



Goals for Tonight's Meeting:

- Develop a definition and specifications for the resort dwelling units.
 - Dwelling units are an absolutely critical component to a successful redevelopment of the Smoke Tree Resort.
 - Town will recover 100% of bed tax with in lieu fees in a Development Agreement.
- Highlight changes made from May 2018 submittal to present as a result of Planning Commissions.
 - Met the spirit and intent of the Statement of Direction.
 - Reduced density; reduced height; eliminated balconies; eliminated lock offs; increased open space; complied with open space criteria on west and north.
 - We've heard the concern from you that this proposal "feels like a lot."
 - Still flexibility in the design.
 - Willing to adjust unit count and density to achieve unrestricted dwelling units.
- Highlight protections and accommodations made for neighbors – residential neighbors to the west and Andaz to the south.
- Highlight neighborhood and community support.
 - Overwhelming support for proposal.
 - Dozens of letters received, only two in opposition.
- Focus on terms for the Stipulations and Development Agreement
 - Set development boundaries, limits, and standards.
 - Provides assurances to the Town Council, citizens, and the developer as to what the Resort must provide, such as:
 - Easements and dedications.
 - Number of dwelling units and treatment of dwelling units.
 - In lieu fee calculations.
- Receive constructive direction from the Council.
 - We believe we've presented a project that makes sense in the marketplace.
 - At the end of this process, we intend to bring forward a project that you can vote for, not against.
 - How do we get there?



Dwelling Units under a Special Use Permit Resort

- The Smoke Tree Resort has operated as a resort since it's construction in 1958. The Resort was annexed in to the Town of Paradise Valley as a Resort. The present Amendment application is only an amendment to the existing Special Use Permit – Resort Zoning designation and does not seek to modify the uses currently allowed in the Zoning Ordinance.
- Three documents give SUP property owners direction on what property rights they have as owners of property in the Town of Paradise Valley:
 - General Plan – Adopted by legislation , general in nature
 - Zoning Ordinance – Adopted by ordinance, specific in nature
 - SUP Guidelines – Not construed to be ordinance, supplemental in nature
- The General Plan, which represents a statement by the public of what they expect their Town to become, calls for the consideration of “single-owner resort housing” on Special Use Permit resort properties.
- The proposed application complies with the Special Use Permit Resort General Plan and the Zoning Ordinance.
- The Zoning Ordinance allows “Dwelling Units” as an accessory use to a Resort.
- As defined by the International Building Code a “Dwelling Unit” is a single unit providing complete, independent living facilities for one or more persons, including **permanent** provisions for living, sleeping, eating, cooking and sanitation. A Dwelling Unit is intended to serve as a permanent residence.



Possible impacts of Dwelling Units under a Special Use Permit Resort

- Traffic – The total trips generated per door as a result of a Resort equal the total number of trips generated by a dwelling unit (6.2 trips per day). There is no appreciable impact on traffic regardless if it is a dwelling unit or resort hotel key.
- Management – All dwelling units and associated HOA will be under common management as the Resort.
- Rental Program – All dwelling units will be part of the Resort's Rental Program. No dwellings units will be permitted to be rented independently of the Resort Rental Program.
- Resort Fees – All dwelling units occupied by the owner of the unit and not available for nightly rental will pay a resort fee to the Town that is equivalent to the Bed Tax rate. These fees will be annually reconciled to ensure correctness.
- "Part of the Resort" – All Dwelling Units will be integrated in to the Resort by use of common Valet parking, Amenities, Management Program, Room Service, Maid Service, and access and participation in all Resort uses.
- Furniture, Fixtures, and Equipment – All Fixtures and Equipment of the Dwelling Units will initially be the same as the Resort. Furniture will be required to meet the Resort Standards as set forth in the Resort Rental Program.



Dwelling Unit Usage Restrictions

- A successfully operated Resort and Resort Rental Program will strive to have maximum occupancy every night of the year.
- Since Dwelling Units must participate in the Resort Rental Program, restrictions designed to restrict the use by the Owner of the Dwelling Unit, will not decrease the occupancy of the Dwelling Unit.
- For every night the Owner of a Dwelling Unit is restricted from use, a transient hotel guest will occupy the Dwelling Unit as part of the Resort Rental Program.
- Owner usage restrictions limit property values.
- Within the Resort development sector, for-sale components are important for overall project feasibility in that they serve to balance the project risk profile within acceptable tolerances for financing.
- Dwelling Units lower the development risk for Developer and the Town alike.
- Dwelling Units are an allowed accessory use under the SUP-R Zoning Ordinance.



Smoke Tree Resort SUP Amendment :: May 23, 2019 Town Council Presentation

Resort Dwelling Unit Comparison Chart

Resort	Total Units	Guest Units	Resort Residences	Percentage for Sale
Proposed Smoke Tree Resort	165	135	30	18%
Ritz Carlton	458	200	258	56%
Andaz	201	201	0*	0%*
Mountain Shadows	331	183	148	45%
Sanctuary	174	161	54	31%
Montelucia	327	303	124	38%
Scottsdale Plaza	404	404	0	0%
Doubletree	378	378	0	0%
Hermosa Inn	49	49	0	0%
Camelback Inn	458	458	458	100%
Notes: * Cottonwoods (Andaz) SUP 12-08 had 27 Resort Residences under consideration before current ownership withdrew the request prior to approval				

Lot Coverage Comparison Chart

	5 ACRE COVERAGE	CALCULATION 5 ACRES = 217,800 SQFT	% COVERAGE
1 DOUBLE TREE SCOTTSDALE RESORT	141,720 SF	141,720 COVERAGE / 217,800 SQFT	65.1%
2 OMNI RESORT & SPA AT MONTELUCCIA	117,023 SF	117,023 COVERAGE / 217,800 SQFT	53.7%
3 THE SCOTTSDALE PLAZA RESORT	112,743 SF	112,743 COVERAGE / 217,800 SQFT	51.8%
4 THE RITZ-CARLTON RESORT - VILLAS	104,223 SF	104,223 COVERAGE / 217,800 SQFT	47.9%
5 SCOTTSDALE CAMELBACK INN RESORT & SPA	93,317 SF	93,317 COVERAGE / 217,800 SQFT	42.8%
6 MOUNTAIN SHADOWS RESORT	89,263 SF	89,263 COVERAGE / 217,800 SQFT	40.1%
7 SANCTUARY CAMELBACK MOUNTAIN RESORT	74,118 SF	74,118 COVERAGE / 217,800 SQFT	34.0%
8 PROPOSED SMOKE TREE RESORT	74,085 SF	74,085 COVERAGE / 217,800 SQFT	*34.0%
9 ANDAZ SCOTTDALE RESORT & SPA	65,685 SF	65,685 COVERAGE / 217,800 SQFT	30.2%
10 EL CHORRO	57,534 SF	57,534 COVERAGE / 217,800 SQFT	26.4%
11 THE HERMOSA INN	48,388 SF	48,388 COVERAGE / 217,800 SQFT	22.2%

*Excludes credit for 1.3 acre subterranean parking garage



Changes Made Through Planning Commission

- Reduced number of units from 180 to 165
 - Can be adjusted to realize allowed accessory use of Dwelling Units as permanent residences under the SUP-R Zoning Ordinance
- Reduced density on south and west
 - 15 lock offs were eliminated on south side
- Increased setback and created tiered height on the south side for Andaz
 - Two-story building stepping back to a three-story maximum
- Agreed to prohibit balconies on the west side
- Committed to an initial FF&E that is consistent with the Resort hotel keys
 - FF&E packages will be available; mandatory FF&E will be required if part of the rental program
- Eliminated hip roof architectural elements
 - Agreed to a maximum height of 36 feet with limited areas of mechanical screening up to 42 feet
 - Agreed to a maximum number of chimneys, towers, and other architectural features up to 45 feet
- Agreed to dedications and improvements on Quail Run Road
- Agreed to the Town's request on access on Lincoln Drive
- Made revisions for OSC
 - We comply with OSC on west side (residential) and north side (Lincoln Dr.)
 - Limited encroachment on east and south
- Made changes to the sign plan and removed internal signs
- No signage will be placed in the ROW unless an applicable easement is granted by the Town



Protections for Residential Neighbors

- Locates greater height and density to the south and east
- Limits overall height to 36 feet with some limited areas of 42 feet for mechanical screening and 45 feet for architectural elements
- Provides tiered heights on west side
- Leaves 100 feet between the residential property line and the nearest structure, which is limited to 24 feet in height
- Prohibits balconies on the west side facing residential neighbors
- Noise generating elements are located internal to the property and surrounded by the hotel and resort dwelling units
- Complies with the OSC criteria on the west side from the current property line
- Provides appropriate landscaping buffers
- Lighting will be directed appropriately so as not to glare in the residential neighbors' yards
- Agreed that deliveries on site will not occur on Quail Run
- Adds a 3 foot screen wall on the west

Accommodations for Andaz

- Reduces the number of units from 180 to 165
- Removes 15 lock offs from the south side
- Increases the setback and creates a tiered height on the south side
 - 20 foot setback with 24 foot maximum height
 - 60 foot setback with 36 foot maximum height
- Limits overall height to 36 feet with some limited areas of 42 feet for mechanical screening and 45 feet for architectural elements
- Limited amount of OSC encroachment on south
- Noise generating elements are located internal to the property and surrounded by the hotel and resort dwelling units



Proposed Compromise

- Reduce total number of units from 165 to 150
 - 125 hotel keys
 - 25 dwelling units
- No lock offs for the dwelling units
- Hard cap of 36 foot height limit – no exceptions for mechanical screening or architectural elements
- Committed to in lieu fees, collected by an HOA, and governed by a Development Agreement
- This compromise depends on the realization of allowed accessory use of Dwelling Units as permanent residences under the SUP-R Zoning Ordinance



Development Agreement Necessary Next Step

- The Development Agreement will provide definition and clarity on what is needed in the revitalization of the Smoke Tree Resort
- The Development Agreement will provide needed clarification on the applicability of proportional guidelines so as to direct site plan and architecture revisions.
- Iterative submittal revisions have failed to yield explicit feedback necessary to make specific adjustments
- Other jurisdictions implement development agreements after review of preliminary concepts.
 - This helps the jurisdiction to make clear to the Applicant what will be required that is not directly defined in the zoning ordinance.
 - Helps to simplify and expedite the resubmittal process as the Applicant has direction to work from.
 - Reduces risk to the jurisdiction and Applicant so that the continuing development process has a defined goal.



Development Agreement Topics

- Phasing – likely done all at once, but in agreement that none of the Certificates of Occupancy will be issued for resort dwelling units until Certificates issued for resort hotel structures.
- Easements and Dedications
 - Lincoln Drive – in agreement with 49 foot dedication and 16 foot easement (which includes parking and landscaping easements)
 - Quail Run Road – agree to dedicate half street and make full improvements on east, curb and gutter on the west
- Improvements
- Number of resort dwelling units
- Treatment of resort dwelling units
 - No restrictions on time of use
 - Access to rental program, defined by CC&Rs, and under unified management with hotel
- In lieu fee calculations
 - Favor adapting the in lieu fee concept from Mountain Shadows SUP Development Agreement
 - Collected by the HOA and governed by the Development Agreement
- FF&E – agree to an initial FF&E that is consistent with the Resort hotel keys.
 - FF&E packages will be available; mandatory FF&E will be required if part of the rental program
- Height
- Parking
- Setbacks