, commercial buildings totaling approximately 8,521 square feet. Currently, the site consists of three, small undeveloped parcels. The two east parcels are owned by the applicant. The west parcel is owned by the United States Department of Interior Bureau of Land Management (BLM). To develop the property, the two lots owned by the applicant must be combined into one lot. Staff has included a condition of approval requiring those lots to be combined prior to the issuance of a building permit.

The proposed site plan shows the BLM parcel will remain separate and utilized for access and landscaping purposes only. Based on the submitted site plan, access to the site will be provided through two existing entrances located immediately adjacent to the east and west of the subject site. The applicant shall be required to obtain an access easement with the adjacent property owner to the east of the property. Currently, the Department of Interior Bureau of Land Management has granted the City of Mesa use the western property (i.e., the lot owned by BLM) for right-of-way. The applicant is working with the City of Mesa to obtain a use agreement to allow driveway access to University Drive and landscaping on the BLM property. Staff has included a condition of approval requiring the recordation of the use agreement prior to issuance of a building permit to allow development of the property.

From the proposed site and landscape plans, development of the site will also include landscaping along University Drive and the southern property line that conforms to the requirements outlined in Section 11-33-3 of the MZO. Per Section 11-32-3 of the MZO, 31 parking spaces are required. The site plan shows 32 parking spaces will be provided. Overall, the proposed site plan with the accompanying BIZ overlay conforms to the requirements of the Mesa Zoning Ordinance.

**Design Review:**

The City’s Design Review Board reviewed the proposed building elevations and the landscape plan on February 9, 2021. As of the writing of this report, the changes recommended by Design Review Board have not been made to the building elevations and landscape plan. Staff will work with the applicant to include any recommended changes to the final design of the building and landscape plan.

**Surrounding Zoning Designations and Existing Use Activity:**

<b>Northwest</b> (Across University Drive) PS SRP offices and maintenance facilities	<b>North</b> (Across University Drive) PS SRP offices and maintenance facilities	<b>Northeast</b> (Across University Drive) PS SRP offices and maintenance facilities
<b>West</b> LC University Drive Access Entrance	<b>Subject Property</b> LC Undeveloped	<b>East</b> LC University Drive Access Entrance
<b>Southwest</b> LC Convenience Store and Service Station	<b>South</b> LC/RSL 2.5/LC Undeveloped/Single Residences/Commercial	<b>Southeast</b> RSL 2.5 Single Residences

**Compatibility with Surrounding Land Uses:**

The predominant uses adjacent to the southern section of the subject property are single residence uses. The northern section of the property abuts University Drive. There is also a large SRP Public Maintenance Facility across University Drive to the north. With the proposed landscape plan and design of the site, the proposed commercial center will not be out of character with the intended zoning designation on the property. The intended uses will provide neighborhood-oriented service uses that will contribute to creating a sense of place for the community.

**Neighborhood Participation Plan and Public Comments:**

The applicant completed a Citizen Participation Process, which included mailed letters to property owners within 1,000-feet of the site, as well as HOAs within one-half mile and registered neighborhoods within one mile of the site. In addition, the applicant coordinated with the property owner of a manufactured home park located east of the site to distribute information about the proposed development to residents of the park. Per the Citizen Participation Report, no major concerns about the project were received by the applicant. However, there were a few minor concerns expressed by the manufactured home park residents regarding potential vehicular traffic congestion on University Drive, and potential undesirable uses including medical marijuana, adult retail and entertainment uses, bars, night clubs or restaurants with outdoor live music that could be developed on the property.

In response to the concerns manufactured home park residents, as part of the development application, the City of Mesa’s Transportation Department reviewed the request and had no concerns with traffic to be generated by the development. Regarding the concerns with

potential land uses, the only uses that will be allowed on the property are those allowed in the LC District. Per Section 11-6-2 of the MZO, medical marijuana, “adult” retail and “adult” entertainment uses are not permitted in the LC District. Per Section 11-6-2 of the MZO, live music is allowed as an accessory use to eating and drinking establishment in the LC District, but must be “confined to completely enclosed, sound attenuated facilities.” Outdoor dining, developed in compliance with MZO standards, is permitted as an accessory use to eating and drinking establishments in the LC District. Such uses must also comply with the City of Mesa Noise Ordinance at all times.

As of writing this report, staff has not received any comments or concerns from surrounding property owners. Staff will provide the Board with any new information during the scheduled Study Session on August 25, 2021.

**Staff Recommendation:**

Based on the application received and the proceeding analysis, staff finds the subject request is consistent with the General Plan, the purpose for a BIZ overlay outlined in Section 11-21-1 of the MZO and meets the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO. Therefore, staff recommends approval with the following conditions:

**Conditions of Approval:**

1. Compliance with the final site plan and final landscape plan submitted.
2. Compliance with all requirements of Design Review.
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. Prior to issuance of a building permit, record a “Use Agreement” with the City of Mesa for driveway access to University Drive and landscaping across the BLM property located west of the site.
5. Prior to issuance of a building permit, record a cross access agreement with the owner of the property immediately to the east of the subject site.
6. Compliance with all City development codes and regulations, except the modifications to the development standards as approved with this BIZ and shown in the following table:

<b>MZO Development Standards</b>	<b>Approved</b>
<u>Minimum Setback along Property Lines for Building and Parking Areas – (north property line)</u> MZO Section 11-6-3: <i>Front and Street Facing Side – 6-lane arterial (University Drive)</i>	8 feet
<u>Minimum Landscape Yard Setback – (north property line)</u> MZO Section 11-33-3(B)(2): <i>Landscape yard width for non-single residence uses adjacent to non-residential districts or uses</i>	8 feet

MZO Development Standards	Approved
<u>Minimum Setback along Property Lines or Building and Parking Areas – (east property line)</u> MZO Section 11-6-3: <i>Interior Side (single story) Adjacent to RSL District</i>	15 feet
<u>Minimum Landscape Yard – (east property line)</u> MZO Section 11-33-3(B)(1): <i>Adjacent to RSL District</i>	0-feet to 15-feet
<u>Parking Lot Landscape Islands –</u> MZO Section 11-33-4(B)(1)	For the two rows of parking stalls that exceed 8 contiguous stalls, as shown on the final site plan, install a landscape island at only one end of the rows
<u>Parking Lot Landscape Islands–</u> MZO Section 11-33-4(D)(1)(a): <u>required plant material</u>	No trees or shrubs to be installed. Only install ground cover as shown on the final landscape plan
<u>Foundation Base</u> <u>Exterior wall w/ public entrance:</u> MZO Section 11-33-5	Varies between 7 feet, 6-inches to 12-feet, as shown on the final site plan

**Exhibits**

**Exhibit 1-Staff Report**

**Exhibit 2-Vicinity Map**

**Exhibit 3-Application Information**

3.1 Project Narrative

3.2 Site Plan

3.3 Preliminary Landscape Plan

3.4 Preliminary Elevations

**Exhibit 4-Citizen Participation Report**