Planning and Zoning Commission

STAFF REPORT

TO: CASA GRANDE PLANNING AND ZONING COMMISSION

FROM: Leila DeMaree, Senior Planner

MEETING DATE: November 6, 2014

REQUEST

Request by PhoenixMart, LLC, for the following land use approval at 3528 E. Phoenix Mart Loop, Casa Grande, AZ, generally located north of Florence Boulevard/SR 287 and east of Toltec Buttes Road, (APN #: portion of 401-11-008K; 401-11-008J; 401-11-007B; 401-11-008B; 401-01-045M, 401-01-045N, 401-01-045P): (Senior Planner: Leila DeMaree)

1. DSA-13-00121: Final Development Plan/Major Site Plan for the development of approximately 1.589 million sq. ft. building within Lot 1 (135.1 acres) of Phase 1, of the Phoenix Mart PAD.

APPLICANT/OWNER

Layton Construction PhoenixMart, LLC
4686 E. Van Buren St. Suite 100 7047 E. Greenway Pkwy
Phoenix, AZ 85008 Scottsdale, AZ 85254
P: 602-840-8655  P: 602-663-9219
Email: bgrayson@laytonconstruction.com

HISTORY

December 17, 2007 Annexation of the Phoenix Mart site as part of the “Overfield Farms Annexation”, Ordinance # 2488.

June 21, 2010 Major General Plan Amendment approval changing the land use designation of the 389 acres m.o.l. within the Phoenix Mart site from Neighborhoods to Business and Commerce, DSA-10-00005, Resolution # 4360.3.

December 5, 2011 Major General Plan Amendment approval changing the land use designation of the 70 acres m.o.l. from Neighborhoods to Commerce and Business, and the 103 acres m.o.l. from Commerce and Business to Neighborhoods, DSA-11-00143, and Resolution # 4360.04

January 17, 2012 Planned Area Development (PAD) and Preliminary Development Plan (PDP) approval of the Phoenix Mart zoning district and development guidelines by amending the Storey Farms PAD and a
March 11, 2014

Temporary Use Permit approval by the Board of Adjustment for the Phoenix Mart entrance monument signs and logo.

<table>
<thead>
<tr>
<th>PROJECT DESCRIPTION</th>
<th>REQUIREMENT</th>
<th>PROVIDED</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lot Area</td>
<td>None</td>
<td>135.1 acres (Lot1) or 5,884,956 sq.ft.</td>
</tr>
<tr>
<td>Mart Site Area</td>
<td>3,902,901 S.F. or 89.59 Acres</td>
<td></td>
</tr>
<tr>
<td>Zoning</td>
<td>Planned Area Development (PAD)</td>
<td></td>
</tr>
<tr>
<td>General Plan Designation</td>
<td>Commerce and Business</td>
<td></td>
</tr>
<tr>
<td>Lot Coverage</td>
<td>65% Maximum</td>
<td>40.7%</td>
</tr>
<tr>
<td>Building Height</td>
<td>Tilt-up wall</td>
<td></td>
</tr>
<tr>
<td>Architectural Feature</td>
<td>Tower element</td>
<td></td>
</tr>
<tr>
<td></td>
<td>75’, additional height up to 200’ is subject to CUP</td>
<td></td>
</tr>
<tr>
<td></td>
<td>150’, additional height</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40’ Top of Parapet (T.O.P.)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>99.5’ top of tower</td>
<td></td>
</tr>
<tr>
<td>Setback</td>
<td>20’ from property line</td>
<td></td>
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<tr>
<td></td>
<td>550’ from the edge of the Mart building to the nearest residential zoned property</td>
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</tr>
<tr>
<td></td>
<td>Front = 350’</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Left Side yard = 675’</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Right Side yard = 555’</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Rear yard = 575’</td>
<td></td>
</tr>
<tr>
<td></td>
<td>570’ to the nearest residential zoned property</td>
<td></td>
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</tbody>
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<table>
<thead>
<tr>
<th>Parking Requirements</th>
<th># Required</th>
<th># Provided</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parking Stalls:</td>
<td>2,650 spaces</td>
<td>2,998 spaces</td>
</tr>
<tr>
<td>(1 space per 600 sq. ft. of net floor area)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>ADA Parking:</td>
<td>37 spaces</td>
<td>40 spaces</td>
</tr>
<tr>
<td>(20 spaces plus one for every 100 spaces over 1,000)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Bike Racks:</td>
<td>Unspecified</td>
<td>4 racks</td>
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OVERVIEW

The application under consideration is a Final Development Plan/Major Site Plan for the PhoenixMart site (The Mart), (See Exhibit A – Applicant Narrative and Exhibit B – Final Development Plan/Major Site Plan). The Mart site is approximately 73.33 acres located within the proposed Lot 1 (135.1 acres) of the 585 acres Phoenix Mart PAD site.

The Phoenix Mart PAD site (585 acres) will be developed in Phases. The Mart will be developed in Phase 1. Other areas scheduled to be developed within Phase 1 is the Loop
road (Phoenix Mart Loop), a portion of the Toltec Buttes Road, and main ingress/egress along Florence Boulevard under a separate consultant and planning application. The area of Lot 1 that is not included in the Mart site will be referred to as Future Pads or Future Development, please see Site Plan below.

Toltec Buttes Road, Phoenix Mart Loop and the main entrances (Innovation Loop and Gateway Loop) servicing the Mart, were included on the approved Preliminary Plat and the right of way for these streets will be dedicated with the approval of a Final Plat for Phase 1. The construction of these streets will be reviewed and approved via a separate Engineering Permit application process (Public Improvement Permit). The construction of the Mart building will be handled by Layton Construction. Following this Final Development Plan/Major Site Plan request is an At-Risk Grading Permit for the Mart site which will be reviewed and approved by City Staff. The At-Risk Grading Permit enables the Mart site contractor to start moving dirt, which is tentatively scheduled to happen by the end of November 2014 or early December 2014.

Site Plan:
In accordance with Section 17.68.070 of the Zoning Code the Planning and Zoning Commission shall consider the following in review of Final Development Plan/ Major Site Plan application:

**Relationship of the plan elements to conditions both on and off the property:**
The Mart serves as the anchor facility for the entire 585 acres Phoenix Mart PAD. The Mart building is approximately 1.6 million square feet in size. It will include spaces for about 1700 vendor stalls and the “Exhibition Hall” within the Mart.

Future land uses (i.e., hotels, warehouses, offices, restaurants, residential dwellings) will be constructed within the remaining area of the PhoenixMart development to provide the necessary support to compliment main economic function of the Mart.

The 585 acre-site of Phoenix Mart is surrounded by the Overfield Farms PAD, a Neighborhoods land use designation. It is bordered to the south by Post Ranch PAD which is also a Neighborhoods land use designation. These two PADs were approved mainly for residential developments and some neighborhood commercials.

Phoenix Mart is about 2.5 miles from the Interstate 10 via Florence Blvd. The close proximity of a principal arterial (Florence Blvd., SR 287) and the Interstate system (I-10) to the Mart, are a vital transportation factor for this type of development, to help move goods and people in and out of the site.

Also close to the Mart is the existing Promenade Regional Mall which in itself is an Activity Center for the City, similar to the Mart.

Currently, majority of the area near the project site are either used for agricultural purposes or simply left as vacant land, as shown on the aerial map below.

**AERIAL MAP**
Conformance to the City’s General Plan:
As shown on the General Plan 2020 Land Use Map below, the designation for the site is Commerce and Business. The proposed PhoenixMart is one of a kind project in the Country. PhoenixMart was modeled from two other existing developments located in Yiwu, China and Dubai, United Arab Emirates. All the land uses proposed within the Mart conform to the Commerce and Business land use category in the City’s General Plan 2020. The PAD site serves as a destination for potential investors (more revenue to the City), invites visitors to come to the community (increase retail sales), and serves as an “activity center” for the Region.

General Plan Land Use Map:

Conformance to the City’s Zoning Ordinance:
The proposed Mart is allowed within the PhoenixMart PAD as a principally permitted use and the proposed Site Plan conforms to all applicable Phoenix Mart PAD and/or City Zoning requirements.

The impact of the plan on the existing and anticipated traffic and parking conditions:
Phase 1:
A Traffic Impact Analysis (TIA) submitted by Phoenix Mart for the initial Phase of the Mart Development was approved by ADOT and City Staff in July 2014. The report considered a 2014 Phase 1 scenario and 2019 buildout scenario. The 2014 Phase 1 scenario showed a volume of traffic on Florence Boulevard between 9,017 and 13,048 daily trips, respectively. Many of these trips associated with The Mart development are completed internally, due to the mix of residential and non-residential uses. When taking into consideration internal capture, the 2014 Phase 1 scenario of the proposed site is expected to generate 7,070 external trips daily, with 722 external trips in the AM peak hour and 843 external trips in the PM peak hour. When taking into consideration internal capture, the 2019 scenario of the proposed site is expected to general 6,401 external trips daily with 682 external trips in the AM peak hour and 803 external trips in the PM peak hour.

The existing intersections and site access intersections are expected to operate at a satisfactory level of service (LOS) upon the buildout of the initial Phase of the Phoenix Mart with the following mitigations:

1. Eastbound left-turn lanes are recommended at the Florence Boulevard intersections of Toltec Buttes Road and the Phoenix Mart main East Entrance.
2. A westbound right-turn lane is recommended at the intersections of Florence Boulevard/Phoenix Mart main East Entrance and Florence Boulevard/Toltec Buttes Road. The westbound right-turn lane at Toltec Buttes Road should extend west to the West Entrance to provide a weaving/merging opportunity.
3. Traffic Signals should be installed at the intersections of Florence Boulevard/Hacienda Road (Traffic signal #1) and Florence Boulevard/Toltec Buttes Road (Traffic signal #2). Traffic signal #1 is financed solely by Phoenix Mart, while Traffic signal #2 will be financed by the Community Facility District of Mission Royale (75%) in accordance with their Development Agreement and by Phoenix Mart (25%).

Buildout:
1. At buildout, the total trip generation is calculated at 81,198 daily trips with 5,824 occurring in the AM peak and 8,584 in the PM peak hour. 16,585 of the total daily trips are expected to be internal trips with 64,613 external trips on an average weekday. In order to properly mitigate this level of traffic the following improvements were likely be necessary: Florence Boulevard (SR 287) is expected to be a six-lane principal arterial facility.
2. Toltec Buttes Road and Storey Road/Cottonwood Lane are expected to be four-lane minor arterial facilities.
3. Remaining roadways within the proposed Phoenix Mart development are expected to be four-lane major collector facilities, with the exception of the access roads along La Brea Street on the east side of the site which are expected to be three-lane major collector facilities.

Internal Roadway:
The Phoenix Mart Loop Road surrounds the proposed Mart to the north, east and south, and intersects with Toltec Buttes Road to the west. Between the Phoenix Mart Loop Road and Toltec Buttes Road, there are seven (7) total private driveways to the Mart as demonstrated on the site plan (Exhibit B).
All public rights of ways will be dedicated to the City at the Final Plat stage.

**Parking:**

Parking requirements for the site are a combination of the PhoenixMart PAD and the City Code as follows:

1. Per the Mart PAD: One (1) space per 600 square feet of net floor area.
3. Per the Mart PAD: Eight (8) Berths at max.
4. Per the City Code: 20 ADA parking space for the first 1,000 and over 1000 regular parking spaces plus one (1) space for every 100 spaces over 1000.

The Final Development Plan/Major Site Plan for the Mart provides 2,998 standard parking stalls; four (4), eight (8) load bike racks on the east and west sides of the Mart and one (1) at each locations to the north and south entrances; 40 ADA compliant stalls and eight (8) loading docks for a total of 3,038 total parking spaces as shown on the Project Description matrix.

**The adequacy of the plan with respect to land use:**

The 73.33 acre-site Mart is more than adequate in size to accommodate the proposed 1.6 million sq. ft. PhoenixMart building. It represents 49.7% of land coverage whereas 65% is the maximum allowed. The 73.33 acres Mart site is within the proposed 135.1 acres Lot 1. The remaining 61.77 acres on Lot 1 are the Future Pads immediately surrounding the main Mart building as supporting land uses suited for Commerce and Business land use category.

**Pedestrian and vehicular ingress and egress:**

The Mart site can be accessed at numerous points within the proposed Phoenix Mart Loop Road, which serves as a collector road, see Site Plan. The main ingress/egress to the Mart from Florence Blvd/SR 287 will be via the proposed Gateway and Innovation Loop Roads. A secondary route to the Mart is via the Toltec Buttes Road. Toltec Buttes Road will provide a south-north connection from Florence Boulevard to Cottonwood Lane, just west of the Mart. A portion of the Toltec Buttes will be constructed as part of Phase 1 from Florence Boulevard until it intersects the north Phoenix Mart Loop. Toltec Buttes Road will be extended to Cottonwood Lane/Storey Road at a future Phase development.

Delivery trucks and trash pickup are routed towards the northern end of the Mart building, where the eight (8) loading docks and the compactor and trash enclosures are located. The route for the delivery of goods, trash pick-up and recyclable materials is separated from the smaller vehicles for enhanced safety.

**Building Location, Height & Elevations:**

**Building Location and Height**

The 1.65 million sq. ft. building is located almost at the center of the 585 acres PAD site. It is west of the Toltec Buttes Road, between Cottonwood Lane and Florence Blvd.

The Mart’s highest point is the tower feature at the south elevation with a proposed maximum height of 99.5’ feet. The PAD allows architectural features up to 150’ in height. The Mart’s building height measured to the top of the parapet is 40’ high and the allowed is 75’
Elevations
The building’s exterior wall will be made of tilt-up concrete construction, painted with an earth tone finish as shown on the material’s board. The exterior walls will have some embellishments and articulations such as tower elements, reveals and recessed panels providing movement across the entire face of the building, enhancing the appearance of the building as shown on the elevation sheets (See Exhibit C - Elevations). The main entrance is located at the south side of the building, with secondary entrances at the east and west sides of the building. Loading docks are located on the north side of the building. The design of the Mart complies with the Development Guideline on the Phoenix Mart Planned Area Development.

Landscaping:
The Landscape Plan for the site (See Exhibit D – Landscape Plan) indicates that landscaping represents 16% of the site net area, where 10% is the minimum required by Section 17.52.480.B. of the Zoning Code. The landscape area is approximately 11.7 acres. The landscape and hardscape for the Mart is designed to create a pedestrian friendly experience and encourage visitors to spend time exploring the project. The “City Walk” is the theme for this experience. The landscape area also includes large potted plants and tree gates to soften the hardscape and provide natural shade to the project.

Street landscaping provided is required to meet Section 17.52.510. All trees and shrubs are within the Arizona list of approved plants. The initial size of trees will be 24"- box trees. Shrubs will be a minimum of five (5) gals. Accent and groundcover plants are a combination of 5 gals and 1 gal. plant materials. A portion of the landscape area will be covered with Bermuda Grass and/or crushed rocks. Turf area within the site shall not exceed 10% of the landscapable area. Landscaping on public rights of ways (Florence Boulevard, Toltec Buttes Road, Loop Roads, etc.) will be a separate review and approval and not a part of this request.

There are more than enough trees and shrubs provided on site to meet the parking lot tree requirement set forth in Section 17.52.530. The retention basins will be landscaped with trees, shrubs, and ground cover materials. River rocks will be used on retention basins as needed for rip rapping. The Landscape Plan shows compliance with the landscaping code requirements.

Lighting:
On-site lighting is proposed with 25’ foot high light poles utilizing full cut-off LED fixtures within the parking areas and around the Mart building.

Exterior wall lighting fixtures are fully shielded and located just above the doors of the Mart. These lighting fixtures will also serve as security lights. The lighting of the Mart is contained within the site and has no impact on the neighboring residential sites (existing and proposed).

Provisions for utilities:
Utility services will be provided by the following agencies: Arizona Water Company for water service; City of Casa Grande for the wastewater service; Southwest Gas Company for the natural gas; Century Link for the telephone and data services; and Electrical District #2 (ED2) for electricity. A substation for ED2 is proposed at the NWC of the 585 acres-site of the
Phoenix Mart PAD. There are irrigation existing canals on the Phoenix Mart site under the jurisdiction of the Hohokam Irrigation District. These canals will be re-routed through an underground piping system in coordination with the Hohokam Irrigation District.

**Water:**  
The Basis of Design Report Water System Analysis for Phoenix Mart (Oct. 2014) indicates that the site will tie into a 16” water main on Evans Road and SR 287 west of Toltec Buttes Road, a 12-inch water main in Cottonwood Lane, La Brea Street and SR 287 east of Toltec Buttes Road. Infrastructure improvements within the Mart site will include a 12-inch water main within Toltec Buttes Road, Phoenix Mart Loop and Innovation Loop. These infrastructure improvements will be constructed with the on-site improvements for Phoenix Mart, which is a separate contract. Public Works Staff had reviewed the report(s) and indicated that technical comments need to be addressed by the applicant in conjunction with the Final Design Report submittal in conjunction with the Engineering Permits that will be required to be submitted for review and approval prior to construction of the water mains. This Final Design Report will also be reviewed and approved by the Arizona Water Company.

Initial water supply to the Mart will come from a water main at Hacienda Road and SR 287 which will be extended to the Mart site. A new well is also necessary to support the water demand for the Mart. A future water campus (water tanks) is located at the NWC of the Phoenix Mart development to supply for the entire 585 acres-site.

**Wastewater:**  
A sewer line will be extended from the west side of the Interstate 10 along Kortsen Road. It will be brought down to the northern boundary line of the 585 acres Phoenix Mart Site. The design and construction of this sewer line will be managed by the City of Casa Grande, under a joint funding agreement with Phoenix Mart. Other future developments east of the Interstate can benefit in this sewer line extension in conjunction with the development of their properties.

**Solid waste:**  
PhoenixMart is in discussion with the Sanitation Division for the appropriate number of dumpsters and compactors needed for the solid waste and recycling demands of the 1.6 million sq. ft. Mart building. The current site plan shows only four (4) dumpsters located to the north of the Mart building. These four dumpsters are not sufficient to meet the demands of the Mart. The final number of dumpsters and compactors will be finalized and incorporated in the Construction Document, Final Site Development Permitting process.

**Grading and Drainage:**  
Grading of the site and an onsite collection of water runoff is demonstrated on the proposed grading and drainage plan. A Master Drainage Report is under review by City Staff in conjunction with the At-Risk Grading Permit process. All retention sites will be shown and recorded as easements at the Final Plat process.

**Open Space:**  
Landscape area provided within the Mart site included the parking islands, retention sites, and the City Walk area just outside the Mart building. Some amenities for the City Walk and open spaces are shown on the attached Landscaping, Exhibit D and Manufacturer Cut Sheets.
Exhibit E.

**Loading and unloading areas:**
The Mart has provided eight (8) loading docks to the north of the building, and eight (8) are required on the PAD.

**Signage:**
A comprehensive sign plan is under review for the site. This is a separate planning application for the site. There are two monument signs and a PhoenixMart logo constructed along the frontage of Florence Blvd. These signs were approved by the Board of Adjustment via a Temporary Use Permit (TUP) process. The TUP is good for 12 months from the date of the BOA approval. A separate comprehensive sign plan will be brought before the Planning and Zoning Commission (Commission) for review and approval in the near future. Once the comprehensive sign plan is approved by the Commission, the temporary permit status of the existing monuments signs will be converted to permanently permitted signs.

**Screening:**
Screening on the Mart site only applies at the loading area to the north of the Mart building. It will be screened with an eight (8') ft. block wall and accessed through a wrought iron gate on the west and east side of the loading docks. The screened area will also house the utility area and dumpsters.

**Setbacks:**
The Mart setback requirement is 20’ on all sides measured from back of the landscape easement or tract where applicable. The Mart has provided the following setbacks from the property line:
- Front = 350'
- Left Side yard = 675'
- Right Side yard = 555'
- Rear yard = 575'

The Mart building is also set back at 570’ from the nearest residential zoned property, while the PAD requirement is 550’ from an existing single family residential located at the southeast corner of the Mart along Florence Blvd./SR 287.

## PUBLIC NOTIFICATION/COMMENTS

**Notification**
Public hearing notification efforts for this request meet and exceed those requirements set out by City Code. They include:

- A notice of time, date, place, and purpose of the public hearing was published in the Casa Grande Dispatch on October 21, 2014.
- A notice of time, date, place and purpose of the public hearing was posted at the City Hall and Police Dispatch Center on October 21, 2014.
- A notice was mailed on October 21, 2014 by the Project Planner to each owner of property situated within three hundred feet of the site. An affidavit confirming this mailing is on file.
- Two signs were posted by the applicant on the subject site on October 22, 2014. An
Inquiries/Comments
Staff has received some general inquiries regarding this application. There was no objection received by staff on this request.

STAFF RECOMMENDATION

Staff recommends the Commission approve the Final Development Plan/Major Site Plan (DSA-13-00121) for the Mart site with the following conditions:

1. Prior to issuance of the Certificate of Occupancy, the following roadways shall be fully constructed and accepted by the City:
   - Toltec Buttes Road from SR 387/Florence Blvd. intersection to the intersection of the proposed Phoenix Mart Loop to the north.
   - The Phoenix Mart Loop
2. Prior to issuance of the Certificate of Occupancy, the following main entrance driveways shall be fully constructed:
   - Innovation Loop
   - Gateway Loop
3. Prior to the issuance of the Certificate of Occupancy, a Final Landscape Plan shall be approved and the Landscaping installed per that plan:
   - Florence Blvd frontage
   - Toltec Buttes Road
   - Phoenix Mart Loops
   - Innovation and Gateway Loops
4. Address the City Engineer’s technical comments on the Water Report Wastewater Report within the Construction Document (CD) submittal process.
5. For the applicant to work with Sanitation Division on the Mart’s solid waste management and include solution(s) within the Construction Document (CD).
6. Final Water Report will need approval by both City and Arizona Water Company during the Engineering Permitting process that authorizes the construction of the water mains.
7. Coordinate with ED2 on the final Utility area needed at the north part of the Mart and incorporate final dimension of the utility area within the Construction Document (CD).

Exhibits:
Exhibit A – Applicant Project Narrative
Exhibit B – Major Site Plan Set
Exhibit C – Elevations
Exhibit D - Landscape Plan
Exhibit E - Manufacturers Cut Sheets