



**PLANNING DIVISION
STAFF REPORT**

Planning and Zoning Board

October 13, 2021

CASE No.: **ZON21-00540**

PROJECT NAME: **NWC Signal Butte Road and
Elliot Road**

Owner's Name:	Whane of Mesa, LP
Applicant's Name:	Adam Baugh, Withey Morris, PLC
Location of Request:	Within the 10500 to 10800 blocks of East Elliot Road (north side) and within the 3500 block of South Signal Butte Road (west side). Located on the northwest corner of Signal Butte Road and Elliot Road.
Parcel No(s):	304-01-006Q
Request:	Rezone from Agriculture (AG) to Light Industrial (LI) with a Planned Area Development (PAD) Overlay, Site Plan Review, and Special Use Permit. This request will allow for a commercial and industrial development.
Existing Zoning District:	Agricultural (AG)
Council District:	6
Site Size:	25.7 ± acres
Proposed Use(s):	Commercial and industrial development
Existing Use(s):	Vacant
P&Z Hearing Date(s):	October 13, 2021 / 4:00 p.m.
Staff Planner:	Evan Balmer
Staff Recommendation:	APPROVAL with Conditions
Planning and Zoning Board Recommendation:	
Proposition 207 Waiver Signed:	Yes

HISTORY

On **January 22, 1990**, the City Council annexed 1,228± acres of land that included the subject 25.7± acre site into the City of Mesa (Case No. A88-014; Ordinance No. 2483).

On **March 15, 1990**, the City Council approved a rezoning of the subject site from Maricopa County Rural 43 (RU-43) to City of Mesa comparable zoning of Agricultural (AG) (Case No. Z90-010; Ordinance No. 2512).

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the subject site from Agriculture (AG) to Light Industrial with a Planned Area Development Overlay (LI-PAD) to allow industrial and commercial development on the property. The site is currently vacant and is located west of Signal Butte Road on the north side of Elliot Road. Included with the application is a request for a Special Use Permit (SUP) for a service station and approval of an initial site plan for three industrial buildings totaling 254,934 square feet, four commercial pad buildings, and a service station totaling 22,333 square feet.

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 an increase in building height, as well as reductions to the number of required parking spaces, and a reduction to 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 is also working with the City on a development agreement to restrict certain land uses on the property. The development agreement will be considered at the same City Council hearing as the rezoning request.

General Plan Character Area Designation and Goals:

The Mesa 2040 General Plan character area designation on the property is Employment. Per Chapter 7 of the General Plan, the primary goal of the Employment character area is to provide for a wide range of employment opportunities in high-quality settings. The proposed rezoning and development of the property for industrial and commercial uses will provide opportunities for employment generating uses as well as supporting commercial uses that conform 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. Significant job centers are also envisioned within the Mixed Use Community District. The proposed rezoning is consistent with the goals of the MGSDP by providing commercial and employment opportunities within the Mixed Use Community District.

Zoning District Designations:

The applicant is requesting to rezone the site from AG to LI-PAD. Per Section 11-7-2 of the MZO, industrial and commercial uses are permitted in the LI zoning district and service stations require a Special Use Permit (SUP). Per Section 11-7-1 of the MZO, the purpose of the LI zoning district is to provide areas for limited manufacturing and processing, wholesaling, research, warehousing, and distribution activities as well as a full range of commercial uses. The proposed rezoning and intended development of the site for industrial and commercial uses conforms to the goals of the LI 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 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 not in the direct flight path of the Phoenix-Mesa Gateway airport runways; however, the development will likely experience noise from the airport. Phoenix-Mesa Gateway Airport staff reviewed the subject request and did not express opposition to the proposed development of the site.

Planned Area Development (PAD) Overlay District – 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 Standard Comparison

Development Standards	MZO Required	PAD Proposed	Staff Recommendation
<u>Maximum Building Height</u> – <i>MZO Section 11-7-3</i>	40 feet	45 feet	As proposed
<u>Required Parking Ratio</u> – <i>MZO Section 11-32-3</i> <i>- Shell buildings (no specified use)</i>	75% at 1 space per 500 square feet plus 25% at 1 space per 375 square feet	75% at 1 space per 900 square feet of gross floor area plus 25% at 1 space per 375 square feet of gross floor area	As proposed
<u>Required landscape yards</u> – <i>MZO Section 11-33-3(B)</i> <i>- Non-single residence uses adjacent to non-residential districts and/or uses</i>	15 feet	0 feet along the western property line only	As proposed

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 45 feet. 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, shell group industrial buildings with no specified use shall provide parking at the rate of 75% at one space per 500 square feet plus 25% at one space per 375 square feet. The applicant is requesting to provide 75% at one space per 900 square feet plus 25% at one space per 375 square feet. According to the applicant, the anticipated users do not require the same degree of parking spaces required under the MZO. 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 uses adjacent to non-residential districts and/or uses shall provide a 15-foot landscape yard. Per the site plan submitted, the applicant is proposing a private drive along the west property line to provide access for future development to the north and west of the subject property. The applicant is requesting a reduction in the required perimeter landscape yard along the west property line to 0 feet. However, the applicant is proposing to increase the landscape median adjacent to the proposed drive aisle to 21 feet to allow for enhanced landscaping in this area.

Development Agreement:

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 proposed development agreement restricts high intensity commercial uses such as large vehicle equipment sales, towing and impound yards, commercial recreation and animal sales and services. 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 three industrial buildings on the property. The proposed total building square footage for the industrial buildings will be 254,934 square feet. As shown on the site plan, the buildings will range in size between 79,822 square feet to 89,994 square feet. The site plan submitted also shows four commercial pad buildings totaling 17,034 square feet and a 5,220 square foot service station. The submitted building elevations shows maximum height of 45 feet for the proposed industrial buildings. The site plan also shows each of the industrial buildings on the property will include truck docks areas. The site plan also shows the truck dock areas will be screened by an eight-foot-tall wall which conforms to the screening requirements outlined in Section 11-30-17 of the MZO.

The site plan shows four access points to the site from Elliot Road to the south of the site and two access points from Signal Butte Road to the east of the site. The western most access point from Elliot Road will be a shared drive aisle to allow access for future development to the west and north of the site.

As justification for the deviations requested through the PAD overlay, the applicant is providing enhanced building elevations for the industrial buildings proposed as well as eight landscaped amenity nodes spread throughout the site that provide seating and gathering opportunities for employees and visitors to the site.

Special Use Permit:

Section 11-66-2(C)(2) of the MZO allows the Planning and Zoning Board to hear and take action on an SUP when requested in conjunction with another request requiring action or recommendation by the Planning and Zoning Board.

Section 11-70-5 of the MZO contains four base approval criteria to be used when considering an SUP. In addition, Section 11-31-25 of the MZO outlines further criteria for evaluating an SUP for a service station.

Per Section 11-70-5 of the MZO, approval of a SUP can only be granted if the approving body determines that the proposed development meets the SUP requirements outlined in the MZO. This request is consistent with the Employment character area designation and the Mesa Gateway Strategic Development Plan. The location, size, design, and operating characteristics of the service station are consistent with the intent of the LI district and the proposal meets the development standards outlined in Section 11-31-25. The proposed project will not be detrimental or injurious to surrounding properties. The applicant provided a plan of operation and good neighbor policy with the application submittal ensuring the development is constructed and operated in accordance with all City codes and providing contact information should there be a complaint at the site.

In summary, staff reviewed the request and determined it meets the criteria outlined in Section 11-70-5 and Section 11-31-25 of the MZO.

Design Review:

The Design Review Board reviewed the subject request at their September 14, 2021 Work Session. The Board had minor comments on the building elevations and landscape plan. Staff is working with the applicant to the comments and recommendations from the Design Review Board.

Surrounding Zoning Designations and Existing Use Activity:

Northwest AG Vacant	North AG Vacant	Northeast (Across Signal Butte Road) PS City of Mesa water treatment plant
West	Subject Property	East

AG Vacant	AG Vacant	(Across Signal Butte Road) PS City of Mesa water treatment plant
Southwest (Across Elliot Road) PC Industrial	South (Across Elliot Road) PC Industrial	Southeast (Across Signal Butte Road) RS-6-PAD Single Residence

Compatibility with Surrounding Land Uses:

The subject site is currently vacant. The property north and west of the subject property is currently zoned AG. Development of this parcel is expected to conform to the goals of the Employment character area. The property south of the subject site is zoned PC and is developed for warehousing uses. The property to the east of the site has been developed with a City of Mesa wastewater treatment plant. The subject request for industrial and commercial development on the property will not be out of character with the surrounding area.

Neighborhood Participation Plan and Public Comments:

The applicant completed a Citizen Participation Process, which included mailing letters to property owners within 1,000 feet of the site, as well as registered neighborhoods, and HOAs within one mile of the site. The applicant held one a virtual neighborhood meeting on July 27, 2021. According to the applicant, there were no attendees.

As of the writing of this report, staff has not received any comments from surrounding property owners. The applicant will be providing an updated Citizen Participation Report to staff prior to the October 13, 2021 Study Session. Staff will provide the Board with any new information during the scheduled Study Session.

Staff Recommendation:

Based on the application received and the preceding analysis, staff finds that the subject request is consistent with the Mesa 2040 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, meets the review criteria for a Special Use Permit outlined in Section 11-32-6 and Section 11-70-5 of the MZO, and the review criteria for Site Plan Review outlined in Section 11-69-5 of the MZO. Therefore, staff recommends approval of the request 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. 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. Recordation of a cross access easement between the subject property and the parcel to the west.
6. Execute and comply with the development agreement.
7. 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 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 an effect to navigable airspace and air navigation shall be provided prior to building permit issuance.
 - c. Provide written notice to future property owners that the project is within one mile of Phoenix-Mesa Gateway Airport.
8. 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 Standards	PAD Approved
<u>Maximum Building Height</u> – <i>MZO Section 11-7-3</i>	45 feet
<u>Required Parking Ratio</u> – <i>MZO Section 11-32-3</i> - <i>Shell buildings (no specified use)</i>	75% at 1 space per 900 square feet of gross floor area plus 25% at 1 space per 375 square feet of gross floor area
<u>Required landscape yards</u> – <i>MZO Section 11-33-3(B)</i> - Non-single residence uses adjacent to non-residential districts and/or uses	0 feet along the western property line only

Exhibits:

Exhibit 1-Staff Report

Exhibit 2-Vicinity Map

Exhibit 3-Application Information

- 3.1 Project Narrative
- 3.2 Site Plan/Preliminary Plat
- 3.3 Landscape Plan
- 3.4 Elevations

Exhibit 4-Citizen Participation Report

Exhibit 5-Avigation Easement