



PLANNING DIVISION
STAFF REPORT

City Council Meeting

July 10, 2023

CASE No.: ZON22-01176		PROJECT NAME: Anton-Mesa
Fiesta		
Owner’s Name:	HV & CANAL LLC	
Applicant's Name:	Benjamin Graff, Quarles & Brady, LLP	
Location of Request:	Within the 1300 block of South Alma School Road (east side), within the 1000 to 1200 blocks of West Grove Avenue (south side), within the 1400 block of South Westwood, and within the 1000 to 1200 blocks of West Holmes Avenue. Located east of Alma School Road and south of Southern Avenue.	
Parcel No(s):	134-23-040, 134-23-035, 134-23-036, 134-23-037, 134-23-039, 134-23-038, 134-23-034, 134-23-033, 134-23-032, 134-23-041	
Request:	<p>Rezone from Limited Commercial with a Planned Area Development overlay (LC-PAD) to Limited Commercial with a new Planned Area Development overlay (LC-PAD), Council Use Permit (CUP), and Site Plan Review to allow for a multiple residence development.</p> <p>This request will replace the existing PAD with a new PAD, which will establish unique development standards and allow the project to be constructed in two phases.</p>	
Existing Zoning District:	Limited Commercial with a Planned Area Development overlay (LC-PAD)	
Council District:	3	
Site Size:	16.5± acres	
Proposed Use(s):	Multiple Residence	
Existing Use(s):	Commercial	
P&Z Hearing Date(s):	April 26, 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 **July 18, 1970**, the City Council annexed 675± acres of land, including the project site, an established R1-6 zoning (equivalent to current RS-6 zoning designation) on the project site (Ordinance No. 675).

On **December 13, 1974**, the City Council approved a rezone on the project site from R1-6 to Limited Commercial (C-2) (equivalent to current LC zoning designation) (Case No. Z73-85).

On **September 19, 1988**, the City Council approved a rezone on the project site from C-2 to C-2-BIZ and approved a conceptual site plan for a mixed-use development consisting of high- and mid-rise buildings (BIZ88-003; BIZ88-004; Ordinance No. 2377; Ordinance No. 2378).

On **May 15, 1989**, the City Council approved a Development Master Plan (DMP) overlay district (equivalent to current Planned Area Development overlay) on the project site to facilitate a high- and mid-rise mixed-use development (Z89-013; Ordinance No. 2436).

On **November 19, 1990**, the City Council modified the conditions of approval for the DMP overlay concerning Zoning Case No. Z89-013 (Case No. Z90-048; Ordinance No. 2566).

On **March 15, 1993**, the City Council approved a modification to the DMP, which encompassed the project site. Approval replaced high-intensity office uses with general retail (Case No. Z93-004; Ordinance No. 2771).

On **March 15, 1993**, the City Council approved a rezone on the project site from Limited Commercial with a Development Master Plan overlay (LC-DMP) to LC-DMP and approved a site plan for the development of a 181,000 square foot retail power center (Case No. Z93-005; Ordinance No. 2772).

PROJECT DESCRIPTION

Background:

The project site is located south of Southern Avenue on the east side of Alma School Road, and has direct frontage on Holmes Avenue, Grove Avenue, and Alma School Road. The project site is approximately 16.5± acres and is currently developed with two inline shopping buildings and a park.

The applicant is requesting a rezoning, Major Site Plan Modification and Council Use Permit (Proposed Project).

The applicant is requesting to rezone the project stie from Limited Commercial with a Planned Area Development overlay (LC-PAD) to LC-PAD. The requested rezone will replace the existing

PAD with a new PAD, which will establish unique development standards and allow the project to be constructed in two phases.

The applicant is also requesting a Major Site Plan Modification to allow for the redevelopment of the site for a multiple residence development. Most of the existing commercial space will be demolished to accommodate five, five-story buildings and three, two-story buildings, providing a total of 550 multiple residence units (Proposed Project). Approximately 30,000± square feet of the commercial building along Holmes will remain and be occupied by Feed My Starving Children (FMSC). The existing park along Holmes and Westwood Avenues will also remain and be incorporated into the Proposed Project.

Per Section 11-6-2 of the Mesa Zoning Ordinance (MZO), multiple residence is permitted in the LC district provided the development complies with the Residential Uses in Commercial Districts requirement of Section 11-31-31. The applicant is requesting approval of a Council Use Permit (CUP) to exceed the maximum residential density requirements and the minimum commercial floor area requirements of Section 11-31-31.

General Plan Character Area Designation and Goals:

The Mesa 2040 General Plan Character Area designation on the property is Mixed Use Activity District. Per Chapter 7 of the General Plan, Mixed Use Activity areas are large-scale community and regional activity areas that typically have a significant commercial component including shopping centers, power centers, or lifestyle centers that are designed and developed to attract customers from a large radius. Over time, these districts may take on a significant residential character but will still have a strong mix of uses. The goal is to help these districts be strong and viable centers of commercial activity that attract people to unique shopping and entertainment experiences.

The LC District is listed as a primary zoning district within the Mixed Use Activity character area. Multiple residence is listed as secondary land use and is supported within the Mixed Use Activity District character area provided that primary land uses have already been established or will be established at a future date (at least 70% of the total character area), and all secondary land uses do not exceed 30% of the total character area.

The Proposed Project complies with the requirements for the Mixed Use Activity District and is consistent with the criteria for review of development outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan. Primary land uses will be satisfied when the former Fiesta Mall is redeveloped.

Fiesta District:

The site is also located in Mesa's Fiesta District, which is envisioned as a hub for advanced businesses and financial services, health care, and retail. Per the adopted guidelines, development within the Fiesta District should contribute to a pedestrian-friendly environment with an integrated mix of land uses. The Proposed Project conforms to the intent of the Fiesta District guidelines by further contributing the mix of land uses and incorporating a pedestrian-friendly site design with direct sidewalk connections, textured crossings, and large common

open spaces. The proposed residential buildings are placed at or close to the minimum building setback line along Grove Avenue and Holmes Avenue to promote an active streetscape.

Zoning District Designations:

The applicant is requesting to rezone the project site from LC-PAD to LC-PAD to establish a new PAD and associated development standards.

Per Table 11-6-3 of the MZO, large commercial development is a permitted use in the LC district. Multiple residence uses are also allowed in the LC district subject to compliance with the standards outlined in Section 11-31-31 of the MZO. Projects that cannot comply with the standards set forth in Section 11-31-31 require a Council Use Permit.

Council Use Permit:

Per Table 11-6-2 of the MZO, multiple residence uses are permitted in the LC zoning district subject to conformance with outlined requirements in Section 11-31-31 of the MZO.

Per Section 11-31-31(A)(1)(B) of the MZO, a project with multiple story buildings may include residential uses if: 1) a minimum of 60 percent of the gross floor area (GFA) of all buildings is reserved for commercial uses; and 2) a minimum of 65 percent of the ground floor of each multi-story building is reserved for commercial uses. Approximately 6% of the GFA of the Proposed Project is reserved for commercial uses.

Per Section 11-31-31(A)(2) of the MZO, the maximum residential density for residential uses within the LC District is 25 dwelling units per acre. The proposed project has a residential density of 33 dwelling units per acre.

Per Section 11-31-31(E) of the MZO, modifications to the maximum residential density and commercial floor area requirements require approval of a CUP. Section 11-31-31(F) of the MZO contains the following review criteria for a CUP:

- A. The use is found to be in compliance with the General Plan, Sub-Area Plans and other recognized development plans or policies, and will be compatible with surrounding uses;

The Proposed Project will advance the goals and objectives of and is consistent with the policies of the General Plan, specifically the Mixed Use Activity District character area by maintaining commercial zoning and land uses on the property.

- B. A finding that a plan of operation has been submitted, which includes, but is not limited to, acceptable evidence of compliance with all zoning, building, and fire safety regulations;

The Proposed Project was reviewed by department staff and complies with applicable zoning, building, fire, and engineering codes.

- C. A finding that a "good neighbor policy" in narrative form has been submitted, which includes, but is not limited to, descriptions of acceptable measures to ensure ongoing compatibility with adjacent uses; including measures to assure that commercial activity will remain as a viable activity on this site;

A good neighbor policy has been submitted, which includes measures to ensure ongoing compatibility with adjacent property owners.

- D. Evidence that acceptable documentation is present demonstrating that the building or site proposed for the use is in, or will be brought into, substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines; and

The Proposed Project is in, or will be brought into, substantial conformance with all current City development standards, including, but not limited to, landscaping, parking, screen walls, signage, and design guidelines.

- E. The overall project conforms to the intent and character of the zoning district and is part of a well-integrated mixed-use project.

The location, size, design, and operating characteristics of the Proposed Project are generally consistent with the intent of the LC district and the Fiesta District Design Handbook. Proposed buildings are placed at or near the front setback line to promote an active streetscape and the project will include pedestrian-friendly design elements such as direct sidewalk connections, textured crossings, and large common open spaces.

Planned Area Development (PAD) Overlay – MZO Article 3, Chapter 22:

The Proposed Project includes a new Planned Area Development overlay (PAD) to modify certain development standards on the project site.

Table 1 below shows the required MZO standards, the applicant's proposed PAD standards, and staff's recommendation.

Table 1: Development Standards

MZO Development Standards	Required	Proposed	Staff Recommendation
<u>Maximum Building Height</u> – <i>MZO Section 11-6-3(A)</i>	30 feet	62 feet	As proposed

MZO Development Standards	Required	Proposed	Staff Recommendation
<u>Minimum Building Setbacks –</u> <i>MZO Section 11-6-3(A)</i> -Interior Side and Rear: Adjacent to Non-residential District (west of Building A) -Street-Facing Side (Commercial Collector - Holmes Avenue)	15 feet each story (75 feet total) 20 feet	8 feet total 12 feet	As proposed
<u>Minimum Landscape Yards –</u> <i>MZO Section 11-33-3(B)(2)</i> -Non-single residence uses adjacent to other non-single residence (west of Building A) -Street-Facing Side (Holmes Avenue)	15 feet 20 feet	8 feet 12 feet	As proposed
<u>Standards for Required Open Space –</u> <i>MZO Table 11-6-3(A) and Section 11-5-5(3)</i> - Minimum private open space (2-bedroom unit) (3-bedroom unit)	100 square feet per unit 120 square feet per unit	90 square feet per unit 100 square feet per unit	As proposed
<u>Required Parking Spaces –</u> <i>MZO Section 11-32-3(A)</i> - Multiple Residence	2.1 spaces per dwelling unit (1,155 total)	1.53 spaces per unit (843 total)	As proposed
<u>Required Covered Parking –</u> <i>MZO Section 11-32-3(D)</i> -Multiple Residence	1 space per unit (550 spaces)	0.96 spaces per unit (528 spaces)	As proposed

MZO Development Standards	Required	Proposed	Staff Recommendation
<u>Landscape Islands –</u> <i>MZO Section 11-33-4(B)(1)</i>	Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum 8 contiguous parking spaces	Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum 28 contiguous parking spaces	As proposed
<u>Minimum Dimensions for Residential Enclosed Garages</u> – <i>MZO Section 11-32-4(F)(1)</i> -Single car garage	Minimum 10 feet wide by 22 feet long	Minimum 10 feet wide by 21 feet, 2 inches	As proposed

Maximum Building Height:

Per Section 11-6-3(A) of the MZO, the maximum building height in the LC zoning district is 30 feet.

The applicant is requesting a height increase from 30 feet to 62 feet to accommodate five-story residential buildings.

Minimum Building Setback:

Per Section 11-6-3(A) of the MZO, the minimum building setback when adjacent to non-residential zoning is 15 feet per story. The required setback along the western property line adjacent to Building A is therefore 75 feet for the five-story building.

The applicant is requesting an eight-foot setback.

Per Section 11-6-3(A) of the MZO, the minimum building setback along collector streets is 20 feet.

The applicant is requesting a 12-foot setback along Holmes Avenue to accommodate the proposed pool area for Building E. Per the applicant, the retained park in the southeast corner of the property will compensate for lost landscaping along Holmes Avenue.

Minimum Landscape Yards:

Per Section 11-33-3(B) of the MZO, the minimum width for landscape yards along property lines adjacent to non-single residence uses is 15 feet.

The applicant is requesting a reduction from 15 feet to eight feet along the western property line adjacent to Building A.

Per Section 11-6-3(A) of the MZO, the minimum landscape yard width along collector streets is 20 feet.

The applicant is requesting a 12-foot-wide landscape yard adjacent to the proposed pool area south of Building E.

Standards for Required Open Space:

Per Table 11-6-3.A of the MZO, standards for required open space are to follow the requirements of Section 11-5-5(3) of the MZO. Per Section 11-5-5(3), the minimum private open space living area for a two-bedroom unit is 100 square feet and 120 square feet for a three-bedroom unit.

The applicant is requesting to reduce the minimum required private open space size from 100 square feet to 90 square feet for two-bedroom units and 120 square feet to 100 square feet for three-bedroom units. Per the applicant, the requested reduction applies only to select unit types. Additionally, over 420 square feet of usable common open space is provided for each unit, which exceeds the minimum requirement per MZO.

Required Parking Spaces:

Per Section 11-32-3(A) of the MZO, 2.1 parking spaces are required per dwelling unit for multiple residence developments. Based on this standard, a minimum of 1,155 spaces are required for the project.

The applicant is requesting to reduce the parking ratio from 2.1 space per unit to 1.53 spaces per unit, which equates to 844 parking spaces. Because the property is within a former retail center, shared parking will be utilized with adjacent parcels. The parking ratio, when accounting for shared parking, is 1.82 spaces per unit. Additionally, according to the submitted parking demand study which is based on the national Institute of Transportation Engineers and Urban Land Institute parking demand calculations, the proposed number of stalls will exceed parking demand anticipated for this development. Based on the Proposed Project and the information submitted, staff has no concerns with the request for reduced parking.

Required Covered Parking Spaces:

Per Section 11-32-3(D) of the MZO, multiple residence developments shall provide one covered parking space per unit. Based on this standard, a minimum of 550 covered parking spaces are required for the project.

The applicant is requesting to reduce the minimum covered parking count from 550 spaces to 528 spaces.

Required Landscape Islands:

Per Section 11-33-4(B)(1) of the MZO, a parking island is required after every eighth contiguous parking space.

The applicant is requesting to modify this standard to allow a parking island after every 28th contiguous parking space. Per the applicant, this modification is needed to provide an appropriate number of surface parking stalls.

Minimum Dimensions for Residential Enclosed Garages:

Per Section 11-32-4(F)(1) of the MZO, a single car garage shall be at least 10 feet wide and 22 feet long.

The applicant is requesting to reduce the minimum length of a single car garage to 21 feet, 2 inches to accommodate the Proposed Project.

PAD Justification:

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

The submitted documents show the proposed development will be unique by incorporating a variety of community amenities including two pools, two community centers, multiple covered seating areas, and the existing park which is maintained through a partnership with DoubleTree by Hilton Hotel. Per the site plan, approximately 195,373 square feet of open space is proposed, which exceeds the minimum requirement per MZO.

Overall, the proposed code deviations are commensurate with the proposed building and landscape design features.

Site Plan and General Site Development Standards:

The proposed site plan shows eight multiple residence buildings constructed in two phases. Unit types range from one-bedroom to three-bedroom and each unit is provided with private open space (i.e., balcony or ground-floor patio). Primary access to the site is from Alma School Road. Secondary access is provided from Grove Avenue and Holmes Avenue.

Phase 1 includes the construction of Buildings A, B, and F (for a total of 229 units), a central pool, community center, and renovations to the existing 30,000± square foot commercial building for FMSC. A proposed loading zone for delivery trucks will be constructed east of the FMSC building and be screened with an eight-foot-tall wall along all sides in accordance with Section 11-30-17 of the MZO.

Phase 2 includes the construction of Buildings C, D, and E (for a total of 321 units), a pool, and community room along Holmes Ave.

Overall, the Proposed Project complies with the review criteria for Site Plan Review in Section 11-69-5 of the MZO.

Design Review:

The Design Review Board reviewed the proposed building elevations and landscape plan on April 11, 2023. The applicant is working with staff to incorporate the suggested changes.

Surrounding Zoning Designations and Existing Use Activity:

Northwest LC & LC-PAD Retail	North (Across Grove Avenue) PS-PAD-BIZ Public	Northeast (Across Grove Avenue) LC-PAD-BIZ Hotel
West LC & LC-PAD Retail	Project Site LC-PAD Vacant Commercial	East (Across Holmes Avenue) LC-BIZ Hotel
Southwest (Across Alma School Road) LC Vacant Mall	South (Across Holmes Avenue) LC-BIZ Hotel	Southeast (Across Holmes Avenue) LC & RM-4 Golf Course

Compatibility with Surrounding Land Uses:

The project site is currently developed with two multi-tenant commercial buildings and zoned LC-PAD. Properties to the south are developed with hotels and zoned LC-BIZ. Properties to the west are zoned LC and LC-PAD and consist of retail and service-oriented uses. A City of Mesa Police Station is located north of the project site and is zoned PS-PAD-BIZ. Property to the east is zoned LC-BIZ and consists of a hotel. Overall, the Proposed Project is compatible with the surrounding development and land uses.

Neighborhood Participation Plan and Public Comments:

A Citizen Participation Process was completed 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.

Staff was contacted by an adjacent property owner via email on December 13, 2022, with questions about shared parking, lighting, and the required process for a Council Use Permit. The applicant held a virtual neighborhood meeting on December 15, 2022, with one attendee.

Staff Recommendation:

Staff finds the Proposed Project is consistent with the Mesa 2040 General Plan, the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO, the review criteria for a Planned Area Development outlined in Section 11-22-5 of the MZO, and the review criteria for a CUP in Section 11-31-31(E). 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 Case No. DRB22-01232.
3. All perimeter landscaping must be installed with the first phase of development.
4. 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.
5. Prior to issuance of any building permit, apply for and receive approval of a Preliminary

and Final Plat.

6. Compliance with all City development codes and regulations, except the modifications to the development standards approved with this PAD as shown in the following table:

Development Standards	Approved
<u>Maximum Building Height</u> – <i>MZO Section 11-6-3(A)</i>	62 feet
<u>Minimum Building Setbacks</u> – <i>MZO Section 11-6-3(A)</i> -Interior Side and Rear: Adjacent to Non-residential District (west of Building A) -Street-Facing Side (Community Collector - Holmes Avenue)	8 feet total 12 feet
<u>Minimum Landscape Yards</u> – <i>MZO Section 11-33-3(B)(2)</i> -Non-single residence uses adjacent to other non-single residence (west of Building A) -Street-Facing Side (Holmes Avenue)	8 feet 12 feet
<u>Standards for Required Open Space</u> – <i>MZO Table 11-6-3(A) and Section 11-5-5(3)</i> - Minimum private open space (2-bedroom unit) (3-bedroom unit)	90 square feet per unit 100 square feet per unit
<u>Required Parking Spaces</u> – <i>MZO Section 11-32-3(A)</i> - Multiple Residence	1.53 spaces per unit (843 total)
<u>Required Covered Parking</u> – <i>MZO Section 11-32-3(D)</i> -Multiple Residence	0.96 spaces per unit (528 spaces)
<u>Landscape Islands</u> – <i>MZO Section 11-33-4(B)(1)</i>	Parking lot landscape islands shall be installed at each end of a row of stalls and in between for maximum 28 contiguous parking spaces
<u>Minimum Dimensions for Residential Enclosed Garages</u> – <i>MZO Section 11-32-4(F)(1)</i> -Single car garage	Minimum 10 feet wide by 21 feet, 2 inches

Exhibits:

Exhibit 1-Vicinity Map

Exhibit 2-Staff Report

Exhibit 3-Application Information

- 3.1 Project Narrative
- 3.2 Site Plan
- 3.3 Grading and Drainage Plan
- 3.4 Landscape Plan
- 3.5 Elevations
- 3.6 Renderings
- 3.7 Parking Demand Study
- 3.8 Good Neighbor Policy
- 3.9 Citizen Participation Plan

Exhibit 4-Citizen Participation Report

Exhibit 5-Letter of Support