



PLANNING DIVISION
STAFF REPORT

City Council Meeting

August 29, 2022

CASE No.: ZON22-00481	PROJECT NAME: Phelan East Hawes
Owner's Name:	GATEWAY DEVELOPMENT LLC
Applicant's Name:	Adam Baugh, Withey Morris PLC
Location of Request:	Within the 8400 to 8500 blocks of East Pecos Road (south side), and the 7200 block of South Hawes Road (east side). Located south of Pecos Road and east of Hawes Road.
Parcel No(s):	304-62-008J
Requests:	Rezone from Agricultural (AG) to Light Industrial (LI), Site Plan Review and Special Use Permit. This request will allow for an industrial development.
Existing Zoning District:	AG
Council District:	6
Site Size:	9± acres
Proposed Use(s):	Industrial (shell buildings)
Existing Use(s):	Vacant
Hearing Date(s):	July 27th, 2022 / 4:00 p.m.
Staff Planner:	Jennifer Merrill, Planner II
Staff Recommendation:	Approval with Conditions
Planning and Zoning Board Recommendation: APPROVAL with Conditions (Vote: 5-0)	
Proposition 207 Waiver Signed: Yes	

HISTORY

On **December 18, 1989**, City Council annexed 3,346± acres of land, including the subject parcel (Case No. A89-003; Ordinance No. 2473).

On **March 5, 1990**, City Council voted to rezone the subject parcel Agricultural (AG) as part of a larger 3,360-acre rezoning request (Case No. Z90-007; Ordinance No. 2496).

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

On **June 9, 2006**, the Planning Director approved a land split for 41± acres including this parcel (Case No. LS06-014).

PROJECT DESCRIPTION

Background:

The request is to rezone the subject site from Agricultural (AG) to Light Industrial (LI), approval of a Special Use Permit, and Site Plan Review of an Initial Site Plan to allow for a 9± acre industrial development. The development will contain two industrial buildings totaling approximately 175,950 square feet. The requested SUP is to allow for a parking reduction.

General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Employment. Per Chapter 7 of the General Plan, the intent of the Employment character area designation is to provide for a wide range of employment opportunities in high-quality settings. Employment districts include areas for large manufacturing, warehousing, and business parks. The proposed rezoning and development of the property for industrial uses will provide the opportunity for employment generated uses, which conform to the goals of the employment character designation. Staff reviewed the request and determined the proposed rezoning and use of the property is consistent with the criteria for review outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan.

Mesa Gateway Strategic Development Plan:

The site is also located within the Mesa Gateway Strategic Development Plan and specifically located within the Logistics & Commerce District of the Plan. Per the Strategic Plan, the focus of the Logistics & Commerce District is to provide a high-quality employment environment that is compatible with increasing over-flight activities associated with Phoenix-Mesa Gateway Airport. Per the Plan, desired uses within the district include manufacturing facilities, large warehouses, distribution facilities, planned employment parks, and similar uses. The proposed industrial development is consistent with the goals of the Mesa Gateway Strategic Development Plan.

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

Per Section 11-19 of the MZO, the property is located within Airport Overflight Area Three (AOA 3) of the Airfield (AF) Overlay District due to its proximity to the Phoenix-Mesa Gateway Airport. Per Section 11-19 of the MZO, there are no commercial or industrial use restrictions within the AOA 3. Phoenix-Mesa Gateway Airport staff reviewed the proposal and requested the inclusion of Condition 4d of this report.

Zoning District Designations:

The applicant is requesting to rezone the site from AG to LI, and per Section 11-7-2 of the MZO, industrial uses are permitted in the LI zoning district. Per Section 11-7-1 of the MZO, the purpose

of the LI zoning district is to provide areas for limited industrial and high-impact commercial uses. The proposed office and warehouse uses are permitted in the LI zoning district.

Site Plan and General Site Development Standards:

The proposed site plan shows two industrial shell buildings totaling 175,950 square feet. According to the submitted building elevations, the buildings will be single-story with a maximum height of 39 feet. Per Section 11-7-3 of the MZO, the maximum height allowed in the LI zoning district is 40 feet. The site plan also shows each building will have a rear storage yard that will be screened from public view by an eight-foot-tall masonry wall, conforming with the screening requirements outlined in Section 11-30-7 of the MZO.

The site plan shows pedestrian connections from the Pecos Road right-of-way to each of the building entrances, and two driveways off of Pecos Road. A third driveway is located off of Hawes Road on the west side of the site. Hawes Road is not yet constructed, but the developer, together with developers of adjacent properties to the west and south, is coordinating with the City's Transportation Department staff in the construction of this road between Germann and Pecos Roads. The required parking spaces will be located to the side and rear of each building. The submitted landscape plan shows a variety of materials throughout the development including along the perimeters, within the parking area, and in front of the buildings along Pecos Road. Overall, the proposed site plan conforms to the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO.

Special Use Permit:

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 Reduction:

Per Section 11-32-3 of the MZO, the proposed industrial buildings with a primary warehouse use and a total maximum of 12,000 square feet of office space require 215 parking spaces. The applicant is requesting to reduce the number of parking spaces from 215 to 200, a 15-space (7%) reduction. 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 the parking demand at the site.	Per the Narrative, minimal staffing requirements are anticipated for the proposed warehousing and office uses. The warehouse portions of the buildings will be used for storage. The required parking calculations are based on the maximum potential office use on the site, and the users may not require the full 12,000 square feet of office space, which will reduce the required parking.
2. The use will adequately be served by the proposed parking.	Per the applicant, the proposed parking spaces will adequately serve the use. Also, the proposed parking ratio is consistent with other successful, large-scale industrial projects.
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.	Per the Narrative, the parking demand is not anticipated to exceed the capacity provided on the site.

Per Section 11-70-5 of the MZO, the granting of an SUP must advance the goals and objectives of the General Plan and not be detrimental to the neighborhood or to the general welfare of the city. As previously stated, the proposed industrial building is consistent with the goals of the General Plan by providing employment. According to the applicant, the parking provided is sufficient to meet the needs of the end user(s). Staff has reviewed the applicant's justification for the parking reduction and supports this request. Surrounding developments have been approved for 40% to 42% reductions, and those requests included traffic studies supporting those reductions. The proposed 7% reduction is reasonable for this site.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Hawes and Pecos Roads) LI Undeveloped	North (Across Pecos Road) LI Undeveloped	Northeast (Across Pecos Road) LI Undeveloped
West (Across Hawes Road) EO Undeveloped	Subject Property AG Undeveloped	East LI-PAD Industrial development
Southwest (Across Hawes Road) EO Undeveloped	South LI-BIZ and OC-BIZ Undeveloped	Southeast LI-PAD and OC-PAD Industrial development

Compatibility with Surrounding Land Uses:

The subject site is surrounded by undeveloped land. To the north, west and south are vacant parcels with proposed industrial warehouse developments in various development stages. To the east is a new industrial warehouse development. Currently, the General Plan character designation on the property and surrounding areas is Employment. Overall, the proposed industrial development conforms to the goals of the General Plan and Mesa Gateway Strategic Development Plan and will provide an industrial development that is compatible with increasing airport overflight activity in the area.

Neighborhood Participation Plan and Public Comments:

The applicant completed a Citizen Participation Process which included mailing letters to property owners within 1,000 feet of the site, as well as HOAs within ½ mile, and registered neighborhoods within one mile of the site. Staff has not received any comments/concerns from surrounding property owners.

Staff Recommendation:

Based on the application received and the preceding analysis, staff finds that the subject rezone and request for Site Plan Review approval is consistent with the Mesa 2040 General Plan and the Gateway Strategic Development Plan. Additionally, the request meets the review criteria for Site Plan Review outlined in Section 11-69-5 and satisfies the required findings for a Special Use Permit per Section 11-70-5 of the MZO. Therefore, Staff recommends approval with the following conditions:

Conditions of Approval:

1. Compliance with the final site plan submitted.
2. Compliance with all City development codes and regulations.
3. Compliance with all requirements of Design Review Case No. DRB22-00482.
4. 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.
5. 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. 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.
 - c. Provide written notice to future property owners that the project is within 1 mile of Phoenix-Mesa Gateway Airport.
 - d. Due to the proximity of the 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.

Exhibits:

Exhibit 1- Vicinity Map

Exhibit 2- Staff Report

Exhibit 3-Application Information

3.1 Site Plan

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