GATEWAY INTERCHANGE BUSINESS PARK PHASE III

PROJECT NARRATIVE

REQUEST FOR LIGHT INDUSTRIAL (L1) REZONING WITH PLANNED AREA DEVELOPMENT (PAD) OVERLAY FOR A LIGHT INDUSTRIAL BUSINESS PARK DEVELOPMENT ON APPROXIMATELY 9.4 ACRES

LOCATED AT THE NEC OF 80TH STREET AND SEBRING AVENUE

SUBMITTED TO:

CITY OF MESA PLANNING DIVISION

PREPARED BY:

BUTLER DESIGN GROUP ON BEHALF OF EASTGROUP PROPERTIES

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I. Introduction

EastGroup Properties ("Developer") plans to develop a 9.4 gross acreage property located at the northeast corner of Sebring Avenue and 80th Street (the "Property"). This application requests site plan approval of a Light Industrial Planned Area Development ("L1-PAD") to allow an industrial distribution and warehouse development called Gateway Interchange — Phase III. The Applicant seeks to develop the Property in accordance with the L-I zoning and the adjacent Gateway Interchange Phase I and II PAD development standards, also owned by EastGroup Properties.

The Property has been used as a storage yard for several years and is improved with various storage structures, dirt roadways and unimproved desert. Rezoning the property from AG to PAD for industrial uses will permit the development of light industrial and business park uses which are compatible with the City of Mesa General Plan. It will eliminate residential land uses as a permitted use.

The property is bounded by a building materials open storage yard to the north, to the east are residential farmland properties and the Mesa Wash Cattle Ranch. To the south is Gateway Interchange Phase I and II, recently rezoned to LI-PAD and entitled as the Gateway Interchange Business Park, also for industrial uses. South of that development is the Loop 202 freeway.

II. Current Zoning and General Plan

The Property is located within the Employment – Business Park of the Inner Loop District of the Gateway Strategic Development Plan as a part of the "Mixed Use Activity / Employment" area on the City's 2040 General Plan. The proposed rezoning of the property to Light Industrial with a Planned Area Development Overlay (LI-PAD) to create a business and industrial park complex is consistent with this land use designation and specifically promotes the General Plan's intent to grow and maintain diverse employment opportunities,

Surrounding Zoning Designations and Existing Use Activity:

| Northwest | North | Northeast |
|----------------------------------|-----------------------|-----------------------|
| (Across 80 th street) | AG | RSL-2.5 |
| L1 | Vacant | Vacant |
| Vacant | | |
| West | Subject Property | East |
| (Across 80 th street) | AG | GC |
| L1 | Vacant | Vacant |
| Vacant | | |
| Southwest | South | Southeast |
| (Across 80 th street) | (Across Sebring Ave.) | (Across Sebring Ave.) |
| L1 | L1-PAD / | L1-PAD |
| Vacant | Under Construction | Under Construction |

III. Planned Area Development Plan

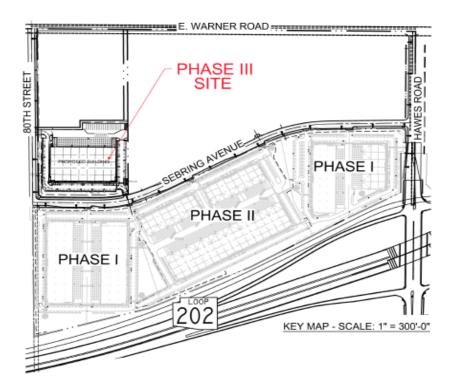
1. Purpose and Overview

The intent of the Gateway Interchange – Phase III PAD is rezoning of the property to Employment-based zoning from the existing AG zoning district. This will allow for this development to be consistent with the General Plan land use designation while offering a cohesive extension to the development to the approximately 50 acre Gateway Interchange I & II (Case No. ZON21-01133) to the south along the Loop 202 employment corridor near Mesa Gateway Airport. The new LI-PAD zoning district boundary will better connect uses to the south business park by implementing a new collector road (Sebring Avenue) connecting Hawes Road and 80th Street that will connect to Warner Road to the north of the Property. This road is being constructed with the Gateway Interchange Phase I improvements.

2. Site Plan

To maximize and attract potential users, the concept plan to help illustrate how the property could be designed for either single or multi building arrangements. This ensures optimal flexibility while demonstrating potential development options. See Conceptual Site Plan.

As shown on the site plan, primary access is provided via a proposed east-west collector street (Sebring Avenue) south of the Property, which will extend west from the S. Hawes Road alignment and connect to the S. 80th Street alignment.



3. <u>Development Standards</u>

As reflected with Table A below, the development standards for the PAD are created to facilitate the industrial warehouse development. Most specifically, the permitted heights and intensity will permit the development of a highly attractive and superior industrial warehouse development. Should a conflict exist between any provision in this PAD and the Mesa L-1 Zoning Ordinance, the PAD shall apply.

Table A: Comparative Development Standards

| | L1 | LI-PAD Proposal |
|-------------------------------------|------------|-----------------------|
| Min. Lot Area | 1 acre | 1 acre |
| Building Setbacks | | |
| Street Frontage | • 20' | • 20' |
| Rear (next to RSL) | • 50' | • 50' |
| Side (next to RSL) | • 50' | • 50' |
| Max. Building Height | 40' | 50' |
| Max. Lot Coverage | 0.90 | 0.33 |
| Landscape Setback (adjacent to RSL) | 25' | 15' minimum, 20' max. |
| Parking | | |
| Warehouse (specified use) | • 1/900 sf | • 1/900 sf |
| Warehouse(unspecified use) | • 1/500 sf | • 1/900 sf |
| Office | • 1/375 sf | • 1/375 sf |
| Accessory Showroom Retail | • 1/375 sf | • 1/375 sf |

PAD Overlay Deviation Justification

a. Height: The requested PAD overlay is necessary to permit an additional 10' of building height. The proposed building height to the low-slope roof ridgeline is 39'-6" with parapets extending to 44'-6" to provide screening of future tenant roof-top mechanical units. This is a relatively small deviation to the base LI district development standards, however, to provide flexibility to adjust parapet heights for future tenant equipment should that be needed, a 50'-0" building height is requested with this submittal now so that a future need for that height will not generate a zoning amendment case.

The proposed 50' of building height is also significantly less height than the adjacent GC portion of the Hawes Crossing PAD, which is permitted to allow building heights up to 75'.

b. Parking: Reduced parking ratios requested for the warehouse / distribution portion of the building consider the anticipated heavy storage / limited occupancy characteristics of the potential tenant mix for the project. As storage systems become more automated and based on historical ratios of warehouse employees to storage space, fewer employees are required for storage areas.

As part of the PAD overlay request, a parking reduction for the warehouse area of 1 car per 900 s.f. at 75% of the building area is proposed. The office area parking is to remain per ordinance, based on 25% office at 1 car per 375 s.f. of office area. These same ratios were approved as part of the Phase I & II PAD Overlay.

Based on the large open spaces available within the dock areas of these types of buildings, supplemental parking areas are available in the trailer parking areas, based on specific tenant needs, providing flexibility to increase parking ratios as required.

c. Elevations: Deviation from the maximum 50% of one material is requested. The concrete panel areas exceed this, but provide multiple colors and parapet height variation, consistent with previously approved Phase 1 elevations.

IV. Landscape Design

Landscaping will be designed to complement the building architecture overall design theme for the site. All materials will comply with the City low water plant palette. The Sebring Avenue and 80th Street frontage landscaping will provide an attractive public edge to the property. Enhanced landscaping will further define potential building entries with canopy trees at City-required spacing to provide shading for the parking areas. A variety of tree species, combined with a colorful combination of shrubs and groundcovers, will provide an overall landscape composition of appropriate scale to enhance the overall development and its visual impact on its surroundings. Foundation base landscaping is provided adjacent to car parking. A conceptual landscape plan is included with this submittal along with landscape calculations listing the type, size and number of plantings. See Conceptual Landscape Plans attached.

V. Architectural Design

The design of large industrial facilities requires a specific response to anticipated tenant requirements combined with careful aesthetic consideration of dealing with such a large building mass.

Color and pattern will be used to develop visual interest that creates an overall pleasing aesthetic on all sides of the building. The color palette includes a range from warm to cool neutrals that respect the surrounding desert hues and include limited color accents to provide additional interest or address corporate logo imaging. By extension, the palette will match Gateway Interchange - Phase I and II, to better provide a cohesive marketing advantage of a larger scale business park campus.

The primary building material will be painted, articulated concrete wall panels and feature accent materials that provide additional colors where areas of enhancement are appropriate. Glass will be incorporated at anticipated office areas or to provide additional daylighting at potential office areas. Metal canopies will provide further shade, shadow, and accent at specific points of entry.

Building parapets will extend above the roof line to provide screening of roof top equipment from view at adjacent public right of ways along Sebring Avenue and facing adjacent residential zoning. Truck court dock and outdoor storage areas will be screened with an 8' masonry wall with detail and color to complement the building architecture. A similar 3' high articulated masonry screen wall will screen parking along Sebring Avenue and 80th Street.



The building design will be submitted concurrently with the Design Review Board application and this Site Plan application.

VI. <u>Circulation and Access</u>

1. Existing Conditions

As part of the Gateway Interchange Phase I & II development the east-half of 80th Street will constructed from Sebring Avenue (E. Nunneley Rd) up to Warner Road and the northside and southside of Sebring Avenue will be fully constructed from 80th Street to Hawes Road.

A 16-inch waterline and 12-inch sewer line are proposed in 80th street and

Sebring Avenue.

2. Proposed Street Improvements

As part of the proposed Project development, driveway cuts on 80th Street and Sebring Avenue are proposed.

VII. Grading and Site Drainage

The grading and drainage for the site will be designed to retain the 100 year 2-hour storm event in accordance with the City of Mesa drainage design guidelines. Storm drainage will be conveyed as overland flow across the parking lots and truck dock areas into either catch basins or curb openings which will outfall to a combination of surface and/or underground retention areas. The required storage volume will dissipate within 36 hours via a combination of natural percolation and drywells.

VIII. Infrastructure/Utilities

Water and sewer lines will be installed and connected to 80th Street improvements completed with Phase I & II. Final design of all wet and dry utilities will be completed during the construction document phase of the project.

IX. Signage

Once future tenants are identified, the applicant will submit a Comprehensive Sign Plan (CSP) to provide attractive and consistent signage for tenants of the Project. The future CSP will contain guidelines with regard to color, materials, location of wall signage, allowable areas, illumination, and configuration.

X. Summary

The Gateway Interchange – Phase III PAD is a significant and attractive opportunity for the City of Mesa to increase employment center uses in an area specifically designated in its General Plan for such purpose. The LI PAD zoning case, combined with the site plan application, provides the City a comprehensive level of detail in its evaluation of the proposal while considering the change in land use from agricultural and commercial zoning to light industrial.

As illustrated by the project's exhibits, special care has been taken at all levels of design to create an extension of the Phase I and II Gateway Interchange Business Park design.