



## City Council Report

**Date:** January 9, 2023  
**To:** City Council  
**Through:** Christopher J. Brady, City Manager  
Natalie Lewis, Deputy City Manager  
**From:** Nana Appiah, Development Services Department Director  
Mary Kopaskie-Brown, Planning Director  
**Subject:** DA22-00058 - Development Agreement for proposed development located within the 3600 to 3800 blocks of North Higley Road (east side) and the 5200 to 5500 blocks of Thomas Road (south side). Council District 5

### **Purpose and Recommendation**

The purpose of this report is to recommend that the City Council approve a resolution authorizing the City Manager to enter into a development agreement with R&S Development Group LLC (Owner) for a development located within the 3600 to 3800 blocks of North Higley Road (east side) and the 5200 to 5500 blocks of Thomas Road (south side) (the Property). The development is approximately 10 acres and is intended for a boat and recreational vehicle storage facility (the Project).

Staff recommends the City Council approve the development agreement.

### **Background**

The Owner has requested to rezone the Property from Single Residence-90 (RS-90) to Light Industrial with a Planned Area Development Overlay (LI-PAD) to accommodate a boat and recreational vehicle storage facility. The Property is located within the Employment character area of the Mesa 2040 General Plan. The Employment character area is intended for large areas devoted primarily to industrial, office, warehousing and related uses.

### **Discussion**

As a condition of the rezoning of the Property, and in order to develop and operate the Project on the Property, the property owner is required to install the onsite and offsite improvements required by Mesa City Code Title 9, Chapter 8, including installing City water and sewer lines. Mesa City Code Section 9-8-4 allows the City Manager or designee to modify or approve alternatives to the requirements based on an individualized finding that there are special conditions involving the development, topography, and other

factors and that the required improvements will substantially impair the ability for development due to these conditions and may require a development agreement to ensure compliance.

The Property is located north of the 202 Red Mountain freeway at the southeast corner of the intersection of Higley Road and Thomas Road and in this area, there is limited access to City of Mesa sewer system, with the nearest sewer line located approximately one mile from the Property. In addition, in order to accommodate flows from the Project, a regional lift station and force main must be completed by the City. Due to the lack of sewer infrastructure in the immediate area, the property owner is requesting to make an in-lieu payment to the City instead of designing and installing the sewer line. The Property owner is also requesting that the City allow (subject to County approval) the temporary use of an onsite septic system on the Property until such time as sewer services are available to the Property.

Approval of the development agreement will allow the property owner to make an in-lieu payment to the City instead of designing and installing the sewer improvements and to allow (subject to County approval) for the temporary use of a septic system on the Property until such time that sewer services are available. When sewer service is available at the Property, the development agreement will require the property owner to disconnect the septic system from the Project, properly abandon or remove the septic tank from the Property, and send all wastewater generated on the Property to the City sewer system.

Staff recommends approval of the development agreement.

### **Alternative**

The following alternative is presented for consideration:

#### **Not Approve the Development Agreement:**

If Council chooses not to approve the development agreement, the Project may not be able to proceed at this time.

### **Fiscal Impact**

While the development agreement 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 as well as future sales tax revenues and revenues from utility service.

### **Coordinated With**

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