



## Action Report

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**File #:** 15-324

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**TO:** Mayor and Town Council

**FROM:** Eva Cutro, Community Development Director

**DATE:** December 17, 2015

**CONTACT:**

Eva Cutro, 480-348-3522

**AGENDA TITLE:**

Hearing - Special Use Permit Major Amendment  
Ritz-Carlton Paradise Valley  
7000 E Lincoln Drive (SUP-15-01)

**RECOMMENDATION**

It is recommended that the Town Council consider the Special Use Permit plans, Ordinance #694 (stipulations), and the Development Agreement in their entirety and as a whole prior to any recommendation on this proposal. Possible recommendations include:

**A. MOTION FOR APPROVAL**

I move for **[approval]** of SUP-15-01, the Five Star Ritz-Carlton SUP major amendment request, subject to Ordinance #694 and the Development Agreement associated with this proposal.

**B. MOTION FOR DENIAL**

I move for **[denial]** of SUP-15-01, the Five Star Ritz-Carlton SUP major amendment request. My reasons for denial include:...

**C. MOTION FOR CONTINUANCE**

I move for **[continuance]** of SUP-15-01, the Five Star Ritz-Carlton SUP major amendment request to allow for additional time to review this proposal.

**REQUEST**

On May 4, 2015, Five Star Development Resort Communities applied for a major amendment to the Ritz-Carlton SUP. The amendment to the SUP includes a mix of resort, residential, and retail uses on the site.

**PURPOSE:**

The purpose of this hearing is to review revised plan and receive input from the public.

**History**

The property located at 7000 E. Lincoln Drive was annexed into the Town in 1964. In 1987 the Town Council granted a Special Use Permit and re-zoning for Sun Valley Resort a mix of resort units, residential lots, and a golf course. The SUP allowed for up to 500 resort keys, 39 R-43 cluster plan lots, and a golf course. Although an entrance circle on Indian Bend Road was constructed, no further development occurred.

In 2008 the Town Council granted an amendment to the existing Special Use Permit to allow for a resort community, including: a resort hotel with 225 rooms, spa, restaurants, and meeting space; 100 resort patio homes; 46 luxury detached residential homes, 15 one-acre home lots; and, site improvements including parking, landscaping, and lighting and, improvements to site infrastructure. This approval is current, however; no development has occurred.

In 2012 the Town adopted a new General Plan. The General Plan categorizes this property as one of the new Development Areas, intended to focus resort development into targeted areas that are most appropriate for accommodating the variety of land uses associated with such use. The General Plan further states, Development Areas are meant to encourage new resort development that reflects the Town's needs for fiscal health, economic diversification, and quality of life.

**Statement of Direction (SOD) and Planning Commission Review**

Council discussed the Statement of Direction at the May 28, 2015 and June 4, 2015, Study Sessions. Density, residential lot size, type of residential product, heights, retail use, perimeter setbacks, and Rights of Way, traffic, and parking were discussed. The SOD guided the Commission in their review of this proposal. Starting June 16<sup>th</sup> the Planning Commission hosted 8 work sessions and two hearings on this application. Public comment was taken during the public hearings on October 6, 2015 and on October 20, 2015. At the last hearing The Planning Commission voted 5 - 2 to recommend that the Town Council **APPROVE** the SUP amendment subject to stipulations.

**Details**

The site is approximately 105 acres, bordered by Lincoln Drive to the south, Mockingbird Lane to the east, Indian Bend Road to the north, and the City of Scottsdale to the east. The development is broken up into five distinct Areas with a mix of resort, residential, and retail uses proposed. The total square footage of structure on site is proposed at 1,781,225, with a lot coverage from the dripline of the structures at 26.2%.

**Area A - Resort**

The Statement of Direction states:

*Resort lot coverage (Areas "A" and "A1" combined) shall not exceed 30% and 700,000 square feet.*

As compared to the SOD, the proposed area coverage is 30.1% and the floor area is 727,000 square feet.

*Recommend that Commission allow lobby heights to capture the unique mountain views but fully explore the impacts of the proposed height including what is visible off-site and if current views of the Mc Dowell Mountains will be obstructed (as viewed from the adjoining public RsOW). The overall mass of the building shall be reviewed to make sure it is of appropriate scale. A 3-D graphic shall be required. An elevation shall be shown from a benchmark near the intersection of Lincoln Dr. and Mockingbird Lane.*

The center 18 acres of the site is proposed as the Ritz-Carlton Resort with 200 resort units planned. The resort will also contain a lobby, ballroom, spa, and other resort amenities. The highest elevation of the resort is proposed at 48'. The hotel rooms are proposed in one and two-story configurations with a maximum height of 24'. The total floor area is proposed at 352,000 square feet (plus an additional 15,000 sf of accessory and service structures). The lot coverage is proposed at 234,000 square feet using a drip line measurement. Based on this drip line measurement, the area coverage is at 29.7%.

Staff, Council, and Commission had concerns regarding light and noise from a proposed rooftop deck. The applicant has now eliminated this feature.

#### **Area A1 - Resort Villas**

The Statement of Direction states:

*Resort lot coverage (Areas "A" and "A1" combined) shall not exceed 30% and 700,000 square feet.*

*With the exception of the resort lobby, it is recommended that all four-story/48' tall elements be eliminated and three-story/36' maximum height be considered for principal structures only, and as a buffer along the eastern border.*

The Resort Villa area borders the resort and contains approximately 11 acres. 94 resort villas are proposed. These will be available for private ownership and may be placed in the hotel rental pool. The total floor area is proposed at 328,000 square feet (plus an additional 32,000 sf of food & beverage). The lot coverage is proposed at 149,000 square feet using a drip line measurement. Based on this drip line measurement, the area coverage is at 30.8%. The maximum height of the villas is proposed at 3-story and 36'. There was concern that three story elements made up the majority of this Area. The applicant has now reduced the three story buildings, but it still appears that the northern most structures extend beyond the border. Staff believes the three story elements should be reduced to just those structures that border the eastern edge of the property. The balance of the buildings are now proposed at 2-story and 28' maximum height.

It is anticipated that the villas will be used as resort units and not the stacked flat product that was originally proposed in Area D, and discouraged in the SOD. In an effort to ensure the primary use of the villas are used as resort units, staff included language in the stipulations regarding villa standards and shared elements with the resort in Area A.

**Area B & C - Detached Residences**

The Statement of Direction states:

Residential lot size

*Recommend that all detached residential product in Areas B and C:*

- 1. Have an average of two dwelling units per acre,*
- 2. Progress from larger lots on the north, south, and west perimeters to more dense lots in the center and eastern perimeter, and*
- 3. Detached residential product shall be a mix of 1 and 2-story.*

**Area B**

Area B is 31.3 acres in size and the applicant is proposing 66 single family detached residences in a gated community. The site plan has lots that progress from larger properties along the perimeter to smaller or denser lots in the center. The lot sizes range from 10,000 to 20,320 square feet. The proposed residences will be approximately 4,000 square feet for a total floor area of 453,750 square feet. The area coverage is at 24.7% and 2.1 dwelling units per acre (DUA).

The homes are a mix of one and two story. One story homes are proposed along the perimeter on lots that are a minimum of 15,000sf. The maximum height of the one-story homes is proposed at 20'. Two-story homes are proposed at a maximum height of 24'.

Setbacks shall be:

- Front yard - 20' ground floor, 25' second story,
- Rear yard - 20' ground floor, 35' second story
- Side yard - 15' each side on perimeter lots (15,000 sf), 20' total on interior lots (10,000-15,000 sf) and 15' total on interior lots (less than 10,000sf)

**Area C**

Area C is 22.5 acres in size and contains 45 single family detached residences in a gated community. The site plan has lots that progress from larger properties along the perimeter to smaller or denser lots in the center. The lot sizes range from 12,000 to 37,605 square feet. The proposed residences will be approximately 4,000 square feet for a total floor area of 309,375 square feet. The area coverage is at 24.1% and 2 dwelling units per acre (DUA) are proposed.

The homes are a mix of one and two story with a maximum height proposed at 24'. Setbacks shall be:

- Front yard - 20' ground floor, 25' second story,
- Rear yard - 20' ground floor, 35' second story

Side yard - 15' each side on perimeter lots (15,000 sf), 20' total on interior lots (10,000-15,000 sf) and 15' total on interior lots (less than 10,000sf)

### **Area D - Attached Residences**

The Statement of Direction states:

#### *Residential lot size*

*Attached residential housing is proposed for Area D. Attached residential housing as approved and built in other Paradise Valley resorts, are almost exclusively used as resort rental units that are rented through the resort itself.*

*Attached residential product as proposed is disfavored and alternate uses for Area D shall be explored.*

The applicant eliminated the original condominium type stacked residential and is now proposing a gated, townhouse development. Area D has also been relocated to border Lincoln Drive and Area C (another residential product). Area D is proposed as a mix of one, two, and three story buildings, with the three story elements bordering the apartment complex in the City of Scottsdale. 62 town homes are proposed with an average size of 2400 square feet. The total floor area is 209,700 and the area coverage is at 25.2%. Heights range from 20' - 36'. However, the 36' three-story height only occurs along the eastern border. The third story is also limited as follows:

Interior area not to exceed 50% (of the area of the second story)

Exterior covered area not to exceed 10% (of the area of the second story)

Exterior uncovered not to exceed 10% (of the area of the second story)

The units will have front and rear setbacks of 10 feet and all parking requirements shall be met in individual private garages and driveways.

### **Area E - Resort Related Mixed Use**

The Statement of Direction states:

*Recommend the Paradise Valley Planning Commission evaluate the mixed use submittal with the following conditions:*

1. *No 4-story/48' height permitted,*
2. *Retail must be viable. Staff and commission may request applicant provide a market study addressing the feasibility of the type and amount of retail proposed including the viability of retail located on an interior site. Planning Commission may use a third-party expert to assist in the evaluation of said viability,*
3. *Retail must be resort related, and*
4. *Residential must be resort related.*

*Recommend the Planning Commission also evaluate the possibility of an all detached residential use of Parcel E if applicant chooses to submit such an alternate.*

The applicant has submitted a site plan for E1 a 7.2 acre portion of Area E. It contains a mix of retail, food & beverage, and gourmet foods. The total floor area is proposed at 78,400 sf (plus an additional 3,000 sf of accessory structures) and 25% area coverage. The buildings are proposed at one-story with a 30' maximum height. The remainder of Area E is deferred at this time.

**Perimeter Setbacks / Landscape /Signage**

The Statement of Direction states:

*Recommend that the SUP Guideline landscape area and buffer be provided. A minimum 50' wide landscaped area shall be provided along Lincoln Drive and Mockingbird Roads and a minimum of 30' wide landscape area shall be provided along Indian Bend Road. An additional landscape buffer shall be provided at the corner of Lincoln Drive and Mockingbird Lane, as well as at the main entrance to the Resort and at the gateway to the Town.*

*Recommend that 25' of Right of Way (ROW) dedication be required along Lincoln Drive. This differs from the 2008 SUP that allowed for a roadway easement. The 2012 General Plan has now categorized Lincoln Drive as a Visually Significant Corridor and dedication is requested to allow for development of Lincoln Drive as a Visually Significant Corridor and as a Gateway to the Town. The applicant shall identify setbacks from the post-dedication property line.*

The site plan meets the SOD with setbacks along Indian Bend Road at a minimum of 30'; along Mockingbird Lane at a minimum of 50'; and, along Lincoln Drive at a minimum of 50' (taken from the post-dedication line). A separation of 10' has been added north of the St. Barnabas border and a 120' setback is proposed at the corner of Lincoln Drive and Mockingbird Lane.

A landscaping plan is provided that divides the property into different landscape zones, with the interior lusher than the perimeter. Detailed landscape plans are provided for Lincoln Drive with landscaping in excess of the Landscape Guidelines with trees planted 25' on center. A meandering wall and sidewalk are also proposed in accordance with the Town Zoning Ordinance. The applicant provided additional information regarding the Visually Significant Corridor treatment on Lincoln Drive. This treatment includes architectural screens around utility structures, seating areas, themed wayfinding signage, and enhanced landscaping. However, since the details of this treatment are not part of this application, a stipulation has been added that will require the final design be approved by the Town Manager or designee.

Enlarged Paradise Valley Entry monuments are proposed at the Gateway to the Town. A primary Ritz-Carlton monument sign is proposed at the main entry to the resort on Lincoln Drive. The sign is 6' high, 25 square feet in size and has a 25' setback. A fountain sign wall is proposed at the corner of Lincoln Drive and Mockingbird Lane. This sign wall has a minimum setback of 25' from the corner, is 48" high (with a water depth of less than 18"), and is surrounded by vegetation.

**Traffic and Parking**

A complete traffic impact analysis (TIA) and separate parking analysis were completed by CivTech Engineering. Both studies have been through multiple rounds of comments and they will need to be updated with the latest site plan submittal.

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**Grading and Drainage**

A detailed grading and drainage plan for the site will need to be provided that is consistent with the Stormwater master plan for the project. The Town has received a preliminary drainage reports and we are currently reviewing this report. As the report states, at the time of permit CVL will prepare a full onsite set of grading and drainage plans that are consistent with the final drainage report.

**NEXT STEP**

This application is scheduled for a Town Council Hearing on December 17, 2015.

**ATTACHMENT(S):**

Ordinance # 694 containing all stipulations  
Approved Plans, dated December 17, 2015  
Narratives & Illustrations, dated December 17, 2015

C: Jason Morris (Applicant)