



Chandler · Arizona
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#15

OCT 27 2011
Chandler



2010

MEMORANDUM

Transportation & Development – CC Memo No. 11-108

DATE: OCTOBER 6, 2011

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *AD*
PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *[Signature]*
R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR *[Signature]*
JEFF KURTZ, PLANNING ADMINISTRATOR *KA RJK*
KEVIN MAYO, PLANNING MANAGER *KA*

FROM: JODIE M. NOVAK, MEP, SENIOR CITY PLANNER *[Signature] JN*

SUBJECT: DVR11-0023 PARK OCOTILLO BUSINESS CENTER

Request: Action on the existing Planned Area Development (PAD) zoning to extend the conditional schedule for development, remove, or determine compliance with the three year schedule for development or to cause the property to revert to the former PAD zoning for light industrial use and/or commercial uses; the current PAD zoning is for office, light industrial, and retail

Location: Southwest corner of Price and Queen Creek Roads

Applicant: Burch & Cracchiolo, P.A., Ed Bull

Project Info: Approximately 37 acres for light industrial/warehouse, office, and retail uses. Maximum building square footage up to 415,000 square feet. PDP includes approximately:

- Retail – 15,000 square feet
- Office – 137,000 square feet
- Industrial warehouse/office – 197,000 square feet

Total building square footage is 349,000 square feet

RECOMMENDATION

Upon finding consistency with the General Plan, Planning Commission and Planning Staff recommend approval of extending the timing condition for an additional three (3) years.

EXTENSION OF THE TIMING CONDITION

This application requests a time extension for an approximately 37 acre parcel located at the southwest corner of Price and Queen Creek Roads. In May 2008, City Council approved rezoning from Planned Area Development (PAD) zoning for light industrial use and/or commercial uses to PAD zoning for office, light industrial, and retail uses with Preliminary Development Plan (PDP) approval for a light industrial/business park. The approved PDP request represents the site layout and building architecture with flexibility for final site and building designs contingent upon being in substantial conformance with the approved zoning. The zoning was approved with a three (3) year construction time limit condition. The PAD zoning expired on June 21, 2011. Time limits are calculated from the previous zoning approval's effective date and time limit extensions are calculated from the expiration date.

This application requests a time extension approval to maintain the PAD zoning for office, light industrial, and retail uses for an additional three (3) years in which the zoning would expire on June 21, 2014. The City has the following options when a zoning district's timing condition expires. The City could, through administrative action, extend the timing condition for another period of time, eliminate the timing condition, or by legislative action revert the zoning to its former zoning classification. If the City should approve the timing condition extension, all other conditions in the original approval would remain in effect.

BACKGROUND

The property is located at the southwest corner of Price and Queen Creek Roads. The property is a part of the larger Ocotillo Master Plan and designated for Employment use. The Gila River Indian Community is west and northwest of the site. Directly north is property zoned PAD and Planned Commercial Office (PCO) for commercial and office use a part of the Wells Fargo Corporate Center development. The City's Ocotillo water reclamation facility abuts the site's south side. East of the site are condo offices and the new Downtown Ocotillo retail/residential project.

In 1989, the property was rezoned from AG-1 (Agricultural) to PAD for an industrial park, which was planned for business and low intensity industrial uses consistent with surrounding uses. The development did not commence and the zoning expired due to the lack of construction activity. The zoning was changed through a separate case, Ocotillo Power Center, in 1996 allowing for an approximate 40-acre industrial development or a mixed-use development with 24.9 net acres of commercial retail and 14.7 net acres of industrial. This zoning expired and was extended in 1998 for an additional two years.

Following the 1996 zoning action, a PDP was approved for the Mobil gas station with a convenience store at the immediate intersection corner of Price and Queen Creek Roads. The zoning for Park Ocotillo Business Center vested with the development of the gas station. This application includes offices, which was not a part of the previous zoning, incidental retail versus a large retail center, and flex industrial warehouse/office buildings instead of single or multiple user industrial development.

The development request allows up to a maximum of 415,000 square feet of building area; though, the development plan exhibits a development with approximately 349,000 square feet of

building area. As was done with the previous zoning for this site, the PAD zoning requests use and site design flexibility with final land use configurations determined at the time of Final Development Plan. The PAD zoning process allows the final land use configurations to be based upon the market demands and the expectations by the PDP. Planning Staff would review increased building area administratively for compliance with all other development standards.

The development includes two 3-story office buildings along Queen Creek Road along with a 15,000 square foot retail shops building. Along Price Road, there are four 1-story 8,000 square foot office buildings and a 33,400 square foot 2-story office building. Flex industrial warehouse/office buildings total approximately 197,000 square feet and are sited in the project's center and along the west and south property lines.

This application does not seek to modify the previously approved land use, site or building design, but seeks to extend the timing condition for an additional three (3) years. There are no development plans at this time.

If any other alternative design or use is proposed that is not in substantial conformance with the PAD, an amendment to the PAD zoning and/or PDP will be required. If the City should approve the timing condition extension, all other conditions in the original approval would remain in effect. Planning Staff has no concerns with the conditions in the original approval. Attached is a copy of the approved ordinance including the zoning conditions.

Planning Staff is in support of the zoning time extension request for an additional three years, which extends the PAD zoning until June 21, 2014. Planning Staff is of the opinion that the office, light industrial, and retail business park land use is still appropriate for this site.

PUBLIC / NEIGHBORHOOD NOTIFICATION

- This request was noticed in accordance with the requirements of the Chandler Zoning Code.
- A neighborhood meeting was held on August 24, 2011. Three people attended in addition to the applicant. Those in attendance represented another office building along Price Road and a representative from the Ocotillo Community Association.
- As of the date of this memo, Planning Staff is not aware of any opposition or concerns with this request.

PLANNING COMMISSION VOTE REPORT

Motion to Approve.

In Favor: 7 Opposed: 0

RECOMMENDED ACTION

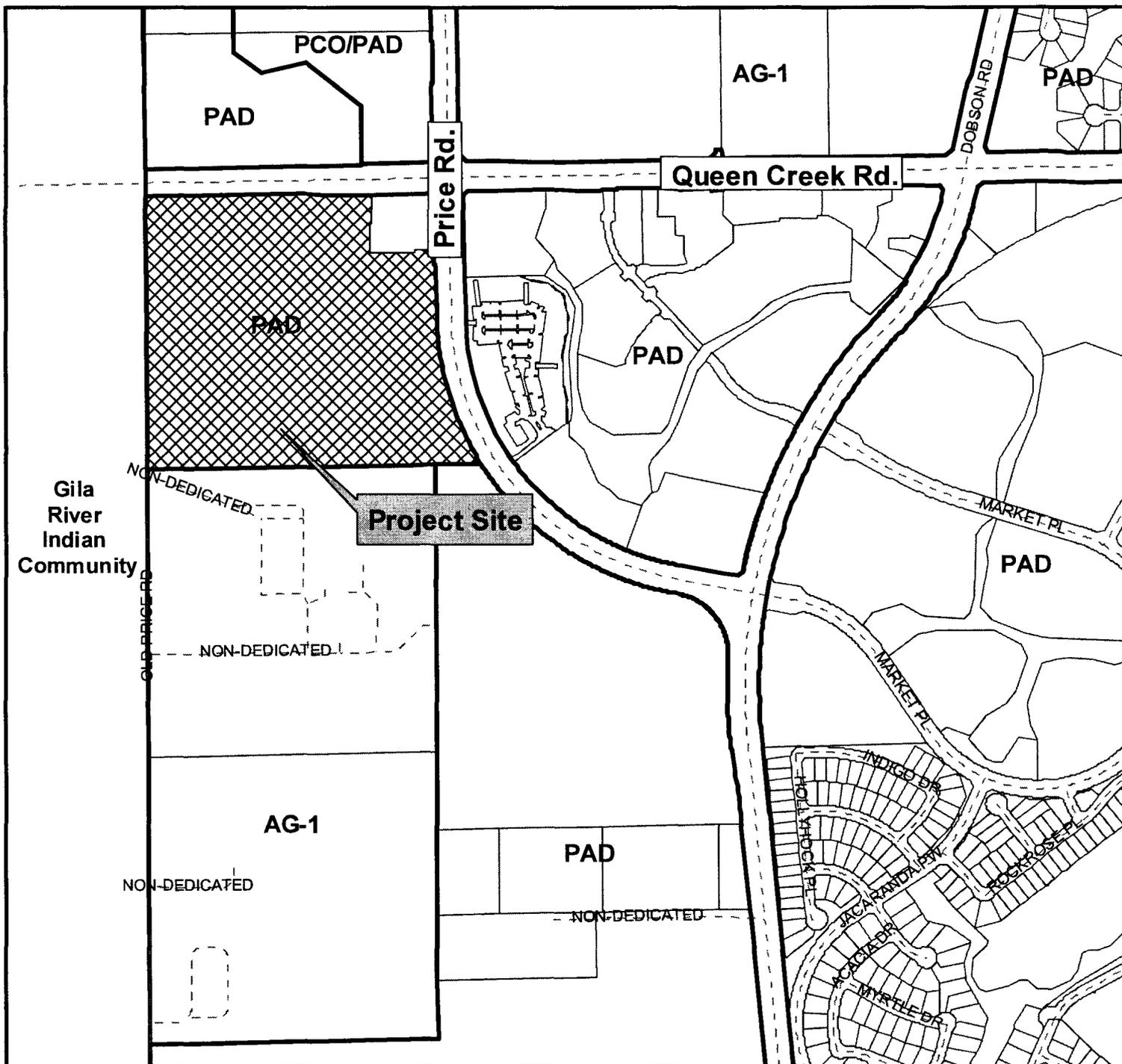
Planning Commission and Planning Staff, upon finding consistency with the General Plan, recommend approval to extend the timing condition for three (3) years with all of the conditions in the original approval remaining in effect.

PROPOSED MOTION

Move to approve extending the timing condition for case DVR11-0023 PARK OCOTILLO BUSINESS CENTER for an additional three (3) years, in which the zoning would be in effect until June 21, 2014, and with all of the conditions in the original approval remaining in effect.

Attachments

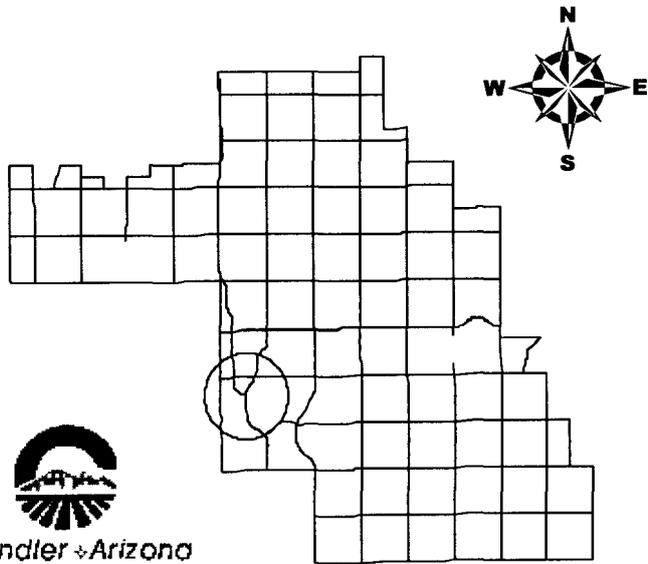
1. Vicinity Maps
2. Narrative
3. Site Plan
4. Ordinance No. 4065



Gila River Indian Community

Project Site

Vicinity Map



DVR11-0023

Park Ocotillo Business Center



Chandler, Arizona
Where You'll Make The Difference



Project Site

Queen Creek Rd.

Price Rd.

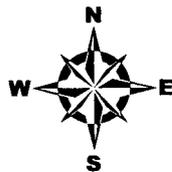
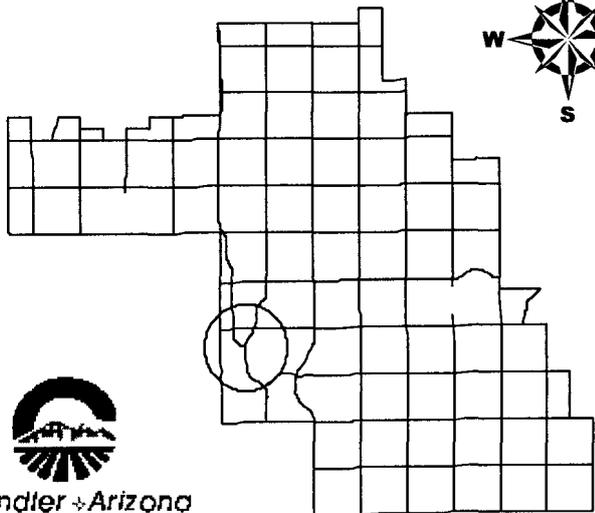
NON-DEDICATED

G-1

NON-DEDICATED

NON-DEDICATED

Vicinity Map



DVR11-0023

Park Ocotillo Business Center



Chandler Arizona
Where Values Make The Difference

CITY OF CHANDLER 6/23/2011

Stearns' Request for Time Extension
(Park Ocotillo Business Center)

As the current owner (former lender) of the approximately 38 acres that are located at the southwest corner of Price and Queen Creek Roads and are depicted on the aerial photograph at Exhibit 1 (the "Site"), Stearns Bank N.A. ("Stearns") requests a 3 year time extension of the approved PAD/PDP zoning for the "Park Ocotillo Business Center."

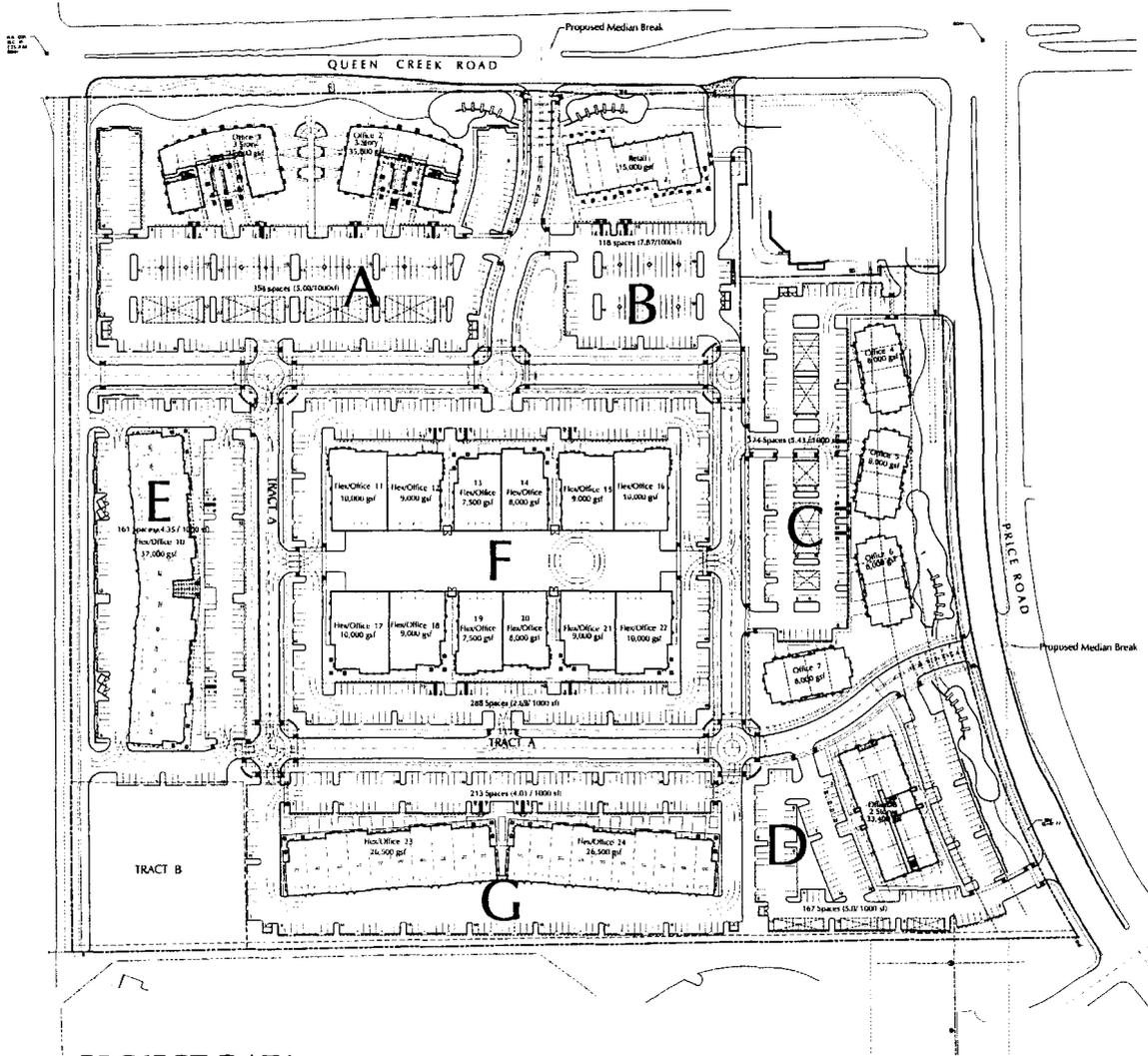
Effective in late June 2008, the City Council adopted Ordinance No. 4065 (attached at Exhibit 2) which approved the PAD/PDP for the Park Ocotillo Business Center. Stipulation 2 of Ordinance No. 4065 is the City's "standard stipulation" calling for commencement of development within 3 years of the effective date of the Ordinance.

As noted above, Stearns was a lender on a loan secured by the Site. Because of economic challenges that delayed construction and materially impacted the prior borrower's financial position with respect to the Site, Stearns now owns the Site. This is Stearns' first requested time extension.

The PAD/PDP for the Park Ocotillo Business Center was supported and complimented by the City Council, Planning Commission, Staff and others. This is "good zoning" that got caught in economic challenges that have affected many properties in Chandler and elsewhere. The requested Time Extension is well justified and is needed to preserve the opportunity for the Site to develop with a PAD/PDP that will be an asset to the City of Chandler, its residents and the area.

On behalf of Stearns, we request approval of this extension.

If you have questions or need additional information, please contact Brennan Ray at 602-234-8794 or Ed Bull at 602-234-9913.



SITE LAYOUT AND DEVELOPMENT

The proposed project will consist of the development of multiple Office and Flex office Buildings totalling approximately 349,000 sf on a 37.6 acres. The proposed buildings will be steel, concrete and masonry construction, utilizing sloped roofs, metal accents and glass to achieve a design character and mix that will be complimentary to the surrounding developments. There will be surface parking according to code standards with associated landscaping, water features, and pedestrian areas to buffer the site.

The existing gas station at the northeast corner of the property will remain. Access to the site will be provided from Old Price Road (west site), and Queen Creek Road (north side), and Price Road (east side) through new entries constructed as a part of the site improvements. These entries and internal circulation provide proper access for users, employees, customers, and truck traffic (fire, trash, delivery, semi, box, etc.)

Park Ocotillo has been designed to maximize the Site's potential. Generous amounts of landscaping are provided along the Site's two arterial streets, "Old Price Road," and throughout the project. The amount of building area, landscaping, and other features discussed below create a high quality business/industrial park in a campus-like environment.

- A. Uses**
 Park Ocotillo is being developed as a mixed use employment-based business park blending office, industrial, and warehouse uses that will continue to further the City's goals and policies for the SPRCEC. The uses permitted within Park Ocotillo are as follows:
- Office.** Offices, including, professional, business, administrative, executive, medical and dental,¹ and other offices.
 - Industrial/office/warehouse.** Any use or similar use permitted as a matter of right in the I-1 District of the City's Zoning Ordinance and/or offices as described above shall be permitted.²
 - Retail.** Retail uses permitted as a matter of right in the C-1 and C-2 zoning districts and that are supportive of the primary use are permitted within any office building; however, such use shall not exceed an aggregate amount of 20,000 square feet of building area throughout Park Ocotillo.
- B. Proposed PDP**
 Park Ocotillo has been designed to accommodate a variety of users and their individual needs. To meet their uses and needs, all development must conform to the standards set forth in Table 1.

TABLE 1	Maximum Building Height	Average/Minimum Building Setback (from perimeter streets)	Maximum Lot Coverage†
Office	Sites A, B	46'	50%/40%
	Site C	34'	
	Site D	34'	
Industrial/office/warehouse	34'	50%/40%	50%

¹ The amount of medical and dental uses can be the maximum amount the parking requirements will allow without exceeding the code requirements for the entire development.
² The percentage of office uses within each respective flex building can be the maximum amount the parking requirements will allow. Should the percentage of proposed office use in a given flex site exceed the Code required parking, the Zoning Administrator will consider and may allow an administrative modification to expeditiously deal with such a situation up to 10% more office square footage than the parking provided would typically allow.

PROJECT DATA:

Parcel #: 303-37-959
 Municipality: City of Chandler
 Existing Zoning: PAD
 Proposed Building Height: Varies
 Proposed Building Area: 349,000 GSF
 Proposed Building Use: Commercial Office, Flex Office
 Gross Site Area: 37.6 acres (1,637,760 sf)
 Construction Type: V-B
 Occupancy Classification: B



PARK OCOTILLO
 BUSINESS CENTER



ORDINANCE NO. 4065

AN ORDINANCE OF THE CITY OF CHANDLER, ARIZONA, AMENDING THE ZONING CODE AND MAP ATTACHED THERETO, BY REZONING A PARCEL FROM PAD TO PAD (DVR07-0038 PARK OCOTILLO BUSINESS CENTER) LOCATED WITHIN THE CORPORATE LIMITS OF THE CITY OF CHANDLER, ARIZONA.

WHEREAS, application for rezoning involving certain property within the corporate limits of Chandler, Arizona, has been filed in accordance with Article XXVI of the Chandler Zoning Code; and

WHEREAS, the application has been published in a local newspaper with general circulation in the City of Chandler, giving fifteen (15) days notice of time, place and date of public hearing; and

WHEREAS, a notice of such hearing was posted on the property at least seven (7) days prior to said public hearing; and

WHEREAS, a public hearing was held by the Planning and Zoning Commission as required by the Zoning Code

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Chandler, Arizona, as follows:

SECTION I. Legal Description of Property:

See Attachment 'A'.

Said parcel is hereby rezoned from PAD to PAD, subject to the following conditions:

1. Development shall be in substantial conformance with Exhibit A, Development Booklet, entitled "Park Ocotillo Business Center", kept on file in the City of Chandler Planning Services Division, in File No. DVR07-0038, except as modified by condition herein.
2. Construction shall commence above foundation walls within three (3) years of the effective date of the ordinance granting this rezoning or the City shall schedule a public hearing to take administrative action to extend, remove or determine compliance with the schedule for development or take legislative action to cause the property to revert to its former zoning classification.
3. Right-of-way dedications to achieve full half-widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
4. Undergrounding of all overhead electric (less than 69kv), communication, and television lines and any open irrigation ditches or canals located on the site or within adjacent right-of-ways and/or easements. Any 69kv or larger electric lines that must stay overhead shall be located in accordance with the City's adopted design and engineering standards. The aboveground utility poles, boxes, cabinets, or similar appurtenances shall be located outside of the ultimate right-of-way and within a specific utility easement.

5. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).
6. Completion of the construction of all required off-site street improvements including but not limited to paving, landscaping, curb, gutter and sidewalks, median improvements and street lighting to achieve conformance with City codes, standard details, and design manuals.
7. The developer shall be required to install landscaping in the arterial street median(s) adjoining this project. In the event that the landscaping already exists within such median(s), the developer shall be required to upgrade such landscaping to meet current City standards.
8. The site shall be maintained in a clean and orderly manner.
9. Landscaping shall be in compliance with current Commercial Design Standards.
10. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.
11. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
12. The development shall be in compliance with current Commercial Design Standards for site and building design.
13. The parking space canopies shall incorporate building materials, forms, and colors to match the development.
14. Raceway signage shall be prohibited within the development.
15. Sign packages, including free-standing signs as well as wall-mounted signs, shall be designed in coordination with landscape plans, planting materials, storm water retention requirements, and utility pedestals, so as not to create problems with sign visibility or prompt the removal of required landscape materials.
16. The source of water that shall be used on the open space, common areas, and landscape tracts shall be reclaimed water (effluent). If reclaimed water is not available at the time of construction, and the total landscapable area is 10 acres in size or greater, these areas will be irrigated and supplied with water, other than surface water from any irrigation district, by the owner of the development through sources consistent with the laws of the State of Arizona and the rules and regulations of the Arizona Department of Water Resources. If the total landscapable area is less than 10 acres in size, the open space common areas, and landscape tracts may be irrigated and supplied with water by or through the use of potable water provided by the City of Chandler or any other source that will not otherwise interfere with, impede, diminish, reduce, limit or otherwise adversely affect the City of Chandler's municipal water service area nor shall such provision of water cause a credit or charge to be made against the City of Chandler's gallons per capita per day (GPCD) allotment or allocation. However, when

the City of Chandler has effluent of sufficient quantity and quality which meets the requirements of the Arizona Department of Environmental Quality for the purposes intended available to the property to support the open space, common areas, and landscape tracts available, Chandler effluent shall be used to irrigate these areas.

In the event the owner sells or otherwise transfers the development to another person or entity, the owner will also sell or transfer to the buyer of the development, at the buyer's option, the water rights and permits then applicable to the development. The limitation that the water for the development is to be owner-provided and the restriction provided for in the preceding sentence shall be stated on the final plat governing the development, so as to provide notice to any future owners. The Public Report, Purchase Contracts, and Final Plats shall include a disclosure statement outlining that the Park Ocotillo Business Center development shall use treated effluent to maintain open space, common areas, and landscape tracts.

17. Provide decorative textured pavement at the southern drive along Price Road.

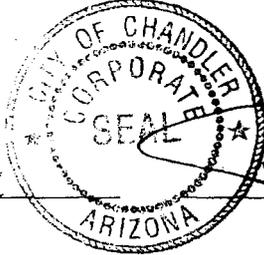
SECTION II. Except where provided, nothing contained herein shall be construed to be an abridgment of any other ordinance of the City of Chandler.

SECTION III. The Planning & Development Department of the City of Chandler is hereby directed to enter such changes and amendments as may be necessary upon the Zoning Map of said Zoning Code in compliance with this ordinance.

INTRODUCED AND TENTATIVELY APPROVED by the City Council of the City of Chandler, Arizona, this 8th day of May 2008.

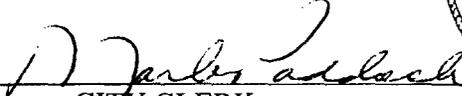
ATTEST:


CITY CLERK

 
MAYOR

PASSED AND ADOPTED by the Mayor and City Council of the City of Chandler, Arizona, this 22nd day of May 2008.

ATTEST:


CITY CLERK

 
MAYOR

CERTIFICATION

I HEREBY CERTIFY that the above and foregoing Ordinance No. 4065 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the 22nd day of May 2008, and that a quorum was present thereat.



CITY CLERK

APPROVED AS TO FORM:



CITY ATTORNEY

PUBLISHED in the Arizona Republic on May 29 and June 5, 2008.

EXHIBIT "A"

ORDINANCE NO. 4065

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**LEGAL DESCRIPTION
Park Ocotillo**

That portion of the Northwest quarter of Section 4, Township 2 South, Range 5 East of the Gila and Salt River Base and Meridian, Maricopa County, Arizona, said portion being Lot 1 of the subdivision OCOTILLO POWER CENTER, recorded in Book 536, Page 25, Maricopa County Records and more particularly described as follows:

Commencing at the Northwest corner of said Section 4;

Thence, S00°54'54"W a distance of 65.01 feet along the West line of the Northwest quarter of said Section 4 to the Northwest corner of said Lot 1 and POINT OF BEGINNING;

Thence, S89°52'01"E a distance of 724.26 feet;

Thence, S86°08'51"E a distance of 92.49 feet;

Thence, S89°52'01"E a distance of 177.27 feet;

Thence, S00°07'59"W a distance of 4.00 feet;

Thence, S89°52'01"E a distance of 46.05 feet to the Northwest corner of Lot 2 of said OCOTILLO POWER CENTER;

Thence, S00°07'58"W a distance of 131.29 feet;

Thence, N89°52'02"W a distance of 11.75 feet;

Thence, S00°07'58"W a distance of 136.36 feet to the Southwest corner of said Lot 2;

Thence, S89°52'02"E a distance of 209.00 feet;

Thence, N00°07'58"E a distance of 11.75 feet;

Thence, S89°52'02"E a distance of 85.70 feet to the Southeast corner of said Lot 2;

Thence, S00°07'58"W a distance of 72.10 feet;

EXHIBIT "A"

ORDINANCE NO. 4065

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Thence, S89°52'02"E a distance of 6.00 feet;

Thence, S00°07'58"W a distance of 241.08 feet to the beginning of a tangent curve concave Northeasterly with a radius of 1315.00 feet;

Thence, Southerly along said curve, an arc length of 711.34 feet through a central angle of 30°59'38" to the Southeast corner of said Lot 1;

Thence, N89°53'26"W a distance of 1533.74 feet to the Southwest corner of said Lot 1;

Thence, N00°54'54"E a distance of 1256.98 feet along the West line of the Northwest quarter of said Section 4 to the POINT OF BEGINNING;

Contains an area of 1,638,680 square feet or 37.619 acres more or less.

