



PLANNING DIVISION
STAFF REPORT

City Council Hearing

April 18, 2022

CASE No.: ZON21-01024	PROJECT NAME: Hawes Commerce Park
Owner's Name:	HAWES COMMERCE PARK LLC
Applicant's Name:	Katie Rounds, The Kaidence Group
Location of Request:	Within the 7200 to 7400 blocks of the South Hawes Road alignment (east side). Located south of Pecos Road on the east side of the Hawes Road alignment.
Parcel No(s):	304-62-008G
Requests:	Rezone from Light Industrial with a Bonus Intensity Zone overlay and Office Commercial with a Bonus Intensity Zone overlay (LI-BIZ and OC-BIZ) to Light Industrial and Office Commercial with a Planned Area Development overlay (LI-PAD and OC-PAD), and Site Plan Review. This request will allow for an industrial development.
Existing Zoning District:	LI-BIZ & OC-BIZ
Council District:	6
Site Size:	13± acres
Proposed Use(s):	Industrial (shell buildings)
Existing Use(s):	Vacant
Hearing Date(s):	March 23, 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: 6-0)	
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 **November 16, 2009**, City Council approved a rezoning of 53-acres, including the subject site, to M-1 (equivalent to LI) BIZ, and O-S (equivalent to OC) BIZ, and approved a site plan for the development of a movie production studio for (Z09-021; Ord. No. 4955).

PROJECT DESCRIPTION

Background:

The request is to rezone the subject site from Light Industrial and Office Commercial with a Bonus Intensity Zone overlay (LI-BIZ and OC-BIZ) to Light Industrial (LI) and Office Commercial (OC) with a Planned Area Development Overlay (PAD) and approval of a Site Plan to allow for an industrial development. According to the applicant, the purpose for the PAD request is to allow deviations to the required landscape yard setbacks and a reduction to parking calculations. Per Section 11-22 of the MZO, the purpose of a PAD overlay is to allow innovative design and flexibility that creates high-quality development for the site. As justification for the PAD, the applicant is proposing an innovative industrial complex design that will allow for individual condominium ownership for smaller industrial businesses.

Based on the City's zoning map, there is a 150-foot by 150-foot area currently zoned OC-BIZ, located at the southeast corner of the property closest to the residential neighborhood to the southeast which was established in 2009 as part of a compromise with the Queens Park neighborhood located to the southeast. This area is intended to provide a buffer to the residential neighborhood to the southeast of the property from industrial uses. The submitted landscape plan shows landscaping and retention in the OC portion of the property.

General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Employment with a Business Park Subtype. 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. The Business Park Subtype is intended for areas that contain a number of separate businesses, offices, and light industrial facilities. This subtype is also typically for low-intensity developments that are comprised mainly of office, office warehouse, research and development facilities, and similar uses. Per the General Plan, typical uses within the subtype include office flex spaces and light industrial uses with loading areas and outdoor storage yards screened from public view by buildings, walls, and/or landscaping.

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. The proposed site plan also conforms to the form and guidelines for development within the Business Park Subtype through the use of common architecture and landscape themes, street and sidewalk system that connects buildings within the site, and storage yards screened from public view. In summary, the proposed rezoning and PAD overlay conforms to the goals of the Employment character area designation and the Business Park

Subtype. 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 subject request and had no comments on the proposed development.

Zoning District Designations:

The applicant is requesting to rezone the site from LI-BIZ and OC-BIZ to LI-PAD and OC-PAD to allow modifications to certain required development standards on the property. Per section 11-7-2 of the MZO, industrial uses are permitted in the LI zoning district. In addition, 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. Per Section 11-6-1 of the MZO, the purpose of the OC zoning district is to provide areas for small-scale medical and professional offices intended to serve the community. As mentioned previously this zoning district was established to provide a buffer to the adjacent Queens Park neighborhood and to ensure that industrial uses were not located directly next to the community.

PAD Overlay Modifications – MZO Article 3, Chapter 22:

The subject request includes a Planned Area Development (PAD) Overlay to allow for modifications to certain required development standards of the MZO. Per Section 11-22 of the MZO, the purpose of the overlay is to allow innovative design and flexibility that creates high-quality development for the site. Table 1 below shows the MZO required standards and the applicant's proposed PAD standards:

Table 1: Development Standards

Development Standard	Required LI	Proposed LI	Staff Recommendation
<u>Required Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)</i> -Non-single residence uses adjacent to other Non-Single Residence	15 feet	7 feet along the eastern property line only.	As proposed

<u>Parking Spaces Required</u> – <i>MZO Section 11-32-3(A)</i> -Shell industrial buildings	75% at 1 space per 500 square feet plus 25% at 1 space per 375 square feet	1 parking space per 795 square feet of building area	As proposed
<u>Foundation Base</u> – <i>MZO Section 11-33-5(A)(1)(a)</i> - Exterior Walls for buildings larger than 10,000 square feet	Minimum 900 square foot entry plaza area with a minimum width and depth of 20 feet.	748 square feet per entry plaza area	As proposed
<u>Massing and Scale</u> – <i>MZO Section 11-7-3(B)(2)(c)(ii)</i> -Roof articulation	Minimum vertical modulation is two (2) feet or one-tenth (1/10) multiplied by the wall height	Minimum vertical modulation is eight (8) inches to two (2) feet as shown on the final site plan	As proposed

Required Landscape Yards:

Per Section 11-33-3(B)(2) of the MZO, the minimum required landscape yard for a non-single residence uses adjacent to another non-single residence uses is 15 feet. The applicant is requesting to provide seven-foot landscape yard on the eastern boundary of the site adjacent to the adjacent to LI zoned property.

Parking Spaces Required:

Per Section 11-32-3(A) of the MZO, shell industrial buildings are required to be parked at a ratio of 75% at 1 space per 500 square feet and 25% at 1 space per 375 square feet. The applicant is requesting a parking ratio of 1 space per 795 square feet of building area for a total of 194 parking spaces. According to the parking statement provided by the applicant's traffic engineer, the proposed parking spaces are adequate to serve the needs of the intended users. A similar parking reduction was approved for a similar project, Pecos 10, which is adjacent to the east.

Foundation Base:

Per Section 11-33-5(A)(1)(a) of the MZO, an entry plaza area is required for buildings larger than 10,000 square feet with parking spaces that abut the foundation base. The plaza area must have a minimum width and depth of 20 feet, and a minimum area of 900 square feet. The proposed buildings are designed to be subdivided into separately owned spaces that are less than 10,000 square feet each; however, the current request does not include a subdivision or condominium plat, and the buildings range in size from 8,415 to 16,175 square feet. Each building has two entrances, the applicant is proposing that each entry have a 748 square foot plaza area, totaling 1,496 square feet per building.

Massing and Scale:

Per Section 11-7-3(B)(2)(c)(ii) of the MZO, flat roofs or facades with a horizontal eave, fascia, or parapet, in excess of 100 feet in length, must provide vertical modulation. The minimum vertical modulation is two feet or one-tenth (1/10) multiplied by the wall height, not to exceed one-third of the height of the supporting wall. The proposal is for vertical modulation between eight inches and two feet. Per the applicant, additional modulation will result in a less than desirable look as it will appear flimsy, and the current design with vertical modulation between 8 inches and 2 feet is aesthetically more appealing.

Justification:

As justification for the proposed deviations, the proposed development includes more than the minimum required amount of landscaping. This is provided adjacent to the entry plazas and in a larger retention area at the southeast end of the development. A combined total of 22 feet of landscape area is proposed between the eastern buildings and the eastern property line, and larger landscape areas are proposed to the north and south of that eastern parking area. Additionally, 18,000 square feet of landscaped area is proposed in the OC-zoned area closest to the sensitive residential uses.

Site Plan and General Site Development Standards:

The proposed site plan shows 10 industrial shell buildings ranging in size from 8,415± square feet to 16,175± square feet. According to the submitted building elevations, the buildings will be single-story with a maximum height of 27 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 the primary access to the site will be from Hawes Road located to the west of the site. Hawes Road is not yet constructed, but adjacent properties to the west, north and south are currently in development stages, and the developers are coordinating with the City's Transportation Department staff in the construction of this road between Germann and Pecos Roads. The site plan also shows one central drive aisle with a maximum width of 30 feet within the development. A majority of the required parking spaces will be located in front of each building. The submitted landscape plan shows the 150-foot by 150-foot OC zoned area at the southeast corner of the site to be landscaped and serve as a buffer between the development and the residential neighborhood to the southeast. The proposed buffer is consistent with previous industrial developments approved in the area that are adjacent to the residential development to the south. Overall, the proposed site plan conforms to the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Hawes Road) LI Undeveloped	North AG Undeveloped	Northeast LI-PAD Industrial development
West (Across Hawes Road) LI	Subject Property LI-BIZ and OC-BIZ Undeveloped	East LI-PAD & OC-PAD Industrial development

Undeveloped		
Southwest (Across Hawes Road) LI Undeveloped	South LI-BIZ and OC-BIZ Undeveloped	Southeast RS-43 Single Residences

Compatibility with Surrounding Land Uses:

The subject site is surrounded by undeveloped industrial land to the east, west and south. Across 85th Place and Woodland Avenue to the southeast is a single residence subdivision (i.e., Queens Park Subdivision). This subdivision was developed in the 1980s and situated in an area currently designated for development of employment and industrial uses. Currently, the General Plan character designation on the property and surrounding areas is Employment. In the past years, various developments abutting the residential development have installed a landscape buffer between those development and the residential neighborhood. This buffer has been mostly consisted of a large landscape tract that is typically 120 feet to 150 feet in width. The landscape plan shows the proposed development will consist of a 150-foot by 150-foot landscape tract located at the southeast corner of the property to create a similar buffer to separate the development from the residential development to the south. This buffer is consistent with approved landscape buffers surrounding the residential development.

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. The applicant held a virtual neighborhood meeting on October 25, 2021. Fourteen people attended the meeting, including four neighbors, and asked general questions about the proposed development. The developer was able to answer all the questions with no further concerns raised the neighbors. As of the writing of this report, staff has not received any comments/concerns from surrounding property owners. Any updates to the Citizen Participation activity will be providing at the March 23rd Study Session.

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, the Gateway Strategic Development Plan, the purpose for a Planned Area Development overlay outlined in Section 11-22-1 of the MZO, and 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 submitted.
2. Compliance with all requirements of Design Review Case No. DRB21-01087.

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. Compliance with all requirements of Chapter 19 of the Zoning Ordinance including:
 - a. Owner shall execute and record the City's standard Avigation Easement and Release for Phoenix Mesa Gateway Airport prior to the issuance of a building permit.
 - b. Prior to the issuance of a building permit, provide documentation that a registered professional engineer or registered professional architect has certified that noise attenuation measures have been incorporated into the design and construction of the buildings to achieve a noise level reduction to 45 decibels as specified 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. Any proposed permanent or temporary structure 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. An FAA determination notice of no hazard to air navigation shall accompany any building permit application for the property.
 - e. All final subdivision plats and sales and leasing offices shall include a disclosure notice in accordance with Section 11-19-5(C) of the Zoning Ordinance which shall state in part: "This property, due to its proximity to Phoenix- Mesa Gateway Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."
5. Compliance with all City development codes and regulations, except the modifications to the development standards as approved with this PAD and shown in the following tables:

Development Standard	Approved
<u>Required Landscape Yards – MZO Section 11-33-3(B)(2)</u> -Non-single residence uses adjacent to other Non-Single Residence	7 feet along the eastern property line only
<u>Parking Spaces Required – MZO Section 11-32-3(A)</u> -Shell industrial buildings	1 parking space per 795 square feet of building area
<u>Foundation Base – MZO Section 11-33-5(A)(1)(a)</u> - Exterior Walls for buildings larger than 10,000 square feet	748 square feet per entry plaza area
<u>Massing and Scale – MZO Section 11-7-3(B)(2)(c)(ii)</u> -Roof articulation	Minimum vertical modulation is eight (8) inches to two (2) feet as shown on the final site plan

Exhibits:

Exhibit 1- Vicinity Map

Exhibit 2- Staff Report

Exhibit 3-Application Information

3.1 Site Plan

3.2 Landscape

3.3 Elevations

3.4 Project Narrative

3.5 Parking Statement

3.6 Citizen Participation Plan

Exhibit 4-Citizen Participation Report

Exhibit 5-Avigation Easement