



PLANNING DIVISION
STAFF REPORT

City Council Hearing

July 1, 2021

CASE No.: ZON21-00224	PROJECT NAME: Elliot Gateway
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Owner's Name:	EL DORADO ELLIOT 128, LLC
Applicant's Name:	Taylor Earl, Earl & Curley, PLC
Location of Request:	Within the 8800 to 9100 blocks of East Elliot Road (north side) and within the 8900 to 9100 blocks of East Peterson Avenue (south side). Located west of Ellsworth Road on the north side of Elliot Road.
Parcel No(s):	304-03-041, -846J, -847A
Request:	Rezone from Limited Commercial (LC) with a Planned Area Development Overlay (PAD) and Planned Employment Park (PEP)-PAD to Light Industrial (LI)-PAD and Site Plan Review. This request will allow for an industrial development.
Existing Zoning District:	Limited Commercial with a Planned Area Development overlay (LC-PAD) and Planned Employment Park with a PAD (PEP-PAD)
Council District:	6
Site Size:	41± acres
Proposed Use(s):	Industrial
Existing Use(s):	Vacant
P&Z Hearing Date(s):	June 23, 2021 / 4:00 p.m.
Staff Planner:	Cassidy Welch, Planner II
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	Approval with conditions
Proposition 207 Waiver Signed:	Yes

On **February 22, 1990**, the City Council approved the annexation of approximately 1722± acres of land, including the subject site (Ordinance No. 2482); and subsequently zoned the property to Single Residence 43 (RS-43) (Case No. Z90-009, Ordinance No. 2511).

HISTORY

On **May 19, 2008**, the City Council approved a rezone of a 127± acres of land, including the subject site, from RS-43 to Limited Commercial with a Planned Area Development (LC-PAD) and Planned Employment Park with a PAD (PEP-PAD) to allow development of an employment and commercial center (Case No. Z08-014, Ordinance No. 4836). As of date, there has been no development on the property.

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the subject site from Limited Commercial with a Planned Area Development overlay (LC-PAD) and Planned Employment Park with a Planned Area Development overlay (PEP-PAD) to Light Industrial with a PAD (LI-PAD) to allow an industrial development on the property. Currently, the site is vacant and located west of Ellsworth Road on the north side of Elliot Road. There are seven development parcels shown on the development plan submitted with the application documents. Specifically, the applicant is requesting specific site plan approvals for four of the industrial development parcels and a concept plan for three of the parcels shown on the plan. Per Section 11-22-5 of the Mesa Zoning Ordinance, approval of a specific site plan shall be required prior to development on the three of the parcels proposed as concept plans. The submitted site plan shows development of four large industrial buildings totaling 516,601 square feet (sf) on the four of the parcels proposed as specific site plans.

As part of the rezoning request, the applicant is requesting a PAD overlay to allow modifications to certain development standards on the property. Specifically, the proposed modifications include reductions to the required minimum lot size, building height, as well as reductions to the number of required parking spaces and landscaping. Per Section 11-22 of the Mesa Zoning Ordinance (MZO), the purpose of a PAD overlay is to permit flexibility in the application of zoning standards and requirements and demonstrate that the proposed development provides equivalent or superior standards in a creative way to meet the intent of the City's Zoning Ordinance and General Plan. The proposed site plan meets the criteria for review of a PAD outlined in the MZO and the criteria for site plan review.

The applicant has also agreed to enter into a development agreement to restrict certain land uses on the property. The development agreement will be scheduled on the same City Council hearing with the rezoning request.

General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Mixed Use Activity District and Employment. Per the General Plan, the Mixed Use Activity District character area is a large community and regional activity area that usually has a significant retail commercial component. The goal of the district is to help create strong and viable centers of commercial activity that attract people to unique shopping and entertainment experiences. 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 land uses.

The proposed rezoning and development of the property for industrial and commercial uses will provide opportunities for location of employment generating uses as well as supporting commercial uses that conforms to the goals of the Employment character area designation. Staff reviewed the request and determined the proposed rezoning and use of the property is consistent with the criteria for review of development outlined in Chapter 15 (pg. 15-1) of the Mesa 2040 General Plan.

Mesa Gateway Strategic Development Plan:

The subject property is also located within the Mixed Use Community District of the Mesa Gateway Strategic Development Plan (MGSDP). The Mixed Use Community District is envisioned to provide a variety of uses including low to high density residential, commercial and employment uses. The MGSDP also identified freeway corridors as locations to encourage development of business parks, light industrial and other employment related uses. The proposed development is in close proximity to the Loop 202 Red Mountain Freeway, as shown on the site plan, conforms to the goals of the MGSDP to provide variety of commercial and employment uses for the area.

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 Three (AOA 3). 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, the AOA 3 allows development of industrial and warehouse uses.

The proposed development is also not in the direct flight path of the Phoenix-Mesa Gateway airport runways; however, the development will likely experience noise from the airport. The Phoenix-Mesa Gateway Airport staff reviewed the subject request and had no concerns with the proposed development of the site for non-residential uses.

Zoning District Designations:

The applicant is requesting to rezone the site from LC-PAD & PEP-PAD to LI-PAD. Per Section 11-7-2 of the MZO, industrial uses are permitted in the LI zoning district. Per Section 11-7-1 of the MZO, the purpose of the LI zoning district is to provide areas for limited industrial and high-impact commercial uses. The proposed rezoning and intended development of the site for industrial uses conforms to the goals of the LI district.

PAD Overlay Modification – MZO Article 3, Chapter 22:

The subject request includes a Planned Area Development overlay (PAD) to allow for modifications to certain required development standards of the MZO on the property. Per Section 11-22 of the MZO, the purpose of the PAD overlay is to allow innovative design and flexibility that creates high-quality development for the site.

Table 1 below shows the MZO required standards and the applicant's proposed PAD standards:

Table 1

Development Standards	MZO Required	PAD Proposed	Staff Recommendation
<u>Minimum Site Area (acre) for LI –</u> <i>MZO Section 11-7-3</i>	1.0 acre	0.75 acres each for parcels 1-3 shown as future retail on the conceptual plan.	As proposed
<u>Maximum Building Height –</u> <i>MZO Section 11-7-3</i>	40 feet	60 feet for all buildings. 150 feet for ancillary facilities. Ancillary facilities are non-building structures such as mechanical equipment systems and structural systems needed to support operations on the property.	As proposed
<u>Required Parking Ratio –</u> <i>MZO Section 11-32-3</i> - <i>Warehousing and Storage</i> - <i>Industrial</i>	1 space per 900 sf (warehousing and storage) 1 space per 600 sf (industrial)	1 space per 1,200 sf for warehouse and industrial uses for all development on the property.	As proposed
<u>Required Landscape Yards –</u> <i>MZO Section 11-33-3.B.2.C</i> - <i>Minimum number of trees required on the perimeter (West property line)</i>	A minimum of 3 non-deciduous trees and 20 shrubs per 100 linear feet of adjacent property line	No trees required within the landscape yard along the west property line. All trees shown on the landscape plan shall be required unless modified by the Design Review Board.	As proposed

As shown on the table above, the applicant is requesting the following modifications from the LI development standards as outlined in Sections 11-7-3 of the MZO:

Minimum Site Area:

Per Section 11-7-3 of the MZO, a minimum lot size of one acre is required for development in the LI zoning district. The applicant is requesting a reduction of the minimum site area from 1 acre to 0.75 acres for the three parcels shown on the conceptual plan only. According to the applicant, the requested minimum site area is needed to accommodate future commercial development shown on concept plan. In addition, the requested minimum lot area for the commercial development is greater than the typical minimum area of 10,000 sf (0.23 acres) lot area used for many commercial uses in the Commercial zoning districts.

Maximum Building Height:

Per Section 11-7-3 of the MZO, the maximum building height in the LI zoning district is 40 feet. The applicant is requesting a maximum height of 60 feet for all buildings within the development and a maximum height of 150 feet for ancillary facilities on the property. Ancillary facilities are non-building structures such as mechanical equipment systems and structural systems needed to support operations on the property. According to the applicant, the requested increase in height is needed to accommodate the type of operation planned on the property.

Required Parking Ratio:

Per Section 11-32-3 of the MZO, a minimum of one vehicular parking space is required for each 375 square feet of office space, one parking space for each 900 square feet of warehouse uses, and one parking space for each 600 square feet of industrial uses. The applicant is requesting to provide one parking space per 1,200 square feet of area for industrial and warehouse uses for all of the development. According to the applicant, the anticipated users do not require the same degree of required parking spaces. The reduction in the number of parking spaces is also to minimize unused parking spaces within the development. The requested parking ratio is consistent with approved parking ratios for other industrial developments within the City of Mesa.

Required Perimeter Landscape Yards:

Per Section 11-33-3 of the MZO, non-single residence land uses adjacent to other non-single residence land uses are required to provide a minimum of 3 non-deciduous trees and 20 shrubs per 100 linear feet on the perimeter of the property. The applicant is requesting a modification to not provide the minimum required trees for the landscape yard along the western property line. According to the applicant, the proposed reduction in required landscaping is a result of the location of a 100' SRP easement along the west property line that inhibits the ability to provide such landscaping. As a mitigation for the reduction in the required landscaping, the provided landscape plan shows distribution of such landscaping to other areas of the site.

Development Agreement on the Property:

Per Section 11-22-2 of the MZO, before the City Council excludes a land use from a base zoning district, a development agreement that also excludes those specified land uses shall be adopted concurrently with the adoption of the overlay district. The development agreement will be presented to City Council for consideration at the same meeting as the rezoning request.

Site Plan and General Site Development Standards:

The proposed site plan shows development of four industrial buildings on the property. The proposed total building square footage will be 516,601 sf. As shown on the site plan, the buildings will range between 54,640 sf to 186,111 sf. The submitted building elevations shows maximum height of 46 feet for all the proposed industrial buildings. The site plan also shows each building on the property will include truck docks areas, as well as areas for outdoor storage. The outdoor storage areas are planned to be located on the back and sides of the industrial buildings. The site plan also shows the truck dock and outdoor storage areas will be screened by an 8-foot wall which conforms to the screening requirements outlined in Section 11-30-17 of the MZO.

The site plan shows access to the site will be from Elliot Road to the south of the site. There will also be a second access to the east of the site. This will be a shared drive aisle with the property to the east. There are three proposed commercial parcels to be developed in the future. Per Section 11-69-2 of the MZO, a specific site plan shall be required prior to development on the property. Overall, the proposed site plan conforms to the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO.

Design Review:

The Design Review Board is scheduled to review the subject request on June 15, 2021. Staff will be working with the applicant to address any comments and recommendations from the Design Review Board.

Surrounding Zoning Designations and Existing Use Activity:

Northwest LI Vacant	North (Across Peterson Avenue) LI Vacant	Northeast (Across Peterson Avenue) LI Vacant
West (Across 202 Freeway) LI-PAD Vacant	Subject Property LC-PAD & PEP-PAD Vacant	East LI-PAD & PEP-PAD Hospital & Vacant
Southwest (Across Elliot Road & 202 Freeway) LC-PAD Vacant	South (Across Elliot Road) GC-PAD Vacant	Southeast (Across Elliot Road) MX-PAD Vacant

Compatibility with Surrounding Land Uses:

The subject property is adjacent to the Loop 202 freeway to the west. The property to the north of the subject site is zoned LI and are anticipated to be developed to be consistent with the subject request. There is an existing hospital located to the east of the subject property. The property to the south of the site is vacant and zoned as General Commercial and Mixed

Use. Overall, the proposed request to rezone the site for industrial and commercial uses will not be out of character with the surrounding uses and the General Plan character area designation of Mixed Use Activity.

Neighborhood Participation Plan and Public Comments:

The applicant has completed a Citizen Participation Process, which included mailed notification letters to property owners within 1,000-feet of the site, as well as HOAs within ½ mile, and registered neighborhoods within 1 mile of the site. As of writing this report, staff has not received any comments/concerns from adjacent property owners. Staff will provide the Board an updated Citizen Participation Report during the scheduled Study Session on June 23, 2021.

Staff Recommendation:

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. All off-site improvements and street frontage landscaping to be installed with the first phase of construction.
4. Site Plan Review per Section 11-69-4 of the MZO and Design Review per Chapter 71 of the MZO are required prior to development of the commercial development parcels.
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. Due to the proximity to the Phoenix-Mesa Gateway Airport, any proposed permanent, or temporary structure, as required by the FAA, 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. If required, an FAA determination notice of no hazard to air navigation shall be provided prior to building permit issuance.
 - c. Provide written notice to future property owners that the project is within 2 miles of the Phoenix-Mesa Gateway Airport.
6. Execute and comply with the development agreement.
7. Compliance with all City development codes and regulations, except the modifications to the development standards as approved with this PAD and shown on the following table:

Development Standards	PAD Approved
<u>Minimum Site Area (acre)</u> for LI – <i>MZO Section 11-7-3</i>	0.75 acres each for parcels 1-3 shown as future retail on the

	conceptual plan.
<u>Maximum Building Height</u> — MZO Section 11-7-3	60 feet for all buildings. 150 feet for ancillary facilities. Ancillary facilities are non-building structures such as mechanical equipment systems and structural systems needed to support operations on the property.
<u>Required Parking Ratio –</u> MZO Section 11-32-3 - Warehousing and Storage - Industrial	1 space per 1,200 sf for warehouse and industrial uses for all development on the property.
<u>Required Landscape Yards</u> — MZO Section 11-33-3.B.2.C - Minimum number of trees required on the perimeter (West property line)	No trees required within the landscape yard along the west property line. All trees shown on the landscape plan shall be required unless modified by the Design Review Board.

Exhibits:

Exhibit 1-Staff Report

Exhibit 2-Vicinity Map

Exhibit 3-Application Information

- 3.1 Project Narrative
- 3.2 Conceptual Plan
- 3.3 Site Plan
- 3.4 Landscape Plan
- 3.5 Elevations
- 3.6 Citizen Participation Plan

Exhibit 4-Citizen Participation Report

Exhibit 5-Avigation Easement