



PLANNING DIVISION
STAFF REPORT

City Council Meeting

April 17, 2023

CASE No.: ZON22-01015	PROJECT NAME: Cannon Beach PAD Amendment
Owner's Name:	Power 40, LLC
Applicant's Name:	Sean Lake, Pew & Lake, PLC
Location of Request:	Within the 4400 to 4600 blocks of South Power Road (east side) and within the 6800 to 7100 blocks of East Warner Road (south side). Located east of Power Road and south of Warner Road.
Parcel No(s):	304-30-011B, 304-30-0076, 304-30-0077, 304-30-0078, 304-30-0079, 304-30-0080, 304-30-0081, and 304-30-0082
Request:	Rezone 1.6± acres from Agricultural (AG) to General Commercial with a Planned Area Development overlay (GC-PAD); modification of an existing Planned Area Development on the entire 44± acres and Major Site Plan Modification. This request will allow for a commercial development.
Existing Zoning Districts:	Agricultural (AG), General Commercial with a Planned Area Development Overlay and Council Use Permit (GC-PAD-CUP), and Light Industrial with Planned Area Development Overlay and a Council Use Permit (LI-PAD-CUP)
Council District:	6
Site Size:	44± acres
Proposed Use(s):	General Retail, Offices, Gymnasium, Hotel, Restaurants, Commercial Recreation, and Industrial
Existing Use(s):	Vacant
P&Z Hearing Date(s):	March 22, 2023 / 4:00 p.m.
Staff Planner:	Sean Pesek, 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 **May 18, 2000**, the City Council approved the annexation of 83± acres, including the project site (Case No. A00-002; Ordinance No. 3762).

On **July 10, 2000**, the City Council established Agricultural (AG) zoning on 74± acres of recently annexed land which included the project site (Case No. Z00-045; Ordinance No. 3794).

On **September 21, 2020**, the City Council approved to rezone the project site from Agricultural (AG) to General Commercial with a Planned Area Development overlay and Council Use Permit (GC-PAD-CUP) and Light Industrial with a Planned Area Development overlay and Council Use Permit (LI-PAD-CUP) and approved a site plan to allow for the development of a large-scale commercial recreation center, referred to as Cannon Beach, which included retail, a hotel, and restaurant uses (Case No. ZON20-00253; Ordinance No. 5587).

On **December 16, 2020**, the Planning Director approved a Design Review application for four restaurant and retail buildings, a fitness center, the central wave park recreation and amenity area, and associated accessory structures within Phase 1 of the Cannon Beach Development (Case No. DRB20-00607).

On **December 23, 2020**, the Planning Director approved an Administrative Review application to modify the building designs for the operations building and lifeguard tower (Case No. ADM20-00853).

On **December 8, 2021**, the City Council approved a Site Plan Modification and PAD modification for Areas A and B of the Cannon Beach Development (Case No. ZON21-00892; Ordinance No. 5658).

On **December 30, 2021**, the Planning Director approved a Design Review application for two drive-thru restaurants and four multi-tenant retail buildings within Phase 2 of the Cannon Beach Development (Case No. DRB21-00884).

On **July 5, 2022**, the Planning Director approved an Administrative Review application to expand the beach area and increase the total building footprint of the proposed restaurants by 1.1% (Case No. ADM22-00251).

On **November 15, 2022**, the Planning Director approved an Administrative Review application to increase the total building footprint for the proposed industrial flex building by 5.8% (Case No. ADM22-01126).

On **January 31, 2023**, the Planning Director approved a Design Review request for the proposed industrial-flex building, also known as Phase 3 of Cannon Beach (Case No. DRB22-01080).

On **March 22, 2023**, the Planning and Zoning Board approved a Preliminary Plat for Cannon Beach (ZON22-01015).

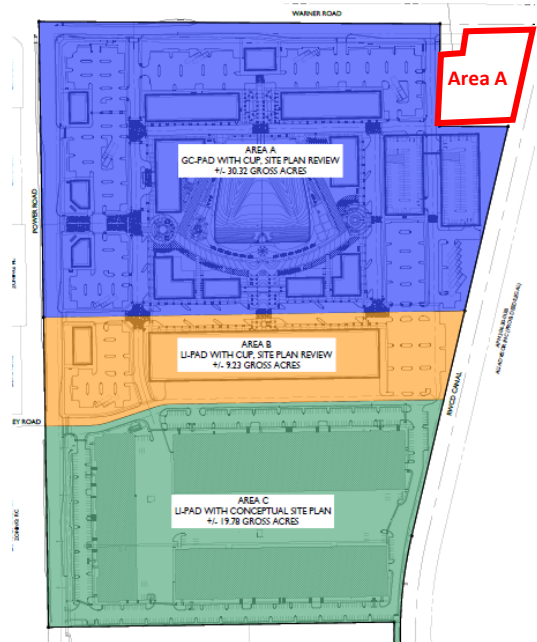
PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone 1.6± acres of the 44± acre site from AG to GC-PAD and incorporate it into Area A of the Cannon Beach Planned Area Development. This portion of land is not currently part of the larger Cannon Beach development, which was approved by City Council on September 21, 2020.

The purpose of this rezone is to facilitate the relocation of a structured parking garage from the eastern edge of the wave lagoon to the northeast parcel.

Modifications to the previously approved Cannon Beach Site Plan and PAD overlay are also requested to integrate this additional land into the overall development and accommodate other site design changes. Combined, both requests make up the Proposed Project.



General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Mixed Use Activity District with a Regional-Scale District Sub-type. Per Chapter 7 of the General Plan, Mixed Use Activity character areas are large in scale (typically over 25 acres) and have a substantial commercial component such as malls, power centers, or lifestyle centers that are designed and developed to attract customers from a large radius. The goal of the district is to create strong and viable centers of commercial activity that attract people to unique shopping and entertainment experiences.

Regional-Scale Districts contain large format commercial buildings, unique features, enclosed malls, and/or auto malls that attract customers from a large trade area.

The Proposed Project will provide a large recreational amenity that will draw people from a large radius to engage in commercial activity thereby conforming with the goals of the Mixed-Use Activity District and Regional-Scale District Sub-type.

The Proposed Project consistent with the criteria for review outlined in Chapter 15 (page 15-1) of the Mesa 2040 General Plan.

Mesa Gateway Strategic Development Plan:

The site is located within the Inner Loop District of the Mesa Gateway Strategic Development Plan. Per the Strategic Plan, the focus of the Inner Loop District is to provide a high-quality, mixed-use environment that is compatible with increasing over-flight activities associated with the Phoenix-Mesa Gateway Airport operations.

The Proposed Project is consistent with the goals of the Mesa Gateway Strategic Development Plan.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the Mesa Zoning Ordinance (MZO), the project site is located within the Airfield Overlay District, specifically within the Airport Overflight Area Two (AOA 2). The location of the property within the Airfield Overlay is due to its proximity to the Phoenix-Mesa Gateway Airport. Per Sections 11-6-2 and 11- 7-2 of the MZO, the AOA 2 requires approval of a Council Use Permit (CUP) to allow for certain conditional uses.

The Proposed Project does not propose new uses that require a CUP. Phoenix-Mesa Gateway Airport staff reviewed the application and have no comments on the Proposed Project.

Zoning District Designations:

The Proposed Project includes a request to rezone 1.6± acres of the project site from AG to GC-PAD to allow for a four-story parking garage. Per Section 11-6-1 of the MZO, the purpose of the GC zoning district is to provide areas for indoor retail, entertainment, and service-oriented businesses. The parking garage supports the future commercial and entertainment businesses that serve to attract the surrounding community to the project site.

PAD Overlay Modifications – MZO Article 3, Chapter 22:

Per Section 11-22-1 of the MZO, the purpose of a PAD overlay is to allow modifications to certain required development standards to permit innovative design and flexibility that creates a high-quality development for the site.

The Proposed Project includes a PAD modification to allow for two additional deviations to development standards for Area A. The previously approved PAD modifications, per Ordinance Nos. 5587 and 5658, shall remain in effect, except as noted in Table 1 below.

Table 1: Development Standards for Area A

Development Standard	Required GC	Proposed GC-PAD	Staff Recommendation
<u>Minimum Building Setback –</u> <i>MZO Table 11-6-3.A</i> -Interior side and rear adjacent to non-residential zoning district	15 feet per story (60 feet total)	10 feet total adjacent to the City of Mesa well site; 14 feet total adjacent to the Roosevelt Water Conservation District Canal (RWCD)	As proposed

Development Standard	Required GC	Proposed GC-PAD	Staff Recommendation
<u>Required Landscape Yards</u> – <i>MZO Section 11-33-3(B)(2)(a)</i> -Non-single-residence uses adjacent to other non-single residence	Width: 15 feet	Width: 0 feet adjacent to the RWCD Canal only	As proposed

Minimum Building Setback:

Per Table 11-6-3.A of the MZO, the minimum building setback when adjacent to a non-residential zoning district, is 15 feet per story. The initial rezoning case (Ordinance no. 5587) approved a reduced building setback of 20 feet.

Per the Proposed Project site plan, a four-story parking garage is proposed in the northeast corner of the project site. The applicant is requesting to further reduce this building setback from 20 feet to 10 feet along the City of Mesa well site and reduced setback from 20 feet to 14 feet along the RWCD Canal.

Required Landscape Yards:

Per Section 11-33-3(B)(2)(a) of the MZO, non-single residence uses adjacent to non-single residence districts and/or uses shall provide a 15-foot wide landscape yard. The initial rezoning case (Ordinance no. 5587) established a reduced landscape buffer width of 10 feet.

The applicant is requesting to further reduce the landscape buffer width from 10- feet to 0 feet along the east property line adjacent to the RWCD Canal to accommodate the parking garages.

Justification:

The reduced building and landscaping setbacks are along segments of property line that run parallel with the RWCD Canal and a City of Mesa well site and will not be injurious or detrimental to surrounding properties. The applicant is providing the required number of trees and shrubs within the reduced yards, which provides an additional buffer between the proposed parking structures and adjacent uses and/or buildings.

Site Plan and General Site Development Standards:

The Proposed Project, in addition to a rezone and PAD modification, includes a major modification to the previously approved site plan for Cannon Beach. The proposed modifications are as follows:

- Relocate the previously approved four-story parking garage to the northeastern parcel being incorporated into Area A;
- Install surface parking where the four-story parking garage was previously approved;
- Change Office B from a three-story office building to a four-story office building with the first floor reserved for retail uses (previously reserved for office use);
- Change Office A from a three-story office building to a four-story hotel with 150 rooms (no change in building placement or building footprint – increase in gross floor area from 78,380 square feet to 100,708 square feet); and

- Shift surface parking from the north side of the proposed hotel and office building to the south side.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Warner Rd & Power Rd) Town of Gilbert Undeveloped	North (Across Warner Road) LC-PAD Commercial & Vacant	Northeast (Across RWCD Canal and East Maricopa Floodway) LI-PAD Undeveloped
West (Across Power Road) Town of Gilbert Commercial	Project Site AG GC-PAD-CUP LI-PAD-CUP Undeveloped	East (Across RWCD Canal and East Maricopa Floodway) LI Undeveloped
Southwest (Across Power Road) Town of Gilbert Commercial	South LI-PAD Industrial	Southeast (Across RWCD Canal and East Maricopa Floodway) LI-PAD Vacant

Compatibility with Surrounding Land Uses:

Portions of the project site are currently under construction. The project site is immediately adjacent to industrial development to the south. There is commercial development across Power Road to the west and within the Town of Gilbert. The Proposed Project will be consistent with the General Plan character area designation, as well as the surrounding land uses.

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. In addition, a virtual neighborhood meeting was held on October 24, 2022, via Zoom with no attendees beyond city staff and the applicant team.

As of the date of writing this staff report, staff has not received public comments pertaining to the request.

Staff Recommendation:

Staff finds the Proposed Project 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 and meets the intent for a Planned Area Development outlined in Section 11-22-3 of the MZO.

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

1. Compliance with the final site plan and landscape plan submitted.
2. Compliance with all requirements of Design Review.
3. Compliance with the Cannon Beach Design Guidelines.
4. Compliance with the Preliminary Plat submitted.
5. Compliance with all requirements of Subdivision Regulations.

6. Future Site Plan review for the conceptual plan area identified as Area C.
7. 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.
8. Prior to the submittal of a building permit, recordation of a cross access and cross parking easements between all parcels on the site.
9. Prior to the submittal of a building permit, compliance with the final Traffic Impact Analysis as approved by the City's Transportation Engineer.
10. 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."
11. 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:

Area A:

Development Standard	Approved in the GC Zoning District
Maximum Building Height	40' commercial pads 55' restaurants & gym 65' hotel & office 75' parking garage <i>(as shown on the site plan)</i>
Interior side and rear building setback adjacent to non-residential districts	10 feet total adjacent to the City of Mesa well site 14 feet total adjacent to the Roosevelt Water Conservation District Canal (RWCD) 20 feet at all other area
Interior perimeter landscape setback adjacent to non-single residence districts	10' 0 feet adjacent to the RWCD Canal only

Development Standard	Approved in the GC Zoning District
Maximum Public open space	There is no maximum public open space requirement
Required Parking, Commercial Recreation	1 parking space per 671 square feet of outdoor recreation area including ancillary use
Foundation Base (900 SF additional entry plaza per 10,000 SF building)	No additional entry plaza requirements for buildings that are 10,000 SF or more
Pedestrian Connections to Right-Of-Way	Indirect connection to public sidewalk is permitted
Parking Lot Landscape Islands (For rows of more than 16 parking spaces, landscape islands shall be staggered)	No staggering is required for landscape islands for rows of 16 or more parking spaces. Landscape islands shall be parallel as shown on the site plan.
Minimum Building Separation – MZO Section 11-6-3 (Building height between 20 and 40 feet)	13.5 feet between buildings on Parcels 4, 5, 6, and 8

Area B:

Development Standard	Approved in the LI Zoning District
Maximum Building Height	55' for the industrial building (as shown on the site plan)
Pedestrian Connections to Right-Of-Way	Indirect connection to public sidewalk is permitted
Parking Lot Landscape Islands (For rows of more than 16 parking spaces, landscape islands shall be staggered)	No staggering is required for landscape islands for rows of 16 or more parking spaces. Landscape islands shall be parallel as shown on the site plan.

Area C:

Development Standard	Approved in the Light Industrial Zoning District
Maximum Building Height	Maximum Building Height 49'
Required Parking Ratio, Industrial Shell (75% at 1 space/500 SF plus 25% at 1 space/375 SF)	Industrial shell parked at 85% at 1 space/900 SF plus 15% at 1 space/375 SF
Interior Perimeter Landscape Setback adjacent to non-single residence districts	5'
Foundation Base (1 entry plaza at each building entrance for buildings larger than	A minimum of 4 entry plazas are required for buildings larger than 10,000 SF. Each required entry plaza must be a minimum of 900 SF area

10,000 SF (min. of 900 SF area; required)	
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Exhibits:

Exhibit 1 – Vicinity Map

Exhibit 2 – Staff Report

Exhibit 3 – Application Information

3.1 Project Narrative

3.2 Site Plan

3.3 Landscape Plan

3.4 Grading and Drainage Plan

3.5 Preliminary Plat

3.6 Citizen Participation Plan

Exhibit 4 – Citizen Participation Report

Exhibit 5 – Avigation Easement