



PLANNING DIVISION
STAFF REPORT

Planning and Zoning Board

February 8, 2023

CASE No.: **ZON22-00921**

PROJECT NAME: **The Block**

Owner's Name:	B&K Land & Inv Co
Applicant's Name:	Pew & Lake
Location of Request:	Within the 7100 to 7600 blocks of East Elliot Road (south side), within the 3600 to 4200 blocks of South Sossaman Road (west side). Located west of Sossaman Road on the south side of Elliot Road.
Parcel No(s):	304-17-014L, 304-17-005B, 304-17-014M
Request:	Rezone from Agriculture (AG) to Light Industrial with a Planned Area Development Overlay (LI-PAD) and Site Plan Review. This request will allow for an industrial business park. Also consider the Preliminary entitled, "The Block on Elliot".
Existing Zoning District:	Agriculture (AG)
Council District:	6
Site Size:	273± acres
Proposed Use(s):	Industrial
Existing Use(s):	Vacant
Hearing Date(s):	February 8, 2023 / 4:00 p.m.
Staff Planner:	Josh Grandlienard, AICP, Planner II
Staff Recommendation:	APPROVAL with Conditions

HISTORY

On **August 22, 2022**, the applicant applied to annex the property into the City of Mesa (Case No. ANX22-00922). The planned annexation, if approved, will assign a zoning designation of Agriculture (AG) to the property, which is comparable to or a lesser intense zoning district designation than the existing Maricopa County zoning designation of Single Residence 43 (RU-43). The application for the annexation is planned to be considered on the same City Council agenda as the subject request.

PROJECT DESCRIPTION

Background:

The subject property is currently vacant and located on the south side of Elliot Road and west side of Sossaman Road. The applicant is requesting to rezone the property from Agricultural (AG) to Light Industrial with a Planned Area Development Overlay (LI-PAD) and Site Plan Review approval of an Initial Site Plan. The proposed site plan shows the development of 14 buildings on the subject site to be developed over three phases. Twelve of the buildings will be used for manufacturing and processing, wholesaling, research, warehousing, e-commerce, data center, and distribution activity space uses. Two smaller buildings located internal to the site will be used for café/clubhouse. The applicant is also requesting approval of a Preliminary Plat titled, "The Block on Elliot" to create eight lots.

General Plan Character Area Designation and Goals:

The Mesa 2040 General Plan Character Area designation on the property is Mixed Use Activity and Employment. Per Chapter 7 of the General Plan, Employment Districts typically have minimal connection to the surrounding area and are used for employment-type uses such as manufacturing facilities, warehousing, and business parks. Per the Plan, one of the goals for Employment District is to provide for a wide range of employment opportunities in high-quality settings. The Mixed Use Activity District is a large-scale (typically over 25 acres) community and regional activity area that usually has a significant retail commercial component including shopping areas such as malls, power centers, or lifestyle centers that are designed and developed to attract customers from a large radius. These districts often include other uses such as office, entertainment, and residential.

Gateway Strategic Development Plan:

The subject property is also located within the Logistics and Commerce District of the Mesa Gateway Strategic Development Plan (GSDP). Per the GSDP, heavy industrial, light industrial, business park, and commercial uses will be predominant within this district. Desired uses include manufacturing facilities, large warehouses, distribution facilities, planned employment parks, and similar uses. This district should provide a high-quality employment environment that is compatible with increasing over-flight activities associated with Phoenix-Mesa Gateway Airport.

The subject requests would allow for industrial development in a Business Park setting which is consistent with the goals of the Mixed Use Activity and Employment Character Areas and the Mesa Gateway Strategic Development Plan. Overall, the request conforms to the goals of the Mesa 2040 General Plan and meets the development review criteria outlined in Chapter 15 (pg. 15-1).

Zoning District Designations:

Concurrent with the subject application, the applicant is pursuing the annexation and establishment of comparable zoning for the subject property. The annexation application (ANX22-00922) will be considered at the same City Council hearing as the subject application. If approved, Agricultural (AG) zoning will be established on the subject site commensurate with the

current Maricopa County zoning designation of Single Residence 43 (RU-43). The applicant is requesting to rezone the subject site to Light Industrial with a Planned Area Development Overlay (LI-PAD). The proposed rezoning and intended development of the site for industrial uses conforms to the goals of the LI District.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the MZO, the site is located within the City of Mesa Airfield (AF) Overlay District; specifically, within the Airport Overflight Area Three (AOA 3). The location of the property within the AOA 3 is due to its proximity to the Phoenix-Mesa Gateway Airport. Per Section 11-19-4(C) of the MZO there are no additional land use regulations beyond those of the base district.

PAD Overlay Modification – MZO Article 3, Chapter 22:

The subject request includes a Planned Area Development overlay (PAD) to allow for modifications to certain required development standards of the MZO on the property. Per Section 11-22 of the MZO, the purpose of the PAD overlay is to allow innovative design and flexibility that creates high-quality development for the site. The applicant is proposing to develop the site over three phases in order to address the current needs in the market. Table 1 below shows the MZO required standards and the applicant's proposed PAD standards.

Table 1: Development Standards

Development Standards	MZO Required	PAD Proposed	Staff Recommendation
<u>Maximum Building Height</u> – <i>MZO Section 11-7-3</i>	40 feet	65 feet	As proposed
<u>Required Parking Spaces by Use</u> – <i>MZO Table 11-32-3.A</i> Group Industrial Buildings and Uses- Shell Buildings	75% at 1 space per 500 square feet plus 25% at 1 space per 375 square feet	1 space per 900 square feet of gross floor area for Industrial, Warehouse, and Manufacturing uses	As proposed
<u>Foundation Base</u> – <i>MZO Section 11-33-5(A)(1)(a)(i)</i> -For building larger than 10,000 square feet with parking abutting the foundation base	Additional foundation base shall be provided at the entrance to create an entry plaza area. The plaza area shall have a minimum width and depth of 20 feet, and a minimum area of 900 square feet.	Additional foundation base shall be provided at the entrance to create an entry plaza area. Where fire code requires it, the minimum depth may be reduced to 12 feet, and a shared entry plaza may count	As proposed

		toward this requirement.	
<u>Interior Parking Lot Landscaping –</u> <i>MZO Section 11-33-4(A)</i>	Interior parking lot landscaping requirement standards apply to all off-street parking lots containing 10 or more parking spaces. Exception: They do not apply to vehicle/equipment storage lots or vehicle and equipment sales lots.	Interior parking lot landscaping requirement standards apply to all off-street parking lots containing 10 or more parking spaces. Exception: They do not apply to storage lots, vehicle and equipment storage lots, truck loading areas, or parking in truck loading areas.	As proposed

Maximum Building Height:

Per Section 11-7-3 of the MZO, the maximum building height in the LI zoning district is 40 feet. The applicant is requesting a maximum height of 65 feet for all buildings within the development. According to the applicant, the requested increase in height is needed to accommodate the type of operation planned on the property.

Required Parking Spaces by Use:

Per Section 11-32-3 of the MZO, shell industrial buildings, with no specific uses identified, are required to park the development with the following ratio: 75% at one space per 500 square feet plus 25% at one space per 375 square feet. The applicant is requesting to utilize the industrial use parking ratio and provide one parking space per 900 square feet of gross floor area. According to the applicant, the anticipated users are likely to require the same degree of required parking spaces as standard industrial uses.

Required Foundation Base:

Per Section 11-33-5(A)(1)(a)(i) of the MZO, building larger than 10,000 square feet with parking spaces that abut the foundation base must provide additional foundation base along entrances to create an entry plaza area. For buildings with corner entries, both adjacent walls require a 15-foot-wide foundation base. An additional foundation base is required at entrances to create entry plaza areas. The plaza area must have a minimum width and depth of 20 feet, and a minimum area of 900 square feet. The applicant is requesting a modification to reduce the entry plaza depth to 12 feet when necessary to support the Fire Code aerial apparatus standards.

Interior Parking Lot Landscaping:

Per Section 11-33-4(A) of the MZO, interior parking lot landscaping standards apply to all off-street parking lots containing 10 or more parking spaces with the exception that they do not apply to vehicle/equipment storage lots or vehicle and equipment sales lots. The applicant is requesting to add truck loading areas and parking in truck loading areas to the list of areas exempt

from the parking lot landscaping standards. According to the applicant, this modification is justified by the unique site layout that buffers and screens loading areas from the perimeter streets, and enables the project to function with respect to the logistics of distribution land uses.

Justification:

The applicant's justification for the requested deviations are enhanced building elevations and landscaping along Elliot and Sossaman Roads. Landscaping along Elliot Road and Sossaman Road will be increased to provide for more lush and mature landscaping. Internal landscaping and amenity areas will also be enhanced to provide for a more pleasing employee break and gathering area as well as providing for a café portion in order to serve the surrounding industrial uses.

Site Plan and General Site Development Standards:

The proposed site plan shows development of 14 industrial buildings totaling approximately 1,968,668 square feet and two additional building sites for a future manufacturing user. The proposed project is also intended to be a three phased project, with Buildings 1, 2, 3a, 3b, 3c, and 7a being Phase 1, phase 2 being buildings 4, 5a, 5b, 5c, and building 6 as well as the two café buildings and the final phase being the area designated as future development, as well as buildings 7b and 8. As shown on the site plan, Building 1 will be 98,806 square feet, Building 2 will be 173,150 square feet, Building 3a will be 56,936 square feet, Building 3b will be 123,268 square feet, Building 3c will be 65,187 square feet, Building 4 will be 240,108 square feet, Building 5a will be 201,088 square feet, Building 5b will be 185,449 square feet, Building 5c will be 67,856 square feet, Building 6 will be 164,154 square feet, Building 7a will be 307,238 square feet, Building 7b will allow building 7a to expand an additional 167,580 square feet and Building 8 will be 266,126 square feet. Each building will include truck docks and outdoor storage areas. The truck dock and storage areas will be located interior to the site screened by each building and an eight-foot opaque wall in conformance with Section 11-30-17 of the MZO. The site plan also shows two café/club buildings that will be a total of 19,302 square feet. Five access points will be provided to the site, three along Sossaman Road and two along Elliot Road. Phase 3 may include two additional industrial buildings. Future site plan review and Design Review approval will be required for development of phase 3.

Design Review:

The Design Review Board reviewed the subject request at their December 13, 2022 meeting. Staff is working with the applicant to address minor aesthetic comments and recommendations from the Design Review Board that do not impact the site plan.

Surrounding Zoning Designations and Existing Use Activity:

Northwest Flood Control District Canal	North EO Vacant	Northeast (Across Sossaman Road) LC Vacant
West Flood Control District Canal	Subject Property RU-43 Maricopa County Agricultural	East (Across Sossaman Road) LI, LI-PAD-CUP, LC, County RU-43

		Mini Storage, Boat and RV Storage, and Vacant
Southwest Flood Control District Canal	South LI-PAD The Hub at 202	Southeast (Across South Sossaman Road) Maricopa County RU-43 Park

Compatibility with Surrounding Land Uses:

The subject site is currently vacant. To the north of the site is a vacant parcel zoned EO. Properties east of the site are zoned Light Industrial, Limited Commercial, and Maricopa County RU-43. Several properties contain mini-storage as well as boat & RV storage and some are vacant. Land south of the site is zoned LI-PAD and is being developed with industrial uses. To the west of the site is a canal managed by Maricopa Flood Control. The proposed industrial development is compatible with the surrounding development and land uses.

Preliminary Plat:

The applicant is requesting Preliminary Plat approval to split 3 parcels into eight lot. Section 9-6-2 of the Mesa Subdivision standards requires approval of all subdivision plats located in the City to be processed through four progressive stages. Review and approval of a Preliminary Plat is the second stage in the series of the progressive stages. This review includes the evaluation of the overall design of the subdivision and details, such as utilities layout, ADA compliance, and retention requirements. The Preliminary Plat is reviewed and approved by the Planning & Zoning Board. Per Section 9-6-2 of the City's subdivision regulations, all plats are subject to Final Plat approval through the City Council. The request meets the review criteria for approval of a Preliminary Plat outlined in Section 9-6-2 of the Mesa Subdivision Regulations.

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 or registered neighborhoods within one mile of the site. As of the date of this report, staff has not been contacted by any resident or property owner. Staff will provide the Board with any new information during the scheduled Study Session on January 11, 2023.

Staff Recommendations:

Based on the application received and the preceding analysis, staff finds the subject request is consistent with the Mesa 2040 General Plan, the Gateway Strategic Development Plan, the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO, the review criteria for Preliminary Plat approval outlined in Section 9-6-2 of the Mesa Subdivision Regulations, and meets the intent for a Planned Area Development outlined in Section 11-22-3 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 the landscape plan submitted.
3. Compliance with the Preliminary Plat submitted.

4. Compliance with all requirements of the Subdivision Regulations.
5. Compliance with all requirements of Design Review Case No. DRB22-00923.
6. Dedicate the right-of-way and easements required under the Mesa City Code at the time of application for a building permit or at the time of the City's request for dedication, whichever comes first.
7. Execute and comply with the Development Agreement (DA23-00003), as may be amended.
8. Future development plans require Site Plan Review in accordance with Chapter 69 of the Zoning Ordinance.
9. All off-site improvements and street frontage landscaping must be installed in the first phase of construction.
10. 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. Provide written notice to future property owners that the project is within two miles of Phoenix-Mesa Gateway Airport.
 - d. Prior to 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.
 - e. All final subdivision plats must include a disclosure notice in accordance with Section 11-19-5(C) of the Zoning Ordinance which states in part: "This property, due to its proximity to the Phoenix-Mesa Gateway Airport, will experience aircraft overflights, which are expected to generate noise levels that may be of concern to some individuals."
11. Compliance with all City development codes and regulations, except the modifications to the development standards as approved with this PAD and as shown in the following table:

Development Standards	Approved
<u>Maximum Building Height</u> – <i>MZO Section 11-7-3</i>	65 feet
<u>Required Parking Spaces by Use</u> – <i>MZO Table 11-32-3.A</i> Group Industrial Buildings and Uses- Shell Buildings	1 space per 900 square feet of gross floor area for Industrial, Warehouse, and Manufacturing uses
<u>Foundation Base</u> – <i>MZO Section 11-33-5(A)(1)(a)(i)</i> -For building larger than 10,000 square feet with parking abutting the foundation base	Additional foundation base shall be provided at the entrance to create an entry plaza area. Where fire code requires it, the minimum depth may be reduced to

	12 feet, and a shared entry plaza may count toward this requirement.
<u>Interior Parking Lot Landscaping</u> – <i>MZO Section 11-33-4(A)</i>	<p>Interior parking lot landscaping requirement standards apply to all off-street parking lots containing 10 or more parking spaces.</p> <p>Exception: They do not apply to storage lots, vehicle and equipment storage lots, truck loading areas, or parking in truck loading areas.</p>

Exhibits:

Exhibit 1- Vicinity Map

Exhibit 2- Staff Report

Exhibit 3-Application Information

3.1 Site Plan

3.2 Grading and Drainage Plan

3.3 Landscape Plan

3.4 Elevations

3.5 Preliminary Plat

3.6 Project Narrative

3.7 Citizen Participation Plan

Exhibit 4-Citizen Participation Report