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**Attachments:** 1. A - Application, 2. B - Vicinity Map Related Maps, 3. C.1 - Narrative and Plans, 4. C.2 Parking Study and Associated Documents (Revised 07-21-20), 5. C.3 - Traffic Impact Analysis, 6. C.4 - Preliminary Drainage Report, 7. C.5 - Wastewater Capacity Study, 8. C.6 - Water Service Impact Study, 9. D - SUP Guidelines, 10. E - General Plan Policies, 11. F - General & SUP History, 12. G - Public Comments (Revised 07-21-20), 13. H - Revised Statement of Direction, 14. I - Lincoln Plaza Landscape Plan, 15. J - Tentative Timeline, 16. K - Sample Use Parameters, 17. L- Landscape Plan (Revised 07-21-20), 18. M - Right-of-Way, 19. N - 3rd Floor Amenity Floor Plan

Date	Ver.	Action By	Action	Result
7/21/2020	1	Planning Commission	No Reportable Action	

**TO:** Chair and Planning Commission Members

**FROM:** Paul Michaud, Planning Manager

**DATE:** July 21, 2020

**DEPARTMENT:** Community Development

**AGENDA TITLE:**

**Continued Discussion of a Major Special Use Permit Amendment (SUP-18-05) - 7101 E Lincoln Drive - Smoke Tree Resort**

**SUMMARY STATEMENT:**

**REQUEST:**

Gentree LLC, the property owner of the Smoke Tree Resort, is seeking redevelopment of the property located at 7101 East Lincoln Drive (APN 174-64-003A) via a major amendment to the site's existing Special Use Permit - Resort zoning. The application is attached as Attachment A. The proposed redevelopment of this property will be a complete demolition of all existing structures and construction of a resort.

**MEETING PURPOSE:**

Focus the review on the proposed uses, impact to adjacent uses, setbacks, and traffic/access/circulation/right-of-way.

## UPDATE FROM PRIOR MEETING:

The Planning Commission discussed the amended application at its July 7, 2020 work session. This discussion focused on a reintroduction of the proposal and the review of the June 25, 2020 re-issued Statement of Direction (SOD). Furthermore, this meeting included discussion of density, height, and viewsheds. Key points from that discussion were as follows:

- Have the owner of Andaz Resort identify their position regarding this application (either verbally at a Commission meeting or provide written documentation to the Commission).
- Review and discuss parking at the August 4<sup>th</sup> Planning Commission meeting in order to allow Town staff time to finish reviewing the ULI information from Kimley-Horn and to allow time for the applicant to prepare the Parking Management Plan for Town staff review.
- Provide more detail on the 3<sup>rd</sup> floor amenity. The Planning Commission left this open for further consideration since this amenity is dependent upon the review of how the space will be utilized and how it may impact surrounding properties and neighbors. Items mentioned included, and are not limited to, the following:
  - Provide in writing a detailed description of the use of this space and all applicable restrictions (such as hours of operation).
  - Review of an acoustical study (Under Town staff review).
  - Review of any impact of light.
  - Discuss the draft stipulations.
  - Revise Sheet A21 to illustrate a floor plan that includes tables, chairs, bar area, restrooms, and/or related items (Refer to Attachment N).
  - Identify the maximum occupancy limit.
  - Include more description on how the indoor area, conservatory glass area, and outdoor areas will function.
- Provide more information on the proposed market, including and not limited to, the following:
  - Discuss the draft stipulations.
  - Define the use. The Smoke Tree team explained the market is meant to primarily serve guests of the resort, with a main entrance facing the interior courtyard area. It was noted that the market would offer gifts, day-to-day items for guests, and cater to the adjoining coffee shop.
  - Identify a maximum square footage and the hours of operation. The market area is approximately 4,000 square feet in size according to Sheet A31. It was noted that the small size is such that it would not compete with the nearby AJ's market. As a comparison, AJ's is approximately 30,000 square feet. Markets are generally 10,000 square feet to 40,000 square feet.
- Provide a north elevation of the entire site in addition to those on Sheet A18.
- Explain the circulation in more detail. See "Circulation" in this report for additional information.
- Modify the landscape plan of Sheet A11 to consider use of a taller tree specimen and staggering the trees within the south parking area and possibly the east side of the campus to help screen the mass of the 3<sup>rd</sup>-story building. The Commission requested that staff provide a copy of the Lincoln Plaza Medical Center landscape plan for reference and comparison (Refer to Attachment L).
- Provide more detail on Sheets A18 and A19 related to the Open Space Criteria and Height. The Planning Commission was generally supportive of the encroachment of the two tower hipped roofs of the pedestrian courtyard access element since these features provided visual/architectural relief. However, the Commission wants a better understanding of how the

landscape will screen the 3<sup>rd</sup> story element encroachment and building mass. Requested edits to these sheets included identifying the square footage of encroachment, the setback of the 3<sup>rd</sup> story from the south and east property lines, and clearer labeling of the Original Natural Grade as it relates to the 38' height. Other requests included providing another view of Section A as viewed from the south and to illustrate the impact that a full 65-feet of half-width right-of-way (on Lincoln Drive) would have on the viewsheds.

- Provide an elevation plan with the site grades.
- Provide an illustration that identifies how the right-of-way/easements on the Smoke Tree site and Lincoln Plaza Medical connect. Refer to Attachment M.
- Leave the density discussion open for Commission review since it is affected by the parking data and impacts to safety and quality of life of the surrounding properties. The proposed density at 26 units per acre is 2.4 times greater than the Town guideline. It was noted that the Smoke Tree site is unique in its small size, location near the City of Scottsdale, and its location bordering non-residential uses on three sides.

### **NEW INFORMATION FROM THE APPLICANT:**

In response to the Commissions direction and input, the applicant provided an acoustical study, revised landscape plan, and 3<sup>rd</sup> floor roof layout. The acoustical study is still under review by Town staff.

As directed by the Planning Commission, the landscape plan staggered the trees in the parking areas along the south property line to better screen the building mass. This increased the total site tree count from 115 to 116 trees. The trees along the south property line with the Andaz resort were changed from Desert Willow to Live Oak. The applicant also provided a combined landscape plan showing their property and the adjoining medical center property. Refer to Attachment L.

### **DISCUSSION:**

#### Meeting Timeline

The applicant requests consideration of special Planning Commission meetings in August and September to address the various topics outlined in the SOD. If desired by the Commission, several tentative special meeting dates may be scheduled in order to not to overburden the regular meetings. Scheduling special meetings will depend upon having a quorum and available staffing. Options for special meetings include earlier start times or even continuing a meeting to the following day for additional review and discussion. The Planning Commission always has the option to request that Council extend its September 30<sup>th</sup> deadline. Attachment J is the proposed timeline based on regularly scheduled meetings.

#### Uses

Proposed uses include 122 hotel rooms, of which 102 are located within the main hotel building and 20 are located within detached luxury suites. Additional resort related uses proposed includes a restaurant, market/retail, coffee shop, meeting spaces, an event lawn, event terrace, and pavilion which are all described in more detail in the application. These uses appear to align with the Special Use Permit zoning for SUP-Resort.

The property is within a designated Development Area per the General Plan that encourages moderate intensity, mixed-use, and context appropriate resort development. Accessory uses such as the market, retail, florist and related uses must be accessory to the resort for the support and service of guests or visitors to functions at the site. The SOD directs the Planning Commission to focus on the proposed accessory uses, particularly which forward-facing portions of the site that should be

considered or not considered, uses that need to be defined or narrowed as appropriate, as well as the specific operational factors (hours of operation, outdoor seating, etc.) that may need to be included in the Planning Commission’s recommendation to the Town Council.

Many of the operational factors will become stipulations reviewed at a subsequent meeting, which is tentatively set for August 18, 2020. Attachment K provides some parameters put forth earlier in the process for this application or in other applications to start this discussion.

Impact to Adjacent Uses

To address impacts to adjacent uses, the updated plans removed all balconies from the exterior side of the principal resort hotel. Additionally, a three-foot wall has been proposed along the western property line to screen the parking lot. Staff’s main concern with the impact to adjacent users is from the outdoor event spaces as well as the newly added 3<sup>rd</sup> floor amenity. The 3<sup>rd</sup> floor amenity has large operable windows and some outdoor seating that will require stipulated limits on the hours of operation to minimize impacts to the residential neighbors to the west.

The SOD directs the Planning Commission to consider impacts including noise, light, traffic and any other adverse impacts, particularly for those existing residential properties west of the site along Quail Run Road. In particular, outdoor employee areas and service uses such as maintenance, maid service/laundry, trash collection/storage, mechanical equipment (roof/ground), and all other noise generating elements shall be studied and buffering of uses shall be considered. Items for consideration in this upcoming work session may include identification of areas of concern, additional information that may be needed, and potential stipulations for consideration.

Setbacks

The applicant is proposing a minimum setback of 52’6” from the net property line (post dedication of 45’6” half width) for principal structures along Lincoln Drive, 50’ from the net property line (post dedication of 25’0” half width) from Quail Run Rd, 60’ from the south property line and 45’ from the east property line. The site does not comply with the SUP Guidelines for perimeter landscaping (being 50’ along Lincoln Drive, 30’ along Quail Run Road, and no suggested setback along the east and west to non-residential uses) or parking lot setbacks (being 40’ along Lincoln Drive and Quail Run Road, and no suggested setback along the east and west to non-residential uses).

Below are tables showing SUP Guidelines and proposed setbacks for both Principal Structures, the 3<sup>rd</sup> Story Structure, and Accessory Structures. The principal structures using the buildings shown on Sheet A8 are C, J, L, M, N, O, and P. These structures are on the south (rear face) of the site. These principal structures only meet the SUP Guideline setback from Lincoln Drive. A primary reason for this is that the existing resort is ¼ of the suggested 20-acre site size. The guest reception building and separate building suites on the southwest portion of the site are principal structures with heights closer to the 24’ height of accessory structures than the 36’ height of a principal structure. There are some hip roofs and chimneys that exceed 24’. Except for the two tower hipped roofs of the pedestrian courtyard access element, the other accessory structures comply with the SUP Guidelines for accessory structure height and setbacks.

Principal Structure Setbacks		
	SUP Guideline	Proposed
North (Lincoln Drive)	100’	165’
West (Quail Run Road)	100’	<b>50’</b>

South (Andaz)	100'	<b>60'</b>
East (Lincoln Medical)	100'	<b>45'</b>

3 <sup>rd</sup> Story Element Structure Setbacks		
	SUP Guideline	Proposed
North (Lincoln Drive)	100'	165'
West (Quail Run Road)	100'	232'
South (Andaz)	100'	110'
East (Lincoln Medical)	100'	<b>55'</b>

Accessory Structure Setbacks		
	SUP Guideline	Proposed
North (Lincoln Drive)	40'	52'6"
West (Quail Run Road)	40'	50'
South (Andaz)	40'	60'
East (Lincoln Medical)	40'	45'

The Planning Commission shall explore appropriate setbacks, with particular attention to the privacy and noise levels for residents west of the site and resort guests south of the site. Consideration should be given to a 100-foot SUP guideline setback to the adjacent residential property lines. The Commission shall also identify any mitigating circumstances that may buffer the development (e.g. the use of vegetation, modified setbacks or heights, reorientation of the structures, etc.). Items for consideration in this upcoming work session may include identification of areas of concern and additional information that may be needed.

Traffic

The applicant provided a traffic impact study dated May 2020. All traffic studies use various models and assumptions to estimate traffic of a future development. This study included actual data collected in May 2018, data from the Institute of Transportation Engineers (ITE), and methodologies presented in the Highway Capacity Manual (HCM), Special Report 209, and Updated 2016 and using Synchro software, version 10.0 under the HCM 6th edition methodology. Development of the nearby Five Star project was factored into the study. Specific assumptions to note are since this boutique resort does not fully comply with the definition of a standard hotel or a resort hotel, a combination of the two was used from the ITE. Additionally, an internal capture percentage was applied to the external restaurant trips, and market/coffee shop trips because it is assumed that not all trips to and from these areas will be external. For the restaurant, the study anticipated that 50% of the trips will be arriving externally and the other 50% will be hotel guests. For the market/coffee shop, the study assumed that 65% of the trips will be from resort guests and the remaining 35% will be external trips.

The study looked at a scenario with a shared driveway with Lincoln Plaza Medical Center and a scenario without a shared driveway. The shared driveway approach is the proposed approach. This study states that the proposed development is anticipated to generate approximately 754 external

weekday daily trips, with 51 external trips occurring in the AM peak hour (7 AM to 9 AM) and 77 external trips occurring in the PM peak hour (4 PM to 6 PM). In addition to other nearby driveways and intersections, the study analyzes the traffic at the nearby intersections of Mockingbird Lane and Lincoln Drive and Scottsdale Road and Lincoln Drive based on existing conditions, opening year, and the horizon build-out year.

According to the traffic impact study, vehicle delays presently exist at the nearby intersections of Mockingbird Lane and Lincoln Drive and Scottsdale Road and Lincoln Drive under the existing condition at peak morning and evening times in certain directions of travel. The proposed redevelopment is not expected to noticeably worsen these vehicles delays. The study suggests some timing adjustments and changes from split to protected phasing to mitigate delays. For example, during the PM peak hour at the intersection of Scottsdale Road and Lincoln Drive, it is recommended that the eastbound phase be extended from 30 seconds to 33 seconds and the westbound phase be increased from 13 seconds to 21 seconds. With these mitigation measures applied, it is expected that the eastbound delay will decrease from 57.3 seconds per vehicle to 54.2 seconds per vehicle and the westbound delay will decrease from 70.1 seconds per vehicle to 63.0 seconds per vehicle.

Also, the study describes the queue storage and sight visibility at intersections along Lincoln Drive. The study states that a storage length of 100 feet will be provided for the right turn deceleration lane, however, if interference with other turn lanes is expected with the 100 foot storage length, 75 feet would be an acceptable storage length.

Sight visibility at driveway intersections and street intersection with Quail Run Road are shown as 33' x 33' and use AASHTO methodology. Section 8-1-13 of the Town Code typically requires a 50' by 50' clear corner vision area. However, the Town Engineer may allow modification if one or both of the intersecting streets are controlled by stop signs or traffic signals and no decrease in sight distance would occur as a result of the modification.

A single trip distribution pattern was assumed for the proposed development. The resulting trip distribution percentages for the study area shows the vehicular traffic will primarily arrive to the site via Scottsdale Road (65%), then Lincoln Drive (25%), and lastly Mockingbird Lane (10%).

The Town retained a 3<sup>rd</sup> party firm to review the traffic impact analysis. This 3<sup>rd</sup> party reviewer requested confirmation that the traffic analyses has been sent to the City of Scottsdale as traffic signal timing adjustments are recommended at the intersection of Scottsdale Road and Lincoln Drive. The 3<sup>rd</sup> party reviewer also requested that the intersection of Lincoln Drive and Mockingbird Lane be analyzed with a southbound and westbound right turn lane as these improvements will be constructed with the Five Star development project. Staff and the 3<sup>rd</sup> party reviewer have yet to agree on internal capture rates for various resort amenities. These capture rates may have impacts on both traffic and parking.

### Access

Existing vehicular access will be reconfigured to remove one of the two driveways onto Lincoln Drive and add a driveway on Quail Run Road. The proposed development includes two vehicular access points. The primary proposed access is off of Quail Run Road (south of the future signalized Quail Run Road and Lincoln Drive intersection and with Quail Run Road being fully improved). The other access will be a shared access with Lincoln Plaza Medical Center off Lincoln Drive. The ownership for Smoke Tree Resort and Lincoln Plaza Medical Center recorded a reciprocal agreement for the shared access driveway along Lincoln Drive in April 2020. The Lincoln Drive access will

accommodate full turning movements, including left in and left out movements onto Lincoln Drive. A deceleration lane on eastbound Lincoln Drive is shown on the site plan at the shared access driveway.

The Smoke Tree team explained at the July 7, 2020 Planning Commission work session that the primary intent is for the resort main access to be located off of Quail Run Road. It was noted that the shared driveway access with Lincoln Plaza Medical Center along Lincoln Drive will act more as a service entry encouraging service traffic westbound from Scottsdale Road instead of through the Town limits. Although both the Quail Run Road access and the Lincoln Drive access are not restricted, the proximity of the loading, dumpsters, and back of house functions behind the market/coffee shop are located along the northeast portion of the site which should encourage this behavior. These uses are also setback from the Lincoln Drive right-of-way line 100' or more, bordering the medical plaza and not bordering residential or other nearby resort uses.

Loading zones are not specifically called out in the submittal. However, as previously noted, the area near the northeast part of the site contains the back of house and dumpsters. The auto court off the Quail Run Road access adjoining the guest reception building is another loading zone for guest arrival and departure. Although not marked as a loading zone, it is likely that the curb side along the north elevation of the restaurant, market, and coffee shop will serve in this capacity for dropping off and picking up persons.

Items the Planning Commission will want to discuss include the location and screening of loading zones and dumpsters, deceleration turn lane entering the site (discussed in more detail under Right-of-Way), and cross-access easement with Lincoln Plaza Medical Center (discussed in more detail under Right-of-Way). A detail or rendering of the loading area and dumpster enclosure may be considered.

### Circulation

Vehicular circulation will primarily enter and exit from the signalized intersection of Quail Run Road and Lincoln Drive into the development, with the unsignalized Lincoln Drive access available. The internal driveway layout runs along the full perimeter of the resort property, with the resort buildings in the center. The internal driveway has a minimum 24' width, which is standard for two-way traffic flow. Parking spaces will meet the 180 square-foot size using a 9' width, 18' depth, and 2' overhang into adjoining landscape or walkway areas. Pursuant to Sheet A8, there is a total of 170 proposed self-park spaces with the accommodation of a 196 vehicles utilizing a full valet parking scenario. The Kimley Horn study in Attachment C.2 references 169 self-park spaces and 192 valet spaces based on the site plan. Besides this discrepancy, there are outstanding comments from the Engineering Department that have not been addressed by the applicant to date regarding the required number of parking spaces on the site. The applicant also provided a joint parking agreement with Lincoln Medical Plaza, although the agreement is outside the peak weekend hours that are generated by the mix of uses on the site. As noted previously, the parking discussion is tentatively set for the August 4<sup>th</sup> work session.

Pedestrian circulation will be from Lincoln Drive and Quail Run Road. The Town is in the process of implementing a project which will install a sidewalk on the south side of Lincoln Drive to the eastern Town limits, which includes coordination with the Smoke Tree ownership. Sheet A8 shows the resort will have a decorative surfaced walkway linkage from the Lincoln Drive sidewalk to the resort's pedestrian courtyard access element that leads to the resort buildings which complies with the Town's Visually Significant Corridors Plan. This application request also includes sidewalk along the

east side of Quail Run Road from Lincoln Drive to the resort access, again with decorative surface material delineating linkage from the sidewalk to the resort buildings. The area of the resort buildings includes a network of pedestrian pathways that lead from the various buildings to the parking drive aisles and perimeter sidewalks along the public rights-of-way on all four sides.

Items the Planning Commission will want to discuss include the adequacy of the sidewalk and other pedestrian circulation.

### Rights-of-Way

The existing right-of-way along Lincoln Drive east from Quail Run Road to the Town limits is 65' north of the street centerline (granted as part of the Five Star development Special Use Permit application) and generally thought to be 33' south of the Lincoln Drive centerline due to ambiguity in historical records. The Town's General Plan suggests a total right-of-way width of 130' for Major Arterial streets. The applicant's request of a Major Special Use Permit amendment allows for the Town the ability to seek right-of-way. Ideally, this is the full 65' of right-of-way as future street improvement widening, utilities, etc. are unknown. The application as presented proposes a dedication of 45'6" of right-of-way along Lincoln Drive, south of the street centerline. Existing conditions less than the full 130' of right-of-way exists on portions of Lincoln Drive for a variety of reasons. This includes Lincoln Plaza Medical Center which through remodeling their existing building entered into a development agreement to grant 40' of right-of-way south of the street centerline and a sidewalk/utility easement that varies in width between approximately 8' to 17' south of this dedication. Dedication of the 65' of right-of-way will likely impact available parking and building design based on the proposed site plan.

The Town's General Plan Typical Major Arterial street cross section suggests a major arterial provide two travel lanes in each direction (28' in width, including curbs), a 10' wide median, optional 4' wide bicycle lanes in each direction, and room for 6' wide meandering sidewalks on both sides of the street (generally requiring 15' of width if the sidewalk is not attached to the curb). Lincoln Drive is not designated for bike lanes in the Town's General Plan. This cross section does not detail deceleration lanes which are necessary at the median break and into the shared access driveway along Lincoln Drive as part of this project. This matter is further complicated by the intersections and street improvements on Lincoln Drive that are associated with the development of the Five Star property. Unaddressed items include providing additional right-of-way (whether that be dedicated or easement) for a meandering sidewalk (particularly at the southeast corner of the Quail Run Road and Lincoln Drive intersection), the Town's policy regarding restricting pavement cuts on recently resurfaced streets for future utility improvements, and the deceleration lane along the resort frontage into the Lincoln Drive access. Sheet A8 illustrates a deceleration lane and sidewalk within the proposed 45'6" of right-of-way along Lincoln Drive south of the street centerline.

Along Quail Run Road, the Town has 25' of right-of-way west of the street centerline. The applicant proposes to grant 25' of right-of-way east of the centerline. This right-of-way complies with the typical local street cross section in the Town's General Plan. In accordance with Sheet A5 of the proposed plan set, development of the proposed project includes construction of the full 26' width of local street improvements. The only exception is approximately 100 lineal feet of right-of-way near the south end of the resort property because the west half of the Quail Run Road right-of-way is under private ownership.

Items the Planning Commission will want to discuss include the adequacy of the right-of-way dedication. Several Statement of Direction focus points include cross-access easement(s) with Lincoln Plaza Medical Center, the adequacy of the required and provided parking spaces based on

the proposed use(s), the full build-out of the Five Star project north of the site, and uses that generate quick turn-around trips such as a coffee shop or take-out food relate more to the future parking discussion.

**PUBLIC COMMENT AND NOTICING:**

The public comments received to date express concern over the proposed density. For public comments on this amended application refer to Attachment G.

There will be at least two formal opportunities to receive public comment. There will be a Citizen Review Session at a future Planning Commission meeting and the Planning Commission public hearing. Notice of the Citizen Review Session will be mailed at least 10 days prior to the session (15 days for the hearing) to property owners within 1,500' of the subject site and interested persons who provide their email contact to the Town Planning Division. There will also may be limited opportunity for public comment at select work sessions.

**NEXT STEPS:**

Review individual elements of the revised development proposal and a proposed Ordinance over the next two months, with a recommendation to Town Council by September 30, 2020.

**ATTACHMENT(S):**

- A Application
- B Vicinity Map & Related Maps
- C.1 Narrative and Plans Compressed
- C.2 Parking Study and Associated Documents
- C.3 Traffic Impact Analysis
- C.4 Preliminary Drainage Report
- C.5 Wastewater Capacity Study
- C.6 Water Service Impact Study
- D SUP Guidelines
- E General Plan Policies
- F General & SUP History
- G Public Comments (June 28, 2020 and later)
- H Revised Statement of Direction
- I Lincoln Plaza Landscape Plan
- J Tentative Timeline
- K Sample Use Parameters
- L Revised Landscape Plan
- M Right-of-Way
- N 3<sup>rd</sup> Floor Amenity Floor Plan