



**PLANNING DIVISION
STAFF REPORT**

Planning and Zoning Board

April 28, 2021

CASE No.: ZON20-00872	PROJECT NAME: Power 42 Industrial Park
------------------------------	---

Owner's Name:	Power Lender Partners LLC & Rockall Power LLC
Applicant's Name:	Jack Gilmore, Gilmore Planning and Landscape Architecture
Location of Request:	Within the 3800 to 4000 blocks of South Power Road (east side). Located south of Elliot Road on the east side of Power Road.
Parcel No(s):	304-17-008W, 304-17-008X, 304-17-009C
Request:	Modification to an approved Planned Area Development Overlay (PAD) on a 41.85± acre property; rezone 10.8± acres of the 41.85± acre property from General Industrial (GI) PAD to Light Industrial (LI) PAD; and Site Plan Review on 39.5± acres of the 41.85± acre property. This request will allow the development of an industrial park. Also consider a preliminary plat for "Power 42".
Existing Zoning District:	LI-PAD and GI-PAD
Council District:	6
Site Size	41.85± acres
Proposed Use(s):	Industrial/Warehouse
Existing Use(s):	Vacant
P&Z Hearing Date(s):	April 28, 2021 / 4:00 p.m.
Staff Planner:	Wahid Alam, AICP Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	
Proposition 207 Waiver Signed:	No

HISTORY

On **September 22, 1998**, the City Council adopted an ordinance annexing 154± acres of land, including the subject property, from Maricopa County into the City of Mesa (Case No. A98-004; Ordinance No. 3535).

On **December 21, 1998**, the City Council approved a rezoning of the subject property from Maricopa County RS-43 zoning designation to the City of Mesa Single Residence 43 (RS-43) zoning designation (Case No. Z98-103; Ordinance No. 3577).

On **April 5, 1999**, the City Council approved a rezoning of the subject property from RS-43 to Light Industrial (LI) and General Industrial (GI). The rezoning also included an approval of a Development Master Plan (DMP) Overlay and associated concept plan. The concept plan showed potential industrial uses on the property (Case No. Z99-16; Ordinance No. 3610).

On **January 22, 2008**, the City Council approved a rezoning of the subject property from LI-DMP and GI-DMP to LI-PAD and GI-PAD with a modification to the Development Master Plan and approval of a site plan for development of an office/warehouse complex on the property (Case No. Z07-124; Ordinance No. 4806).

PROJECT DESCRIPTION

Background:

The subject property consists of 41.85± acres. Currently, the property is vacant and zoned Light Industrial (LI) and General Industrial (GI) with a Planned Area Development Overlay (PAD). The applicant is requesting to modify the existing PAD on the property, as well as rezone the portion of the property currently zoned GI to LI -PAD.

Per Section 11-22-1 of the City's Zoning Ordinance, the purpose of a PAD is to allow innovative design and flexibility in projects of sufficient size that are planned for development as a cohesive unit. A PAD is also to be used to organize a development in phases by using conceptual development plans and deferring specific site plan approvals to a future date. The requested PAD includes a concept plan that shows an industrial park divided into five development parcels. The associated PAD conceptual plan request is to allow certain flexibility in the application of the City's zoning standards and in exchange provide superior standards beyond the City's standard requirements.

As part of the PAD request, the applicant is requesting approval of a specific site plan for four of the development parcels. The site plan shows the overall proposed development of the four industrial buildings will total approximately 542,498 square feet of industrial space. Per Section 11-22-5.B of the MZO, approval of a specific site plan is required prior to the development of Site 5.

General Plan Character Area Designation and Goals:

The General Plan Character area designation on the property is Mixed Use Activity District/Employment. Per Chapter 7 of the General Plan, the Mixed Use Activity character area are large 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 the General Plan, the purpose 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.

The request is to allow development of an industrial park with four large industrial buildings on the property. According to the applicant, the buildings are planned to be occupied by various industrial operating businesses and users. Such uses will likely generate employment opportunities for City residents and fulfill the goals of the character area designation on the property. 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.

Mesa Gateway Strategic Development Plan:

The site is also located within the Mesa Gateway Strategic Development Plan and specifically located within the Inner Loop District of the 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 industrial use is consistent with the goals of the Mesa Gateway Strategic Development Plan.

As a recommendation of the Mesa Gateway Strategic Development plan, the City of Mesa conducted a specific land use study in 2018 (i.e. the 2018 Inner Loop Land Use Study) for the Inner Loop Area of the Plan. The intent of the study was to ensure appropriate allocation of land uses and distribution that aligns with the goals of the Mesa Gateway Strategic Development Plan. The study designated the area as Mixed Use Activity, Community Scale District. This designation was specific to character area designations defined in the study. The subject property conforms to the Mixed Use Activity character defined in the study, as well as the goals of the Employment/Business Park character designation envisaged in the General Plan.

Zoning District Designations:

The applicant is requesting a rezoning of the property to modify the existing PAD overlay. Specifically, to allow modifications to the LI zoning district standards on the property to allow reduction in parking, landscape yards, foundation base area and increases to the allowed maximum building height. Currently, 31.05± acres of the property is zoned Light Industrial and 10.8± acres of the property is zoned GI. The applicant is also requesting to rezone the 10.8± acres of the property from General Industrial (GI) to Light Industrial (LI) to facilitate orderly development of the property.

Per Section 11-7-1 of the Mesa Zoning Ordinance (MZO), the purpose of the Light Industrial (LI) zoning district is to provide areas for limited manufacturing and processing, wholesaling, research, warehousing, and distribution activities that take place within enclosed buildings, with restricted accessory outdoor storage as needed to support the primary uses. Individual developments include well-designed buildings on sites that may or may not have campus-like settings, and areas visible to the public include well-designed landscape areas. The proposed rezoning and intended development of an industrial park on the property conforms to the purpose of the Light Industrial (LI) zoning district.

Airfield Overlay – MZO Article 3 Section 11-19:

Per Section 11-19 of the MZO, the property is located within the Airfield (AF) Overlay District. Specifically, within the Airport Overflight Area Three (AOA 3). The location of the property within AOA 3 is due to its proximity to Phoenix-Mesa Gateway Airport. Per Section 11-19 of the MZO, industrial land uses are allowed within the AOA 3.

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

The subject request includes a modification to the existing Planned Area Development (PAD) Overlay. The purpose of the PAD overlay is to allow modifications to certain development standards on the property. The overlay is also to allow innovative design and flexibility that create high-quality development for the site.

Table 1 below shows the MZO required standards and the applicant’s proposed PAD standards for the entire 41.85± acres site:

Development Standard	Required LI	Proposed LI PAD	Staff Recommendation
<u>Maximum Building Height</u> - <i>MZO Section 11-7-3</i>	40’	52’ for Building No. 2 & 4 (as identified on the final site plan) and 40’ for all other buildings.	As proposed
<u>Required Parking</u> - <i>MZO Section 11-32-3</i>	1 space per 900 SF for warehousing and storage	1 space per 1,010 SF for warehousing and storage.	As proposed
<u>Foundation Base</u> - <i>MZO Section 11-33-5.A.1.a</i>	900 SF additional entry plaza per 10,000 SF Building	No additional entry plazas are required. Foundation base as shown on the site plan.	As proposed
<u>Required Landscape Yard</u> - non-single residence uses adjacent to non- residential districts per <i>MZO Section 11-33-3</i>	15’	5’ along the east property line of “Site 5” (as identified on the final site plan).	As proposed

As shown on the table above, the applicant is requesting the following deviations from the LI zoning district standards outlined in Sections 11-7-3, 11-32-3, 11-33-5, and 11-33-3 of the Mesa Zoning Ordinance:

Required maximum building height: Per Table 11-7-3(A) of the MZO, the required maximum building height in the LI zoning district is 40 feet. The applicant is requesting a maximum building height of 52 feet for Building 2 and Building 4 shown on the site plan. All other buildings shall conform to the required maximum height of 40 feet. According to the applicant, the proposed maximum building heights are necessary to support the operations of the intended occupants of the buildings that are mostly logistics operating users that needs high ceiling heights for their operations.

Required number of parking spaces: Per Section 11-32-3 of the MZO, warehousing and storage uses, excluding mini storage uses, are required to be parked at a ratio of 1 space per 900 square

feet. The applicant is requesting to park the warehousing and storage areas of the proposed buildings at a ratio of 1 space per 1,010 square feet. According to the applicant, the proposed parking ratio is consistent with similar industrial projects in the Phoenix-Mesa Gateway Airport (PMGA) market area.

Required foundation base: Per Section 11-33-5.A.1.a of the MZO, buildings larger than 10,000 square feet with parking spaces that abut required foundation base areas are to provide additional foundation base plaza area at the entrance of the buildings. This plaza area is required to be a minimum width and depth of 20 feet each and a minimum area of 900 square feet. The applicant is requesting to modify the additional entry plaza area requirement, specifically reducing the required depth from 20 feet to a minimum of 15 feet on the property. Overall, the submitted site plan shows the additional plaza area exceeds the required 900 square feet for each of the buildings. Providing such an area conforms to the purpose of using foundation base landscaping to enhance the appearance of the entry to the buildings.

Required Landscape Yard: Per Section 11-33-3.A of the MZO, the required landscape yard for non-single residence uses adjacent to a non-residential districts is 15 feet. The applicant is requesting a reduction of the required landscape yard along the eastern property line of "Site 5" shown on the site plan. Specifically, a reduction from 15 feet to 5 feet. According to the applicant, the requested reduction will offer some flexibility for future development of the site. "Site 5," as shown with the subject request, will require a site plan approval for development on the property. In addition, the subject request shows the eastern property line of "Site 5" is adjacent to a large, landscaped retention basin area on "Site 2" as shown on the submitted site plan. The request to develop "Site 5" with a minimum 5-foot-wide landscape yard along the eastern property line conforms to the intent of landscape yards for development of an industrial park.

Site Plan and General Site Development Standards:

The subject request includes specific site plan approval for development of four parcels shown on the property. There is one other parcel (i.e. site 5) associated with the request. However, there is no specific site plan request for the parcel. Per Section 11-22-5.B of the MZO, a specific site plan shall be required prior to development of the parcel. Overall, the site plan shows 542,498 square feet of total building area for the four parcels with specific plans.

From the submitted site plan, there will be two buildings constructed along Power Road and two buildings on the eastern portion of the site. The site plan also shows all four of the proposed buildings will have truck docks located in the rear of the buildings and screened from public view. There will also be an 8' masonry wall constructed on the northern and southern property lines and a 6' wrought iron fence to be constructed on the eastern property line. The construction of a wrought iron fence on the eastern property line intended to incorporate the adjacent canal to the east of the property in designing of the site.

Access to the subject site will be from Power Road located west of the site. The site plans show there will be three access points to the site. The main access to the site will be the central access shown on the site plan. Layout of the site is also intended to facilitate easy movement and vehicular circulation around all four buildings proposed on the site with cross access provided between all the five parcels on the site. Per Section 11-32-3 of the MZO, 683 parking spaces are required for the development of the site. The proposed site plan shows 561 parking spaces. As part of the PAD request, the applicant is requesting a reduction in the number of required parking

on the property.

Section 11-7-3 of the Zoning Ordinance requires common open space and amenities to be provided for the useful enjoyment of employees and visitors to the site. Specifically, the MZO requires one percent (1%) of the 542,498 square feet of gross building floor area to be utilized for common open space. Based on this requirement, 5,294 square feet of open space is required for development of the site. The site plan shows 12,100 square feet of common open space will be provided on the property.

Preliminary Plat:

Currently, the site consists of three parcels 304-17-008W, -008x, and -009C. The preliminary plat shows creating four parcels from 304-008X and -009C on 39.5± acres. Parcel 304-17-008W remains unchanged and consists of 2.35± acres. 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 detention 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 proposed request meets the review criteria for approval of a preliminary plat outlined in Section 9-6-2 of the Mesa Subdivision Regulations.

Design Review:

The Design Review Board will review the proposed building elevations and landscape plan at its April 13, 2021 work session. Staff will work with the applicant to include any recommended changes from the Design Review Board as they pertain to the building elevations and landscape plan.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Power Road) Town of Gilbert BP Undeveloped	North LC and LI-PAD Private School and RWCD Yard	Northeast (Across RWCD Canal) Maricopa County RU-43 Dairy Farm
West (Across Power Road) Town of Gilbert BP Undeveloped	Subject Property LI-PAD and GI-PAD Undeveloped	East (Across RWCD Canal) Maricopa County RU-43 Dairy Farm
Southwest (Across Power Road) Town of Gilbert BP Undeveloped	South LC and LI Commercial Vertuccio Farm	Southeast (Across RWCD Canal and East Maricopa Floodway) Maricopa County RU-43 Dairy Farm

Compatibility with Surrounding Land Uses:

The subject site is currently undeveloped. There is undeveloped land to the west, specifically across Power Road. The western property is located in the Town of Gilbert. The property to the north is developed and used as a private school and an office for RWCD. The property to the east, specifically across the RWCD canal, is an existing dairy farm under the jurisdiction of Maricopa County. The property to the south is used as commercial recreation development (i.e. "Vertuccio Farms"). The subject request is to allow development of an industrial park on the property will not be out of character with surrounding area or the intent of the Mixed Use Activity/Employment character area designation on the property.

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/concerns from surrounding property owners. The applicant will be providing an updated Citizen Participation Report to staff prior to the April 28, 2021 study session. Staff will provide the Board with any new information during the study session.

Staff Recommendation:

Based on the application received and the proceeding analysis, staff finds that the subject request is consistent with the General Plan, the Gateway Strategic Development Plan, and the purpose for a Planned Area Development overlay outlined in Section 11-22-1 of the MZO. Additionally, the request meets the review criteria for Site Plan Review outlined in Section 11-69-5 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 requirements of Design Review.
3. Compliance with all requirements of the Subdivision Regulations.
4. Prior to the development of "Site 5" (as identified on the final site plan), a specific site plan must be submitted for review and approval.
5. 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.
6. Prior to the submittal of a building permit, record in the Official Records of Maricopa County a reciprocal cross access and cross parking easement between all parcels on the site.
7. All off-site improvements and street frontage landscaping must be installed with the first phase of construction.
8. 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. Provide written notice to future property owners that the project is within 1 mile of Phoenix-Mesa Gateway Airport.
 - c. 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.

- d. 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."
9. 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 table:

Development Standard	Approved
<u>Maximum Building Height</u> - <i>MZO Section 11-7-3</i>	52' for Building No. 2 & 4 (as identified on the final site plan) and 40' for all other buildings.
<u>Required Parking</u> - <i>MZO Section 11-32-3</i>	1 space per 1,010 SF for warehousing and storage.
<u>Foundation Base</u> - <i>MZO Section 11-33-5.A1.a 900 SF additional entry plaza per 10,000 SF Building</i>	No entry plazas required. Foundation base as shown on the final site plan.
<u>Required Landscape Yard</u> - non-single residence uses adjacent to non-residential districts per <i>MZO Section 11-33-3</i>	5' along the east property line of "Site 5" (as identified on the final site plan).

Exhibits:

Exhibit 1-Staff Report

Exhibit 2-Vicinity Map

Exhibit 3-Application Information

3.1 Project Narrative

3.2 Site Plan

3.3 Preliminary Plat

3.4 Landscape Plan

Exhibit 4-Citizen Participation Plan

Exhibit 5-Citizen Participation Report

Exhibit 6-Avigation Easement