



PLANNING DIVISION
STAFF REPORT

Planning and Zoning Board

October 13, 2021

CASE No.: **ZON21-00620**

PROJECT NAME: **Unbound Gateway**

Owner's Name:	ARMSTRONG DENNIS L & INGEBORG E; TCA DEVELOPMENT LLC; GERMANN INVESTMENTS NO 1; GI 20 LLC; GI 30 LLC; and PR20 LLC
Applicant's Name:	George Pasquel III, Withey Morris PLC
Location of Request:	Within the 7800 to 8100 blocks of East Pecos Road (north side), and within the 6800 to 7000 blocks of South Sossaman Road (east side). Located north of Pecos Road and east of Sossaman Road.
Parcel No(s):	304-61-004E, 304-61-004D, 304-61-006D, 304-61-006C, 304-61-003C, 304-61-001F
Request:	Rezone from Agriculture (AG) to General Industrial with a Planned Area Development Overlay (GI-PAD), and Site Plan Review. This request will allow for an industrial development.
Existing Zoning District:	Agricultural (AG)
Council District:	6
Site Size:	155± acres
Proposed Use(s):	Industrial Development
Existing Use(s):	Vacant
P&Z Hearing Date(s):	October 13, 2021 / 4:00 p.m.
Staff Planner:	Jennifer Gniffke, Planner I
Staff Recommendation:	APPROVAL with Conditions

HISTORY

On **December 18, 1989**, City Council approved the annexation of approximately 3,346± acres of land, including the subject site (Case No. A89-003; Ord. 2473); and subsequently zoned the property Agricultural (AG) (Case No. Z90-007; Ord. 2496).

On **May 6, 2002**, City Council adopted an area land use plan for the area south of Williams Gateway Airport (Case No. Z01-029; Resolution No. 7838). The purpose of the land use plan was

to retain the existing zoning but identify areas for potential rezoning compatible with the City of Mesa General Plan and the Town of Queen Creek General Plan, and to ensure that future development would be complementary to Williams Gateway Airport.

On **June 7, 2017**, City Council approved the Pecos Road Employment Opportunity Zone (PREOZ) for 1,101.85 acres which included the subject site (Case No. Z17-013; Ord. 5386). The purpose of the PREOZ is to guide future development of employment and industrial uses in the Gateway Area.

PROJECT DESCRIPTION

Background:

The applicant is requesting to rezone the subject site from Agricultural (AG) to General Industrial with a Planned Area Development overlay (GI-PAD), as well as approval of an “initial site plan” to allow an industrial development on the property. Currently, the site is vacant and located east of Sossaman Road on the north side of Pecos Road. The submitted site plan shows development of four large industrial buildings totaling 2,505,802 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 would allow for an increased building height, reduction to the number of required parking spaces, reduction to the number of required bicycle parking spaces, and reduction to foundation base widths.

General Plan Character Area Designation and Goals:

The General Plan character area designation on the property is Employment. 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 uses will provide opportunities for location of employment generating 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 Logistics and Commerce District of the Mesa Gateway Strategic Development Plan. This designation applies to areas south of the Airport/Campus District and the Williams Gateway Freeway. Heavy industrial, light industrial, business parks, and commercial uses should be the predominant uses within this district. The proposed development meets the goals and intent of the Mesa Gateway Strategic Development Plan.

Airfield Overlay – MZO Article 3, Section 11-19:

Per Section 11-19 of the Mesa Zoning Ordinance (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. Phoenix-Mesa Gateway Airport staff reviewed the proposal and didn't have any concerns.

Zoning District Designations:

The applicant is requesting to rezone the site from AG to GI-PAD. Per Section 11-7-2 of the MZO, industrial uses are permitted in the GI zoning district. Per Section 11-7-1 of the MZO, the purpose of the GI zoning district is to provide areas for manufacturing, processing, assembly, research, wholesale, and storage, and similar activities that require separation from residential uses due to noise, vibration, use of hazardous materials, or other characteristics. These activities principally take place indoors, but may also include some outdoor activities. This district also allows a range of commercial activities. The proposed rezoning and intended development of the site for industrial uses conforms to the goals of the GI 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 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. 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>	50 feet	60 feet	As proposed
<u>Parking Spaces Required</u> – <i>MZO Section 11-32-3</i>	75% of the gross floor area is required to be parked at 1 space per 500 square feet plus 25% at 1 space per 375 square feet	1 parking space per 1,350 square feet of gross floor area	As proposed
<u>Required Bicycle Parking</u> – <i>MZO Section 11-32-8(A)</i>	1 bike space per every 10 vehicle spaces provided on site for	1 bike space for every 100 vehicle	As proposed

	the first 50 bike spaces; 1 bike space per every 20 vehicle parking spaces above 50	spaces provided on site	
<u>Foundation Base along Exterior Walls –</u> <i>Exterior Walls with Public Entrances MZO Section 11-33-5(A)(1)</i>	15 feet wide along the entire length of the exterior wall. For buildings with corner entries, both adjacent walls require a 15-foot-wide foundation base.	12 feet wide along the entire length of the exterior wall. For buildings with corner entries, both adjacent walls require a 14-foot-wide foundation base.	As proposed

Maximum Building Height:

Per Section 11-7-3 of the MZO, the maximum building height in the GI zoning district is 50 feet. The applicant is requesting a maximum height of 60 feet. According to the applicant, the requested height provides the greatest flexibility for potential and anticipated uses and allows for greater interior floor to ceiling height often sought by end users.

Parking Spaces Required:

Per Section 11-32-3 of the MZO, 75% of the gross floor area of a shell industrial building is required to be parked at one space per 500 square feet and at one space per 375 square feet of the remaining 25% of the gross floor area. Using this ratio, over 5,300 parking spaces would be required for the development. The applicant is requesting to provide one parking space per 1,350 square feet of gross floor area, resulting in 1,856 required spaces and 2,153 parking spaces proposed. According to the applicant, the anticipated users do not require the degree of parking required under the MZO and a reduction to the required parking would minimize unused parking spaces, as well as large area of land on the property from being covered with asphalt. In addition, the requested parking ratio is consistent with approved parking ratios for other industrial developments within the City of Mesa.

Required Bicycle Parking:

Per Section 11-32-8(A) of the MZO, one bicycle space is required for every 10 vehicle parking spaces provided on site, for the first 50 bicycle spaces, and one bicycle space for every 20 vehicle parking spaces above the first 50 bicycle spaces provided. Using this ratio, 134 bicycle spaces are required for the development. The applicant is requesting to provide 32 spaces, which is approximately 1 space per 58 vehicle spaces. According to the applicant, the anticipated users of the site do not typically utilize bicycles as a mode of transportation to/from the site. In addition, there are no residential areas or local streets in proximity of the site that typically generate more bicycle ridership.

Foundation Base Along Exterior Walls with Public Entrances:

Per Section 11-33-5(A)(1) of the MZO, along exterior walls of buildings? with public entrances, a 15-foot-wide foundation base must be provided; measured from face of building to face of curb along the entire length of the exterior wall of the building. Per the MZO, buildings with corner entries, must also provide a 15-foot-wide foundation base along both adjacent walls. The applicant is requesting to provide 12-foot-wide foundation base along the entire length of the exterior wall of buildings and a 14-foot-wide foundation base along buildings walls with corner entries.

The subject request includes more than the required amount of common area open space for employees and visitors to the site, and well-designed landscaped circulation routes for standard vehicles and trucks. Overall, 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.

Site Plan and General Site Development Standards:

The proposed site plan shows the development of four industrial buildings totaling 2,505,802 square feet. Buildings A and B are each 686,222 square feet and Buildings C and D are each 566,679 square feet (See Exhibit 3.2). The site will be accessed via four entrances off of Sossaman Road and five entrances off of Pecos Road. Standard size parking spaces are proposed adjacent to the short ends of the buildings, and trailer parking spaces would be located in the loading areas. The proposed buildings are designed to be cross-dock facilities with loading areas located along the long sides of the buildings. The buildings will be oriented so that the loading areas face internal areas of the site. The loading areas will also be screened with eight-foot-high screen walls.

Per Section 11-30-12 of the MZO, solid waste and recycling-containers are required to be enclosed for new industrial developments in which the aggregate gross floor area exceeds 10,000 square feet. The applicant is requesting that solid waste and recycling-containers not be required to be enclosed when located within loading areas. This is because the loading areas will be screened with eight-foot-high screen walls. Enclosures located outside of these areas will follow standards requirements. Per Section 11-30-12(A)(2) of the MZO, alternatives to these requirements may be considered by the Planning Director and Solid Waste Management Director. The Directors reviewed the request and because these areas are screened from public view, determined the intent of Section 11-30-9(G) of the MZO, which aims to reduce visual clutter of trash and refuse collection areas, are met with the proposed designed.

Overall, the proposed site plan conforms to the criterial and requirements of a site plan review outlined in Section 11-69-5 of the MZO.

Design Review:

The Design Review Board is schedule to review the proposed building elevations and landscape plan at the October 12, 2021 hearing. Staff will provide the Board an update regarding Design Review Board comments during the Study Session prior to the Planning and Zoning Board hearing.

Surrounding Zoning Designations and Existing Use Activity:

Northwest (Across Sossaman Road) PS Vacant	North LI-PAD Phoenix Mesa Gateway Airport	Northeast LI-PAD Phoenix Mesa Gateway Airport
West (Across Sossaman Road) PS Vacant	Subject Property AG Vacant	East AG Vacant
Southwest AG Vacant	South (Across Pecos Road) LI Vacant and Industrial development	Southeast (Across Pecos Road) LI Vacant

Compatibility with Surrounding Land Uses:

The majority of land surrounding the subject site are vacant properties zoned for light industrial and semi-public uses. The proposed industrial development is compatible with the zoning and anticipated land uses in the area. However, the site is also located in the future rail spur (PIRATE) alignment and development of the rail line may require modification to the configuration of the site.

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. There are no HOAs within ½ mile or registered neighborhoods within one mile of the site. As of writing this report, neither the applicant nor staff have received any comments/concerns from surrounding property owners. Staff will provide the Board with any new information during the scheduled Study Session on October 13, 2021.

Economic Development Comments:

Economic development is supportive of industrial at this location; however, the Planning and Zoning Board and City Council need to be aware of the anticipated rail spur associated with the Pecos Industrial Rail Access and Train Extension rail expansion project (PIRATE), as this would impact part of the site. The applicant has been made aware of the future rail alignment.

A map of the anticipated PIRATE rail spur and additional related information is included as Exhibit 6.

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. 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 one mile of the Phoenix-Mesa Gateway Airport.
5. 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>Maximum Building Height –</u> <i>MZO Section 11-7-3</i>	60 feet
<u>Parking Spaces Required –</u> <i>MZO Section 11-32-3</i>	1 parking space per 1,350 square feet of gross floor area
<u>Required Bicycle Parking –</u> <i>MZO Section 11-32-8(A)</i>	1 bike space for every 100 vehicle spaces provided on site.
<u>Foundation Base along</u> <u>Exterior Walls –</u> <i>Exterior Walls with Public</i> <i>Entrances MZO Section 11-</i> <i>33-5(A)(1)</i>	12 feet wide along the entire length of the exterior wall. For buildings with corner entries, both adjacent walls require a 14-foot-wide foundation base.

Exhibits:**Exhibit 1-Staff Report****Exhibit 2-Vicinity Map****Exhibit 3-Application Information**

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

Exhibit 4-Citizen Participation Report

Exhibit 5-Avigation Easement

Exhibit 6-Map showing anticipated PIRATE rail spur location