



City Council

Date: July 5, 2022
To: Mayor and Council
Through: Christopher J. Brady, City Manager
Natalie Lewis, Deputy City Manager
From: Nana Appiah, Development Services Department Director
Veronica Gonzalez, Development Services Project Manager
Subject: Development Agreement to allow approximately 48 acres to opt-in to the Elliot Road Tech Corridor zoning overlay.
Council District #6

Purpose and Recommendation:

The purpose of this report is to provide a recommendation to the City Council to approve a resolution authorizing the City Manager to enter into a development agreement (DA) with Whane of Mesa Limited Partnership, LLLP (Owner) for a future industrial development located on approximately 48 acres near the northwest corner of Signal Butte and Elliot Roads (Exhibit A). The DA allows the Owner to opt-in to the Limited Industrial Planned Area Development (LI-PAD) overlay for the Elliot Road Technology Corridor (ERTC). The ERTC overlay includes a variety of stipulations such as design guidelines and land use restrictions.

Staff recommends that the City Council approve the development agreement.

Background:

The City of Mesa established the ERTC on November 3, 2014 by Ordinance 5255 (Z14-045). The ERTC encompasses all properties on the north side of Elliot Road to the north line of the SRP transmission line easement between Hawes and Signal Butte Roads and includes a LI-PAD overlay zoning district. The LI-PAD overlay zoning includes the adoption of design guidelines, land use restrictions, and additional building height allowances. The zoning allows for site plans to be reviewed administratively as part of the Design Review process. The LI-PAD is a “floating” overlay that allows property owners to voluntarily rezone their property on an “opt-in” basis. The ordinance requires property owners to execute an Opt-In Form and a Development Agreement with the City of Mesa.

The Elliot Road Technology Corridor Overlay Zoning includes the following stipulations:

1. Expedited entitlement process to attract high technology industries to Mesa
2. Established site planning design guidelines to ensure compliance with the City of Mesa General Plan and Mesa Gateway Strategic Development Plan
3. Maximum height limitations within the corridor as follows:
 - a. The maximum building height shall be 50’ for development within 600’ of the north line of the SRP transmission line easement.
 - b. The maximum building height shall be 150’ in all other areas.

The area within the ERTC has been targeted for employment related uses for over 20 years. The installation of high-capacity utilities along Elliot Road makes this an attractive area for high quality and technology-driven employers and developers. The City's initiation of the ERTC Overlay Zoning was a direct effort to attract prospective high-tech employers that could benefit from a more abbreviated site planning process. The ERTC Overlay Zoning assists in bringing high quality jobs and substantial capital investment to Mesa and supports the goals of the 2040 Mesa General Plan, as well as the Mesa Gateway Strategic Development Plan (MGSDP).

Discussion:

Owner has elected to opt-in to the ERTC Overlay Zoning. By opting in, the proposed development of five industrial buildings ranging in size from approximately 107,000 square feet to 165,000 square feet will be committed to high quality development and contribute to this economic hub within the City.

The DA to opt-in to the ERTC Overlay Zoning is part of the approval process as outlined and approved by the City Council for the ERTC. The purpose of the DA is to reaffirm the requirements of the approved overlay zoning. The following is a brief summary of what is in the agreement:

The owner is agreeing to rezone the property from Agricultural (AG) to LI-PAD by opting-in to the ERTC, the acceptance of the approved Design Guidelines to ensure quality development, and the following prohibited land uses:

- Correctional Transitional Housing Facilities
- Clubs and Lodges
- Cultural Institutions
- Day Care Centers as a stand-alone use, allowed as a component of a service to on-site business and industry
- Places of Worship
- Schools, Public or Private
- Animal Sales and Services
- Artist Studios
- Automobile/Vehicle Sales and Service
- Banks and Financial Institutions
- Building Materials and Services
- Commercial Recreation
- Eating and Drinking Establishments as a stand-alone use, allowed as a component of a service to on-site business and industry
- Farmer's Markets
- Food and Beverage Sales
- Funeral Parlors
- Light Fleet-Based Services
- Live-Work Units
- Maintenance and Repair
- Medical Marijuana Dispensaries
- Medical Marijuana Cultivation Facilities
- Parking, Commercial
- Personal Services

- Plant Nurseries and Garden Centers
- Retail sales
- Swap Meets and Flea Markets
- Tattoo and Body Piercing Parlors
- Handicraft/Custom Manufacturing
- Light Assembly/Cabinetry
- Warehouse and storage
- Airport land use classifications
- Transportation Facilities
- Outdoor Storage
- Outdoor entertainment or activities as an accessory use
- Outdoor Display

The City has agreed to the commitments that were approved with the ERTC Overlay Zoning, administrative review of site plans through the Design Review process and additional height allowances (max. height of 150' for property 600' south of the north line of the SRP Transmission Line Easement).

Alternatives:

The following alternatives are presented for the Council's consideration:

Approve the Development Agreement: Approval of the DA will ensure future development on the property complies with the ERTC Overlay Zoning.

Not Approve the Development Agreement: Should the Council choose not to approve the DA, land uses that are undesirable and incompatible with the goals of the ERTC would be permitted and Owner would not benefit from an abbreviated site planning process.

No Action: If the Council takes no action, Owner may decide to not proceed with development.

Fiscal Impact:

While the DA does not require any additional investment or fiscal impact from the City, the proposed project will result in increased revenues derived from construction activities on the property.

Coordinated With:

The development agreement was coordinated with the Development Services Department, the Office of Economic Development, and the City Attorney's Office.