



**PLANNING DIVISION
STAFF REPORT**

City Council Meeting

September 23, 2023

CASE No.: ZON24-00101	PROJECT NAME: Stonebridge Live-Work Units
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Owners' Name:	ORC LLC and 4024 Palm Street LLC
Applicant's Name:	Sarah Prince, Pew & Lake, PLC
Location of Request:	Within the 4000 block of East Palm (north side) and within the 2900 to 3100 blocks of North Norfolk (west side). Located west of Greenfield Road and north of McDowell Road.
Parcel No(s):	141-25-092A and 141-25-092B
Request:	Rezone from Light Industrial with a Planned Area Development Overlay (LI-PAD) to Light Industrial with a Planned Area Development Overlay and a Bonus Intensity Zone Overlay (LI-PAD-BIZ) and Site Plan Review.
Existing Zoning District:	Light Industrial with a Planned Area Development Overlay (LI-PAD)
Council District:	1
Site Size:	2.3± acres
Proposed Use(s):	Live/Work Units
Existing Use(s):	Full Service Restaurant
P&Z Hearing Date(s):	August 28, 2024 / 4:00 p.m.
Staff Planner:	Charlotte Bridges, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation: APPROVAL with Conditions (5-0)	
Proposition 207 Waiver Signed: Yes	

HISTORY

On **January 6, 1979**, the City Council annexed 542± acres, including the Project Site, and rezoned the property from Maricopa County zoning of RU-43 to comparable zoning of Agriculture (AG) (Ord. No. 1208 and Case No. Z73-073, Ord No. 1254, respectively).

On **September 21, 1981**, the City Council rezoned 100± acres, including the Project Site, from AG to Single Family Residence-35 (R1-35) to allow for the development of a single residential subdivision (Case No. Z81-065; Ord. No. 1521).

On **February 21, 1984**, the City Council rezoned 110± acres, including the Project Site, from AG and R1-35 to Restricted Industrial M-1 (equivalent to Light Industrial [LI]) to allow the development of an 89-lot industrial park, Citrus East Industrial Park (later renamed to the Commons Industrial Park at Falcon View) (Case No. ZON84-007; Ord. No.1997).

On **February 22, 2000**, the City Council rezoned the 110± acres Commons Industrial Park at Falcon View, including the Project Site, from LI to LI with a Planned Area Development Overlay (LI-PAD) as part of a City initiated rezone to amend the original zoning conditions and establish development standards to address concerns from the public and enforce the CC&Rs on the property (Case No. Z99-099; Ord. No. 3748).

On **August 12, 2024**, the Design Review Board review the Proposed Project. Staff will work with the applicant to address comments and recommendations from the Design Review Board.

On **August 28, 2024**, the Planning and Zoning Board approved a Special Use Permit to allow work/live units in the LI district and recommended City Council approve the Proposed Project.

PROJECT DESCRIPTION

Background:

The proposed project site is located in the Commons Industrial Park at Falcon View, which is located west of Greenfield Road and north of McDowell Road. The project site is partially developed with a restaurant that is 2,885 square feet.

The applicant is requesting to rezone the 2.3± acre Project Site from Light Industrial with a Planned Area Development Overlay (LI-PAD) to Light Industrial with a Planned Area Development Overlay and a Bonus Intensity Zone Overlay (LI-PAD-BIZ); and approval of an Initial Site Plan, to allow the development of three, two-story, Live-Work Units totaling 23,148 square feet (Proposed Project).

In 2000, the City of Mesa initiated a rezoning (Z99-099) of all the lots in the Common Industrial Park at Falcon View subdivision and adopted development standards applicable to all the lots within the subdivision to address concerns from the public and enforce the CC&Rs on the property (Ord. No 3748).

The applicant is retaining the existing PAD overlay and requesting a new BIZ overlay to allow modifications to certain MZO development standards applicable only to the Project Site that would facilitate the development of the Proposed Project.

General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Employment with an Industrial Sub-type. Per Chapter 7 of the General Plan, the primary focus of the Employment character

area designation is to provide for a wide range of employment opportunities in high-quality settings. Examples of employment-type land uses include areas for large manufacturing facilities, warehousing, and business park-type land uses.

The Industrial Sub-type typically has larger lots and require provisions of access and circulation by large vehicles. The proposed Live-Work Unit use is defined by Chapter 86 of the MZO, as being commercial or industrial units with incidental residential accommodations that include adequate working space reserved for office, commercial or industrial uses.

Based on this definition, the proposed Live-Work Unit use is consistent with the intent of the Employment character area with an Industrial Sub-type designation since it will provide a unique, high quality mixed-use development that will contribute to the vitality of the Employment with an Industrial Sub-type character area.

The Proposed Project is consistent with the review criteria outlined in Chapter 15 (pg. 15-1&2) of the Mesa 2040 General Plan.

Falcon Field Sub Area Plan:

The property is also located within the Falcon Field Sub-Area. The Falcon Field Sub Area Plan was adopted by the City Council in 2007 to provide a planning policy document that is focused on the unique characteristics of the area including airport operations and strong business linkages to the airport.

One of the goals of the Falcon Field Sub-Area Plan is to ensure the area is an oasis of abundant, high-quality employment for professionals, technical experts, and highly skilled labor.

The Proposed Project meets the goals of the Falcon Field Sub-Area Plan by providing a unique, high quality commercial or industrial space with accessory living quarters within the sub area.

Zoning District Designations:

The applicant is requesting to rezone the site from LI-PAD to LI-PAD-BIZ. Per Section 11-7-1 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.

Per Table 11-7-2 of the MZO, the existing full service restaurant is a permitted use in the LI zoning district and live-work units are a permitted use with the approval of a Special Use Permit (SUP). The SUP was approved by the Planning and Zoning Board at the meeting on August 28, 2024.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the MZO, the site is located within an Airfield (AF) Overlay District. Specifically, within the Airport Overflight Area 3. The location of the property within the Airfield Overlay is due to its proximity to the Falcon Field Airport. Per Section 11-7-2 of the MZO, there are no use limitations imposed on industrial development in the LI district.

Surrounding Zoning Designations and Existing Use Activity:

Northwest LI-PAD Industrial	North LI-PAD Industrial	Northeast (Across Norfolk) LI-PAD Industrial
West LI-PAD Commercial	Project Site LI-PAD Commercial	East (Across Norfolk) LI-PAD Industrial
Southwest (Across Palm Street) LI-PAD Industrial	South (Across Palm Street) LI-PAD Industrial	Southeast (Across Palm Street) LI Industrial

Compatibility with Surrounding Land Uses:

The project site is located within the Commons Industrial Park at Falcon View, which is west of Greenfield Road and north of McDowell Road. To the north, across Norfolk to the east and across Palm Street to the south are existing industrial developments. To the west, is an existing banquet and conference (wedding) center.

The Proposed Project is compatible with the existing land uses.

Site Plan and General Site Development Standards:

The project site is partially developed with a full service restaurant that is 2,885 square feet in area and associated site improvements. The Proposed Project improves the vacant portion of the Project Site by constructing three, two-story, Live-Work Units, each on their own parcel. The first floor of the units, 4,594 square feet, contains approximately 3,608 square feet of office area and a 986 square feet double-car garage area. The second floor is comprised of 3,312 square feet of living area, including 723 square feet of outdoor living area (patios and deck).

Two existing access points serve the Proposed Project, one located along Palm Street at the southwest corner of the Project Site and the other located along Norfolk at the northeast corner of the Project Site. These access points lead to the parking areas located to the south and east of the restaurant and to the north of the live-work units.

The public entrances to the live-work units face west towards the restaurant and parking area, while the east side of the units consists of a gated parking and service area, which is screened by a masonry screen wall eight feet in height. An internal cross-access connecting to the main east-west drive aisle provides access to the live-work units gated parking and service area.

Per Section 11-32-3 of the MZO, 91 parking spaces are required for the existing restaurant use and the proposed live-work units. A total of 91 parking spaces are provided for the Proposed Project.

Trees and shrubs are provided in the landscape yards around the perimeter of the project site, within landscape islands throughout the parking field and in the foundation base areas around the building. In addition, internal sidewalks connect the buildings and connect to the sidewalks in the public right-of-way.

BIZ Overlay Modification – MZO Article 3, Chapter 21:

The Proposed Project includes a request for approval of a Bonus Intensity Zone overlay (BIZ) to allow for modifications to certain development standards of the MZO.

Per Section 11-21-1 of the MZO, the purpose of a BIZ overlay is to provide for variation from the application of development standards to allow greater intensity of development and encourage unique, innovative developments of superior quality.

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

Table 1: Proposed Development Standards

Development Standards	MZO Required	BIZ Proposed	Staff Recommendation
<u>Accessory Outdoor Storage</u> – <i>MZO Table 11-7-2, Footnote 5</i>	Accessory outdoor storage permitted only if confined to the rear one-half of the lot	Accessory outdoor storage permitted in front one-half of lots 2, 3 and 4	As Proposed
<u>Lot Frontage</u> – <i>MZO Section 11-30-6(H)</i>	Every lot shall have frontage on a dedicated public street unless the lot is part of an approved Bonus Intensity Zone (BIZ)	Lots 1, 2, 3 and 4 without frontage on a dedicated public street as part of the BIZ Overlay	As Proposed
<u>Minimum Site Area (acre)</u> – <i>MZO Table 11-7-3</i>			
Lot 1	1 acre	0.33 acre	As Proposed
Lot 2	1 acre	0.18 acre	
Lot 3	1 acre	0.18 acre	
Lot 4	1 acre	0.16 acre	
<u>Minimum Lot Width (feet)</u> – <i>MZO Table 11-7-3</i>			
Lot 1	100 feet	97 feet	As Proposed
Lot 2	100 feet	65 feet	
Lot 3	100 feet	65 feet	
Lot 4	100 feet	63 feet	

Development Standards	MZO Required	BIZ Proposed	Staff Recommendation
<p><u>Screening – Parking Areas –</u> <i>MZO Section 11-30-9(H)</i> -Parking Areas</p>	<p>Parking areas and drive aisles shall be screened from street(s) with masonry wall, berm or combination of walls/berms and densely planted landscaping or "vertical wire trellis panels". No more than 40 percent of the screening shall be accomplished with dense landscaping</p>	<p>Adjacent to Palm Street, up to 100% of the screening may be accomplished with dense shrubs</p>	<p>As Proposed</p>
<p><u>Setback of Cross Drive Aisle –</u> <i>MZO Section 11-32-4(A)</i></p>	<p>Parking spaces along main drive aisles connecting directly to a street shall be set back at least 50 feet from the property line abutting the street</p>	<p>Parking spaces along main drive aisles connecting directly to a street shall be set back at least 30 feet, 3-inches from the property line abutting the street (existing at Palm Street)</p>	<p>As Proposed</p>
<p><u>Required Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)(a)(i)</i> Non-single residential uses adjacent to other non-single residential uses or districts – Group C-O-I Development: - Lots 2, 3 and 4 Common property lines:</p>	<p>7-foot-wide perimeter landscape yard</p>	<p>Minimum 5-foot-wide perimeter landscape yard on each side of the common property line</p>	<p>As Proposed</p>

Development Standards	MZO Required	BIZ Proposed	Staff Recommendation
<p><u>Required Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)(a)(ii)</i> Non-single residential uses adjacent to other non-single residential uses or districts – Non Group C-O-I Development:</p> <ul style="list-style-type: none"> - North property line (overall site) - West property line (overall site) 	<p>15-foot landscape yard</p> <p>15-foot landscape yard</p>	<p>Minimum 5 feet, 2-inches landscape yard with 2 feet vehicle overhang</p> <p>0 feet at the northwest corner (existing) Minimum 14 feet, 4-inches landscape yard with 2 feet of vehicle overhang at the adjacent parking spaces (existing)</p>	<p>As Proposed</p>
<p><u>Perimeter Landscape –</u> <u>Required Plant Material –</u> <i>MZO Section 11-33-3(B)(2)(c)</i> 3 non-deciduous trees and 20 shrubs per 100 linear feet of adjacent property line</p> <ul style="list-style-type: none"> - North property line (overall site) - West property line (overall site) 	<p>11 trees and 69 shrubs (344 feet of adjacent property line)</p> <p>10 trees and 65 shrubs (324 feet of adjacent property line)</p>	<p>2 trees and 81 shrubs</p> <p>12 trees and 32 shrubs (existing)</p>	<p>As proposed</p>
<p><u>Parking Lot Landscape Islands</u> – <i>MZO Section 11-33-4(B)</i></p>	<p>Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum 8 contiguous parking spaces</p>	<p>Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum of 15 contiguous parking spaces without an island (existing)</p>	<p>As Proposed</p>

Accessory Outdoor Storage:

Per Table 11-7-2, Footnote 5 of the MZO, accessory outdoor storage permitted only if confined to the rear one-half of the lot.

The applicant is requesting the accessory outdoor storage area be permitted in front one-half of lots 2, 3 and 4, which is adjacent to Norfolk. The proposed storage area will be used as a parking and service area and will be screened from Norfolk by an eight-foot-tall masonry screen wall and a 20-foot-wide landscape yard planted with trees and shrubs.

Lot Frontage:

Per Section 11-30-6(H) of the MZO, every lot shall have frontage on a dedicated public street unless the lot is part of an approved Bonus Intensity Zone (BIZ).

The applicant is proposing to create four lots without frontage on a dedicated public street as part of the requested BIZ Overlay. These lots will have frontage on Tract B, which will allow multiple users to take separate ownership of their own lot and for the creation of an ownership association to allow for the maintenance of the common areas, including Tracts A, B and C.

Minimum Site Area:

Per Table 11-7-3 of the MZO, the minimum site area in the LI District is one-acre.

The applicant is proposing to create four lots, each less than an acre in size.

Minimum Lot Width:

Per Table 11-7-3 of the MZO, the minimum lot width in the LI District is 100 feet.

The applicant is proposed to create four lots, each less than 100 feet in width.

Screening – Parking Areas:

Per Section 11-30-9(H) of the MZO, parking areas and drive aisles shall be screened from street(s) with masonry wall, berm or combination of walls/berms and densely planted landscaping or "vertical wire trellis panels". No more than 40% of the screening shall be accomplished with dense landscaping.

The applicant is proposing to maintain the densely planted shrubs located along Palm Street to screen the internal drive aisles and parking stalls from the public right-of-way.

Setback of Cross Drive Aisles:

Per Section 11-32-4(A) of the MZO, parking spaces along main drive aisles connecting directly to a street must be set back at least 50 feet from the property line abutting the street. The existing parking spaces along the drive aisle to Palm Street do not meet this 50-foot setback requirement.

The applicant is requesting to maintain the existing 30 feet, three-inches setback to the existing parking spaces from the Palm Street access.

Minimum Landscape Yards – Non-Single Residence Uses Adjacent to Other Non-Single Residences Uses or Districts:

Per Section 11-33-3(B)(2)(a)(i) of the MZO, in group C-O-I development, a minimum seven-foot side landscape yard is required along interior property lines of non-single residences uses adjacent to other non-single residence uses or districts.

The applicant is requesting a five-foot wide landscape yard on each side on the common property lines between Lots 2 and 3, and Lots 3 and 4.

Per Section 11-33-3(B)(2)(a)(ii) of the MZO, in non-group C-O-I development, a minimum 15-foot side landscape yard is required along interior property lines of non-single residences uses adjacent to other non-single residence uses or districts.

The applicant is requesting to maintain a minimum five-feet, two-inches with a two-foot vehicle overhang wide landscape yard along the north property line of the overall Project Site; zero-foot landscape yard at the northwest corner of the overall Project Site; and 14-feet, four-inches with two-feet of vehicle overhang wide landscape yard adjacent to the existing parking stalls along the west property line of the overall Project Site.

Perimeter Landscape:

Section 11-33-3(B)(2)(c) of the MZO outlines the requirements for the number of required trees and shrubs in the landscape yards adjacent to the interior property lines. A total of three non-deciduous trees and 20 shrubs per 100 linear feet of adjacent property line are required adjacent to the north and west interior property lines of the overall Project Site.

A total of 11 trees 69 shrubs are required along the 344-foot long north property line.

The applicant is proposing a total of two trees and 81 shrubs adjacent to the north property line.

A total of 10 trees 65 shrubs are required along the 324-foot long west property line.

The applicant is proposing a total of 12 trees and 32 shrubs adjacent to the north property line.

Parking Lot Landscape Islands:

Per Section 11-33-4(B) of the MZO, parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum eight contiguous parking spaces.

The applicant is requesting not to install new parking lot landscape islands in the existing parking field to the north, east and south of the restaurant. This means that there will be a missing parking lot islands at the end of two rows of parking stalls and some rows of parking stalls will exceed eight contiguous spaces, but not more than 15 contiguous spaces without parking lot island.

BIZ Justification:

Review and approval of a BIZ overlay is based on the criteria in Section 11-21 of the MZO. The City Council may approve a request for a BIZ overlay for projects that provide distinctive, superior quality designs and address environmental performance standards in the site or building design.

Per the project narrative, the Proposed Project meets superior design standards by providing:

- A creative solution to an unmet need in today's unique economy;
- High-quality architectural and site design to create a unique and more sustainable alternative to conventional development and comparable projects;
- Well designed and integrated buildings that are proportionate to the property size;
- Pedestrian connections to the public pathways and nearby commercial uses;
- Consistency with the surrounding land use fabric;

The Proposed Project demonstrates superior quality to meet the intent of the City's Zoning Ordinance and General Plan. The Proposed Project also provides economic benefits to the City by providing unique, innovative, high quality commercial or industrial space with accessory living quarters that will support the objectives of the Employment with an Industrial sub-type character area, Falcon Field Sub Area Plan and the MZO.

Neighborhood Participation Plan and Public Comments:

On March 14, 2024, the applicant sent out letters to property owners within 1,000 feet of the Project Site inviting them to a neighborhood meeting on April 2, 2024, to discuss the Proposed Project. No property owners attended the meeting.

The applicant also sent the required notification letters to the surrounding property owners within 1,000 feet of the Project Site, as well as HOAs within ½ mile, and registered neighborhood within one mile.

Staff received an email from a property owner expressing concern with the use. The concern was related to the use being prohibited per the current CC&Rs. The applicant worked with the property owner to address the concern.

Staff Recommendation:

The Proposed Project is consistent with the Mesa 2040 General Plan, the purpose for a Bonus Intensity Zone overlay outlined in Section 11-21-1 of the MZO and the review criteria for Site Plan Review outlined in Section 11-69-2 of the MZO.

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

1. Compliance with all conditions of approval of Case No. Z99-099.
2. Compliance with the final site plan submitted.
3. Compliance with the Preliminary Plat submitted.
4. Compliance with the Subdivision Regulations.
5. Prior to the issuance of a building permit, obtain approval of and record a final subdivision plat for the project site.

6. Compliance with all requirements of DRB24-00100.
7. Dedicate the right-of-way and easements required under the Mesa City Code at the time of application for a building permit, or at the time of the City's request for dedication, whichever comes first.
8. 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 Falcon Field 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 one mile of the Falcon Field 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 Falcon Field Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."
9. 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:

Development Standards	Approved
<u>Accessory Outdoor Storage</u> – <i>MZO Table 11-7-2, Footnote 5</i>	Accessory outdoor storage permitted in front one-half of lots 2, 3 and 4
<u>Lot Frontage</u> – <i>MZO Section 11-30-6(H)</i>	Lots 1, 2, 3 and 4 without frontage on a dedicated public street as part of the BIZ Overlay
<u>Minimum Site Area (acre)</u> – <i>MZO Table 11-7-3</i>	
Lot 1	0.33 acre
Lot 2	0.18 acre
Lot 3	0.18 acre
Lot 4	0.16 acre

Development Standards	Approved
<u>Minimum Lot Width (feet) –</u> <i>MZO Table 11-7-3</i> Lot 1 Lot 2 Lot 3 Lot 4	97 feet 65 feet 65 feet 63 feet
<u>Screening – Parking Areas –</u> <i>MZO Section 11-30-9(H)</i> -Parking Areas	Adjacent to Palm Street, up to 100% of the screening may be accomplished with dense shrubs
<u>Setback of Cross Drive Aisle –</u> <i>MZO Section 11-32-4(A)</i>	Parking spaces along main drive aisles connecting directly to a street shall be set back at least 30 feet, 3-inches from the property line abutting the street (existing at Palm Street)
<u>Required Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)(a)(i)</i> Non-single residential uses adjacent to other non-single residential uses or districts – Group C-O-I Development: - Lots 2, 3 and 4 Common property lines:	Minimum 5-foot-wide perimeter landscape yard on each side of the common property line
<u>Required Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)(a)(ii)</i> Non-single residential uses adjacent to other non-single residential uses or districts – Non Group C-O-I Development: - North property line (overall site) - West property line (overall site)	Minimum 5 feet, 2-inches landscape yard with 2 feet vehicle overhang 0 feet at the northwest corner (existing) Minimum 14 feet, 4-inches landscape yard with 2 feet of vehicle overhang at the adjacent parking spaces (existing)

Development Standards	Approved
<u>Perimeter Landscape –</u> <u>Required Plant Material –</u> <i>MZO Section 11-33-3(B)(2)(c)</i> 3 non-deciduous trees and 20 shrubs per 100 linear feet of adjacent property line - North property line (overall site) - West property line (overall site)	 2 trees and 81 shrubs 12 trees and 32 shrubs (existing)
<u>Parking Lot Landscape Islands –</u> <i>MZO Section 11-33-4(B)</i>	Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum of 15 contiguous parking spaces without an island (existing)

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