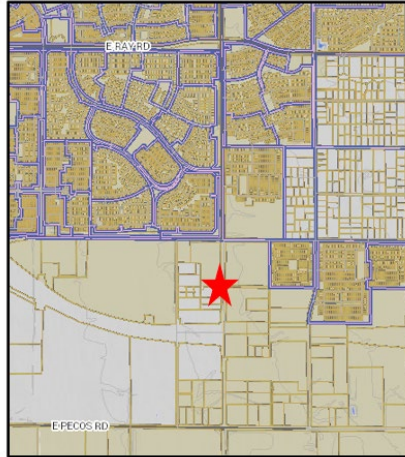


Annexation, Rezone and General Plan Amendment Narrative
Signal Butte & Williams Field Roads - Mesa, AZ
Case No. ZON22-00267 & ANX22-00258



Submitted by:

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On behalf of:

The Berge Family

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Introduction

Pew & Lake, PLC, on behalf of our client, The Berge Family, is pleased to submit this project narrative to the City of Mesa in support of Annexation, General Plan Amendment, Rezoning, and Conditional Use Permit applications to allow for the development of an auto mall and residential horizontal mixed-use development ("Auto Mall"). The development is located at Signal Butte Road, between Williams Field Road and the future State Route 24. The total development site shown in Figure 1 below, is comprised of approximately 130.92 acres. A significant portion of this property, shown in orange, received a zoning approval for the Auto Mall in 2019, case number ZON19-00805. The Berge Family has acquired or is acquiring additional land in the area to control and plan for development surrounding the future Auto Mall. Accordingly, on behalf of the Berge Family, we are requesting City of Mesa approval to zone the additional Property so it may be included in the overall development. The image below illustrates the ten (10) additional parcels requesting to be added.

Figure 1- Overall Site Aerial including additional land

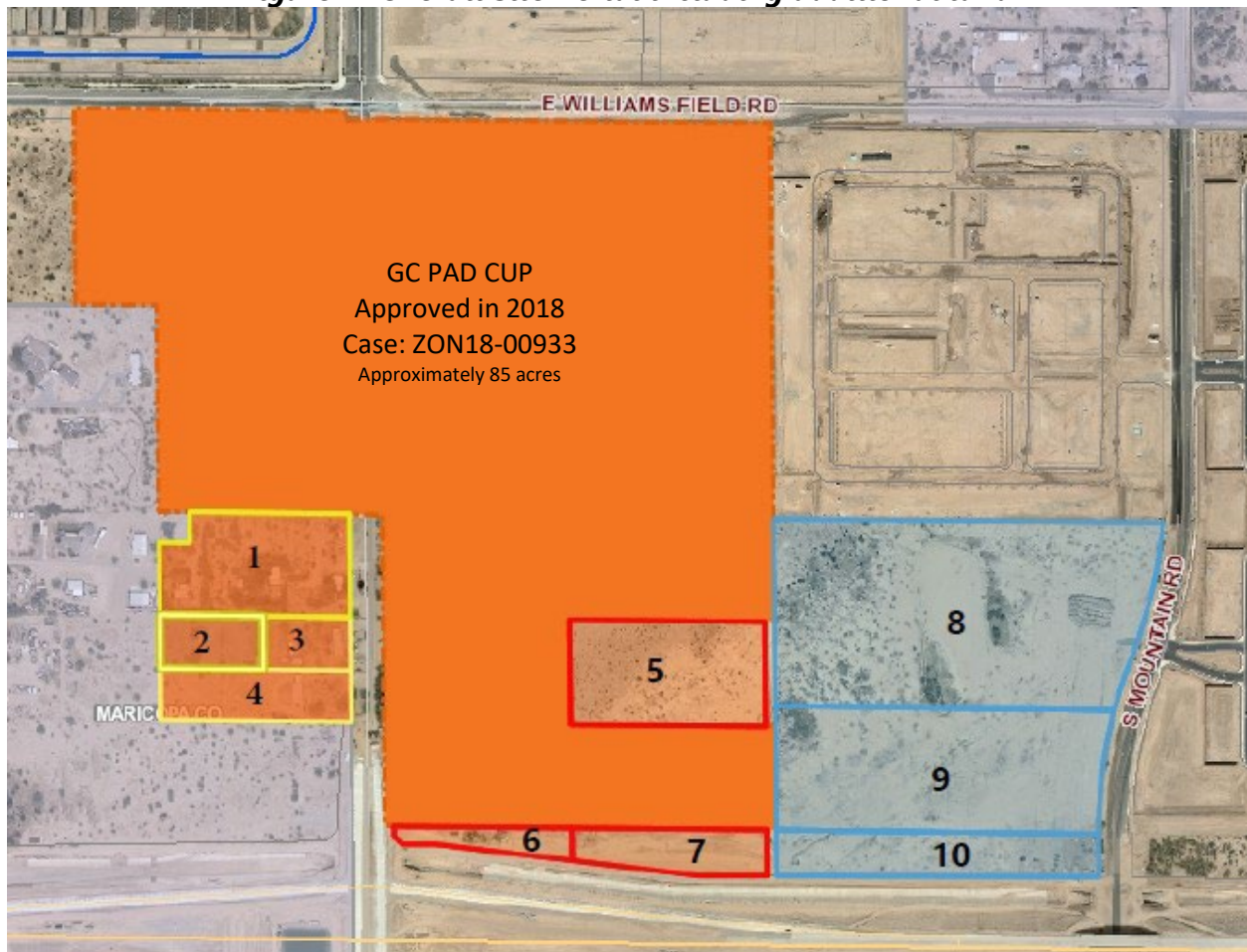


Table 1- Information on Parcels Being Added

Parcel Number	Size/ Total acres	Current Zoning	Proposed Zoning
304-34-022D (1)	192,258 SF	RU-43	GC PAD CUP
304-34-025F (2)	47,482 SF	RU-43	GC PAD CUP
304-34-025E (3)	53,603 SF	RU-43	GC PAD CUP
304-34-025A (4)	101,114 SF	RU-43	GC PAD CUP
304-34-021S (5)	206,605 SF	AG	GC PAD CUP
304-36-227 (6)	43,751 SF	AG	GC PAD CUP
304-36-228 (7)	84,787 SF	AG	GC PAD CUP
304-34-203B (8)	702,581 SF	LI	LI CUP
304-34-203A (9)	422,784 SF	GI	LI CUP
304-34-035F (10)	145,208 SF	GI	LI CUP
Total	2,000,173 SF / 45.92 AC		

The requests that will be made to the City of Mesa are:

1. Annexation of parcels 304-34-022D, 304-34-025A, 304-34-025F, and 304-34-025E, into the City of Mesa jurisdictional boundaries,
2. General Plan Amendment of a portion of the property from Employment to Mixed Use Activity District,
3. Rezoning of the additional properties from GI, LI, RS-43 (equivalent Maricopa County RU-43) and AG, and to General Commercial (GC), Light Industrial (LI) and General Industrial (GI) with a Planned Area Development Overlay, or Council Use Permit,
4. Conditional Use Permit for Automotive uses, retail exceeding 25,000k, and multifamily development, consistent with the previously approved zoning.

The applicant understands that it will file a Site Plan Review, Design Review, and if necessary, a Preliminary Plat. The applicant is not seeking to rezone the existing GC PAD CUP property but only zone the additional property consistent with the adjacent uses and zoning.

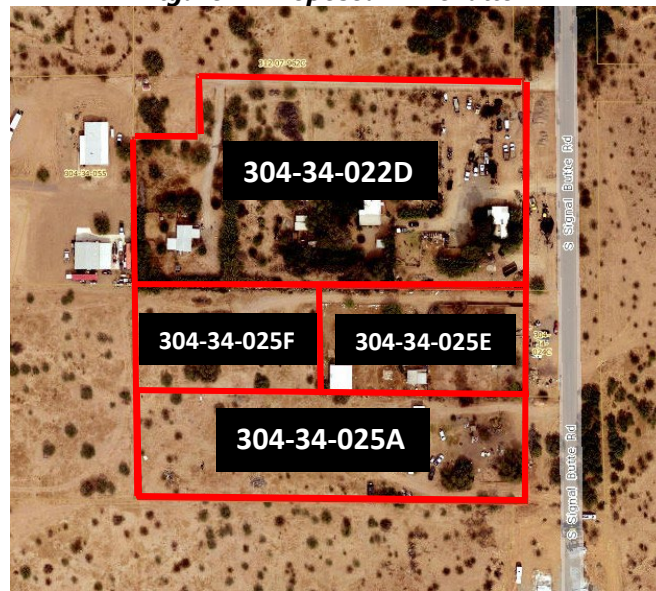
When approved, these entitlements increase the existing GC PAD CUP zoning developable land area and make it possible for the Berge family to comprehensively plan the area around the auto mall. The development will buffer the existing residential subdivision with multifamily to transition to retail commercial and Auto Mall uses.

Proposed Annexation

Four properties are requesting annexation. The first property, APN: 304-34-022D approximately 4.42 acres of the development, second, APN: 304-34-025A, approximately 2.32 acres, the third Property, APN: 304-34-025F, approximately 1.09 ACRES, and last APN: 304-34-025E approximately 1.23 acres. See Figure 2 below. The proposed annexations meet all

state law requirements of A.R.S. 9-471. The requirements of A.R.S. 9-471(A)(4), A.R.S. 9-471(L), and A.R.S. 9-471(O) are described below.

Figure 2- Proposed Annexation



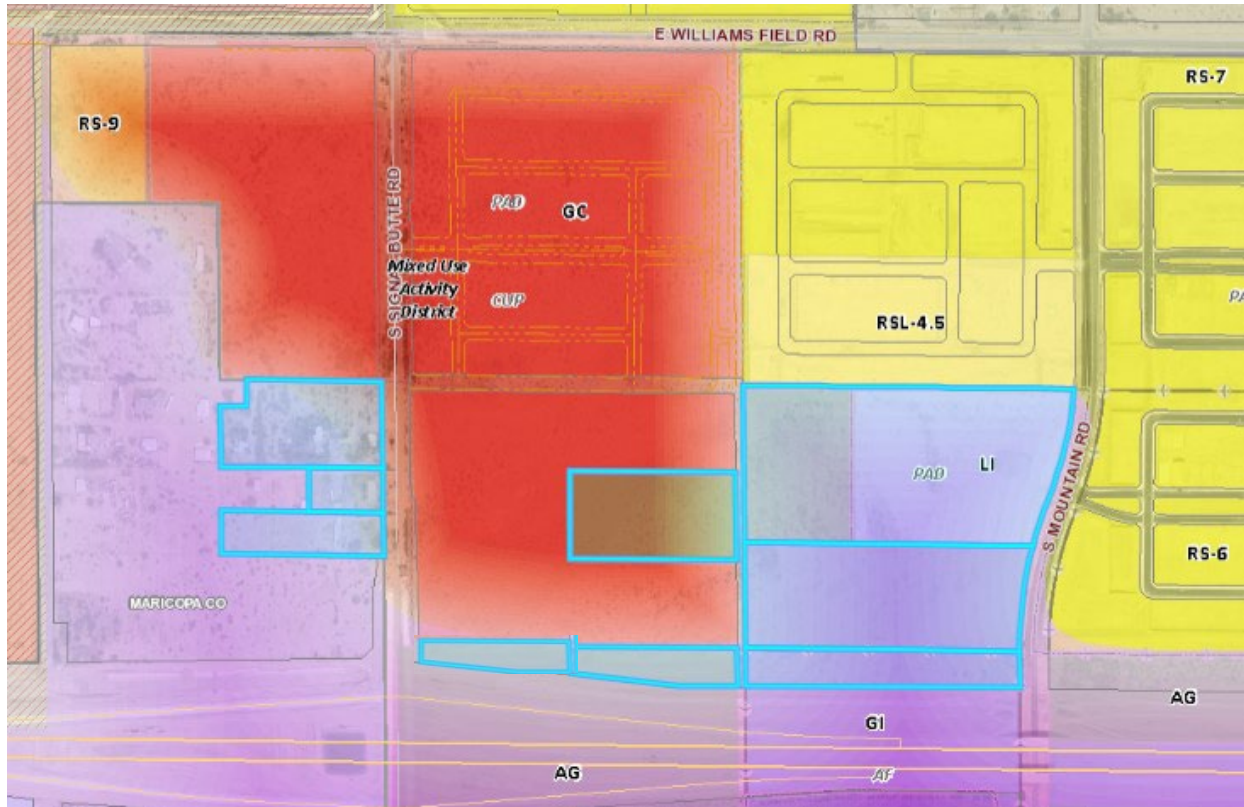
The signature requirements of A.R.S. 9-471(A)(4) will be met because the only signature required for the annexation is the Applicant. The Applicant owns all real and private property which would be subject to taxation by the City, in event of annexation. In accordance with A.R.S. 9-471(L) the equivalent City zoning of the Property that is currently zoned RU-43 will be AG, which will serve as the basis for the concurrent rezoning request. The Applicant will follow the applicable rezoning procedures.

The appropriate levels of infrastructure and services to serve the anticipated new development of the property, as required by A.R.S. 9-471(O), will easily be met as no significant changes in infrastructure are necessary. Right-of-way improvements will be installed consistent with City standards. Service schedules for fire, police, etc., will not be significantly disrupted because the existing roads which border the parcel are currently serviced by the City, and other properties developing in the area will likewise contribute their fair share in accordance with City and State regulations.

Existing General Plan

Currently, the property is designated in the Mesa 2040 General Plan for Employment Uses and is within a Mixed-Use Activity Character Area (See General Plan Map below). As previously mentioned, the property has various zoning designations. It is also located within the Mixed-Use Community District of the Mesa Gateway Area Plan.

Figure 3- Mesa 2040 General Plan Map



Proposed General Plan Land Uses and Zoning

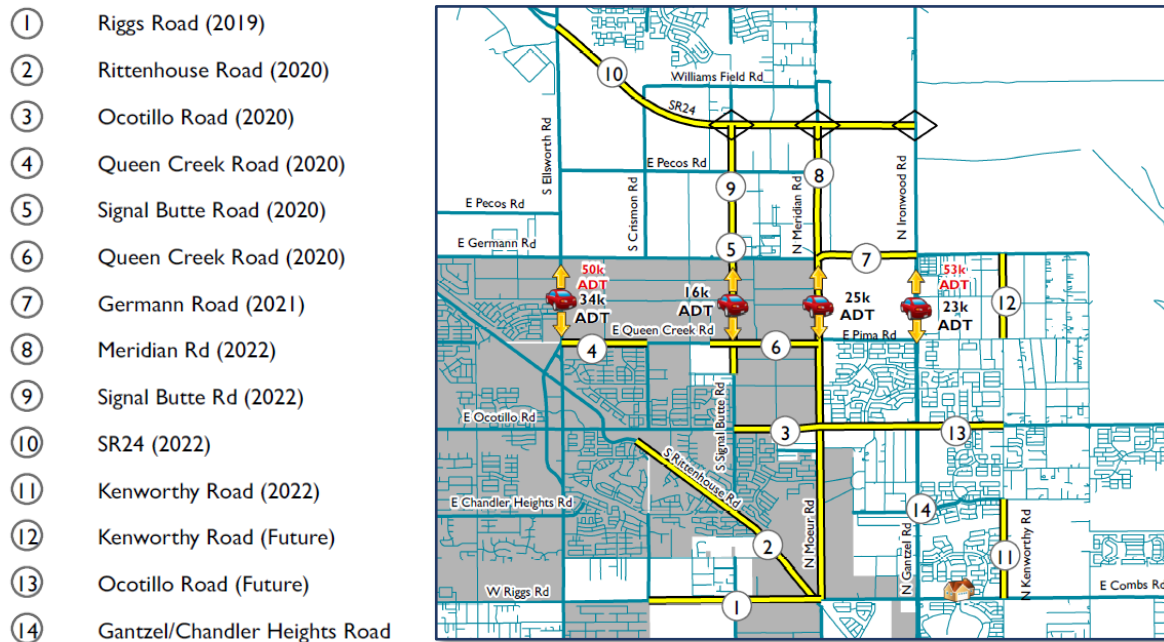
The proposed request for the Property grew out of noteworthy events that have transpired in the past year relating to traffic improvements and major planning policy changes by Queen Creek, in conjunction with Mesa, Maricopa County, the State Land Department, and Apache Junction.

When the previous PAD zoning was originally submitted for approval, the information available on transportation planning, future traffic patterns, and development in the vicinity was limited, conceptual in nature, and relatively uncertain. Also, at the time the prior PAD was being approved, Signal Butte did not connect as far south as San Tan Valley, and no plans had been published to that effect. Only Ellsworth Road and Ironwood Road had direct access to those communities to the south.

Since the original Planning and Zoning Board and City Council approvals in March to June 2018, significant policy changes affecting the Property have occurred. Specifically, Queen Creek has committed funding for upcoming roadway capital improvements designed to alleviate traffic conditions on its arterial streets. With the intent to provide alternative routes for traffic from San Tan Valley heading toward Mesa's freeways, improvements are planned between now and 2022 to improve and expand 4 arterial road connections to the SR 24 future alignment, including Ellsworth Road, signal Butte Road, Meridian Road, and Ironwood Road. These improvement plans were presented to the community in Queen Creek in January 2019 at the "Queen Creek Development Economic Forum. A July 15, 2019, article noted that Queen

Creek partnered with Mesa to extend Signal Butte Road and Meridian Road to from Combs Road to the SR 24 (July 15, 2019, "Signal Butte Extension to Offer Regional Connectivity," Queen Creek Independent, queencreekindependent.com). Figure 6 below summarizes these capital improvements, which are based on traffic studies in Queen Creek.

Figure 4- Planned Road Improvements to Future SR 24



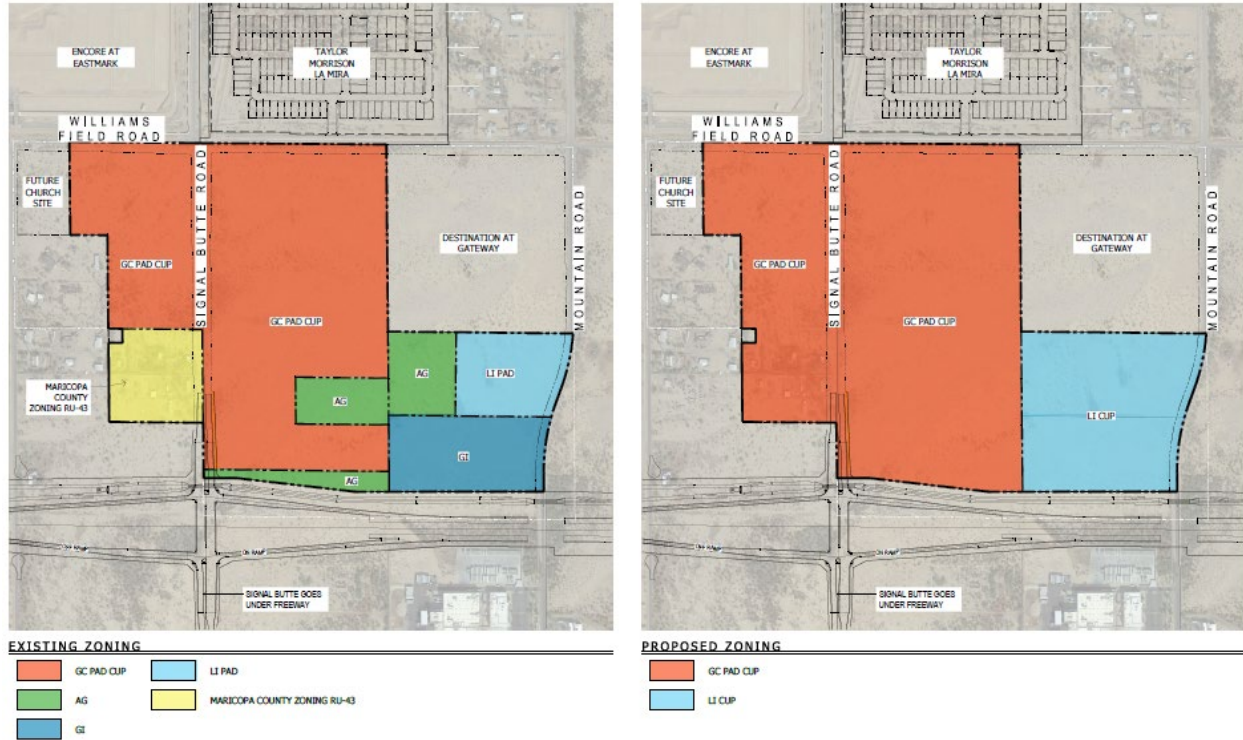
Another key change was also announced in July 2019 – Queen Creek approved the annexation of the State Trust Land located east of Meridian Road and south of SR 24, which is near the Property. Similarly, Apache Junction has been approved by the State Land Department to annex the area north of the SR and east of Meridian Road next to the abutting Destination PAD area (Dyer, Richard "Annexation of State Trust Land Bridging Gap Between Queen Creek, Apache Junction," *Queen Creek Independent*, September 2, 2019, queencreekindependent.com). This news is evidence that the areas surrounding the Property are planned for growth sooner than later.

When the property owner learned about these recent updates and plans to accelerate funding of Signal Butte Roads connection to the SR 24 by 2022, it became apparent that Signal Butte Road will end up becoming a key point in the region's transformation. Inasmuch as Signal Butte will become principal gateway into Mesa with more traffic than was previously known, the effects of increased visibility on Signal Butte Road and the Property resulted in what became the requests proposed in this application.

Accordingly, proposed on the Property is a mix of regional commercial and other uses on Signal Butte Road between Williams Field Road and the SR-24, with landscaping, the 110th Street improvements, and possible multi-residence uses to buffer it from the surrounding properties to the east. Also, the properties that will become the northeast corner of Signal

Butte Road and the SR-24 need additional acreage to establish a sustainable development that will address the impacts of the freeway expansion and additional visitors to the area. As submitted, the proposed requests respond to the dramatic events anticipated at Signal Butte Road. Figure 5 below illustrates the existing and proposed zoning.

Figure 5- Existing and Proposed Zoning



The parcels where a rezoning is requested are shown in the Table below:

Table 2- Proposed Rezoning

Proposed Parcel	General Plan	Current Zoning	Proposed Zoning
304-34-022D (1)	Mixed Use Activity	RU-43	GC PAD CUP
304-34-025F (2)	Employment	RU-43	GC PAD CUP
304-34-025E (3)	Employment	RU-43	GC PAD CUP
304-34-025A (4)	Employment	RU-43	GC PAD CUP
304-34-021S (5)	Mixed Use Activity	AG	GC PAD CUP
304-36-227 (6)	Employment	AG	GC PAD CUP
304-36-228 (7)	Mixed Use Activity	AG	GC PAD CUP
304-34-203B (8)	Mixed Use Activity	LI	LI CUP
304-34-203A (9)	Mixed Use Activity	GI	LI CUP
304-34-035F (10)	Mixed Use Activity	GI	LI CUP

Table 3- Surrounding Zoning Districts, General Plan Designations and Existing Uses

Direction	Current Zoning	Current General Plan Designation	Current Use
North	PC and RS-6	Neighborhood/Mixed-Use Community	Eastmark and La Mira
South	AG and GI	Employment	Future SR 24, Vacant & Fujifilm
East	RS-6 PAD	Neighborhood	Planned Residential
West	RU-43 (Maricopa County) and RS-9	Employment/Mixed-Use Activity	County residences and home-based businesses
Project Site	GC PAD, AG, LI PAD, GI, and RU-43	Employment and Mixed-Use Activity	Vacant

Compliance with the General Plan Vision, Objectives, and Guidelines

The Property is compatible with the proposed Mixed Use Activity District and the abutting Neo-Traditional Neighborhoods Character Area Sub-type of Mesa's General Plan. In addition, the Property is consistent with the General Plan vision, goals, and policies, as follows:

- Mixed Use Activity Districts are typically over 25 acres and have a significant commercial component to the mixed-use program that is designed to attract customers from a large radius. Regional-scale districts are typically larger than 60 acres and will include as one of the primary zoning districts the GC category.

The Property in question is approximately 111 acres, and GC is the proposed underlying zoning. The predominant uses anticipated are regional commercial uses, particularly high-quality auto dealerships, and other commercial uses, such as retail/commercial/office opportunities to service the surrounding neighborhoods and region.

- The mixed-use district may include other uses such as residential.

To establish the zoning framework for the site design and opportunities for an additional mix of uses, a CUP is included with this request. This will enable the Property to include the right fit of residential uses at the appropriate intensity to bring numerous benefits to the community. Some of these benefits include buffering to surrounding uses, promoting economic development, and providing a unique component of the mixed-use activity center concept that is compatible with the adjacent neo-traditional community.

- Provide for a “strong and viable center of commercial activity that attract people” from the larger region.

GC zoning is requested to provide for proposed regional commercial uses, a major auto dealership, and other types of compatible uses. The primary uses proposed on the Property are designed to serve a population in the greater region, in addition to the immediate neighborhoods. Under the proposed zoning and uses contemplated on the Property, it will draw from not only Mesa residents, but potential consumers from Gilbert, Queen Creek, and likely SanTan Valley residents that are anticipated to use the SR 24 at this future gateway into Mesa.

Any proposed development on the GC CUP properties will comply with the procedures for Site Plan Review and Design Review, which standards have been prepared with the intent to provide for orderly and thoughtfully programmed development concepts that will bring about the desired commercial activity in GC zoning. These processes will provide public processes that will enable the City and stakeholders to review for compliance with all applicable development standards, guidelines, and policies.

- Typically located along an arterial at a freeway interchange.

The proposed development is located at the intersection of the alignment of the SR-24 freeway and two arterial roads – Signal Butte Road and Williams Field Road, which makes it an ideal location for a regional destination for the broader area.

The proposed designation is compatible with the adjacent Neo-Traditional Neighborhood forms and guidelines, as follows:

- *Small, neighborhood scale offices, retail, restaurants, services are included in appropriate locations, such as along arterials or at the intersection of arterials and collector streets.*
- The proposed commercial parcels are appropriately sized to develop as a variety of both regional and buffering neighborhood scale land uses that provide services and benefits to the surrounding community. The Property is strategically located (consistent with the General Plan’s goals) at the intersection of two arterials and at an arterial-freeway location.
- The proximity of residential uses to the commercial locations, when combined with the existing multi-modal circulation system along the arterial streets, will provide ease of access to a variety of commercial uses that will service the surrounding community. This will promote active lifestyles given the mix of uses near one another, which will reduce the neighborhood’s dependency on the automobile and take vehicles off the street for recreational purposes, employment, and day-to-day needs.

- The proposed commercial uses will be consistent with the compatible variety of residence uses on the surrounding properties, which will be designed with buffers and pedestrian connectivity to commercial use.
- *Building Community and Fostering Social Interaction: Design new developments with anchors or focal points, such as schools, parks or shopping areas that are designed and located to facilitate meetings and interactions.*
 - The proposed zoning will provide development opportunities for shopping areas and a commercial anchor at an appropriate focal point in the region. The proposed land uses will facilitate gathering and interaction among members of the community and provide needed services for surrounding neighborhoods.
- *Promote a Safe, Clean and Healthy Living Environment by:*
 - *Encouraging the creation and maintenance of neighborhood associations (formal or informal).*
 - *Maintaining streets, sidewalks, street lighting, etc. to ensure roadways, paths and trails are safe; improve lighting where needed.*
 - *Locating and designing public spaces so that there is a high degree of natural surveillance.*
 - *The provision of outdoor amenities for all ages and recreational facilities; and*
 - *Maintaining attractive, well-kept public spaces in neighborhoods.*
 - Any future residential and nonresidential uses will be professionally managed by a single-owner entity or by the respective businesses and property management. Landscaping, open space amenities, architecture, lighting, and driveway improvements will meet City standards, which will allow for the efficient provision of infrastructure and services.

Compliance with CUP Criteria

Table 11-6-2 and Section 11-31-31 of the Mesa Zoning Ordinance outline criteria in which a Council Use Permit (CUP) is required to allow multi-residential uses in commercial zoning where 100% of the ground floor of each building will be for residential uses. The intent is to provide for City review to preserve the integrity of the commercial uses and any residential use's compatibility in a mixed-use development. The proposed development will comply with the criteria as follows:

1. Compliance with the General Plan, related policies, and surrounding uses.

Previous sections of this narrative indicate how the proposed development will implement the goals and policies of the General Plan. The proposed development will provide regional commercial uses that will attract residents and promote economic

sustainability and delivery of community services to Mesa residents. Proposed a blend of land uses designed to benefit the surrounding neighborhoods. The proposed residential uses will provide a compatible horizontal mixed-use element with transitions, buffers, and connections to compatible uses within the mixed-use context.

2. A plan of operation is required to ensure compliance with city regulations.

The ownership of the proposed commercially zoned Property will provide for property maintenance, and future review processes will comply with this standard. Project operations will comply with all applicable zoning, building, and fire safety regulations and FAA requirements. Typically, either the single business owner or a professional management entity will provide for ongoing operations and maintenance of commercial and multi-family properties. Details on compliance with this requirement will be addressed in the Site Plan Review process.

3. A "good neighbor" policy promotes "ongoing compatibility with adjacent uses" and "assure" viability of the commercial uses.

Generally, Good neighbor policies are aimed at providing a program, or medium, for coordination and resolution of specified negative effects a project may have on surrounding uses. In this case, the GC zoned properties are compatible with the surrounding uses and regional gateway into Mesa at the proposed SR 24 alignment. Given the unity in ownership and commitment to professional management of the Property, the private requirements will address the relationship between the residential and nonresidential uses on the Property.

Furthermore, the project will comply with any Airport Overlay requirements and will provide public notice of any potential impacts on the community. The applicant received a letter dated March 16, 2020, from Anthony Bianchi, Planning Manager of the Phoenix-Mesa Gateway Airport Authority. It included recommendations that involve providing notice of the airport activity in the vicinity of the project and required review consistent with FAA regulations. The applicant will comply with the recommendations to help ensure compatibility with the nearby airport.

4. Evidence and documentation demonstrating substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines.

As noted in this narrative, the proposed development will comply with the Zoning Ordinance, Design Standards, and engineering standards and details.

Phasing

The development phasing of the parcels in this application will be based upon unknown future real estate market conditions and the timing of City of Mesa approvals. Like the previous approval, the Property will continue to be developed in several phases, subject to City of Mesa approval. Each "Parcel" delineated on the Site Plan is conceptually a phase, the order of which has not yet been determined.

Public Utilities and Infrastructure

The proposed development will comply with all applicable City of Mesa regulations and standards regarding right-of-way and infrastructure improvements. Utilities in the Property's vicinity include City of Mesa for water, sewer, police, fire, and waste disposal. The Property is in the Southwest Gas service area for natural gas, and in the SRP electric supply service area, and based on a preliminary analysis, there is adequate capacity to service the proposed development. Water and sewer connections will tie into the lines planned for the approved Property and will be developed with each phase.

Proposed drainage for the project will comply with the City of Mesa standards for onsite and offsite drainage and retention and will be designed in conjunction with each phase. The Property falls within FEMA Zone "X" on the Flood Insurance Rate Map (FIRM). The submitted drainage report for Parcel 15 indicates that the proposed development will retain runoff generated onsite from a 100-year, 2-hour storm event, as well as from any proposed offsite improvements. The volume of retention will accommodate any runoff from onsite stormwater.

Conclusion

The applicant and the Berge Family look forward to receiving input from City of Mesa staff on the expansion of the Auto Mall, Retail and Multifamily area that can ultimately be developed in a comprehensive and cohesive manner that is consistent with the General Plan character area.