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MEMORANDUM **Planning Division – PZ Memo No. 16-024**

DATE: APRIL 20, 2016

TO: PLANNING AND ZONING COMMISSION

THRU: JEFF KURTZ, PLANNING ADMINISTRATOR
KEVIN MAYO, PLANNING MANAGER

FROM: ERIK SWANSON, SENIOR CITY PLANNER

SUBJECT: ZUP16-0003 56TH STREET OFFICE DEVELOPMENT

Request: Use Permit approval to allow for office uses within a Planned Industrial (I-1) zoning district

Location: Northwest corner of 56Th and Galveston streets

Applicant: Michael Withey; Withey Morris, PLC

RECOMMENDATION

Planning Staff, upon finding the request to be consistent with the General Plan, recommends approval subject to conditions.

BACKGROUND

The subject site is located at the northwest corner of 56th and Galveston streets, and is currently vacant. North, east, and south of the site are street frontages, with an existing ice skating rink and vacant commercially zoned property along the western property boundary.

The approximate 30-acre site was zoned in 1980, to the current industrial designation. The surrounding land to the west and north was zoned to commercial as the original location for the Arizona Mills mall; however, was ultimately developed as the current commercial power center. While the commercial development was underway, the property owner had the landscaping installed along the street frontages as a means of maintaining a cohesive theme with the surrounding area.

The request is for Use Permit approval to allow office uses as a primary use, in addition to the existing industrial zoning the site currently enjoys. The office designation would allow general and medical office uses to be considered. Within the Zoning Code's Table of Permitted Uses, office uses are considerable as a primary use within the I-1 zoning district so long as Use Permit

approval is granted. Currently, office uses are allowed so long as it is ancillary to a use that is permitted by right such as a manufacturing or warehousing facility.

DISCUSSION

Planning Staff supports the Use Permit citing that due to the site's location being within close proximity to the freeway interchange of both the I-10 and Loop 202, as well as within an area that has a substantial amount of commercial and industrial development, including office uses as part of development opportunities is appropriate. A site plan is not provided with this application, and will be reviewed during the construction drawing phase of development for compatibility with code requirements. All development standards as provided in the Zoning Code will be applied.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held Thursday, March 17, 2016; one neighbor attended and offered support.
- As of the writing of this memo, Planning Staff has received phone calls from one neighbor expressing concerns with the potential for an increase in traffic along 56th Street as well as along Harrison Street (northern boundary) and how traffic may come into the neighborhood east of 56th Street. As part of the review process upon permit submittal, traffic circulation will be reviewed to ensure that traffic circulation is addressed. Currently, 56th Street is well below the anticipated vehicle trips per day (15,500 vs. 21,000).

RECOMMENDED ACTION

Planning Staff recommends Planning Commission motion to recommend approval of ZUP16-0003 56TH STREET OFFICE DEVELOPMENT, subject to the following conditions:

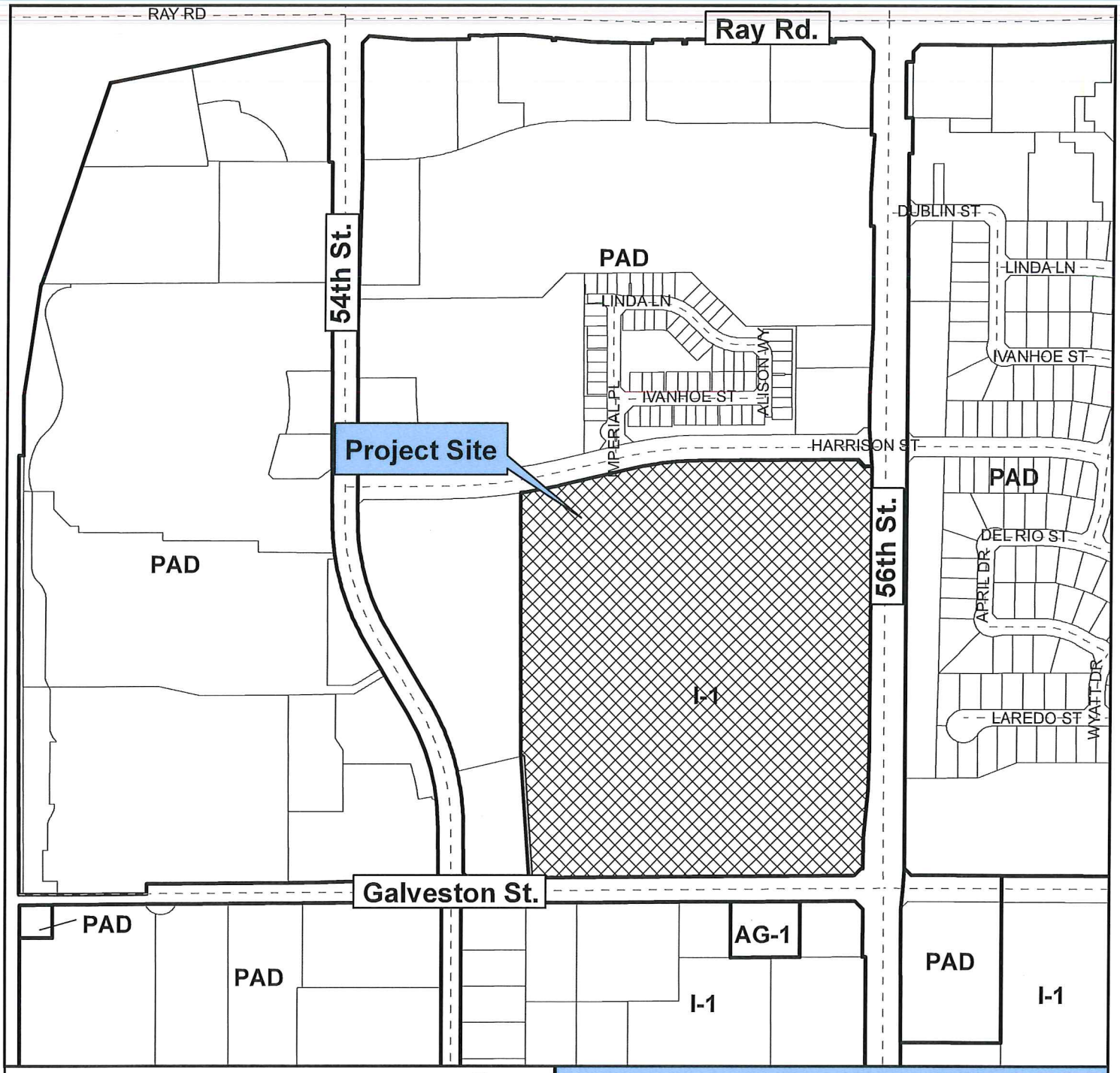
1. Use Permit approval does not constitute Final Development Plan approval; compliance with the details required by all applicable codes and conditions of the City of Chandler shall apply.

PROPOSED MOTION

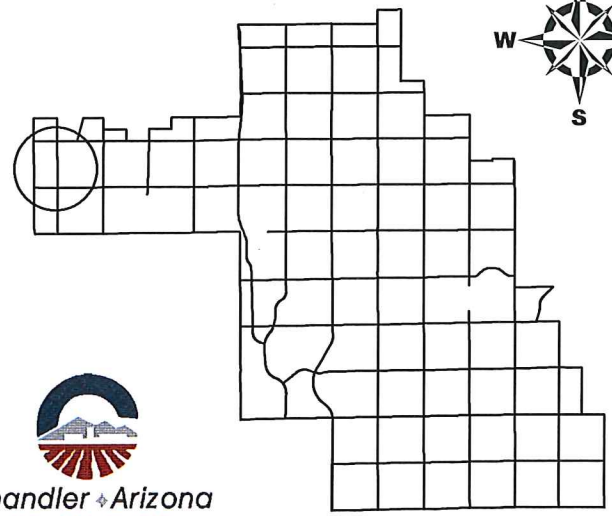
Motion Planning Commission to recommend approval of Use Permit ZUP16-0003 56TH STREET OFFICE DEVELOPMENT, Use Permit approval for to allow for office uses within a Planned Industrial (I-1) zoning district, subject to the condition recommended by Planning Staff.

Attachments

1. Vicinity Maps
2. Narrative



Vicinity Map



ZUP16-0003

56th Street Office Development

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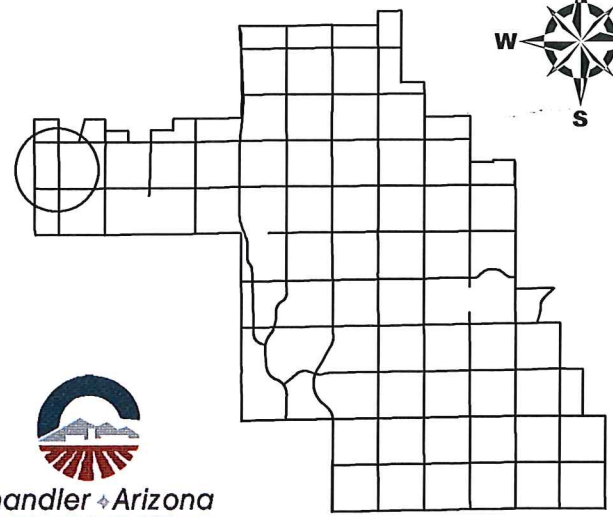
Vicinity Map



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ZUP16-0003

56th Street Office Development

CITY OF CHANDLER 2/16/2016

Use Permit Narrative

A. Project Overview

Location

The subject property is vacant land located at the northwest corner of 56th Street and Galveston Street and encompasses approximately 29.65 gross acres (the "Property"). *See Aerial Map attached at* ***Tab A***. The Property is currently zoned I-1 for industrial uses.

Adjacent Uses

The Property is currently vacant. To the north and west are commercial retail developments zoned PAD for commercial uses. To the east is Chandler Crossing Estates. To the south are various industrial uses.

Site History

On September 11, 1980, in case No. Z80-42, the Chandler City Council approved a request to rezone a larger area, that included the subject Property, from AG-1 to Industrial (I-1) through Ordinance No. 892. The site remains vacant more than thirty-six years later.

B. Request

This application requests a Use Permit to allow an office development in the I-1 zoning district. The Chandler Zoning Ordinance, Section 35-2100, "Table of Permitted Uses for Nonresidential Districts" specifically permits office uses in the I-1 zoning district subject to a use permit.

C. General Plan

This request is in conformance with the City of Chandler General Plan adopted in 2008. The General Plan designates the Property as Regional Commercial and within a Growth Expansion Node. As described in the text of the General Plan, large office developments can be considered in regional commercial areas.

The Growth Area Element points out that office is encouraged in these areas. Specifically, it states "Growth Expansion Nodes, at major transportation junctions, represent strategic locations for placing specialized commercial and employment...."

The City of Chandler General Plan outlines several land use goals, objectives and policies that are fulfilled by the proposed development.

Pg. 4\7 - GOAL: DESIGNATE PRIORITY LOCATIONS FOR EMPLOYMENT AND COMMERCE.

Objective: Attract desirable, well-paying jobs to Chandler's growth areas.

Objective: Encourage mixed-use development with shopping, job training, and workforce housing convenient to employment centers.

The proposal will provide office space that will attract desirable, well-paying jobs to Chandler. The office employment center is conveniently located near shopping and retail opportunities, as well as existing residential neighborhoods that benefit potential employees.

Pg. 20 - GOAL: PLAN FOR SUSTAINABLE DEVELOPMENT.

Objective: Promote a balance of land uses which could include mixed-use plans on larger acreage sites to discourage long distance commuting.

Objective: Match uses and intensities with assured accessibility and infrastructure.

Office uses at this location are complementary to the existing commercial shopping center and can be viewed as one element of a larger mixed use area considering the variety of uses (retail, shopping, industrial) that surround it. The introduction of new employment uses help discourage long distance commuting, especially when paired with the character and uses of the surrounding area. Residents will have the opportunity to actually live and work in the same area without a commute.

Pg. 20 - GOAL: ENCOURAGE A VARIETY OF BUSINESSES.

Objective: Foster corporate headquarters and other large office employers.

New office space will attract corporate and large office employers. The proximity to I-10 freeway access, the area workforce housing, and the convenience of nearby retail amenities are added benefits that make this location more attractive for a potential corporate headquarters.

D. Benefits of Office Development

The Property is currently zoned I-1. Given the current zoning, most assume the site would be developed with low scale industrial uses similar to what is built to the south. The owner wishes to market the site to office tenants/users rather than the standard industrial uses permitted in the I-1 zone. This will benefit the City and the surrounding area. Offices will result in more jobs and better jobs than the current I-1 zoning. An office development at this location will require a far greater financial investment, will generate more employees, greater employee income, and far more tax revenue to the City than an industrial development.

In addition, employees generated by this development will help support and bolster the retail uses that are struggling in the immediate areas. The subject property is located adjacent to a major retail node consisting of The Shoppes at Casa Paloma, and the Chandler Pavilions. In recent years this retail node has suffered from declining sales and the closure of several big-box retailers and out parcel tenants. The proposed development will assist in revitalizing this retail node through the creation of more on-site permanent jobs.

In summary, the office development is the ideal use at this location, and a far better land use for the City and surrounding uses than another industrial project.

E. Use Permit Approval Criteria

Per Ordinance Sec 35-305.(1).(c), Use Permits may be granted by the City Council upon finding that the request:

1) *Is in conformance with the comprehensive plan and its policies;*

2) *Will not be detrimental to persons residing or working in the vicinity, to adjacent property, to the neighborhood or to the public welfare in general, and that the use will be in full conformity with the conditions, requirements or standards prescribed by this Code or higher as may be deemed necessary by City Council in any one (1) situation.*

The Use Permit request is in full compliance with all the above provisions.

The request is in conformance with the policies of the General Plan. As noted earlier, the Property has a General Plan designation of Regional Commercial within a Growth Expansion Node which allows for large office developments. This is exactly the type of use encouraged by the General Plan.

The office use is more compatible with the adjacent uses than an industrial use, and will not be detrimental to persons residing or working in the vicinity, to the neighborhood or to the public welfare in general. An office development will create more jobs and better jobs than the current I-1 zoning. The proposal will actually have a better impact on adjacent uses, and the area, than an industrial use.

In summary, approval of this use permit will enable an opportunity for the Property to be used in a higher and better use that is far more compatible with the area and its surrounding uses. The opportunity to provide office development at this location, rather than another industrial project, will benefit the City, the area, and is in everyone's best interest.