



**PLANNING DIVISION
STAFF REPORT**

Planning and Zoning Board

January 27, 2021

CASE No.: ZON20-00738	PROJECT NAME: Gateway Commerce Center
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Owner's Name:	PHX-MESA GATEWAY AIRPORT 193 LLC
Applicant's Name:	Karen Ohmann, Deutsch Architecture Group
Location of Request:	Within the 7100 block of East Seaver Avenue (north side). Located east of Power Road and north of Ray Road.
Parcel No(s):	304-30-044, 304-30-045 and 304-30-046
Request:	Site Plan Review; and Special Use Permit. This request will allow for an industrial development.
Existing Zoning District:	Light Industrial with Planned Area Development (LI-PAD) in Airfield Overflight Area 2 (AOA 2)
Council District:	6
Site Size:	10± acres
Proposed Use(s):	Industrial (shell building)
Existing Use(s):	Vacant
P&Z Hearing Date(s):	January 27, 2021 / 4:00 p.m.
Staff Planner:	Charlotte Bridges, Planner I
Staff Recommendation:	Approval with Conditions

HISTORY

On **November 16, 2000**, the City Council approved the annexation of 1,571 acres into the City of Mesa including the subject site (Case No. A99-004; Ordinance No. 3815).

On **May 7, 2001**, the City Council approved the rezoning of the subject property from Maricopa County Airport District II (ADII) to City of Mesa comparable zoning of Light Industrial with an Airfield Overlay (LI-AF) (Case No. Z00-087, Ordinance No. 3885).

On **February 5, 2018**, the City Council approved the rezoning and preliminary plat of 48 acres, including the subject site, from LI-AF to LI-PAD-AF allowing for the development of a 14-lot industrial subdivision with private streets. (Case No. ZON17-00283, Ordinance No. 5420).

PROJECT DESCRIPTION

Background:

The applicant is requesting site plan review to allow for the development of an approximate 146,887 square foot industrial building on the subject property. Currently, the property is vacant and is zoned Light Industrial with a Planned Area Development Overlay (LI-PAD) and is also within the Airfield Overlay Area 2 (AOA 2). According to the application information submitted, the proposed building will be used for manufacturing, warehousing, and distribution uses. Per Section 11-7-2 of the Mesa Zoning Ordinance (MZO), manufacturing, warehousing, and distribution uses are permitted in the LI-PAD zoning district and within the AOA 2 overlay.

The applicant is requesting a Special Use Permit (SUP) per Section 11-32-6 of the MZO to allow for a reduction in the number of required parking spaces from 318 to 242 spaces. In addition, the applicant is requesting a SUP per Section 11-30-3(B) of the MZO to allow for additional building height in an Airfield Overlay District from 40 feet to 45 feet.

General Plan Character Area Designation and Goals:

The Mesa General Plan character area designation on the property is Mixed-Use Activity and Employment. Per the General Plan, Mixed Use Activity areas are large in scale (typically over 25 acres) community and regional activity areas that usually have a significant retail and commercial component, including shopping areas such as malls, power centers or lifestyle centers designed to attract people from a large radius. Per Chapter 7 of the General Plan, the primary focus of the Employment character area designation is to provide for a wide range of employment opportunities in high-quality settings. Examples of employment-type land uses include areas for large manufacturing facilities, warehousing, and business park type uses.

Per Chapter 5 of the City of Mesa General Plan, the subject site is also located within the City's Gateway Economic Activity Area. Per the General Plan, this area provides the largest opportunity for new growth in the City of Mesa. Given the large size of the area, a wide range of employment activities are anticipated with an emphasis on education, aerospace/aviation, and technology industry clusters. The proposed request to allow development of a large industrial building for manufacturing, warehousing, and distribution uses conforms to the goals of the Mixed Use Activity and Employment character designation and Gateway Economic Activity Area. Specifically, the building is planned to be occupied by various industrial businesses and users which will likely add to the employment opportunities in the City.

Mesa Gateway Strategic Development Plan

The subject site is also located within the Airport Campus District of the Mesa Gateway Strategic Development Plan. This district encompasses the area covering ASU Polytechnic/Chandler Gilbert Community College Campus, the Phoenix-Mesa Gateway Airport, and the area immediately outside the Mesa Gateway airport's future main terminal. The area

of the property within the Strategic Development Plan is envisaged to predominantly be high-intensity employment uses that integrate well with the on-airport uses.

Staff reviewed the request and determined it is consistent with the development review criteria outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan. The proposed development is also consistent with the goals of the Mixed-Use Activity and Employment character area designation and the Gateway Strategic Development Plan Airport Campus District by providing high-intensity employment uses that are also compatible with the Phoenix-Mesa Gateway Airport use.

Zoning District Designations:

The subject property is zoned Light Industrial (LI) with a Planned Area Development (PAD) overlay. Per Section 11-7-2 of the City of Mesa Zoning Ordinance (MZO), manufacturing, warehousing and distribution uses are permitted within the LI-PAD zoning district.

Airfield Overlay – MZO Article 3 Section 11-19

Per Section 11-19 of the MZO, the 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 Section 11-7-2 of the MZO, AOA 2 allows manufacturing, warehousing, and distribution industrial uses.

Site Plan and General Site Development Standards:

The proposed site plan shows development of 146,887 square foot industrial building on lots two, three, and four of the Ray Road Commerce Center North. Lots two, three, and four will be combined into one parcel to accommodate the proposed development. Based on the submitted site plan, there will be three access points from Seaver Avenue onto the site. These access points will be located on the southwestern, middle and southeastern sections of the property. Pedestrian access is provided to the building from Seaver Avenue. The site plan also shows landscaping along Seaver Avenue which conforms to the requirement of Section 11-33-3 of the MZO. Further, the rear yard is screened by an eight-foot-high masonry wall with access through rolling gates located on the east and west sides of the building. The site plan also shows 242 parking spaces on the property. As part of the request, the applicant is requesting a SUP to allow reduction in the required parking spaces. Overall, the proposed site plan with the accompanying SUP conforms to the requirements of the Mesa Zoning Ordinance.

Special Use Permit:

Section 11-66-2(C) of the MZO allows the Planning and Zoning Board to hear and take action on a SUP when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board. The applicant is requesting a SUP to allow (1) a reduction in the number of required parking spaces from 318 to 242; and (2) to allow additional building height in an Airfield Overlay District from 40 feet to 45 feet.

Parking Reduction

Per Section 11-32-3 of the MZO, 318 parking spaces are required for the proposed use on the site. The request is to reduce the number of parking spaces from 318 to 242, thus a reduction of 76 total parking spaces. Section 11-32-6 of the MZO outlines the criteria for approval of an SUP to allow reduction in the number of parking spaces. Below is a summary of the criteria for the SUP and findings:

Parking Reduction Required Findings (MZO Section 11-32-6)	Findings
1. Special conditions – including but not limited to the nature of the proposed operation; proximity to frequent transit service; transportation characteristics of persons residing, working, or visiting the site exist that will reduce the parking demand at the site.	The proposed uses on the property are manufacturing, warehousing, and distribution. Based on parking analysis submitted by the applicant, the anticipated users to occupy the building and the nature of the proposed operations, the site will not require such number of parking spaces other than those proposed (see Exhibit 3.5).
2. The use will adequately be served by the proposed parking.	The proposed reduction in the number of parking spaces is consistent with the number of parking spaces provided with similar industrial buildings and users within the vicinity of the property which has been adequate for such users. Also, according to the parking analysis submitted by the applicant, the proposed number of parking spaces is sufficient for the proposed use .
3. Parking demand generated by the project will not exceed the capacity of or have a detrimental impact on the supply of on street parking in the surrounding area.	Based on the parking analysis submitted by the applicant, the parking demand is not anticipated to exceed the capacity provided or impact the supply of on-street parking in the area.

Per Section 11-70-5 of the MZO, granting a SUP must advance the goals and objective of the General Plan and not be detrimental to the neighborhood or to the general welfare of the City. As previously stated, the proposed development for an industrial manufacturing, warehousing, and distribution building is consistent with the goals of the General Plan by providing high-intensity employment uses compatible with Phoenix-Mesa Gateway Airport. Based on the parking analysis submitted by the applicant, the proposed parking reduction will not be detrimental to surrounding neighborhood because the proposed number of parking spaces is sufficient for the proposed use and will not impact the supply of on-street parking in the area.

Building Height

The applicant is also requesting a Special Use Permit to allow additional building height for their property which is located within a Airport Overlay District. Per Table 11-7-3 of the MZO, the maximum height allowed on the property is 40 feet. The applicant is requesting a 45-foot building height to the top of the parapet wall. According to the applicant, the request to allow the increase in the building height is needed to accommodate the type of operations planned within the building. Per the elevations submitted the request will allow a 32-foot clear height inside the building and enough parapet height to fully screen roof-mounted mechanical equipment.

Per Section 11-70-5 of the MZO, the requirements for granting an SUP to allow the building height to exceed the allowed height on the property include demonstrating that the proposed project will advance the goals and objectives of the General Plan and other City policies as well as demonstrating that the location, size, design, and operating characteristics of the project are consistent with the purpose of the zoning district designation on the property. As mentioned previously the proposed development conform to the goals and purposes of the LI-PAD zoning district designation and the Mixed Use Activity and Employment character area designation by providing high-intensity employment uses compatible with Phoenix-Mesa Gateway Airport.

To qualify for an SUP, the project must also demonstrate that the proposed modifications will not be injurious or detrimental to adjacent properties or surrounding areas and demonstrate that there is adequate public services and infrastructure to support the development. Currently, a majority of the surrounding area is developed with industrial uses; allowing a five-foot in increase in building height should not negatively impact the surrounding uses. In addition, per Section 11-19-5(E) of the MZO, the applicant is required to submit the project for review to the Federal Aviation Administration (FAA) to determine any effect to navigable airspace and air navigation facilities and provide a FAA determination “notice of no hazard to air navigation” with their forthcoming building permits. Phoenix-Mesa Gateway Airport staff reviewed the subject request and expressed no concerns with the proposed building height.

Design Review:

The City’s Design Review Board is scheduled to review the proposed elevations for the buildings and the landscape plan on January 12, 2021. The submitted landscape plan meets foundation base and landscape yard requirements per Sections 11-33 of the MZO. Staff will work with the applicant to include any recommended changes to the final design of the building.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across RWCD Canal and 202 Santan Freeway) LI Industrial Development	North (Across 202 Santan Freeway) LI Vacant	Northeast (Across 202 Santan Freeway) LI Vacant
West (Across RWCD Canal) LC-PAD-CUP Vacant	Subject Property LI-PAD Vacant	East LI-PAD Vacant
Southwest LI-PAD Industrial Development	South (Across Seaver Avenue) LI-PAD Vacant	Southeast (Across Seaver Avenue) LI-PAD Vacant

Compatibility with Surrounding Land Uses:

The majority of the properties surrounding the site are vacant. There are existing industrial uses to the southwest and retail and industrial uses further to the east of the site along Ray Road. The proposed development of the site plan for industrial uses will not be out of character with the surrounding area.

Neighborhood Participation Plan and Public Comments:

The applicant has completed a Citizen Participation Process which included mailed 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. As of writing this report, staff has not received any comments or concerns from surrounding property owners. The applicant will provide an updated Citizen Participation Report to staff prior to the January 27, 2020 Study Session.

Staff Recommendation:

Based on the application received and the preceding analysis, staff finds the subject request is consistent with the 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 review criteria for a Special Use Permit outlined in Section 11-32-6 and Section 11-70-5 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 all City development codes and regulations.
3. Compliance with all requirements of Design Review.
4. Prior to issuance of a building permit, an affidavit of change to the final plat to combine lots two, three, and four into one lot must be recorded with Maricopa County Recorder's Office.
5. 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. 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.
- c. 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.
- d. Provide written notice to future property owners that the project is within one mile of Phoenix-Mesa Gateway Airport.

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 Elevations
- 3.5 Parking Analysis

Exhibit 4- Citizen Participation Plan

Exhibit 5- Citizen Participation Report