

Mesa 38

Major General Plan Amendment Narrative

May 6, 2014

Application Summary

This application requests a Major General Plan Amendment (the “Application”) for property located at the northwest corner of the US 60 Freeway and Crismon Road. The property consists of approximately 38 acres and is currently zoned PEP and NC with a PAD overlay (“Mesa38”). The current General Plan designation is Business Park. This Application seeks to change the land use designation for the property to Medium Density Residential 6-10 dwelling units per acre and Community Commercial. A rezoning application will be filed in the immediate future as a companion to this Application. The rezoning application will provide a greater level of detail regarding the proposed development concept.

Project Location

The Mesa38 property is a narrow rectangular parcel bounded by the US 60 Freeway on the south and Crismon Road to the east. The Crismon Road frontage is the only meaningful access into the site. The Hampton Road alignment exists to the north, but is only partially developed. North of the Hampton alignment are several privately owned parcels zoned R1-43 DMP (Conceptual M-1 and PEP approved in 1990). A post office, church, and charter school are the only existing development on the property to the north. To the immediate west is a small 6 acre vacant parcel zoned NC and planned for low density office. An ADOT regional retention basin that is partially developed with trails and turf fields for neighborhood recreational use also exists to the west. Northwest of the site is existing residential development, including a for lease high density project zoned RM-3 and a for sale medium density residential project zoned RM-2. The Mountain Vista Medical Center, a 178 bed hospital, is located to the east across Crismon Road.



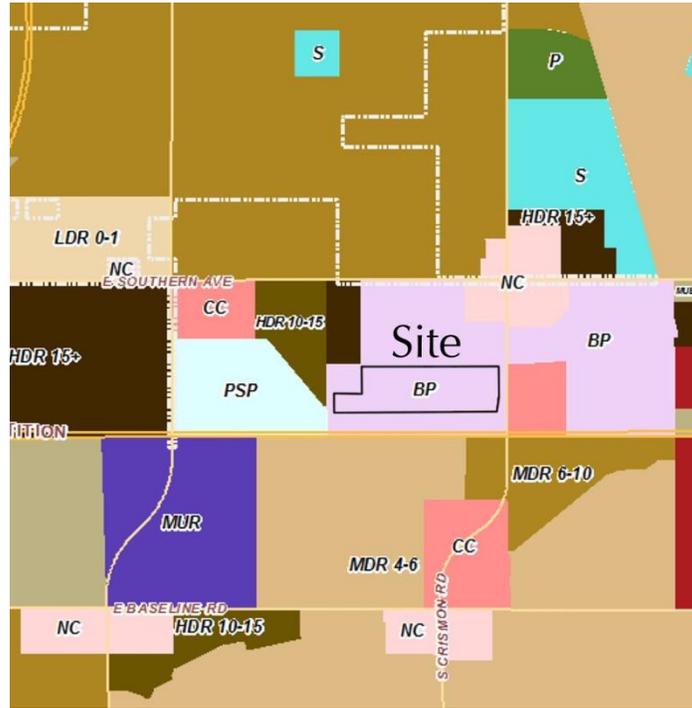
Mesa 38
Vicinity Map

GREY/PICKETT
7001 East SR Avenue
Suite 200
Scottsdale, AZ 85251
480.429.0009
www.greypickett.com

General Plan Amendment Request

Existing Land Use Designations

The current approved General Plan land use designation for the Property is Business Park.



Current Approved General Plan Designation Exhibit

The following table depicts the **existing** land use allocation:

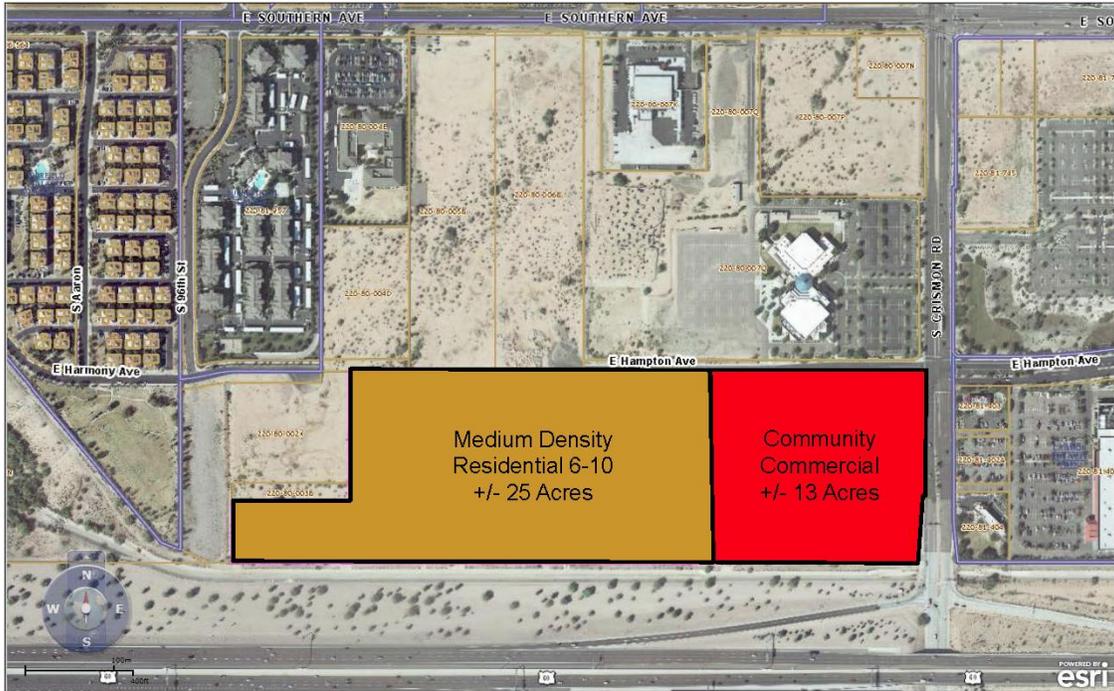
| Land Use Designation | Acres | Percent of Total | Minimum Residential Units | Maximum Residential Units | Potential Jobs |
|----------------------|-----------|------------------|---------------------------|---------------------------|----------------|
| Business Park | 38 | 100% | 0 | 0 | 637 |
| Totals | 38 | 100% | 0 | 0 | 637 |

**Business Park development assumed 19 acres of two story Office development at 800 sf/employee and 19 acres of one story Flex-Office/Warehouse development at 1,000sf/employee. 22% lot coverage was assumed.*

Proposed Land Use Designations

While the Application requests consideration of new General Plan designations for the Property, the underlying vision still supports the City's economic development and job growth goals for Mesa38. The proposed General Plan land use categories are Medium Density Residential 6-10 dwelling units per acre on 25 acres and Community Commercial on 13 acres.

Mesa38: Land Use Map



Medium Density Residential 6-10, MDR 6-10 (6.0-10.0 du/ac)

Identifies locations where urban density detached or attached single family residential including townhouse, and patio home developments is desirable. The target density for these areas is 6.5 du/ac for detached products and 8.0 du/ac for attached products. Appropriate locations offer direct collector or arterial road access, connections to potable water and sanitary sewer, and proximity to public safety services. The provision of park and open space (15 percent of net area excluding street system) is encouraged to provide opportunities for recreation and non-vehicular pedestrian connections like pathways, trails, etc. Other uses permitted in this category may include Office and limited Neighborhood Commercial of less than 10 acres, where deemed appropriate by the City.

Community Commercial, CC

Identifies retail and service-oriented businesses that serve the larger surrounding residential trade area within a one to two mile radius. Typical users include, but are not limited to, grocery store and additional large anchored tenant shopping centers with additional drug stores, fast food chains, smaller hardware/building materials stores, convenience/gas stations, and larger restaurants/cafes. Other compatible uses include larger administrative/professional offices including medical services, finance, insurance and real estate. No more than one Big Box retail user is permitted in a single location of Community Commercial designated areas. Community Commercial areas are located on, and with direct access to an arterial.

The following table depicts the **proposed** land use allocation:

| Land Use Designation | Acres | Percent of Total | Minimum Residential Units | Maximum Residential Units | Potential Jobs |
|---------------------------------|-----------|------------------|---------------------------|---------------------------|----------------|
| Community Commercial | 13 | 34% | 0 | - | **495 |
| Medium Density Residential 6-10 | 25 | 66% | 150 | 250 | 0 |
| Totals | 38 | 100% | 150 | 250* | **495 |

**Multi-residence uses are permitted within certain commercial zoning classifications subject to the limitations of Table 11-6-2A and Section 11-31-31 of the Mesa Zoning Ordinance. Multi-residence units have not been factored into the above land use allocation, but are a possible future land use.*

***The Potential Jobs calculation assumes 5 acres of Retail (99 jobs) and 8 acres two –three story Commercial Office (395 jobs). 550 sf/employee was assumed for Retail and Commercial Office with 25% lot coverage.*

Mesa38 Development Concept

The Mesa38 development concept envisions a progressive and vibrant, market relative mixed-use project that capitalizes on the property's assets while recognizing its constraints. Mesa38 may include employment, retail, high density residential and possibly hospitality land uses in a high quality, cohesively designed setting. A 13 acre Community Commercial component is located immediately off Crismon Road within the most visible and accessible portion of the site. The development plan then transitions to a high quality, medium density residential neighborhood on the remaining 25 acres. The residential component is planned as a single-residence cluster product, or other similar product type, that is a complimentary partner to existing residential development located to the immediate west of the Mesa38 property. Although Mesa38 will be comprised of a mix of land uses, the property will be developed as a cohesive, unified project through closely coordinated architectural styles, design themes and landscaping. Design emphasis will be placed upon creating an integrated land use framework, a strong internal street system, and coordinated pedestrian and open space systems.

The Mesa38 property, although situated with significant US 60 freeway frontage, is challenging from a development perspective due to the long rectilinear shape of the property and severely limited accessibility. The only meaningful, high visibility access to Mesa38 is off Crismon Road, which includes only 725 feet of frontage with right in right out access only. The access constraints result in a limited window of visibility into the site and severely limit development opportunities for the western portion of the site. The Hampton Avenue alignment to the north provides an opportunity for secondary access with a signalized intersection, but existing residential development to the west diminishes Hampton to a local, neighborhood street. ADOT retention facilities are located to the west of the Mesa38 property, thus constricting access to roadway infrastructure to the west. The western portion of the site is most suitable for a continuation of the residential development that exists off 96th Street to the north. Additional constraints include an over-saturation of employment-based land uses in the area and fractured ownership of the properties to the immediate north creating an almost impossible scenario for coordinated development of adjacent vacant land. Based on these constraints, the Mesa38 property is suitable for development with transitional uses that are at the same or incrementally higher densities than existing development in the immediate area.

Mesa38 Core Design Components

The Mesa38 General Plan Amendment and companion rezoning application strive to establish a flexible development framework that allows the project to respond to market conditions, evolve

over time, and develop as a high quality asset for the City of Mesa. This design framework is built around three core design components:

1. **Integrated Land Use Framework.** A balanced mix of land uses are proposed for Mesa38 that may include employment, complimentary retail, single-family residential, multi-residence and/or hospitality. Achieving a mix of uses is a strategic element of the project's land use architecture and allows Mesa38 to fulfill the City's goal of creating vibrant live, work & play environments. In particular, the residential component helps fulfill the desired and necessary jobs to housing balance and increases the potential for viable office and retail uses on the site.
2. **Defined Street Forms.** A defined internal street system within Mesa38 will be used as a core organizing element to unify the Community Commercial and Medium Density Residential portions of the project. The street form will be designed to create a pedestrian scale, walkable atmosphere internal to the site that may be complimented by on-street parking and shaded walkways. The street form will be reinforced by locating core land use components as east-west anchors for the project with single-residence uses to the west and retail, office and/or high density residential to the east. The street system and building layout will also emphasize the importance of thoughtfully accommodating vehicular and pedestrian traffic and vehicle parking areas within the site.
3. **Pedestrian and Open Space Systems.** A pedestrian and open space system will be created for Mesa38 that compliments the internal street system and provides connectivity throughout the entire site. Pedestrian walkways and thoughtful compact open space areas will be utilized to create visual relief and outdoor rooms, and will allow residents, employees and visitors to comfortably make their way through the site. Shade elements, desert landscaping and appropriate intensity lighting will be utilized to enhance the pedestrian experience.

An internal greenbelt/pedestrian system that spans the length of the property is central to the design theme and site layout. The greenbelt will be developed as a signature feature of Mesa38 and will include a walking path connecting each land use component and open space areas for active and passive recreation. The greenbelt also creates the unique opportunity to orient residential uses towards this internal open space area, and

creates an important visual link between the residential and retail/employment components.

Mesa38 Land Use Components

Community Commercial. The 13-acre Community Commercial component planned for the Crismon Road portion of the property is situated to maximize visibility and access off Crismon Road and take advantage of proximity to the interchange with the US 60 freeway. Development is envisioned to include some combination of the following uses: community oriented retail and service uses, a hotel, professional office uses, and multi-residence. Potential commercial office and hospitality uses would likely be developed as a compliment to the Mountain Vista Medical Center located to the east across Crismon Road. A multi-residence component may be developed in conjunction with the aforementioned non-residential uses. The Community Commercial component will include a common area, such as a plaza for outdoor dining, which plays the role of an end cap for the greenbelt/pedestrian system that will be the signature unifying element for the overall project.

Medium Density Residential. Medium density residential development in the form of a high quality single-residence community developed between 6-10 units/acre is proposed for the remaining 25 acres, which is the western portion of the Mea 38 property. The single-residence component will be carefully designed to integrate with development on the eastern portion of the site. The companion rezoning application will include design guidelines that address key design features of the residential community such as: (1) Building Entrances and Orientation, (2) Location of Parking Areas, (3) Fences and Walls and (4) Integration with Non-Residential Uses.

Conformance to the Mesa 2025 General Plan

Section 14.2.3 of the Mesa 2025 General Plan defines the approval requirements for a Major General Plan Amendment. The City Council may approve an application for a major amendment only if it makes the following findings:

- Does the proposed amendment constitute an overall improvement to the current Mesa 2025 General Plan?
- Is the proposed amendment consistent with the intent of the Mesa 2025 General Plan and other adopted plans, policies and ordinances?

- Is the proposed amendment significantly altering existing land use patterns, causing increased traffic on the existing roadway network, and degrading the health and safety of the residents?

Land Use Goals & Policies

The Application is supported by the following Goals, Objectives and Policies within the Mesa 2025 General Plan:

Goal LU1-1. Develop a land use pattern throughout the City that creates orderly municipal growth, achieves compatibility with surrounding communities and is consistent with the General Plan.

Objective LU-1.1. Create the most advantageous economic and environmental balance of build-out land uses based on community and regional characteristics.

Policy LU-1.1a. Continue to evaluate the appropriate mix of land uses to achieve the desired mix of residential, employment, and public uses.

The Application supports orderly municipal growth, achieves compatibility with surrounding land uses, recognizes market relevant land uses, and is an overall improvement to the Mesa 2025 General Plan. As noted above, the Meas38 property is uniquely situated and faced with significant development constraints as evidenced by the infill status of what was once considered prime freeway frontage property. While most surrounding parcels have developed, the lingering vacancy of the Property and other immediately adjacent Business Park properties evidence a lack of demand for the volume of office and business park uses shown on the General Plan. This Application recognizes these constraints and challenges, and accordingly, Mesa38 is proposed for development as a combination of single-residence and retail/employment/multi-residence land uses that are both market relevant and compatible with existing development patterns.

Policy LU-1.1d. Coordinate land use planning projects with landowners, local neighborhood associations, nearby industry, and developers to achieve consistency with City policies and compatibility among developments.

The planning and development of the Mesa38 property will be coordinated with landowners, local neighborhood associations and members of the community affected

by or interested in the Application. Those interested will be informed of the Application by an informational mailing and neighborhood meeting.

Objective LU-1.2. Encourage urban growth in a planned, orderly manner with high quality development and sustainable urban development patterns.

The proposed General Plan Amendment encourages quality mixed use development that is responsive to the market. The Mesa38 property has been under the same ownership for over 25 years and before the US60 Freeway was constructed. The lingering vacancy of this parcel is evidence of an over-saturation of Business Park land in the area. The addition of a high quality residential component on the Mesa38 property allows for orderly growth by making productive economic use of what has become an infill parcel with a more sustainable, market relevant land use mix.

Objective LU-4.1. Maximize opportunities for the use of the land adjacent and within close proximity to existing and proposed freeways for large-scale non-residential uses.

Policy LU-4.1b. Examine opportunities for development of medium- to high-density commercial nodes at interchange locations along major freeways.

The General Plan encourages the protection of land adjacent to the freeways as employment corridors, while at the same time encouraging mixed-use development where such areas act as buffers and where opportunities exist for the creation of activity centers. An analysis of the context and character of the area shows that the Mesa38 property, although located at the interchange Crismon Road and US60, has limited development opportunities due to access constraints and a limiting parcel configuration. The proposed land use designations recognize these challenges and allow the property to be developed with compatible uses that serve as a compliment and transition between existing residential development to the west and commercial/employment uses to the east.

Goal ED-1. Foster and sustain long-term economic growth for the City of Mesa.

Objective ED-1.3. Continue to expand Mesa’s retail business base and strengthen its retail position in the East Valley.

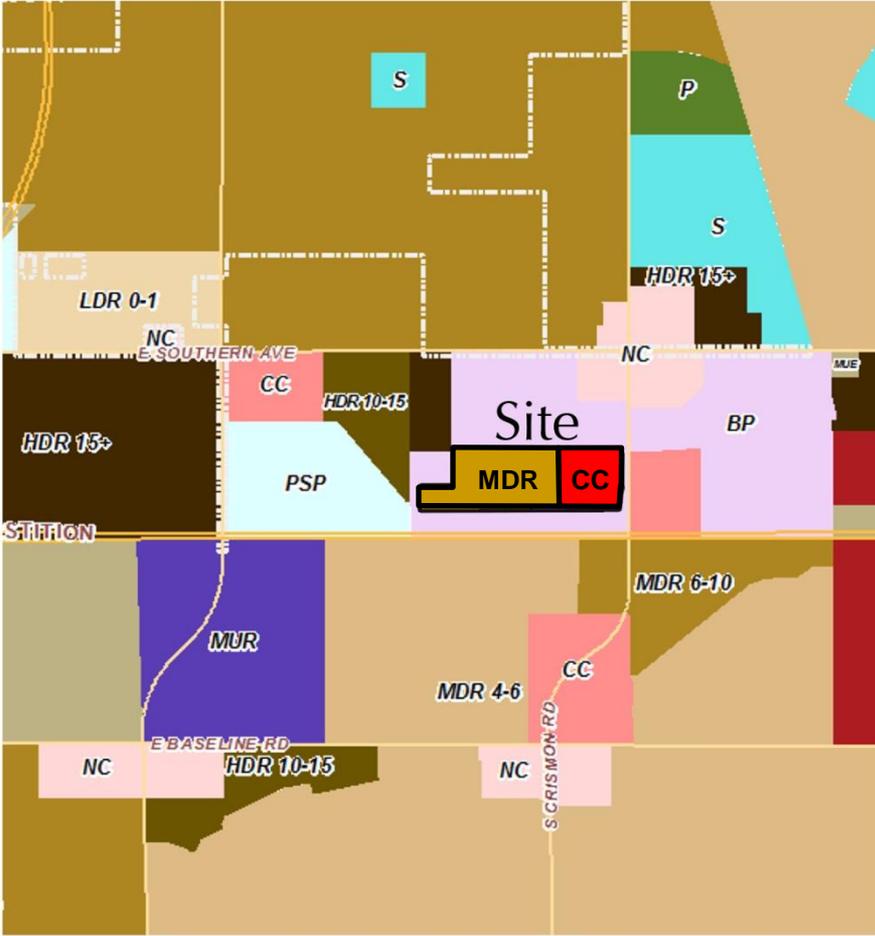
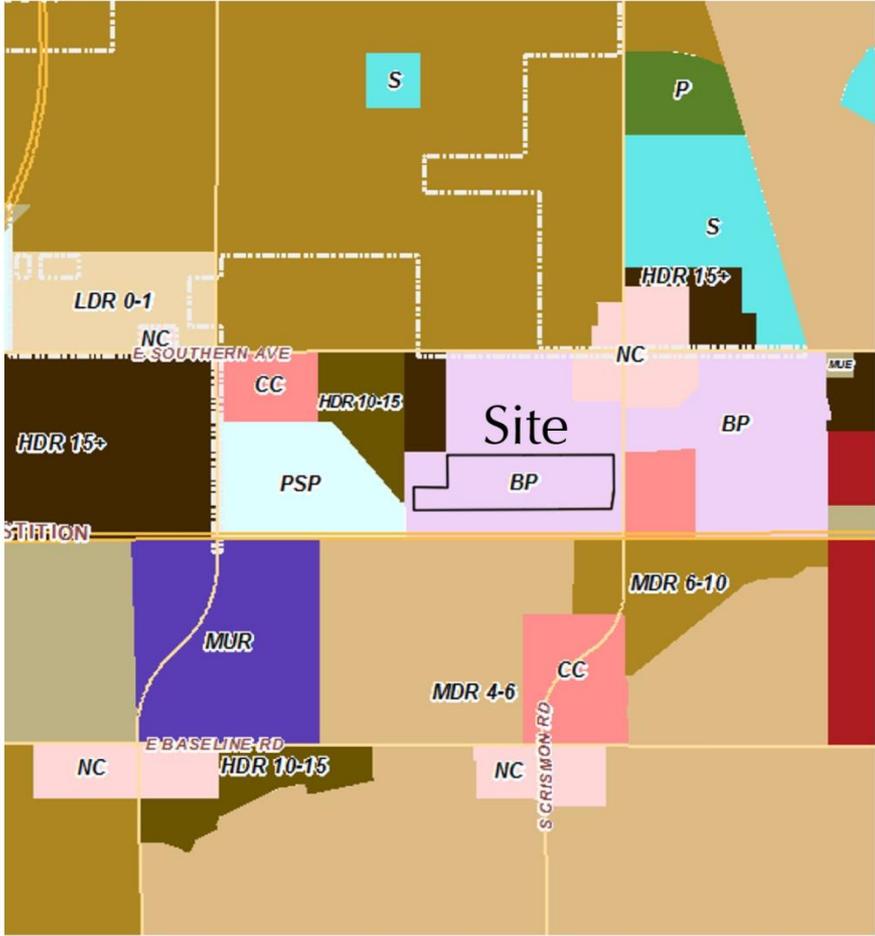
Goal ED-2. Identify and prepare strategic locations for economic growth.

Policy ED-2.1a. Promote the development of an efficient combination of mixed uses at the employment centers/corridors.

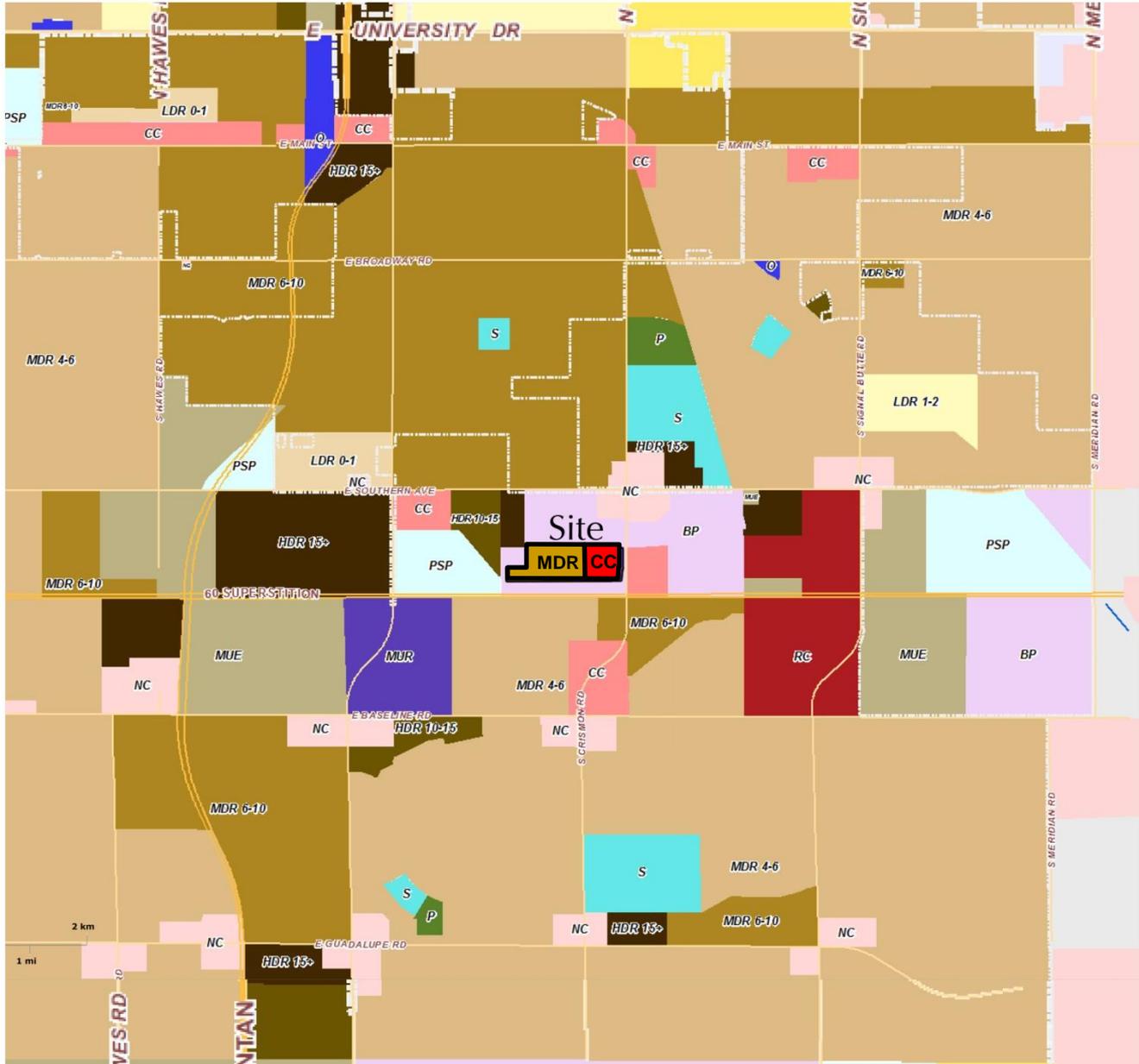
The aforementioned constraints result in limited viability for non-residential uses on the property. The type of non-residential uses that might locate on the western portion of the property are likely very low intensity warehouse type uses that don't maximize the property's assets, don't contribute meaningfully as an economic generator and provide very low density employment opportunities. By creating a more viable mixed use development concept, the development potential for the property can be maximized. The introduction of a single-residence component provides additional support for retail and employment uses, thus opening the door for more desirable commercial office and sales tax generating retail uses on the eastern portion of the site.

The proposed Major General Plan Amendment application constitutes an overall improvement to and is consistent with the current Mesa 2025 General Plan and other adopted plans, policies and ordinances. The General Plan is designed to provide broad-based land use direction, but the micro-climate within individual neighborhoods demonstrates the need to vary the quality and character of development to site specific circumstances. Mesa38 proposes a market relative mixed use development concept that preserves potential for a strong employment and retail component while introducing a residential element that will foster previously unachievable land use synergy on the property. Further, Mesa 38 is sensitive to the scale of existing development and is compatible with the surrounding neighborhoods. The companion rezoning case will incorporate appropriate development standards to ensure a uniform, high quality project. The proposed amendment does not significantly alter existing land use patterns, cause increased traffic on the roadway network, or degrade the health and safety of the city's residents.

Mesa38: Land Use Comparison Map



Mesa38: Proposed Land Use Map



Mesa38: Aerial Map

