



**PLANNING DIVISION**  
**STAFF REPORT**

**City Council Meeting**

**February 3, 2025**

CASE No.: **ZON24-00818**

PROJECT NAME: **Palm Gateway**

Owner's Name:	LPC Mesa Gateway LP
Applicant's Name:	Brad Cushard, Logistics Properties Company
Location of Request:	Located approximately 3,300 feet east of the northeast corner of South Sossaman Road and East Pecos Road.
Parcel No(s):	304-61-001J
Request:	Rezone from Employment Opportunity (EO) District to General Industrial (GI).
Existing Zoning District:	Employment Opportunity (EO)
Council District:	6
Site Size:	36± acres
Proposed Use(s):	Industrial
Existing Use(s):	Industrial
P&Z Hearing Date(s):	<b>January 8, 2025 / 4:00 p.m.</b>
Staff Planner:	Kwasi Abebrese, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	APPROVAL with Conditions (6-0)
Proposition 207 Waiver Signed:	Yes

**HISTORY**

On **January 18, 1990**, the City Council annexed 3,346.5± acres, including the project site, into the City of Mesa (Case No. A89-003; Ordinance No. 2473).

On **March 5, 1990**, the City Council established City zoning designations of Agricultural (AG), Suburban Ranch (SR) and General Industrial (M-2, equivalent to current [GI]) on 3,331± acres, including the project site (Case No. Z90-007; Ordinance No. 2496).

On **May 6, 2002**, the City Council approved a land use plan for 1,282± acres, including the project site and the area south of Williams Gateway Airport to ensure that future development would be complementary to the airport (Case No. Z01-029; Resolution No. 7838).

On **June 5, 2017**, the City Council approved a rezone of 1,107± acres, including the project site, which established the 'Pecos Road Employment Opportunity Zone' to guide future development of employment and industrial uses (Case No. Z17-013; Ordinance No. 5386).

On **August 31, 2022**, the project site was rezoned through the opt-in process from AG to Employment Opportunity (EO) District (Case No. ADM22-00569, Recording No. 2022-0683355).

On **September 1, 2022**, the Planning Director's designee approved a site plan for an industrial development on the project site (Case No. ADM22-00569).

On **January 11, 2024**, the Planning Director's designee approved a Minor Site Plan Modification for the addition of two metal carports between Buildings 2 and 3 (Case No. ADM23-00959).

On **February 5, 2024**, the Planning Director's designee approved a Minor Site Plan Modification for a change to the location and type of trash enclosures (Case No. ADM24-00002).

On **January 8, 2025**, the Planning and Zoning Board recommended that City Council approve the Proposed Project (Case No. ZON24-00818).

## **PROJECT DESCRIPTION**

### **Background:**

The applicant is requesting to rezone the 36± acre parcel from Employment Opportunity (EO) to General Industrial (GI) to allow for the addition of outdoor storage yards to an existing industrial site.

In 2022, the owner of the project site opted into the Pecos Road Employment Opportunity Zone (PREOZ) to facilitate the development of an industrial project. Properties within the PREOZ that opt-in to the Employment Opportunity (EO) District are able to proceed through an administrative site plan review process, provided they meet all the requirements of the Pecos Road Employment Opportunity Zone Development Plan which includes a specific set of land uses and development standards. On September 1, 2022, the Planning Director's designee approved a site plan for the project site, which included four industrial buildings, ranging in size from approximately 92,847 square feet to 289,203 square feet, each with loading docks on the rear of the building. These buildings have since been constructed and received certificates of occupancy.

The applicant now seeks to modify the approved site plan to include areas for outdoor storage. However, outdoor storage is not a permitted use under the Pecos Road Employment Opportunity Zone Development Plan. Therefore, the applicant is requesting to rezone the

property to GI, which allows outdoor storage, and, if approved, will submit a Site Plan Modification at a later date to designate areas for outdoor storage.

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

The Mesa 2040 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 in Industrial Sub-type areas include areas for large manufacturing facilities, warehousing, and other industrial operational land uses. The primary land uses in Industrial Sub-type areas include manufacturing, warehousing, and other planned industrial developments. The existing industrial development conforms to the intent and purpose of the Employment character area designation.

Overall, the request is consistent with the review criteria outlined in Chapter 15 (pg. 15-1&2) of the Mesa 2040 General Plan.

**Mesa Gateway Strategic Development Plan:**

The project site is also located within the Logistics and Commerce District of the Mesa Gateway Strategic Development Plan. This designation applies to areas south of the Airport/Campus District and the Williams Gateway Freeway. Heavy industrial, light industrial, business parks, and commercial uses should be the predominant uses within this district. The existing industrial development meets the goals and intent of the Mesa Gateway Strategic Development Plan.

**Zoning District Designations:**

The project site is located within an Employment Opportunity (EO) District, specifically with the Pecos Road Employment Opportunity Zone (PREOZ). The request entails a rezone from the EO District to GI District.

Per Section 11-14-1 of the MZO, the purpose of the EO zoning district is to allow property owners and prospective employers the ability to move quickly through the entitlement process and to establish developments that are consistent with the City's goals for this area. The PREOZ furthers the employment concept and is proposed to be development with a campus-like setting for advanced manufacturing companies with an integrated platform for ancillary land uses that support the primary employment related land uses. The PREOZ is based on the GI development standards and allows for a variety of uses that are permitted in the GI district. However, outdoor storage is not a permitted use.

Per Section 11-7-1 of the MZO, the purpose of the GI district is to provide areas for manufacturing, processing, research, storage and similar activities that principally take place indoors, but may include some outdoor activities. Per Section 11-7-2 of the MZO, outdoor storage is allowed as an accessory use in the GI District only if all activities pertaining to the primary industrial use are conducted within an enclosed building and the proposed outdoor storage yard is confined to the rear one-half of the lot.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the MZO, the property is located within the Airfield (AF) Overlay District. Specifically, within the Airport Overflight Area Three (AOA 3) due to its proximity to the Phoenix-Mesa Gateway Airport.

Per Section 11-19-4(C) of the MZO, there are no use limitations beyond those in the base district. However, proposed developments within an AOA 3 overlay area are subject to the supplementary provisions of Section 11-19-5 of the MZO. These supplementary provisions are included as conditions of approval for this request.

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

<b>Northwest</b> LI-PAD Phoenix Mesa Gateway Airport	<b>North</b> LI-PAD Phoenix Mesa Gateway Airport	<b>Northeast</b> LI-PAD Phoenix Mesa Gateway Airport
<b>West</b> GI-PAD Industrial Development	<b>Project Site</b> EO Industrial Development	<b>East</b> LI Vacant
<b>Southwest</b> EO (Across Pecos Road) Industrial Development	<b>South</b> EO (Across Pecos Road) Industrial Development	<b>Southeast</b> LI-PAD (Across Pecos Road) Industrial Development

**Compatibility with Surrounding Land Uses:**

The project site is currently developed with four industrial buildings. To the north of the site is the Phoenix Mesa Gateway Airport. To the east of the site is a vacant parcel zoned LI. The adjacent property to the west of the site is an existing industrial development. The properties south, across Pecos Road are comprised of existing industrial developments.

Overall, the proposed rezone of the property to GI will not be out of character with the surrounding development.

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

The approved site plan shows four industrial buildings on the property ranging from approximately 92,847 square feet to 289,203 square feet. Buildings 1 and 2 center around a truck dock corridor on the south portion of the site. Truck loading spaces are located interior to these buildings and are screened by the buildings and an eight-foot-tall screen wall with gates. Building 3 is oriented such that the truck dock corridor is on the north side of the building. Building 4 is positioned in a north-south orientation with the truck dock corridor on the east side of the building. The truck loading area is screened by an eight-foot-tall wall with gates.

Vehicular access to the site is provided from East Pecos Road, specifically at the southwest corner of the site. On-site walkways connect the primary entrances of the proposed buildings on the site to the public sidewalk on Pecos Road.

Per Section 11-32-3 of the MZO, 728 parking spaces are required for the development; however, 827 parking spaces are provided.

The proposed addition of outdoor storage yards will require a Site Plan Modification and must meet Section 11-30-7 of the MZO for outdoor storage. An application for a Site Plan Modification has not yet been submitted.

**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.

As of the writing of this report, staff has not received any comments or concerns from surrounding property owners.

**Staff Recommendation:**

Staff finds that the proposed request is consistent with the Mesa 2040 General Plan and the Mesa Gateway Strategic Development Plan.

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

1. Compliance with all conditions of approval of Case No. ADM24-00002.
2. Future addition of any outdoor storage yard will require review and approval of a Site Plan Modification in accordance with Section 11-69-7 of the MZO.
3. Compliance with all City development codes and regulations.
4. 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 two miles of Phoenix-Mesa Gateway Airport.

**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