



# **Planning Commission Study Session**

TO: PLANNING COMMISSION / DESIGN REVIEW BOARD

FROM: KEITH NEWMAN, SENIOR PLANNER

(480) 503-6812, KEITH.NEWMAN@GILBERTAZ.GOV

THROUGH: ASHLEE MACDONALD, AICP, PRINCIPAL PLANNER

(480) 503-6748, ASHLEE.MACDONALD@GILBERTAZ.GOV

**MEETING DATE:** SEPTEMBER 7, 2022

SUBJECT: GP22-06, Z22-06: LINDSAY 202 INDUSTRIAL BUSINESS PARK

STRATEGIC INITIATIVE: Exceptional Built Environment

To allow for a General Plan amendment and Rezoning to accommodate an industrial business park on vacant property near Lindsay and Germann Rds.

### **REQUEST**

- A. GP22-06 LINDSAY 202 INDUSTRIAL BUSINESS PARK: Request for Major General Plan Amendment to change the land use classification on approximately 94.07 acres located at the northeast corner of Lindsay Rd. and Germann Rd. from General Office (GO) to 90.17 acres of Industrial (I) Land Use Classification and 3.90 acres of General Commercial (GC) Land Use Classification.
- B. Z22-06 LINDSAY 202 INDUSTRIAL BUSINESS PARK: Request to rezone approximately 94.07 acres located at the northeast corner of Lindsay Rd. and Germann Rd. from Business Park (BP) Zoning District to 90.17 acres of Light Industrial (LI) Zoning District and 3.90 acres of General Commercial (GC) Zoning District.

#### RECOMMENDED MOTION

A. Request for input only. No motion required.

B. Request for input only. No motion required.

<u>APPLICANT</u> <u>OWNER</u>

Company: Withey Morris, PLC Company: Verde Investments Inc.

Name: Adam Baugh Name: N/A

Address: 2525 E Arizona Biltmore Cir Ste A212 Address: 1720 W. Rio Salado Pkwy Unit A

Phoenix, AZ 85016 Tempe, AZ 85281

Phone: 602-230-0600 Phone: 480-424-3424

Email: adam@witheymorris.com Email: jyoung@verdeinvestments.com

# **BACKGROUND/DISCUSSION**

# History

Date	Description
September 28, 1999	Town Council adopted Ordinance No. 1207 in annexation
	case A98-10, including the subject site.

#### Overview

The applicant is requesting a Major General Plan amendment to change the General Plan land use classification on 94.07 acres at the northeast corner of Lindsay Rd. and Germann Rd. from General Office (GO) to 90.17 acres of Industrial (I) Land Use Classification and 3.90 acres of General Commercial (GC) Land Use Classification and a rezone from Business Park (BP) Zoning District to 90.17 acres of Light Industrial (LI) Zoning District and 3.90 acres of General Commercial (GC) Zoning District, for the development of an industrial business park.

# **Surrounding Land Use & Zoning Designations:**

	Existing Land Use Classification	Existing Zoning	Existing Use
North	Parks/Open Space (P/O) & Utility/Transportation Corridor (U/TC)	Public Facility/Institutional (PF/I)	Zanjero Park & San Tan Freeway
South	Public Facility/Institutional (PF/I), Residential > 2 - 3.5 DU/Acre &	Single Family-6 (SF-6)	Germann Rd. then Central Christian Church & Copper Leaf Residential Subdivision

Site	General Office (GO)	Business Park (BP)	Vacant
		(0-0)	Space Storage
		(C-3)	Self-Storage & Extra
		General Commercial	businesses, Arizona
		Maricopa County	various commercial
West	Industrial (I)	Light Industrial (LI) &	Lindsay Rd then
	- 2 DU/Acre	35 (SF-35)	
	(PF/I) & Residential > 1	(PF/I) & Single Family-	
	Facility/Institutional	Facility/Institutional	School
East	Public	Public	Campo Verde High
	DU/Acre		
	Residential > 3.5 - 5		

# Project Data Table for LI District:

Site Development Regulations	Required per LDC LI	Proposed
Maximum Building Height (ft.)/Stories	55'/ 3-story	55'/3-story
Minimum Building Setbacks (ft.)		
Front (Arterial)	30'	30' (West)
Side (Street)	20'	20' (South
Side (Public Facility/Institutional)	15'	15' (North)
Rear (Public Facility/Institutional)	15'	15' (East)
Rear (Residential)	75'	75' (South East corner)
Separation Between Buildings (ft.)		
Single Story	15'	15'
Multiple Story	20'	20'
Minimum Required Perimeter		
Landscape Area (ft.)		
Front (Arterial)	25'	25'
Side (Street)	20'	20'
Side (Public Facility/Institutional)	15'	15'
Rear (Public Facility/Institutional)	15'	15'
Rear (Residential)	30	30
Landscaping (% of net site area)	15%	20%

# Project Data Table for GC District:

Site Development Regulations	Required per LDC GC	Proposed
Maximum Building Height (ft.)/Stories	45'	45'
Minimum Building Setbacks (ft.)		

Front	25'	25'
Side (Street)	20'	20'
Side (Non-Residential)	20'	20'
Rear (Non-Residential)	20'	20'
Separation Between Buildings (ft.)		
Single Story	15'	15'
Multiple Story	20'	20'
Minimum Required Perimeter		
Landscape Area (ft.)		
Front	25'	25'
Side (Street)	20'	20'
Side (Non-Residential)	20'	20'
Rear (Non-Residential)	20'	20'
Landscaping (% of net site area)	15%	20%

#### **General Plan Amendment:**

The existing land use classification on the overall 94.07-acre development site is General Office (GO). To develop the property as proposed, the applicant is requesting a major General Plan Amendment from General Office (GO) to 90.17 acres of Industrial (I) Land Use Classification and 3.90 acres of General Commercial (GC) Land Use Classification.

The subject site is located within the Gilbert 202 Growth Area which identifies areas that are particularly suitable for multi-modal transportation and infrastructure expansion and improvements designed to support a planned concentration of a variety of uses, such as residential, office, commercial, tourism and industrial uses. The Gilbert 202 Growth Area has a primary focus on general office, business park and industrial uses that have a need for quick freeway access or proximity to other surrounding employment uses. Staff notes that the proposed land use change from General Office (GO) to Industrial (I) and General Commercial (GC) would continue to remain consistent with the vision of the Gilbert 202 Growth Area.

According to the applicant, the intent of the Lindsay 202 Industrial Business Park is to develop a cutting-edge, visually stunning industrial business park with the ability to accommodate a variety of industrial and employment-related users with a focus on high-tech, defense, aviation, and light manufacturing. The East Valley industrial market differs considerably from the large-scale cross-dock logistics and distribution facilities popping up in the West Valley along the Loop 303 corridor which meet the time and distance requirements relative to the Long Beach, California port. Consequently, East Valley industrial markets are specialized users more focused on manufacturing and tech-related enterprises.

#### General Plan Goals:

The applicant has stated that they believe they conform to the General Plan for the following reasons (applicant response in italics):

# GOAL CM-1: Encourage A Balanced Land Use Framework

Policy 1: Ensure the Town maintains a land use framework that supports a highly livable community through efficient use of land and resources.

According to the applicant, the proposed development promotes an appropriate land use framework with placement of a new industrial business park compatible with surrounding General Plan land uses and zoning. As noted above, the Property has remained undeveloped agricultural land despite an explosion of growth around it. The future Loop 202 connection at Lindsay Road represents a paradigm shift with respect to appropriate and feasible land uses on the Property. Convenient access to a major transportation corridor provides the opportunity for modern light industrial development on the Property that was not previously feasible or achievable. Sitting at the intersection of two arterial roadways and a major freeway, the Property is ideally suited for appropriately scaled, modern light industrial uses with a convenient retail component easily accessible from the surrounding street and freeway network.

# **GOAL CM-2: Focus on Quality Development**

Policy 12: Encourage substantial drought tolerant landscaping in public and private projects to maintain a heavily landscaped feel to the community while reducing the consumption of water

According to the applicant, As illustrated by the landscape plan submitted with this application, Lindsay 202 offers generous plantings of low water use, drought-tolerant trees, shrubs, and ground cover to provide a lush, heavily shaded environment along the street frontages, around the buildings, and in the parking areas. The landscape program is intended to give Lindsay 202 a pleasant, "green" feel throughout the development while limiting overall water consumption.

#### **Rezone Request:**

The applicant is requesting to rezone the subject site from Business Park (BP) Zoning District to 90.17 acres of Light Industrial (LI) Zoning District and 3.90 acres of General Commercial (GC) Zoning District. This will allow for the development of an industrial business park with a small commercial component. The existing Business Park zoning district approved in 1999 was intended for large office or business park

development. The site has remained vacant despite considerable development activity in the surrounding area due to the significant supply of existing office development nearby including the Rivulon master planned project at the 202/Gilbert Road location. According to the applicant, the market for new commercial office space is extremely volatile and shrinking rapidly. However, demand for modern industrial and logistics facilities has never been stronger. The size of the property, combined with its location adjacent to a new off-ramp on Loop 202 and in close proximity to the Chandler Airpark, presents a perfect opportunity for a development to directly address the needs of the market.

The design for the development more specifically consists of 6 industrial buildings that vary in size from 108,160 sf. to 492,000 sf. for a total of 1,449,600 sf. of industrial space. Additionally, a two-pad commercial/retail component containing 9,800 sf. of building space is incorporated in the northwest corner of the site located along Lindsay Road with convenient access to the Loop 202 freeway via the new Lindsay Rd. interchange which is under construction. According to the applicant, there are no commercial services at or near the intersection of Lindsay Road & Germann Road, and the commercial/retail element of the project has been right-sized to provide in-demand uses in an area where they are currently absent. Access for the subject site will take place from multiple drives off Germann and Lindsay Roads along the southern and western boundaries of the site. The industrial buildings are anticipated for, but not limited to, office, warehouse and manufacturing types of uses able to accommodate multiple tenants.

Staff notes that the specific design of the site and buildings is currently being reviewed under Design Review Case DR22-89 which will be presented to the commission in the coming months. A conceptual for reference only site plan has been provided with the applicant's narrative.

#### PUBLIC NOTIFICATION AND INPUT

Two virtual neighborhood meetings were held on January 20, 2022 and April 10, 2022. Approximately 20 surrounding property owners/residents attended the meetings. Below is a summary of all concerns and questions brought up at the meetings:

o **Traffic:** Some attendees expressed concerns about additional traffic that would be generated by the development, particularly truck traffic. The development team explained that the site was designed with a circulation pattern that would direct the vast majority of truck traffic to and from the subject site to the 202 freeway via the new traffic signal at Lindsay Road, minimizing the amount of new truck traffic on Germann Road. From an

overall traffic perspective, the development team shared trip generation data illustrating that the proposed development would generate significantly fewer average daily trips than a business park/commercial/retail development that could currently be constructed by right.

Noise: Questions raised by residents related to noise fell into two categories: 1) truck noise, and 2) noise generated by potential users/tenants. With respect to truck noise, the development team explained that the buildings were oriented to physically screen trucks and mitigate sound carry – no truck courts open toward the neighborhood or face the neighborhoods. Additionally, the buildings are set back at such a distance that sound will not spill over to the property in a significant way.

With respect to noise generated by potential users, the development team explained that the type of light industrial buildings being proposed for this project will not accommodate or allow users that would generate significant external noise. All operations will be enclosed within the buildings, with no machinery or equipment outside that could create the type of noise that residents were concerned about.

The development team also highlighted the fact that at full build-out, the project will reduce noise in the neighborhood by creating a significant structural buffer between the residential communities and the 202 freeway.

o **Potential Land Uses/Users:** Some residents expressed concerns about permitted uses in the Light Industrial (LI) zoning district that would not be compatible with adjacent residential communities. The development team explained that by state law, permitted land uses cannot be restricted in "hard zoning" districts but that the developer would be open to privately restricting certain undesirable uses via CC&Rs for the property. Since then, the development team has worked with the neighborhood to identify and agree upon the uses that will be privately restricted.

The proposed project will require public notice as specified under Land Development Code (LDC) Section 5.602.A.3.

#### REQUESTED INPUT

- 1. Proposed Major General Plan Amendment
- 2. Proposed Rezone

Respectfully submitted,

Keith Newman, Senior Planner

# **Attachments and Enclosures:**

- 1) Aerial Map
- 2) Applicant's Narrative (18 pages)
- 3) General Plan Exhibit
- 4) Zoning Exhibit



DR SUBMITTAL - 03/31/2022

**GP22-06,Z22-06 Lindsay & 202 Industrial Park Attachment 2- Applicant's Narrative** 





# LINDSAY 202

NEC Lindsay Road & Germann Road

# **Development Team**

# **Developer:**

# **CREATION**

# **Creation Equity**

1200 N. 52nd Street Phoenix, AZ 85008 Contact: Jagger Everett jaggere@creationequity.com (602) 600-6363

# **Architect/Engineer:**



# **LGE Design Group**

1200 N. 52nd Street Phoenix, AZ 85008 Contact: Mike Russo <u>miker@lgedesigngroup.com</u> (480) 530-0983

### **Attorneys:**



# Withey Morris, PLC

2525 E. Arizona Biltmore Circle, Suite A-212 Phoenix, AZ 85016
Contacts: Adam Baugh & Benjamin Tate adam@witheymorris.com
ben@witheymorris.com
(602) 230-0600

# **Traffic Engineer:**



# **Southwest Traffic Engineering**

3838 N. Central Avenue #1810 Phoenix, AZ 85012 Contact: Andrew Smigielski smig@swte.us (602) 266-7983

# **Project Location**

The subject property is approximately 94 acres of vacant agricultural land generally located at the northeast corner of Lindsay Road and Germann Road (the "Property") as shown on the Aerial Map at **Tab 1**. The site is vacant and is currently being used for agricultural purposes. To the north of the site is the Loop 202 freeway and Zanjero Park, to the east is Campo Verde High School, to the south is a Central Christian Church and a single-family residential neighborhood known as Spectrum Estates, and to the west is a mix of industrial and rural zoning in the jurisdiction of both the Town of Gilbert and unincorporated Maricopa County.

# Request

This application requests the following:

- A Major General Plan Amendment to change the land use designation from General Office to Industrial; and,
- Amend the Zoning Map for the Property from Business Park (BP) to Light Industrial (LI).

# **About Creation RE**

Creation Equity is an award-winning, multi-disciplinary alternative investment and real estate development firm, based in Phoenix. Vertically integrated from design to construction, Creation has a diverse portfolio of projects ranging from industrial and logistics to multi-family, hospitality, retail, and mixed-use – including significant work in the Town of Gilbert. Creation's logistics and industrial division has enjoyed enormous success thanks to its innovative designs and industry-leading quality, including recent recognition by AZ Big Media for the Best Industrial Project Over 500,000 Square Feet for its Goodyear, AZ project The Hub.

# Site Background

The General Plan land use designation for the Property is General Office (GO) as illustrated by the General Plan Map at **Tab 2**. The General Office designation allows for large scale, single or multi-story medical, professional, general or service-type office, and light industrial uses, including high technology and research and development firms. Although there is some overlap between the current General Plan designation and the type of development and land use proposed by the applicant, an amendment is necessary to fully align the land use designation with the proposed business industrial park.

Additionally, the Property is currently zoned Business Park (BP) as indicated on the Zoning Map at **Tab 3**. The undeveloped 94-acre site has been used for agricultural purposes since at least 1937 – as far back as the aerial photography records go for this part of Maricopa County. As the Town of Gilbert has developed around the site, accelerated by the construction of Loop 202 in the early 2000s, the Property has remained undeveloped. The planned construction of a new Lindsay Road off-ramp and on-ramp for Loop 202 presents an incredible opportunity for the Town of Gilbert in the hands of the right developer. Creation Equity is the ideal development partner to bring a high-quality, well-designed industrial business park that will bring new jobs and economic growth to the Town of Gilbert.

# **Development Proposal**

### A. **Project Vision**

The intent of the Lindsay 202 is to develop a cutting-edge, visually stunning industrial business park with the ability to accommodate a variety of industrial and employment-related users with a particular focus on high-tech, defense, aviation, and light manufacturing. The East Valley industrial market differs considerably from the large-scale cross-dock logistics and distribution facilities popping up in the West Valley along the Loop 303 corridor which meet the time and distance requirements relative to the Long Beach, California port. Consequently, East Valley industrial markets are specialized users more focused on manufacturing and tech-related enterprises. With Lindsay 202, Creation is poised to become the market leader in this segment.

The proposed buildings vary in size from 108,160 square feet to 492,000 square feet in a range of configurations to suit a variety of users and tenants. Considerable landscape buffers and setbacks will be provided along both Lindsay Road and Germann Road to provide a pleasant and attractive streetscape and appropriate transition to adjacent land uses. The buildings will be designed with varying depths and will be able to accommodate multiple tenants. The design team has thoughtfully configured the buildings to screen all overhead door locations so that no trucking activities are visible from Lindsay or Germann Roads. See Conceptual Site Plan at **Tab 4**.

Additionally, a two-pad commercial/retail component is incorporated in the northwest corner of the site – prominently located along Lindsay Road with convenient access to the new traffic signal and the Loop 202 freeway. There are no commercial services at or near the intersection of Lindsay Road & Germann Road, and the commercial/retail element of the project has been right-sized to provide in-demand uses in an area where they are currently absent.

The design of the buildings and the site matches the class of tenants Creation seeks to secure. Expansive glass entrances, articulating walls, large overhangs with metal paneling, and stone piers give this development a modern desert aesthetic. Internally, the buildings will be outfitted with cutting-edge building systems and technology to accommodate a broad spectrum of tenant needs, such as clean rooms for high-tech manufacturing and assembly. The considerable upfront investment in design is justified by the high-skill, high-wage employers that Lindsay 202 is intended to attract.

#### B. Architectural Design & Landscaping

Industry-leading, innovative design is one of the core components upon which Creation Equity has built its reputation as an industrial developer. Despite the design constraints imposed by modern, large-scale industrial development given the scale and end-user needs of the buildings, Creation has nonetheless found ways to develop a unique, eye-catching signature style.

With a building layout designed to accommodate both single and multiple tenants, the design brings a fresh, playful approach to common tilt-panel concrete construction with a lengthy list of features that include energy efficiencies and occupant-centric amenities. See Elevations at **Tab 5**. Office suites sit between the stretches of metal panel and Creation's signature clerestory glazing along the building faces provides visual interest and brings considerable natural daylighting to the internal spaces of the buildings. See Conceptual Renderings at **Tab 6**.

The massing of long building facades is broken up with both horizontal and vertical articulation, using recesses, pop-outs, and projections to create visual interest. These articulations in the building face are highlighted by accent materials and thematic pops of color to provide a unique and consistent architectural vernacular throughout the project. Building entrances are framed by exposed metal paneling, shade projections, and clerestory glazing, offering a sense of arrival and clearly delineating the access points to the buildings. Remaining mindful of the prominent visibility of the site from Loop 202, Lindsay Road, and Germann Road, Creation has designed the site and its buildings to an eye-catching standard of excellence that will be visually stunning from any vantage point.

Abundant perimeter landscaping along the building facades, site perimeter, and throughout the parking areas complements the building design, providing shade along pedestrian pathways and visual buffering from adjacent land uses. See Conceptual Landscape Plan at **Tab 7**. A plant palette of low-water-use trees, shrubs, and groundcover will provide a lush, heavily planted landscape and streetscape while using a fraction of the water currently consumed by the agricultural uses on the Property. At maturity, the large-canopy trees along the streetscape will provide a pleasant, well-shaded pedestrian environment along Lindsay Road, Germann Road, and sidewalks throughout the development.

# C. Vehicular Access and Circulation

The Property is accessed via two driveways along Lindsay Road and five driveways along Germann Road. Signalized access on Lindsay Road will be provided in the northwest corner of the site via a new traffic signal connecting to the project's primary internal private road. A second, unsignalized driveway on Lindsay Road will be located approximately halfway between the signalized access to the north and Germann Road to the South.

The internal private connector road accessed at the Lindsay Road signal runs east/west along the north side of the site before turning south to bisect the Property and connecting with Germann Road at the existing Concord Street alignment. The Concord Street driveway will be the location of a new traffic signal providing full signalized access to Germann Road. Four additional unsignalized driveways will be provided along Germann Road, with two east of the Concord Street signal and two to the west prior to reaching Lindsay Road.

The primary internal connector road provides convenient access to secondary internal private roads, truck bays, and vehicular parking areas to ensure efficient and safe flow of both passenger vehicles and transport trucks within the site and on adjacent public roadways.

#### D. Parking

The conceptual site plan provides a total of 1,835 parking spaces at a generous ratio of 1.26 spaces per 1,000 square feet. Per Gilbert's parking code ratios, the retail component requires a total of 40 spaces, the office component requires a total of 216 spaces and the warehouse component requires 1,396 spaces for a total of 1,652 required parking spaces.

#### E. Design Mitigation Considerations

#### **Noise and Sound**

Modern light industrial, commerce, and logistics parks often defy conventional assumptions of appropriate land uses adjacent to single-family neighborhoods. A development type that was previously believed to be

noisy, dirty, and ugly has been transformed by market expectations, tenant demands, and municipal guidelines into a use that is quiet, attractive, and compatible with adjacent land uses. Creation has taken this concept above and beyond to become an industry leader in market segment, developing high-quality light industrial projects that are sensitive to and compatible with surrounding communities.

Noise from transport trucks was one of the principal concerns expressed by nearby property owners during the pre-app meeting. Creation anticipated this concern and designed Lindsay 202 accordingly. As illustrated by the Conceptual Site Plan, the docks and truck courts for each building are oriented away from the neighborhood and/or screened by other buildings. Buildings D and E, the nearest to single-family residential development, have a fully internalized truck court with no truck access oriented toward the neighborhood to the south. Buildings B and C similarly incorporate an internal truck court, with an additional dock area on the north side of Building C oriented toward Loop 202. The buildings along the Germann Road frontage are set back approximately 115 feet from the property line and screened with generous streetscape plantings to further attenuate sound and provide visual screening of the buildings.

#### **Traffic**

A traffic impact analysis prepared by Southwest Traffic Engineering has been submitted with the proposed project. Additional traffic is an expected element of any new development occurring on unimproved land – particularly at the scale of the proposed development. However, any potential impacts can be mitigated or eliminated with proper circulation planning (both internally and externally) and appropriate roadway and traffic infrastructure improvements.

For the proposed project, internal circulation was designed to funnel and direct traffic – particularly truck traffic – to and from Loop 202 in the most efficient manner possible without creating a negative impact to the surrounding community. Consequently, the trip distribution for the proposed project is naturally and intentionally directed toward the new traffic signal in the northwest corner of the Property on Lindsay Road with relatively minimal new trips added to Germann Road. For the proposed new traffic signal at Germann Road and Concord Street, it is projected that only 23 vehicles will make a left turn and 15 vehicles will make a right turn onto Germann Road during the entire peak PM traffic period. By comparison, for the proposed new traffic signal on Lindsay Road it is projected that a total of 287 vehicles will make a right turn (toward Loop 202) and 17 vehicles will make a left turn onto Lindsay Road during the same time period. See Phase 3 (2033) Weekday Peak Hour Trip Assignment at **Tab 8**.

Moreover, the traffic volumes generated by the proposed development are significantly lower than what could be developed under the existing Business Park (BP) zoning as illustrated by the comparative trip generation exhibit at **Tab 9**. A project developed with BP development standards and uses would generate more than twice the vehicle trips per day relative to the proposed development. The difference in traffic is even greater when considering that a single 18-wheeler accounts for five vehicle trips in the traffic impact analysis. Additionally, the trip distribution in a BP development would be more evenly split between Lindsay Road and Germann Road, leading to far greater traffic volumes on Germann Road than what the proposed development could produce. In practical terms, the proposed development is more compatible with surrounding development and will have a considerably smaller impact on traffic in the surrounding area.

As the trip distribution indicates, the vast majority of vehicular trips generated by the proposed development will flow to and from Loop 202 to the site via Lindsay Road without ever reaching Germann Road. The circulation design, coupled with directional/wayfinding signage throughout the site, will ensure that the anticipated vehicle trips are distributed as intended. This circulation and traffic improvement plan was

purposefully designed to harness the potential and efficiency of the new Loop 202 interchange and Lindsay Road with minimal impact to the existing communities south of the Property.

# F. Phasing

It is anticipated that the street frontages, entryways and streetscape will be installed as part of the initial phase of development. The buildings to the west of the primary internal collector road will be developed in the first phase as well, with the balance of the Property to the east of the connector road to be developed as market conditions dictate.

# **General Plan Amendment**

The Town of Gilbert General Plan Land Use Map currently identifies the subject property as General Office, which shares some characteristics with the proposed land use but is not suitable to meet all of the goals and objectives of the project. The goals, policies and objectives of the Plan for Our Future 2020 Gilbert General Plan support these applications and the proposed development. With the proximity of the site the San Tan Freeway within the Gilbert and the 202 Growth Area, it is well-situated for the proposed General Plan classification, zoning and anticipated uses.

### 1. Why is the current classification not suitable?

The General Office land use designation does not support the broad range of industrial and light industrial uses required for this development. Over the long term, this land use designation has not been able to attract a large office or business park developer or user to the site – the Property has remained undeveloped despite considerable development activity in the surrounding area. More recently, the COVID-19 pandemic has forced businesses to rethink their workspaces and re-evaluate their physical office space needs. Consequently, the market for new commercial office space is extremely volatile and shrinking rapidly. However, demand for modern industrial and logistics facilities has never been stronger. The size of the Property, combined its location adjacent to a new off-ramp on Loop 202 and in close proximity to the Chandler Airpark, presents a perfect opportunity for a development to directly address the needs of the market.

# 2. How the proposed change is compatible with adjacent properties and other elements of the General Plan.

The proposed General Plan Amendment from General Office to Industrial is a minor change with respect to the impact of the supported uses and the appropriateness of the development with respect to surrounding properties. As noted above, the General Office land use designation already supports some light industrial uses. The Industrial designation is needed for the broader warehousing and logistics-related uses that are in high demand for this area and provide the economic engine for the project.

Further, there are many goals, policies, and objectives of the General Plan that support the commercial and residential uses at this location. The following are some excerpted provisions from the General Plan:

# **Goal CM-1: Encourage A Balanced Land Use Framework**

Policy 1: "Ensure the Town maintains a land use framework that supports a highly livable community through efficient use of land and resources."

The proposed development promotes an appropriate land use framework with placement of a new industrial business park compatible with surrounding General Plan land uses and zoning. As noted above, the Property has remained undeveloped agricultural land despite an explosion of growth around it. The future Loop 202 connection at Lindsay Road represents a paradigm shift with respect to appropriate and feasible land uses on the Property. Convenient access to a major transportation corridor provides the opportunity for modern light industrial development on the Property that was not previously feasible or achievable. Sitting at the intersection of two arterial roadways and a major freeway, the Property is ideally suited for appropriately scaled, modern light industrial uses with a convenient retail component easily accessible from the surrounding street and freeway network.

### **GOAL CM-2: Focus on Quality Development**

Policy 12: "Encourage substantial drought tolerant landscaping in public and private projects to maintain a heavily landscaped feel to the community while reducing the consumption of water."

As illustrated by the landscape plan submitted with this application, Lindsay 202 offers generous plantings of low water use, drought-tolerant trees, shrubs, and ground cover to provide a lush, heavily shaded environment along the street frontages, around the buildings, and in the parking areas. The landscape program is intended to give Lindsay 202 a pleasant, "green" feel throughout the development while limiting overall water consumption.

#### **Growth Areas Framework**

Gilbert and the 202: "The primary focus of economic growth within this area is general office, business park and light industrial land uses that have a need for quick freeway access or proximity to the airpark."

The proposed development fits squarely within the General Plan's vision for the Gilbert and the 202 Growth Area where the site is located. The Lindsay Road off-ramp/on-ramp at the Loop 202 freeway will offer convenient access to the site for regional and interstate commerce. The project will bring new employment and light industrial users to the area with easy access to the San Tan Freeway, Gilbert Road Corridor, and the nearby Chandler Airpark.

# 3. What unique physical characteristics of the site present opportunities or constraints for the development under the existing classification?

The size of the site is the physical characteristic limiting development under the existing classification. This classification was intended for the development of large-scale office uses, and there is quite simply no market or demand for 94 acres of large-scale office development.

#### 4. Explanation on the availability of public utilities and services.

The subject property already has adequate infrastructure in place to support this development. There is a water main and sewer main extended to the site in the following streets: Lindsay Road (16" Water, 24" Sewer), and Germann Road (16" Water, 12" Sewer). All sewers adjacent to the site are at an adequate depth and slope to serve the project. Accordingly, there are adequate utilities in place to serve this proposed community.

5. What is the proposed fiscal impact of future development based on evaluation of projected revenues and the additional cost of providing public facilities and services to accommodate projected increases or decreases in population?

Lindsay 202 will provide considerable fiscal and economic benefits to the Town of Gilbert. The proposed project will generate a significant amount of new jobs and attract new businesses to this employment corridor and growth area. It is expected that the new tax revenues and employment opportunities will more than offset the cost of providing public facilities to accommodate the project. If anything, this project should create a net fiscal benefit. The proposed development should have no negative impact on existing public facilities and services.

6. How will the proposed amendment affect the ability of the community to sustain the physical and cultural resources, including air quality, water quality, energy, natural and human-made resources necessary to meet the demands of present and future residents?

The proposed amendment does not diminish the ability of the Town to sustain its physical and cultural resources. With respect to impact on air quality, water quality, energy, natural and human made resources, there is no significant difference between the current General Office land use designation and proposed Industrial land use designation – particularly in the context of the proposed industrial business park project.

# **Economic Impact**

To illustrate the extraordinary projected economic impact of Lindsay 202, Creation commissioned Elliot D. Pollack & Company to prepare a study analyzing the economic and fiscal impacts of the development during both the construction phase and after completion once stabilized. The study finds that Lindsay 202 will produce approximately 3,783 person years of employment, generating \$238.7 million in wages and \$567.5 million in total economic output. Following completion and stabilization of the project, Lindsay 202 is expected to create 3,335 jobs with \$165.4 million in annual wages and an annual economic output of \$696.1 million.

On the fiscal side of the equation, Lindsay 202 is expected to generate approximately \$27.4 million in tax revenue during construction, including nearly \$7 million in primary direct taxes to the Town of Gilbert. Following completion and stabilization of the project, Lindsay 202 is projected to generate \$14.25 million in annual tax revenue, including approximately \$1.3 million in primary and secondary taxes to the Town of Gilbert and nearly \$1.8 million to school districts.

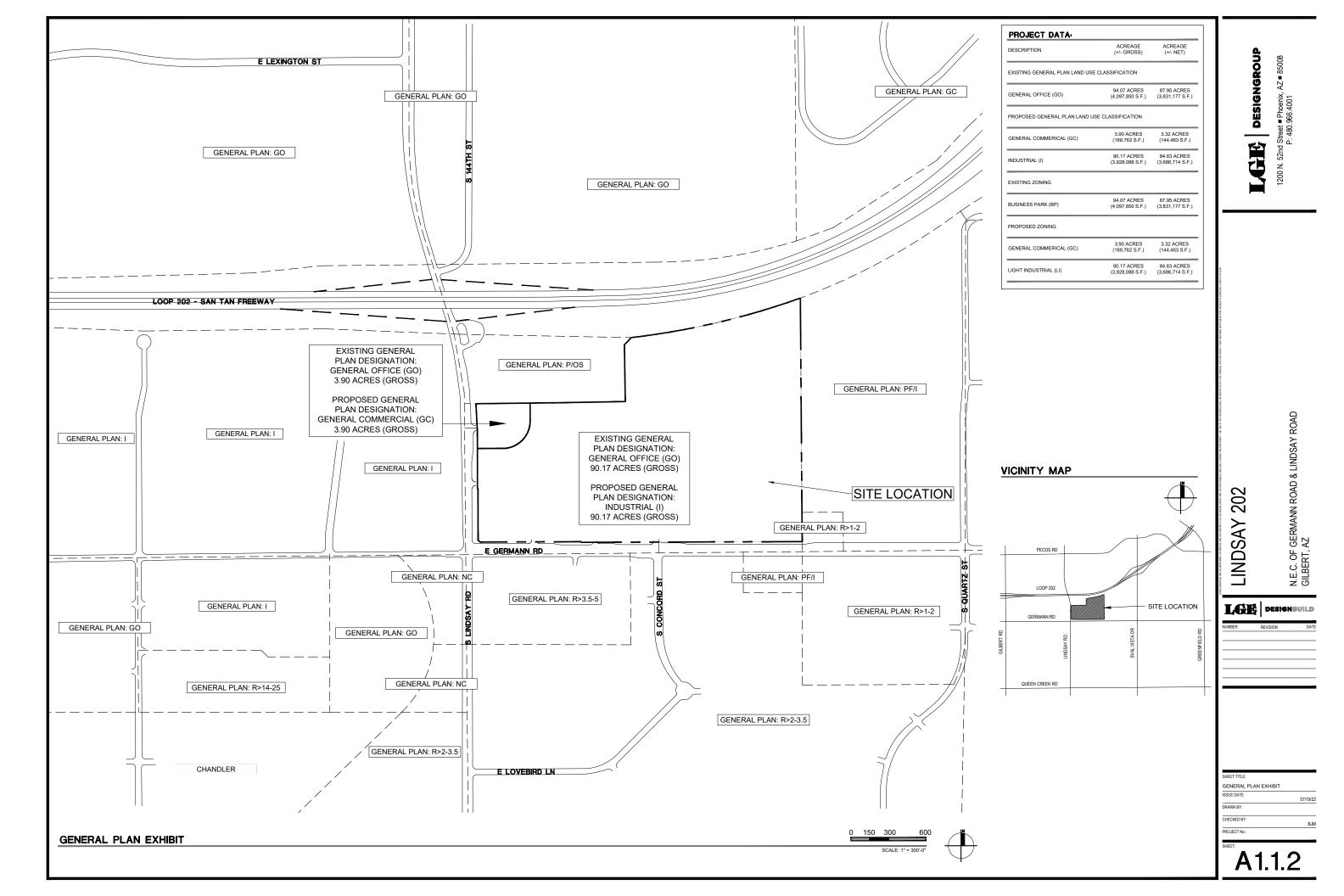
Economic and fiscal impacts of this scale are only achievable on the Property with design-focused, high-quality development capable of attracting high-caliber tenants in the technology, defense, aviation, and biosciences sectors. The economic impact study submitted with this application confirms that the proposed development will be a substantial benefit to the Town of Gilbert and the greater Arizona economy.

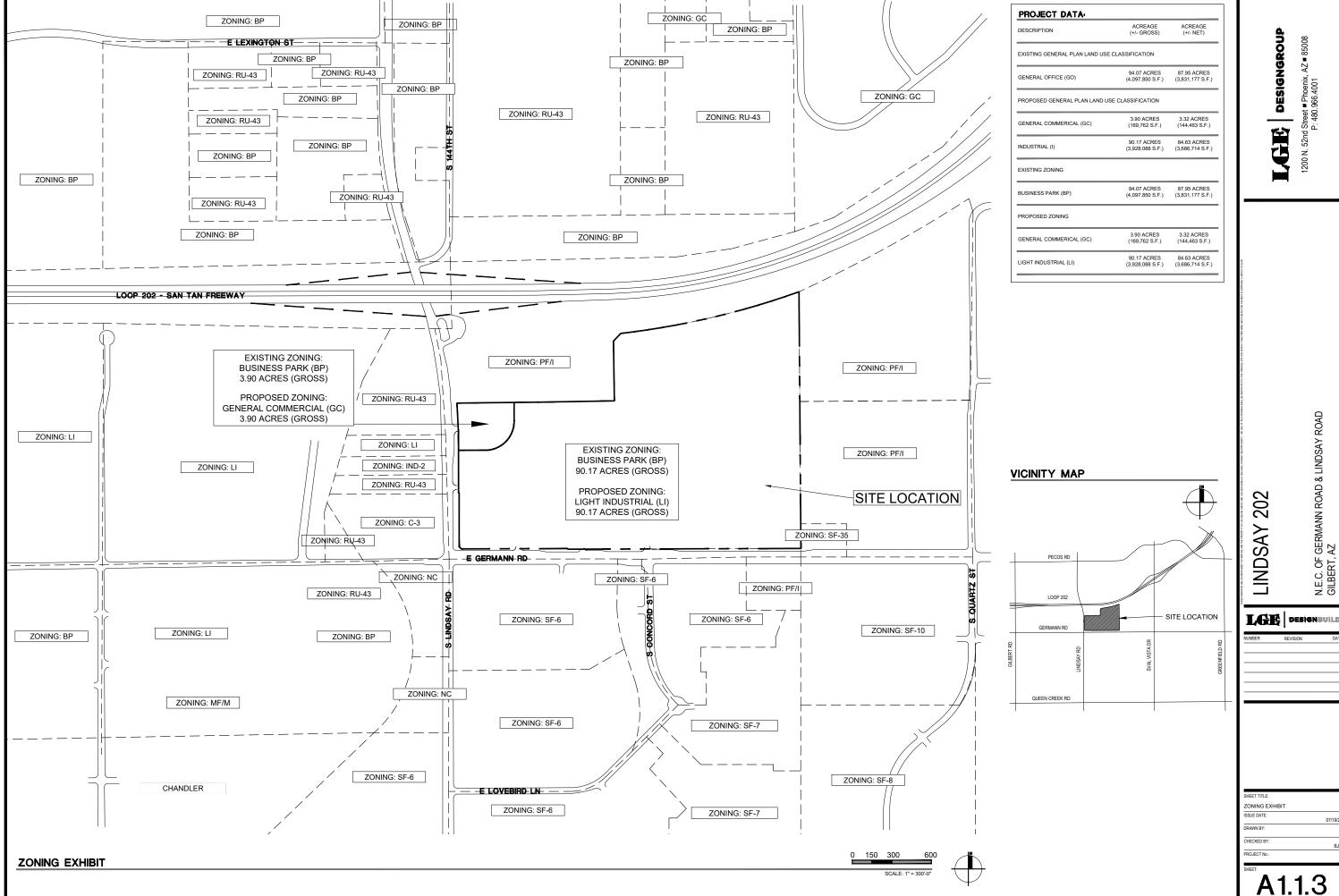
# Conclusion

The construction of the Loop 202/Lindsay Road interchange has quite literally paved the way for an exciting new industrial business park in the Town of Gilbert that was not previously achievable on this site due to the lack of freeway access. Lindsay 202 will provide appropriately scaled light industrial development in a range of building sizes and configurations designed to attract a range of potential employers and tenants to the

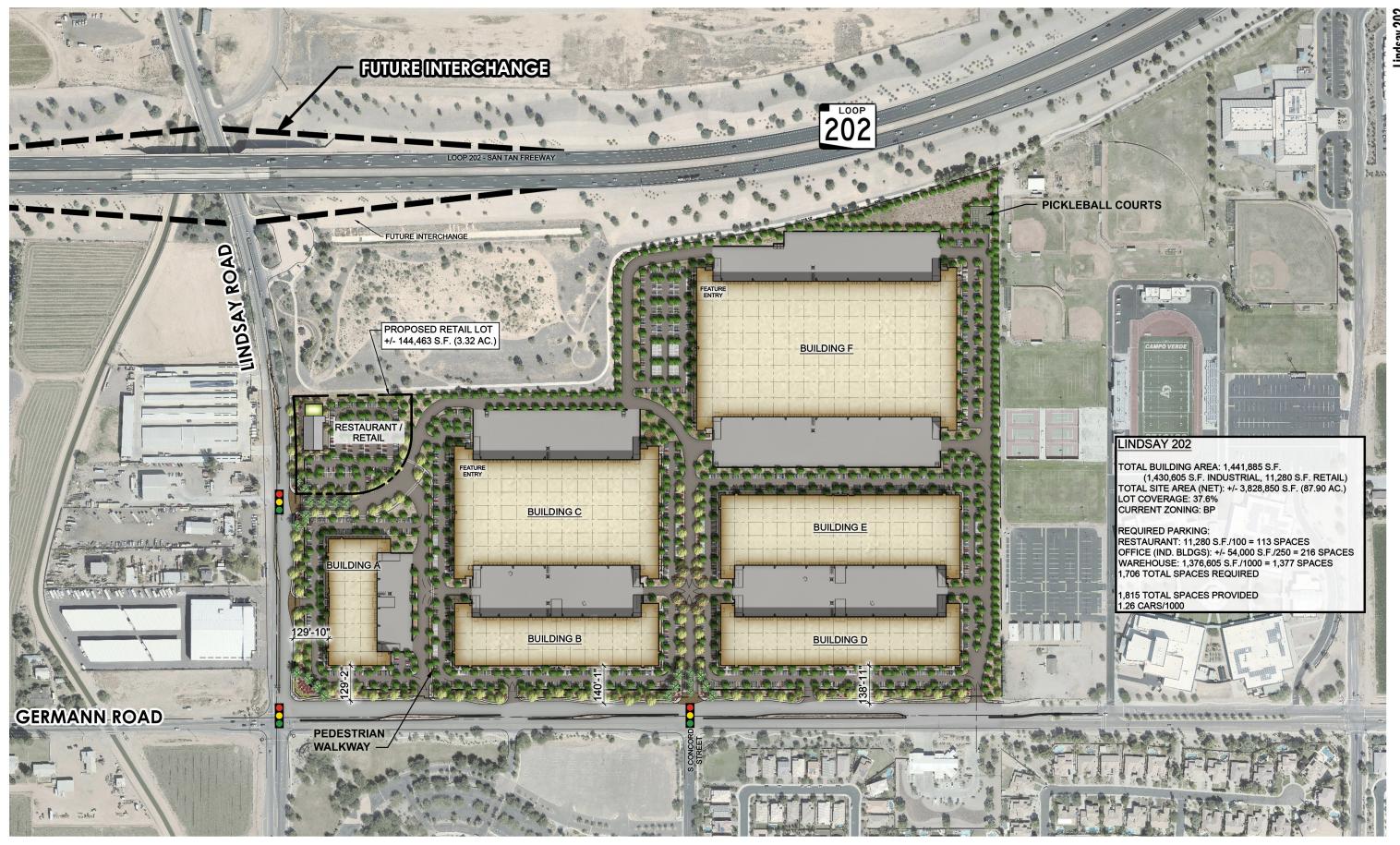
Property, along with a commercial/retail component that will offer in-demand retail and commercial services in an area where none currently exist. Lindsay 202 is a perfect example of the right project coming along in the right place at the right time, to the benefit of the Town of Gilbert, the surrounding community, and the developer.







LGE DESIGNBUILD



-LGE DESIGNGROUP

