



MEMORANDUM Transportation & Development - CC Memo No. 13-026

DATE: FEBRUARY 12, 2013

TO: MAYOR AND CITY COUNCIL

THRU: RICH DLUGAS, CITY MANAGER *RD*
 PATRICK MCDERMOTT, ASSISTANT CITY MANAGER *PM*
 R.J. ZEDER, TRANSPORTATION & DEVELOPMENT DIRECTOR
 JEFF KURTZ, PLANNING ADMINISTRATOR *JK*
 KEVIN MAYO, PLANNING MANAGER *KM*

FROM: ERIK SWANSON, CITY PLANNER *ES*

SUBJECT: DVR12-0027 KYRENE 202 BUSINESS PARK
 Introduction and Tentative Adoption of Ordinance No. 4435

Request: Rezoning from Agricultural (AG-1) to Planned Area Development (PAD) for a business park, along with Preliminary Development Plan (PDP) approval for building architecture and site layout

Location: Southwest corner of Kyrene Road and Gila Springs Place

Applicant: Michael Curley; Earl, Curley & Lagarde, P.C.

RECOMMENDATION

The request is for Rezoning from AG-1 to PAD for a business park, along with Preliminary Development Plan approval for building architecture and site layout on an approximate 34 acre site. Planning Commission and Staff, upon finding consistency with the General Plan and PAD zoning, recommend approval with conditions.

BACKGROUND

The subject site is located at the southwest corner of Kyrene Road and Gila Springs Place and is currently zoned AG-1. North is the Paloma Kyrene business park; south is City of Chandler Nozomi Aquatic Center. East, across Kyrene Road is the Crestview II single-family residential neighborhood. Adjacent to the site's western boundary is the Gila Drain (canal) with the roughly 200-acre Williams Road Business Park west of the canal. Along the southern boundary is the future Frye Road alignment that will connect Frye Road from the west to Kyrene Road.

The subject site has had a number of zoning actions dating back to the late 70's either zoning a portion of the site or the entire site; all zoning requests were to rezone the property to Planned Industrial (I-1). Since the 70's the site has been designated for supporting industrial/business park type development. The Land Use Element of the General Plan continues to designate the site as supporting Employment type uses. The request is to Rezone the property to PAD along with PDP approval for a business park. Primary uses will be those consistent with office/light industrial type uses; however, provisions for office support retail uses are requested and may consist of copy/print/mail shops.

SITE LAYOUT AND BUILDING DESIGN

A total of six buildings are proposed for the site. Two buildings will front Kyrene Road, two will front Gila Springs Place, and one will front Frye Road. Truck wells screened from street view will be provided for all buildings. Two entrances will be provided off of Kyrene Road; the Frye Road/Chicago Street alignment will provide full-access movement but will not be a signalized intersection. Two access points will be provided off of Gila Springs Place; three along the future Frye Road.

Just over 400,000 square feet of floor area is proposed that will allow users ranging in size from 5,000 up to 50,000 square feet in order to encourage growth from incubator to full-grown type users. As indicated on the site plan a ratio of 80% warehouse and 20% office is proposed. Based on the updated parking schedule, a ratio of 80% warehouse and 20% office requires a total of 496 parking stalls; prior parking requirements would be 944 stalls. A total of 871 spaces are provided. Due to the substantial amount of unaccounted for parking stalls, Staff and the applicant worked towards addressing the additional stalls and modified the allocation of uses. The development team is proposing an 80/20 ratio of warehouse/office for buildings V and VI, but has increased the amount of office up to 78% and reduced the amount of warehouse down to 22% for building I, II, III, and IV.

Architectural elevations are provided for Building I. Administrative approval is requested for the remaining six buildings with the understanding that elevations will be consistent with what is presented. A variety of forms, scoring patterns, masonry (split and smooth), and paint colors are used throughout, creating visual interest. Steel overhangs provided over the front doors along with horizontal and minimized vertical window elements are used to create a stronger office appearance.

SIGNAGE

The request includes a relatively minor comprehensive sign package. Three monument signs are proposed for the development. Two signs will be located along Kyrene Road, one along Frye Road. The monument sign will be six-feet tall and will provide identification for the development and the developer only; individual users will not be located on the monument signs. Lettering for the monument signs will be pin mounted metal and will be illuminated by ground-up lighting. Building mounted signage is consistent with code requirements with the exception that lettering will be limited to black pan or reverse pan channel lettering only.

DISCUSSION

Planning Commission and Staff support the request, citing consistency with the General Plan, PAD zoning, and overall attractive design of the site. It is important to note that as shown on the site plan and discussed below, Frye Road will be extended from the west in order to connect to Kyrene Road. The applicant has agreed to dedicate the needed right-of-way and will construct the entire right-of-way up to the second entrance along Frye Road. The City of Chandler will build the remaining right-of-way to connect to the existing Frye Road west of the Gila Drain.

PUBLIC/NEIGHBORHOOD NOTIFICATION

This request was noticed in accordance with the requirements of the Chandler Zoning Code.

- A neighborhood meeting was held on November 26, 2012. Five property owners (three nearby residents and two nearby business owners) were in attendance. General questions were asked regarding the development.
- One concern was expressed relating to the extension of Frye Road to the west and connecting to Kyrene Road. The neighbor indicated that years ago the City stated they would not extend Frye Road; Staff has been unable to verify the statement. Following the neighborhood meeting, Staff heard from the resident that expressed concerns with the Frye Road extension and whether or not the intersection should be signalized. Staff responded that the City has reviewed the business park to the west and in an effort to provide proper and adequate circulation, the extension of Frye Road is necessary. Additionally, due to the signals located north and south of the subject site, it is not desirable or good practice to include a third signal in such a short distance.

Staff has received one email from a business owner to the north supporting the request, and a phone call from the neighbor expressing concerns with Frye Road. At the time of this writing, Staff has received no telephone calls or letters opposed to this application.

PLANNING COMMISSION VOTE REPORT

Motion to Approve:

In Favor: 6 Opposed: 0 Absent: 1 (Veitch)

One neighbor spoke at the Planning Commission hearing and discussed concerns with the potential for an increase in traffic along Kyrene Road, and that a more appropriate location for access into the larger Williams Road Business Park would be to use the existing signal located on the south side of the Nozomi Aquatic Center. Throughout the review process and following the Planning Commission hearing, Staff has had a number of discussions with the Traffic division to ensure that the proposed Frye Road alignment provides the most efficient and appropriate means for traffic circulation for the larger business park. The Traffic division has completed a couple of various traffic counts (and will complete the most recent study prior to the Council hearing) and believes that the proposed alignment provides the best location for circulation and traffic alleviation.

RECOMMENDED ACTIONS

Rezoning

Planning Commission and Staff, upon finding consistency with the General Plan, recommend approval of DVR12-0027 KYRENE 202 BUSINESS PARK, Rezoning from AG-1 to PAD for a business park, subject to the following conditions:

1. Development shall be in substantial conformance with the attached Development Booklet, entitled "KYRENE 202 BUSINESS PARK", kept on file in the City of Chandler Planning Services Division, in File No. DVR12-0027, except as modified by condition herein. The Development Booklet provides that building layout, architecture and design for future development of individual parcels, and related onsite site layout related to such future development of individual parcels, will be reviewed and approved administratively.
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. 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.
4. 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 or as otherwise approved in a development agreement.
5. Unless otherwise included as part of the City's Capital Improvement Program, 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.
6. Landscaping shall be in compliance with current Commercial Design Standards.
7. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
8. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.

9. Approval by the Director of Transportation and Development for landscaping (open spaces and rights-of-way), perimeter walls and arterial street median landscaping is required.
10. 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.
11. Right-of-way dedications of the future Frye Road extension to achieve full widths, including turn lanes and deceleration lanes, per the standards of the Chandler Transportation Plan.
12. Future median openings shall be located and designed in compliance with City adopted design standards (Technical Design Manual # 4).

Preliminary Development Plan

Staff, upon finding consistency with the General Plan, recommends approval of DVR12-0027 KYRENE 202 BUSINESS PARK, Preliminary Development Plan for a business park, subject to the following condition:

1. Development shall be in substantial conformance with the attached Development Booklet, entitled “KYRENE 202 BUSINESS PARK”, kept on file in the City of Chandler Planning Services Division, in File No. DVR12-0027, except as modified by condition herein. The Development Booklet provides that building layout, architecture and design for future development of individual parcels, and related onsite site layout related to such future development of individual parcels, will be reviewed and approved administratively.

PROPOSED MOTIONS

Rezoning

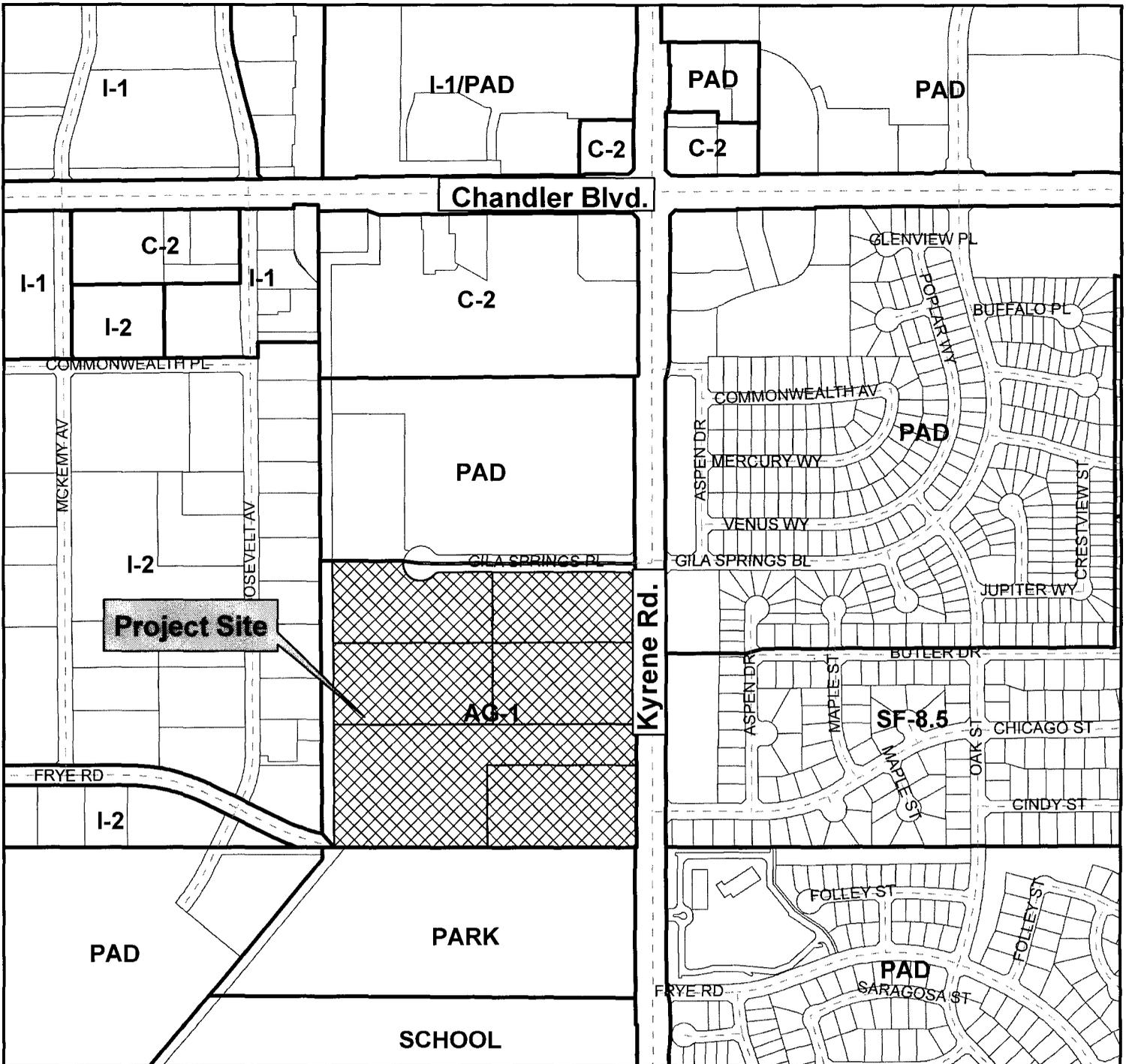
Move to Introduce and Tentatively Adopt Ordinance No. 4435 approving DVR12-0027 KYRENE 202 BUSINESS PARK, Rezoning from AG-1 to PAD, subject to the conditions as recommended by Planning Commission and Staff.

Preliminary Development Plan

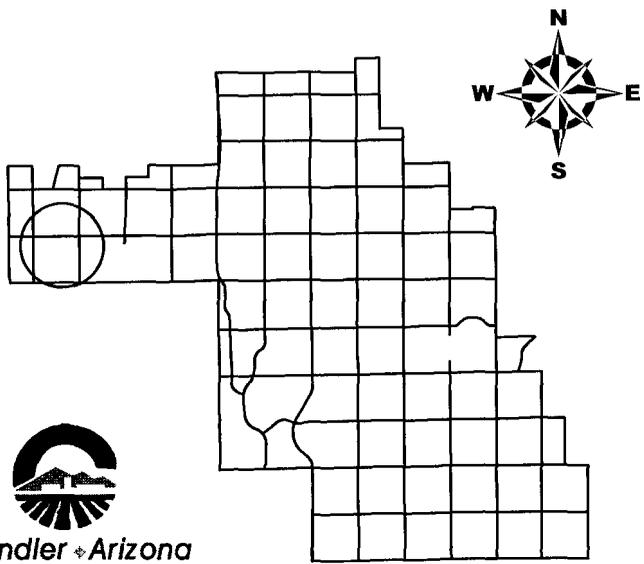
Move to approve DVR12-0027 KYRENE 202 BUSINESS PARK, Preliminary Development Plan for a business park, subject to the conditions recommended by Planning Commission and Staff.

Attachments

1. Vicinity Maps
2. Site Plan
3. Building Elevations
4. Sign Package
5. Applicant Narrative
6. Ordinance No. 4435
7. Development Booklet



Vicinity Map



DVR12-0027

Kyrene 202 Business Park



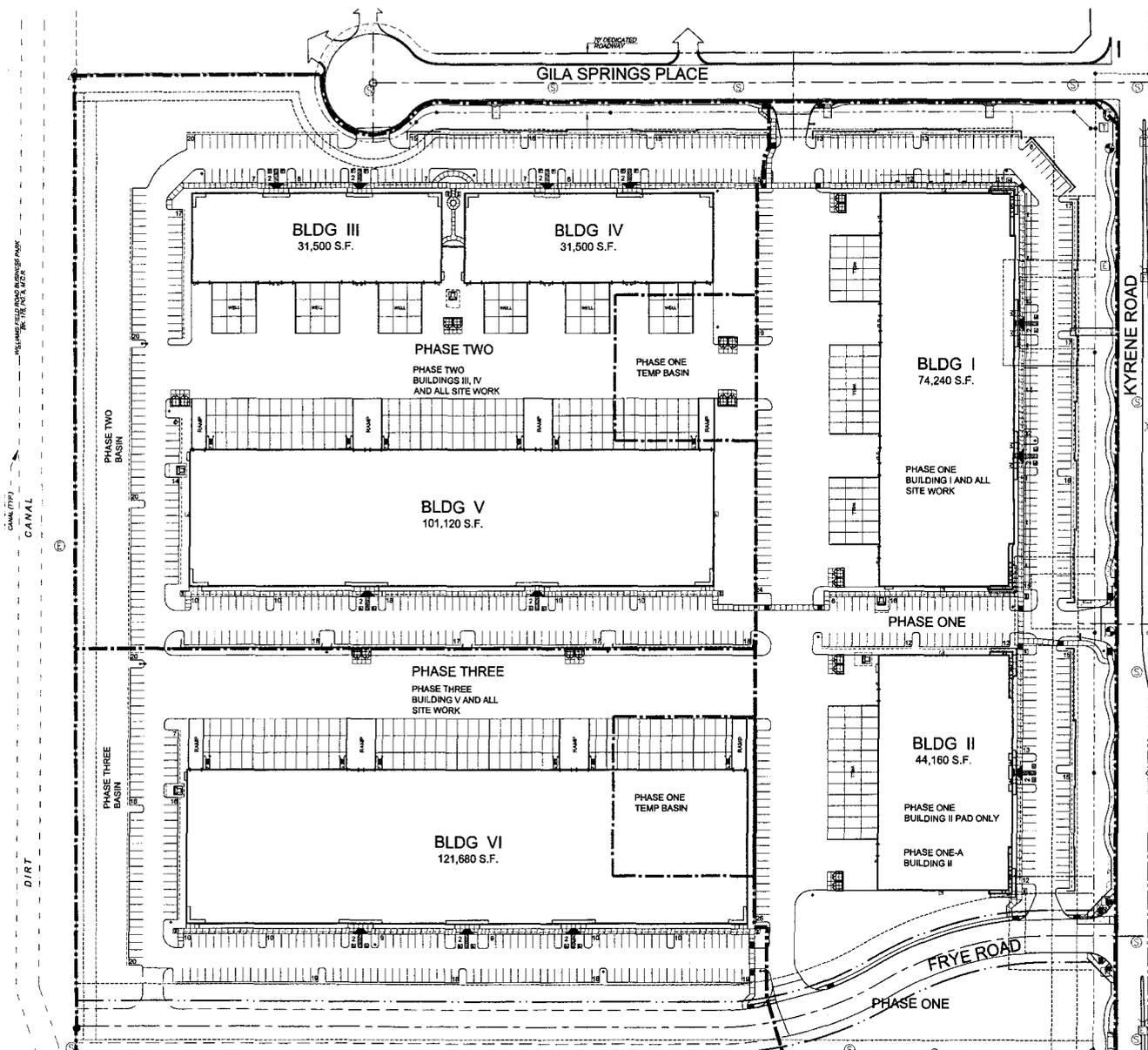


Vicinity Map



DVR12-0027

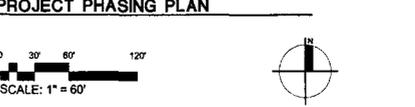
Kyrene 202 Business Park



SITE PHASE DATA			
ZONING (CURRENT)	AG-1		
ZONING (PROPOSED)	PAC-2 INDUSTRIAL		
GROSS SITE AREA	1,488,000 S.F. (34.0 AC)	1,488,000 S.F. (34.0 AC)	1,488,000 S.F. (34.0 AC)
NET SITE AREA	1,287,531 S.F. (29.4 AC)	1,287,531 S.F. (29.4 AC)	1,287,531 S.F. (29.4 AC)
TOTAL NEW BUILDING AREA	423,238 S.F.	423,238 S.F.	423,238 S.F.
TOTAL % OF COVERAGE OCCUPANCY	31.2%	31.2%	31.2%
TYPE OF CONSTRUCTION	GROUP B (OFFICE) / S1 (STORAGE) B		
BUILDING DATA			
BUILDING	I	II	III
PHASE	ONE	ONE A	TWO
SITE AREA	423,238 S.F. - 8.7 AC	423,238 S.F. - 8.7 AC	537,311 S.F. - 12.3 AC
BUILDING AREA	74,240 S.F.	44,160 S.F.	31,500 S.F.
BUILDING CLEAR HT.	28'0"	28'0"	28'0"
PARKING PROVIDED	SEE BELOW	SEE BELOW	SEE BELOW
ACCESSIBLE PARKING	4 SPACES	2 SPACES	4 SPACES
BUILDING DATA CONT.			
BUILDING	IV	V	VI
PHASE	TWO	TWO	THREE
SITE AREA	537,311 S.F. - 12.3 AC	537,311 S.F. - 12.3 AC	341,200 S.F. - 7.8 AC
BUILDING AREA	31,500 S.F.	101,120 S.F.	121,680 S.F.
BUILDING CLEAR HT.	28'0"	28'0"	28'0"
PARKING PROVIDED	SEE BELOW	SEE BELOW	SEE BELOW
TOTAL PROVIDED	4 SPACES	4 SPACES	8 SPACES
PARKING TOTALS CALCULATED AT 20% OCCUPANCY USE AND 80% 91 OCCUPANCY			
PROJECT TOTALS	PARKING REQUIRED	ACCESSIBLE PARKING REQUIRED	50 SPACES
	871 SPACES	ACCESSIBLE PARKING PROVIDED	24 SPACES
PARKING DIMENSIONS			
	STANDARD	9'x19' 0" w/ 2' OVERHANG	
	ACCESSIBLE	11'x19' PLUS 5' WHEEL DRIVE ASSE.	24' MIN.
SETBACKS			
	BUILDING	REQUIRED	PROVIDED
NOV. FRONT	15 FT MIN.	15 FT MIN.	15 FT MIN.
REAR	15 FT MIN.	15 FT MIN.	15 FT MIN.
SIDE	15 FT MIN.	15 FT MIN.	15 FT MIN.
WEST	15 FT MIN.	15 FT MIN.	15 FT MIN.

PARKING SUMMARY		BUILDING I, II, III, IV PARKING SUMMARY	
BUILDING VI PARKING SUMMARY	80% WAREHOUSE - 97,344 sf	20% OFFICE - 24,336 sf	30% WAREHOUSE - 54,420 sf
WAREHOUSE PARKING - 38 Stalls	OFFICE PARKING - 88 Stalls	TOTAL PROVIDED PARKING - 126 Stalls	
BUILDING V PARKING SUMMARY	80% WAREHOUSE - 80,896 sf	20% OFFICE - 20,224 sf	30% WAREHOUSE - 56 Stalls
WAREHOUSE PARKING - 35 Stalls	OFFICE PARKING - 81 Stalls	TOTAL PROVIDED PARKING - 116 Stalls	
BUILDING I, II, III, IV PROVIDED PARKING - 818 Stalls (80% WAREHOUSE - 20% OFFICE)			
TOTAL SITE PARKING PROVIDED - 871 Stalls			

PROJECT PHASING PLAN	
BUILDING I, II, III, IV PROVIDED PARKING - 818 Stalls (80% WAREHOUSE - 20% OFFICE)	
TOTAL SITE PARKING PROVIDED - 871 Stalls	



Kyrene 202 Business Park

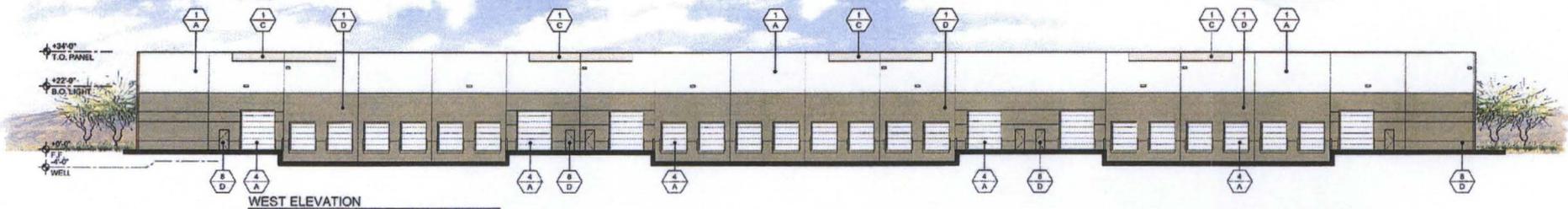
Kyrene Road & Gila Springs Place
Chandler, Arizona



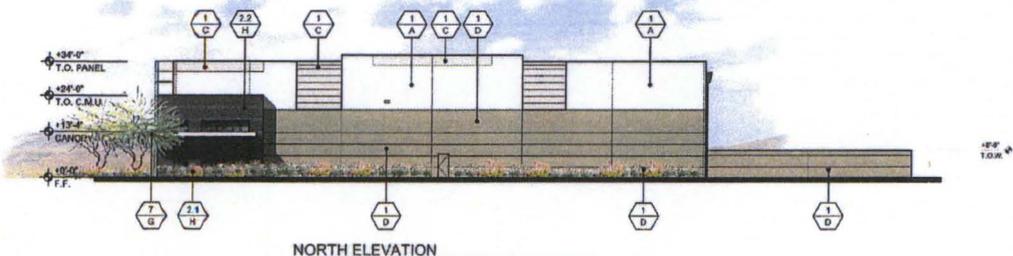
SITE PLAN



EAST ELEVATION



WEST ELEVATION



NORTH ELEVATION



SOUTH ELEVATION

EXTERIOR ELEVATIONS - BUILDING 1
1" = 32' 0"

FINISH LEGEND	
MATERIALS	FINISH / COLOR
1. CONCRETE PANEL WALL	A. PAINT: SAND EDWARDS
2. CONCRETE MASONRY	B. PAINT: SAND EDWARDS
3. ALUMINUM	C. PAINT: SAND EDWARDS
4. POLYMER CONCRETE	D. PAINT: SAND EDWARDS
5. GLASS	E. CLEAR ANODIZED ALUMINUM EXTRUSION
6. ALUMINUM	F. CLEAR ANODIZED ALUMINUM EXTRUSION
7. ALUMINUM	G. CLEAR ANODIZED ALUMINUM EXTRUSION
8. METAL DOOR	H. CLEAR ANODIZED ALUMINUM EXTRUSION
	I. CLEAR ANODIZED ALUMINUM EXTRUSION
	J. CLEAR ANODIZED ALUMINUM EXTRUSION
	K. CLEAR ANODIZED ALUMINUM EXTRUSION
	L. CLEAR ANODIZED ALUMINUM EXTRUSION
	M. CLEAR ANODIZED ALUMINUM EXTRUSION
	N. CLEAR ANODIZED ALUMINUM EXTRUSION
	O. CLEAR ANODIZED ALUMINUM EXTRUSION
	P. SUPERLITE INTERNAL COLORED GLO BLACK

8.28.12
11043



Kyrene 202 Business Park
Kyrene Road & Gila Springs Place
Chandler, Arizona



ELEVATIONS

FREE STANDING SIGNAGE MATRIX

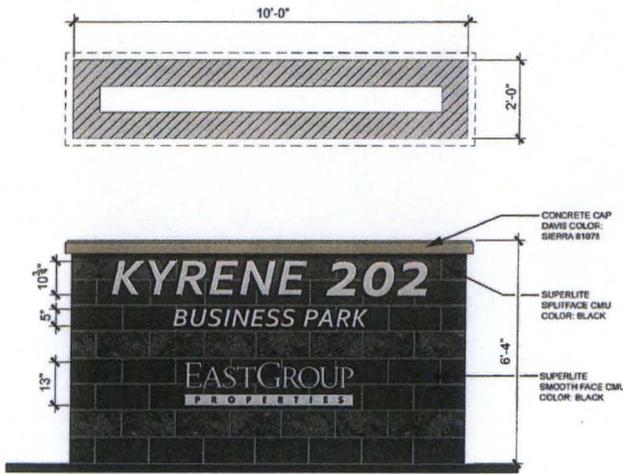
SIGN TYPE	FUNCTION	MAX HT.	MAX SIGN AREA	MAX QTY.	ILLUMINATION	MATERIALS
ENTRY MONUMENT	DEVELOPMENT IDENTIFICATION	8'-0"	PROJECT ID - 15 S.F. (PER SIDE)	(3) MIN 300' APART	GROUND UP LIGHTS	DIMENSIONAL PIN MOUNTED METAL ON CMU BLOCK AND CONCRETE STRUCTURE

BUILDING SIGNAGE MATRIX

SIGN TYPE	MAXIMUM QUANTITY	LOCATION	SIGN AREA	MAXIMUM LETTER HEIGHT	SIGN TYPE / COLOR
INDUSTRIAL SINGLE TENANT	TOTAL OF (2) SIGNS PER BUILDING	WITHIN DESIGNATED "ARCHITECTURAL" SIGN BAND. OWNER TO DECIDE SIGNAGE LOCATIONS	2 S.F. PER LINEAL FOOT OF BUILDING FRONTAGE NOT TO EXCEED 250 S.F.	10% OF BUILDING WALL HEIGHT LOGOS SHALL BE 10% OR LESS OF ALLOWABLE SIGN AREA	BLACK PAN CHANNEL, BLACK REVERSE PAN CHANNEL, OR (CUSTOM COLOR CABINET, LOGO ONLY). NO EXPOSED RACEWAYS.
INDUSTRIAL MULTI-TENANT	TOTAL OF (1) SIGN PER TENANT MAIN ENTRANCE ELEVATION	WITHIN DESIGNATED "ARCHITECTURAL" SIGN BAND DIRECTLY OVER OR ADJACENT TO TENANTS ENTRY OR AS DECIDED BY OWNER	2 S.F. PER LINEAL FOOT OF LEASED FRONTAGE NOT TO EXCEED 250 S.F.	10% OF BUILDING WALL HEIGHT LOGOS SHALL BE 10% OR LESS OF ALLOWABLE SIGN AREA	BLACK PAN CHANNEL, BLACK REVERSE PAN CHANNEL, OR (CUSTOM COLOR CABINET, LOGO ONLY). NO EXPOSED RACEWAYS.

SIGNS SHALL MEET THE FOLLOWING REQUIREMENTS:

- A. ON SITE SIGNS SHALL NOT EXCEED TWO (2) SQUARE FEET IN ANY AREA FOR EACH (1) LINEAR FOOT OF BUSINESS FRONTAGE. SAID SIGNS SHALL BE SMALL OR WINDOW MOUNTED, ON OR UNDER AN ARCHITECTURAL PROJECTION. THE SIGN SHALL NOT PROJEKT MORE THAN ONE (1) FOOT FROM THE BUILDING OR STRUCTURE TO WHICH IT IS ATTACHED. NO ATTACHED SIGN SHALL EXCEED TWO HUNDRED FIFTY (250) SQUARE FEET IN AREA.
- B. ONE (1) DETACHED SIGN FOR EACH DEVELOPED AREA OR PARCEL NOT TO EXCEED ONE AND ONE-HALF (1.5) SQUARE FEET OF SIGN AREA FOR EACH LINEAR FOOT OF BUSINESS FRONTAGE. WHERE THE DEVELOPED PARCEL UNDER A WALL OWNERSHIP HAS AN EXCESS OF THREE HUNDRED (300) FEET OF STREET FRONTAGE, ONE (1) ADDITIONAL DETACHED SIGN MAY BE PERMITTED FOR EACH ADDITIONAL THREE HUNDRED (300) FEET OF STREET FRONTAGE, NOT TO EXCEED TWO (2) DETACHED SIGNS PER CITY BLOCK. IN NO EVENT SHALL SIGN SIGNS BE LOCATED CLOSER THAN THREE HUNDRED (300) FEET TO EACH OTHER.
- C. IN NO EVENT SHALL THE TOTAL COVERED AREA OF ALL DETACHED SIGNS EXCEED FOUR HUNDRED FIFTY (450) SQUARE FEET.
- D. TRAFFIC DIRECTIONAL SIGNS ARE PERMITTED, PROVIDED THEY ARE NO HIGHER THAN THREE (3) FEET. THE SIGN SHALL BE NONILLUMINATED. TRAFFIC DIRECTIONAL SIGNS ARE SUBJECT TO APPROVAL OF THE CITY TRAFFIC ENGINEER AND NOT INCLUDED IN AREA CALCULATIONS.



MONUMENT SIGN
SCALE: N.T.S.



TYPICAL SIGNAGE BAND
SCALE: N.T.S.



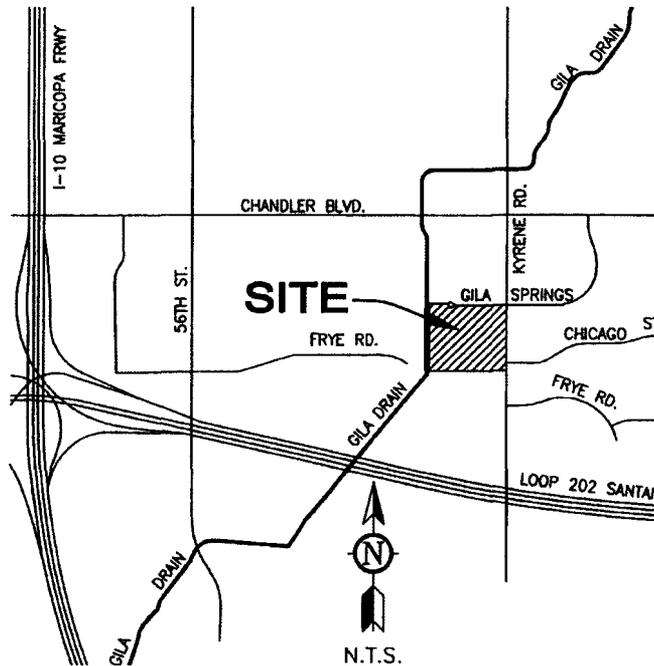
Kyrene 202 Business Park
Kyrene Road & Gila Springs Place
Chandler, Arizona



SIGN PACKAGES

INTRODUCTION

This Planned Area Development/Preliminary Development Plan (“PAD/PDP”) request is for approximately 34 gross acres of land located at the southwest corner of Gila Springs Place and Kyrene Road to be known as *Kyrene 202 Business Park*. This request seeks to rezone the approximate 34 acre property from AG-1 to PAD with a companion PDP.



This request is submitted by EastGroup Properties, a well-known and respected industrial owner and developer who develops high end industrial properties in major Sunbelt markets throughout the United States with a special emphasis in the states of California, Florida, Texas and Arizona. EastGroup Properties is well capitalized and funds its development projects internally without external construction financing or joint venture partners.

The *Kyrene 202 Business Park* site is square shaped and is a combination of six properties, under single ownership, generally bounded by Gila Springs Place on the north, Kyrene Road on the east, Chandler’s West Chandler Park and Aquatic Center along the south, and an existing older industrial business park on the west. The property is located approximately ¼ mile north of the San Tan Loop 202 and Kyrene freeway interchange. The subject site is undeveloped and vacant and is generally level with a gentle slope to the southwest.

EastGroup Properties is submitting this request to change the zoning on these parcels to a single cohesive “PAD/PDP” zoning district. The intent of this rezoning request is to rezone the property to allow for the development of a multi-tenant business industrial master plan. The proposed development is consistent with the Chandler General Plan

which designates this property for Employment uses. Planned Area Development with I-1 uses (PAD) and a PDP ("Preliminary Development Plan") are being requested to enable this remnant infill parcel to be developed as proposed.

Over the past two years, approximately 6 million square feet of absorption has occurred in the industrial markets and vacancy for industrial/warehouse buildings is expected to drop below 10% at year-end 2012. Rents are beginning to rise in response to reduced vacancy rates. These positive signs of rising demand are evidence which demonstrates the need for this type of development. This property will be particularly attractive to users because of its proximity to the freeway interchange. This PAD/PDP request is consistent with the established land development pattern in the area and is a good land use solution for this vicinity. This request will allow development for multi-tenant industrial businesses which will provide employment opportunities – all of which is consistent with the City's vision for this area.

EXISTING SITE CONDITIONS AND RELATIONSHIP TO SURROUNDING PROPERTIES

The general character of the area is a mix of office, light industrial, service businesses, and residential uses to the east across Kyrene Road. The site is undeveloped and relatively flat. The property is currently zoned AG-1 Agricultural District.

North:

Immediately to the north of the subject property is Gila Springs Place, an industrial and office development. That project is zoned PAD Planned Area Development and developed as a business park.

South:

To the south is Chandler's West Chandler Park and Aquatic Center which is on a long term lease from the City of Tempe. Further south is undeveloped land up to the Freeway.

West:

The area to the west of the subject site is an older industrial park which has a few small parcels yet to be developed. This area is zoned I-2 (heavy industrial).

East:

Kyrene Road forms the east boundary of the proposed development and of the nearby industrial developments which lie to the north of the subject property. The area to the east, beyond Kyrene Road, is part of the Gila Springs master plan residential area with PAD and SF-8.5 zoning. Kyrene Road currently has 120 feet of right-of-way and is constructed as a two-lane divided roadway with a raised landscaped median. In addition to the 120-foot right-of-way, there is a 200-foot wide retention and landscape buffer on the west side of Kyrene Road which is a significant buffer that separates this property from the adjacent residential development. As designed, Building I provides

approximately 435-foot separation from the residential properties to the east beyond Kyrene Road and Building II provides approximately 245-feet of separation.

CONSISTENCY WITH GENERAL PLAN

The City's General Plan Land Use Map designates this site as "Employment." The proposed request is consistent with the current land use designation on the property. No General Plan Amendment is needed nor requested.

The proposed *Kyrene 202 Business Park* PAD/PDP is the development plan for this proposed multi-tenant business industrial master plan. The proposed development is consistent with the General Plan Land Use designation and is compatible with current and planned operations of the nearby developments. The proposed request will provide an exceptional opportunity for industry and business, which in turn will create quality job opportunities for existing and future City residents. It will contribute to the orderly growth of the City and will provide potential commerce, industrial, warehouse, and distribution uses which are appropriate for this area of the City. The properties to the west of the site consist of various employment uses and this use is a continuation of that business environment. This development helps to balance the number and spectrum of jobs in this area. Lastly, this particular site is strategically located and as a result has the potential to become a major source of new jobs to Chandler.

The site will capitalize on its proximity from nearby San Tan Loop 202 Freeway and to I-10 both of which provide access to the other municipalities, the regional and interstate transportation network, as well as to the other existing and planned commercial developments in the region. The site will contribute positively to the well planned growth of the City and a high quality of life.

The Employment land use category encourages development which provides employment opportunities. The types of uses allowed in the employment category include industrial uses, general office along with retail and commercial uses that support these primary employment uses. This includes such uses as: Professional, business, administrative, executive and other offices, research and development, light assembly/light industrial and any use or a similar use indicated by an "X" under the I-1 District on the "Table of Permitted Uses for Nonresidential Districts" in the City Zoning Ordinance.

PROJECT DESCRIPTION

The property is strategically located and has significant growth potential. The proposed request is compatible with the existing employment/industrial character of the area. The proposed PAD zoning for multi-tenant industrial business provides opportunities for a wide and diverse spectrum of uses with quality jobs. The proposed PAD zoning for a business industrial project provides the ability for a cohesive project to attract

employment users looking for convenient freeway access and freeway exposure and visibility, and convenient proximity to housing and shopping. The proposed PAD zoning creates long term stability and vitality to the area.

EastGroup Properties and Butler Design Group are submitting a rezoning request for PAD with I-1 uses through the formal PAD submittal process. Since the purchase of the property by EastGroup Properties, they have had many meetings with the City to address specific design considerations.

Special emphasis and more design elements are intentionally placed on the prominent east elevations of Building 1 and 2 to promote an enhanced "office-like" appearance from Kyrene Road within the context of the industrial development. The two buildings along Kyrene Road are oriented in a north/south fashion and are designed with high end business elevations highlighting the main entries for tenant space given this is the primary entryway into the project from Kyrene Road. Strong forms, sophisticated colors, texture materials and accent steel create significant architectural identity to these buildings facing Kyrene Road. Similar architectural forms, colors, texture materials and accent steel are also used along the north and south elevations of these buildings. The other buildings along Gila Springs Place and Frye Road are also designed with similar high end business facades and oriented in an east/west fashion. These buildings shown on the site plan will be architecturally compatible to create a campus environment. The buildings are designed in a manner that screens the dock doors and truck courts from the three surrounding roads. This internalization of the truck courts ensures will call and loading activities will not be visible from Kyrene Road, Gila Springs Place and Frye Road.

The proposed development is for a mixed use light industrial business park, consisting of a six (6) single-story industrial building totaling approximately 404,200 square feet. These types of buildings are extremely flexible and offer an up-scale quality office/warehouse environment. The proposed development will appeal to a wide range of users, many of whom operate their entire business in their space. This type of space works well for tenants in the 5,000 to 50,000 sq. ft. range which is a market where large job growth typically occurs. The buildings feature attractive office entries and glass storefronts along the north, east and south property lines and the project has been designed to screen the grade level and loading activities from the street. The Kyrene frontage will essentially look like an office environment.

The architecture and landscape themes planned for this site will complement the surrounding uses in such a way as to accentuate and enhance the area's existing landscape palette. Building elevations will utilize glass entries, masonry accent elements, metal awnings/accents and concrete tilt panel construction with architectural scoring and contrasting colors. The landscaping along the street will be rich and lush and will result in a major aesthetic improvement for the Kyrene Road streetscape. Reclaimed water will be used for irrigation if accessible from site.

The applicant has submitted a full architectural set of building elevations for Building I.

These elevations will be the model/standard against which future submittals will be judged. Future building within the development will be approved by Staff administratively so long as the future buildings are substantially similar in quality and design to Building I.

The layout of the site plan ensures the greatest compatibility with the surrounding properties. The residential to the east has a 200-foot wide retention area on the Kyrene frontage which buffers the homes from Kyrene Road. Only one primary entrance into the subject property is provided on Kyrene Road between Gila Springs Place and Frye Road alignment. The project also provides two entrances off of Gila Springs Place and two entrances via Frye Road alignment. All the building fronts are positioned so that they front on to street with the truck courts and dock doors internalized. The buildings vary in size from 31,500 sq. ft. to 121, 680 sq. ft. A 20 foot wide landscape setback along Kyrene Road provides visual screening.

Staff and the applicant have cooperatively worked and negotiated a number of items to ensure that the entire area, in addition to this property, is well planned and designed. There have been various agreements made between the City and the applicant which will address area wide circulation improvement which not only benefit the subject property but which also significantly improve the circulation system for this entire area. These include:

- Owner will make the full street dedication of 60 feet of Right-of-Way along the southern boundary of the property to allow for the extension of Frye Road from the west which will align with Chicago Street at Kyrene Road. Normally this property would only be responsible for its north side half street dedication but in this instance because no half street (south half) was made at the time the adjacent park was constructed, the applicant has agreed to assume total dedication responsibility for this collector.
- Initially, this Frye Road Extension will be constructed from Kyrene Road west to the second drive which is directly in front of Building VI. The remainder of the road will be constructed when the City extends and constructs Frye Road over the Gila Drainage Ditch west of the property. The City and applicant will each be responsible for their half street improvements from the western boundary of the property to the connection of that portion of Frye Road which was constructed in Phase I which is built between Kyrene Road and Building IV. Staff has indicated that it is their intent to include the Frye Road extension over the drainage ditch in their upcoming Capital Improvement Program.
-

The amount of development proposed for this site by the proposed land uses in this PAD are comparable with the existing developments and can be accommodated on the existing arterial roadway network with the use of generally accepted traffic engineering measures to enhance traffic flows and roadway capacities.

LAND USES

This request is consistent with the existing development character of this area between I-10 Freeway, Chandler Boulevard, 56th Street and Loop 202 Freeway and it allows this site to be developed in an efficient and sustainable manner. This is an infill development that is consistent with the City's vision for this area and does not adversely impact the existing land uses. The physical barriers adjacent to this site provide excellent separation from other land uses and make this site particularly well suited for this multi-tenant business/industrial/employment use.

Permitted Uses.

The intent of this PAD Zoning District is to accommodate attractive corporate and professional office buildings, supporting professional business and services such as corporate headquarters and companies involved in supplying manufacturing and research. In addition, certain other kinds of uses are permitted including office, research and development, and light assembly/light industrial. The proposed land uses for the PAD are listed below.

- 1) Offices: Professional, business, administrative, executive and other offices, research and development, and light assembly/light industrial.
- 2) Any use or a similar use indicated by an "X" under the I-1 District on the "Table of Permitted Uses for Nonresidential Districts," shall be permitted.

Architectural and Landscape Themes: The Architecture and Landscaping planned for this site will complement the surrounding uses in such a way as to accentuate and enhance the existing landscape palette. Reclaimed water will be used for irrigation if available and permitted by the City.

Building elevations will utilize glass entries, masonry accent elements, metal awnings/accents and concrete tilt panel construction with architectural scoring and contrasting colors.

It is our intent to have Building I approved as an example for all development standards for the project with staff authorized to provide approvals for subsequent buildings, provided they are substantially consistent with Building I.

The master site plan is also to be approved with additional site improvements to be recognized as being within general compliance and not require a formal approval process.

The screen-wall design will provide for necessary screening while complimenting the building by utilizing the similar details and material accents and providing detail and articulation appropriate to the public street frontages. The street screen-wall will be

designed to complement the building design and will be articulated and complemented with accent landscape.

Retention: On-site retention will accommodate a 100-year, 2-hr storm event. Basins, combined with landscaped berms, are anticipated along Kyrene Road and Gila Springs Place and west and east side areas and will be landscaped to tie into the remainder of the site. The site will be provided with a large retention basin along the west side for the majority of the length of the site. The west side of the proposed development has no street frontage and is the least visible portion of the site.

SIGNAGE

The main objective of the signage program for *Kyrene 202 Business Park* is to build in criteria for high quality signage consistent with this mixed use light industrial business park. The *Kyrene 202 Business Park* sign plan creates the general framework to ensure that the designs are appropriate for the project as a whole. Signage should not only include text that identifies the name of the business, but also incorporates the use of graphics and forms that provide identity, where appropriate, for employment/business park clients.

As this project is primarily employment/mixed use light industrial business park type of land use with a board range in the tenant mix, signs will vary in size and intensity to engage the vehicular visitor from the adjacent street system. Long distance recognition and viewing opportunities will be accomplished by project identification signage with appropriate size to allow for safe driving along the adjacent streets.

At the perimeter of the site, signs shall be designed to be easily read from the adjacent streets. All signs shall be regulated by the Signage Design Guidelines set forth in this PAD/PDP under the governance of the Master Developer and/or its Assignee and the construction rules as adopted by the City of Chandler. See Sign Plan exhibits for signage details.

TRAFFIC and CIRCULATION

This property is located near the southwestern edge of the City of Chandler. The major arterial street, Kyrene Road, and Gila Springs Place will provide access from the San Tan Freeway. The Development itself will have private drive common access thru phase one. The entire site allows for cross access to create a unified and flexible campus.

Pedestrian access will maintain the required walks accessing public streets and also the interconnection within the development to provide access for business users.

The proposed parking for Kyrene 202 Business Park will comfortably exceed parking standards necessary for this product type both locally and nationally.

The internal circulation of the site is designed to provide flexibility to support automotive, light truck, and tractor-trailer traffic to the parking and loading areas.

Fire truck and trash truck access is provided along Kyrene Road, Gila Springs Place and the new Frye Road extension with full movement provided within the proposed development.

DEVELOPMENT SCHEDULE

Development Schedule: Given the high level of interest of the Project, it is our intent to work with the City of Chandler to have the PAD review process completed over the summer of 2012 and to obtain Council Approval and permits in late 2012.

The project is planned to be constructed in three phases as shown on attached site phasing document. This phasing schedule may change depending upon market conditions.

Phase One will consist of approximately 10 acres and Building I with pad prep for Building II.

Phase Two will consist of approximately 12 acres of additional improvements along with construction of Buildings III, IV and V.

Phase Three will be the last and final phase of site improvement for the remaining land and the final extension of Frye Road, after City forces have completed the extension from the west.

We estimate the construction schedule for the entire project to be completed within three to five years and a final phasing schedule will be developed

CONCLUSION

EastGroup plans to provide an attractive, high quality environment and development which will attract employment users to the area. Chandler will be benefitted by this development in that it will provide new building inventory for businesses and employers who will contribute to the economic vitality of the City. The proposed business park development will provide: 1) new job opportunities for the residents and 2) an enhanced tax base as the property is transitioned from undeveloped agricultural land to a business park.

A flexible project featuring a variety of building sizes and potential tenant spaces will allow both large and small businesses to locate or expand their operations in this employment area. This creates long-term stability in the area. We believe this PAD and PDP to allow for a multi-tenant industrial master plan is consistent with the surrounding land use and zoning and provides an appropriate land use solution for this vacant site.

O:\INDEX\Petsas\Kyrene & Loop 202\Docs\Rezoning PAD_PDP Narrative_DRAFT 2nd Submittal-(REVISED 8.24.2012)(FINAL W/O EXHIBITS).docx

ORDINANCE NO. 4435

AN ORDINANCE OF THE CITY OF CHANDLER, ARIZONA, AMENDING THE ZONING CODE AND MAP ATTACHED THERETO, BY REZONING A PARCEL FROM AGRICULTURAL (AG-1) TO PLANNED AREA DEVELOPMENT (DVR12-0027 KYRENE 202 BUSINESS PARK) 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 AG-1 to PAD, subject to the following conditions:

1. Development shall be in substantial conformance with the attached Development Booklet, entitled "KYRENE 202 BUSINESS PARK", kept on file in the City of Chandler Planning Services Division, in File No. DVR12-0027, except as modified by condition herein. The Development Booklet provides that building layout, architecture and design for future development of individual parcels, and related onsite site layout related to such future development of individual parcels, will be reviewed and approved administratively.

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. 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.
4. 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 or as otherwise approved in a development agreement.
5. Unless otherwise included as part of the City's Capital Improvement Program, 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.
6. Landscaping shall be in compliance with current Commercial Design Standards.
7. The landscaping shall be maintained at a level consistent with or better than at the time of planting.
8. The landscaping in all open-spaces and rights-of-way shall be maintained by the adjacent property owner or property owners' association.
9. Approval by the Director of Transportation and Development for landscaping (open spaces and rights-of-way), perimeter walls and arterial street median landscaping is required.

CERTIFICATION

I, HEREBY CERTIFY, that the above and foregoing Ordinance No. 4435 was duly passed and adopted by the City Council of the City of Chandler, Arizona, at a regular meeting held on the _____ day of _____, 2013, and that a quorum was present thereat.

CITY CLERK

APPROVED AS TO FORM:

CITY ATTORNEY

SAB

PUBLISHED:

LEGAL DESCRIPTION
EXHIBIT 'A'

PARCEL NO.1:

THAT PORTION OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 33;

THENCE NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST, AND ALONG THE EAST LINE OF SAID SECTION 33, 331.10 FEET TO THE NORTHEAST CORNER OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE SOUTH 89 DEGREES 54 MINUTES 49 SECONDS WEST, AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, 670.24 FEET TO THE NORTHWEST CORNER THEREOF;

THENCE SOUTH 00 DEGREES 14 MINUTES 05 SECONDS EAST, MEASURED (SOUTH 00 DEGREES 13 MINUTES 06 SECONDS EAST RECORD) ALONG THE WEST LINE OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, 330.32 FEET TO A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS EAST, MEASURED (NORTH 89 DEGREES 58 MINUTES 56 SECONDS EAST RECORD) ALONG THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33, 669.55 FEET TO THE POINT OF BEGINNING;

EXCEPT THE EAST 65 FEET.

PARCEL NO.2:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE EAST QUARTER CORNER OF SAID SECTION 33;

THENCE NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST, ALONG THE EAST LINE OF SAID SECTION 33, 331.10 FEET TO THE NORTHEAST CORNER OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, AND SAID POINT BEING THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST, ALONG SAID EAST LINE, 165.55 FEET TO THE SOUTHEAST CORNER OF THAT CERTAIN PARCEL OF LAND DESCRIBED IN DOCKET 10248, PAGE 588, RECORDS OF MARICOPA COUNTY, ARIZONA;

THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST, AND ALONG THE SOUTH LINE OF SAID PARCEL 1,291.17 FEET TO THE EAST LINE OF THE WEST 50 FEET OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE SOUTH 00 DEGREES 21 MINUTES 17 SECONDS EAST, AND ALONG THE EAST LINE OF SAID 50 FEET, 494.40 FEET MEASURED (494.31 FEET RECORD) TO A POINT ON THE SOUTH LINE OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE NORTH 89 DEGREES 58 MINUTES 50 SECONDS EAST, MEASURED (NORTH 89 DEGREES 58 MINUTES 56 SECONDS EAST RECORD) 619.55 FEET MEASURED (619.06 FEET RECORD) TO THE SOUTHWEST CORNER OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE NORTH 00 DEGREES 14 MINUTES 05 SECONDS WEST, MEASURED (NORTH 00 DEGREES 13 MINUTES 06 SECONDS WEST RECORD) AND ALONG THE WEST LINE OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, 330.32 FEET TO THE NORTHWEST CORNER THEREOF;

THENCE NORTH 89 DEGREES 54 MINUTES 49 SECONDS EAST, AND ALONG THE NORTH LINE OF THE SOUTH HALF OF THE SOUTHEAST QUARTER OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 33, 670.24 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THE EAST 65 FEET.

PARCEL NO.3:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 33;

THENCE SOUTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, 1821.79 FEET;

THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST 647 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST 645.55 FEET TO A POINT 50 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE SOUTH 00 DEGREES 21 MINUTES 17 SECONDS EAST, ALONG A LINE PARALLEL, AND 50 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33, 330.34 FEET;

THENCE NORTH 89 DEGREES 52 MINUTES 50 SECONDS EAST 644.17 FEET;

THENCE NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST 330.34 FEET TO THE TRUE POINT OF BEGINNING.

PARCEL NO.4:

THAT PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND-MERIDIAN, MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS,

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 33;

THENCE SOUTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, 1821.79 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 33, AND THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING SOUTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, 330.34 FEET TO A POINT BEING 496.65 FEET NORTH OF THE EAST QUARTER CORNER OF SAID SECTION 33;

THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST, 647 FEET TO A POINT BEING 694.17 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST 330.34 FEET;

THENCE NORTH 89 DEGREES 52 MINUTES 50 SECONDS EAST 647 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 33, AND THE TRUE POINT OF BEGINNING;

EXCEPT THE EAST 65 FEET.

PARCEL NO.5:

A PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, RECORDS OF MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 33;

THENCE SOUTH 0 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, A DISTANCE OF 1491.45 FEET;

THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST 647 FEET TO THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST 646.93 FEET TO A POINT, 50 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33;

THENCE SOUTH 0 DEGREES 21 MINUTES 17 SECONDS EAST, ALONG A LINE PARALLEL TO AND 50 FEET EAST OF THE WEST LINE OF THE EAST HALF OF THE NORTHEAST QUARTER OF SAID SECTION 33, A DISTANCE OF 330.34 FEET;

THENCE NORTH 89 DEGREES 52 MINUTES 50 SECONDS EAST 645.55 FEET;

THENCE NORTH 0 DEGREES 06 MINUTES 55 SECONDS WEST 330.34 FEET TO THE TRUE POINT OF BEGINNING;

EXCEPT THAT PORTION LYING WITHIN GILA SPRINGS PLACE AS SHOWN ON THE PLAT OF PALOMA KYRENE BUSINESS COMMUNITY, RECORDED IN BOOK 904 OF MAPS, PAGE 11.

SAID PARCEL NO. 5 IS NOW KNOWN AS LOT 4, PALOMA KYRENE BUSINESS COMMUNITY, ACCORDING TO BOOK 904 OF MAPS, PAGE 11, RECORDS OF MARICOPA COUNTY, ARIZONA.

PARCEL NO.6:

A PORTION OF THE EAST HALF OF THE NORTHEAST QUARTER OF SECTION 33, TOWNSHIP 1 SOUTH, RANGE 4 EAST OF THE GILA AND SALT RIVER BASE AND MERIDIAN, RECORDS OF MARICOPA COUNTY, ARIZONA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF SAID SECTION 33;

THENCE SOUTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, A DISTANCE OF 1491.45 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 33, AND THE TRUE POINT OF BEGINNING OF THE HEREIN DESCRIBED PARCEL;

THENCE CONTINUING SOUTH 00 DEGREES 06 MINUTES 55 SECONDS EAST, ALONG THE EAST LINE OF SAID SECTION 33, 330.34 FEET;

THENCE SOUTH 89 DEGREES 52 MINUTES 50 SECONDS WEST 647 FEET;

THENCE NORTH 00 DEGREES 06 MINUTES 55 SECONDS WEST 330.34 FEET;

THENCE NORTH 89 DEGREES 52 MINUTES 50 SECONDS EAST 647 FEET TO A POINT ON THE EAST LINE OF SAID SECTION 33 AND THE TRUE POINT OF BEGINNING;

EXCEPT THE EAST 65 FEET THEREOF; AND

EXCEPT THAT PORTION LYING WITHIN GILA SPRINGS PLACE AS SHOWN ON THE PLAT OF PALOMA KYRENE BUSINESS COMMUNITY, RECORDED IN BOOK 904 OF MAPS, PAGE 11.

SAID PARCEL NO. 6 IS NOW KNOWN AS LOT 3, PALOMA KYRENE BUSINESS COMMUNITY, ACCORDING TO BOOK 904 OF MAPS, PAGE 11, RECORDS OF MARICOPA COUNTY, ARIZONA.