



## Legislation Text

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**TO:** Mayor Bien-Willner and Town Council Members

**FROM:** Brian Dalke, Interim Town Manager  
Dawn-Marie Buckland, Deputy Town Manager  
Jeremy Knapp, Community Development Director

**DATE:** February 14, 2019

**DEPARTMENT:** Community Development

### **AGENDA TITLE:**

**Sanctuary Resort - Discussion of an Intermediate Special Use Permit Amendment - Statement of Direction (SUP-18-03). 5700 E McDonald Dr -2<sup>nd</sup> Review**

### **Town Value(s):**

- ☐ Primarily one-acre, residential community
- ☐ Limited government
- ☐ Creating a sense of community
- ☐ Partnerships with existing schools and resorts to enhance recreational opportunities
- ☒ Improving aesthetics/creating a brand
- ☐ Preserving natural open space

The General Plan encourages upgrading existing structures and properties to improve their physical condition to acceptable Town standards.

### **RECOMMENDATION:**

Hear details regarding the above-mentioned proposal, review the draft Statement of Direction, and provide feedback.

### **BACKGROUND:**

#### History and Lot Conditions

The Town annexed the subject property in 1961. The original Special Use Permit (SUP) was issued on September 14, 1967 and has been amended several times. The most recent amendment was approved in 2017 for additions to the existing casitas, two new casita buildings, a new pool, a new snack bar, modified parking, additions to the ballroom building, and the addition of a storage building. The resort property is approximately 18 acres in size and located at the southwest corner of McDonald Drive and Superstition Lane. This memo is intended for staff to receive input and direction from the Council on the draft Statement of Direction (SOD).

### **REQUEST:**

Sanctuary Resort and Spa is requesting an amendment to their Special Use Permit (SUP) to allow

for the improvements at Casa 3 to create more keys and accommodate additional guests. The applicant is proposing to remodel and expand the existing house (which is commonly referred to as the Gallery House), add 4 new attached guest rooms, relocate the pool, and add new landscape/hardscape improvements.

- Gallery House Remodel/Addition

The existing house is single-story structure that originally had a tennis court on top of the roof. The existing 3,104 square foot structure will be remodeled and enlarged. The lower level will include a new master suite and interior upgrades to the other 4 existing bedrooms and reconfiguration of the entry to include a circular stair and single person elevator. The second floor 2,271 square foot expansion, covering the existing tennis court playing surface, will house an updated kitchen, powder room, additional gallery space, living space, dining space, and a bedroom suite.

The renovated Gallery House will be 24' tall (measured from natural grade), less than 40' tall from lowest point of disturbance to peak of roof and will be designed and finished to match the architectural style of the resort. The structure will have a setback of 40' from the south/front property line, 216' from the north/rear property line, 33' from the west/side property line, and 22' from the east/side property line. New sconces will also be placed around the building. The sconces match the existing fixtures used around the resort and have an opaque shield that will hide the light source and direct the light downward in accordance with the hillside code.

- Attached Guest Rooms

Attached guest rooms are proposed near the south end of the improvements. This portion of the structure is a single-story building that will be 15'4" tall (measured from natural grade). The guest rooms will be designed and finished to match the architectural style of the resort and consists of 3 guest units and a lock off with separate patios. The patios will be enclosed with walls that vary in height from 3' tall to 6' tall.

- Pool

The existing pool is located on the west side of the property and is setback approximately 18' from the nearest property line. The existing pool will be demolished and a new zero edge pool will be placed behind the gallery house. The pool will have a 7' tall retaining wall and will be setback 200' from the south/front property line, 185' from the north/rear property line, 20' from the west/side property line, and 20' from the east/side property line.

- Landscape and Hardscape

New landscape and hardscape will be placed around the Gallery House and guest rooms. The new landscaping consists of Blue Palo Verde, Sweet Acacia, Scarlet Sage, and Quail Bush. Also, a new concrete patio will be placed on the west side of the Gallery House and a new cart path will be placed along the west side of the Gallery House building.

- Circulation

Four new parking spaces will be added just east of the Gallery House. The traffic analysis from the 2017 SUP Amendment identified that the peak shared parking usage required 371 spaces and the resort provides 391. Although it does not appear that these improvements will create any circulation issues, the applicant will be required to provide an updated traffic report for Planning Commission review.

- Lot Coverage and Site Data

The entitled lot coverage is 161,723 square feet or 20.4% lot coverage. The improvements will add approximately 4,405 square feet of footprint to the resort; which results in the lot coverage of 21%. The improvements will also increase the key count from 176 keys to 180 keys.

## **DISCUSSION:**

The Town Council discussed this item at the January 24<sup>th</sup> 2019 Town Council Work Study Session. Staff presented the request as well as the draft Statement of Direction. During that Study Session, Town Council raised several concerns that were requested to be compiled and additional information be brought back. One additional attachment, Attachment E - Ordinance 2017-02 (Existing SUP), was added to the agenda item. Other concerns included:

1. General Items

- a. Identify what items staff is reviewing during the pre-application stage
- b. Briefly summarize what was approved and the status of the interstitial approval
- c. Highlight changes made to the plan between the May 2018 submittal and the January 2019 submittal

2. SUP vs R-43 Requirements

- a. The existing Sanctuary SUP states that Casas without commercial activity adhere to R-43 requirements with hillside overlay
- b. It was requested that staff demonstrate the difference in requirements between SUP Guidelines and R-43 Requirements and how the proposed improvements comply or not with both, including setbacks, heights, buffers, lot coverage, etc.
- c. Should the policy decision be made regarding honoring the 100' SUP buffer along adjacent residentially zoned properties

3. Impacts to Adjacent Uses

- a. Impacts to adjacent uses should be analyzed on a regional scale
- b. Consider the impacts of outdoor rooftop use
- c. Add stipulation requiring a noise study and prohibiting and/or limiting the use of outdoor speakers
- d. Outdoor lighting should be reviewed, including the possibility of restrictions on time, occupancy of the building(s), and motion detection
- e. Consider the current landscaping buffer between the driveway and residential property to the west and its effectiveness in meeting SUP Guidelines for buffering

4. Circulation and Parking

- a. Confirm ownership of gate between Sanctuary and Stone Canyon on the EPCOR parcel and its operability for emergency vehicles, vehicles of the traveling public, and pedestrians
- b. Consider the impacts of ride share platforms on the parking requirements

5. Operational Items

- a. Limit the use of the adjacent keys to be in conjunction with the rental of the Casa 3 or if the resort is fully booked

- b. Identify if the pool will be open to all resort guest, only those guest swho have rented Casa 3, or also those guests of the adjacent keys
- c. Applicant could consider flipping the orientation of the adjacent keys so the patios face interior to The Sanctuary
- d. Review and understand the food preparation and cooking areas on the site

6. Public Outreach

- a. It was suggested the applicant reach out to the Stone Canyon HOA directly

To the extent that the items can be addressed at a staff level, they have been via the attached PowerPoint Presentation (Attachment I), others will require more a Town Council discussion and direction as they lend themselves to policy discussion.

Statement of Direction

Town staff's initial review of SUP Amendments is to confirm completeness to a level satisfactory for SOD consideration. Additionally, staff reviews the material for initial comparison to the Town's Special Use Permit Guidelines and General Plan Policies to identify areas of conformance or deficiency as a baseline for SOD consideration.

Per the Town's ordinance, the Town Council shall issue a Statement of Direction for Intermediate SUP Amendments. A Statement of Direction is intended to provide general guidelines or project parameters as the application progresses through the Planning Commission and Town Council review. A Statement of Direction is not a final decision and shall create no vested rights to the approval of a Special Use Permit. Nor shall the applicant rely on the matters addressed in the Statement of Direction as those that may become part of an approved Special Use Permit. Per Section 2-5-1.C of the Town Code, a SOD may address, but is not limited to, the following items:

- Anticipated time frame for completion;
- When and if drafts should be referred back to Mayor and Council;
- Expectations for public participation;
- Process for new policy considerations; and,
- Policy preferences, undesired outcomes, or areas where no further review is necessary.

Per Section 1102.3.B.4 of the Zoning Ordinance, regarding Special Use Permits, a SOD may address, but is not limited to, the following items:

- Uses
- Lot coverage/density
- Massing/Scale
- Perimeter setbacks
- Maximum heights
- View Corridors
- Circulation
- Known issues, if any

Timing

Section 2.5.2.D of the Town Code provides time limits for the Planning Commission to hear, approve or disapprove, and forward the Special Use Permit to the Council within the time period specified by

the Council in its SOD or in the absence of a specified time period, the time period shall be the lesser of 90 days from the approval of the SOD or 150 days from the filing of the application for the Special Use Permit. If Council is expected to take action on the SOD at the February 28 meeting, then 90 days from the SOD approval is May 29, 2019 and is the lessor of the noted time periods. As such, the Planning Commission hearing on its regular schedule would need to occur on May 21, 2019.

Section 1102.3.C.3.c of the Zoning Ordinance requires the Town Council to issue a SOD within 45 days from the date of staff presentation. The initial presentation of this SOD was April 12, 2018.

Subsequent to that meeting, the applicant requested the SOD be placed on hold. In December of 2018, the applicant requested the application be reinitiated, as such the January 24, 2019 Work Study Session was considered a first presentation and the SOD must be issued by March 10, 2019.

#### Intermediate Special Use Permit Application Process

A first step in the application process is for the applicant to file the pre-application material. After that, a formal application is submitted. The formal application was filed on March 7, 2018.

Following Town Code/Zoning Ordinance/Town Policy procedures, noticing to persons within 1,500 feet of the site occurs for the Citizen Review Meeting held prior to the Planning Commission recommended action, for the Planning Commission recommended action, and for the Town Council action. During the discussion in May, comments were received in writing and have been included in this packet as Attachment J.

#### Items for Consideration in SOD

Attachment G is a bulleted list of points for consideration on the SOD.

#### **INTERMEDIATE AMENDMENT CRITERIA:**

Per the SUP Ordinance effective November 22, 2009, an Intermediate Amendment to a Special Use Permit shall include any proposal which does not:

1. Change or add any uses; or
2. Increase the floor area of the project by more than 40% upon the existing or, if still under construction, approved floor area square footage of the affected SUP property, with any such increase to be measured cumulatively over a sixty-month period; or
3. Have any significant material effect on the adjoining property owners that is visible, audible, or otherwise perceptible from adjacent properties that cannot be sufficiently mitigated.

Due to the amendments over the past several years, the resort has increased their floor area by more than 40% of the existing. As a result, this request must be processed as an Intermediate Amendment to the Sanctuary SUP.

Attachment H is a revised draft Statement of Direction (SOD) for Town Council review. Staff will incorporate any changes from this meeting and present the updated SOD for Council review and action at the February 28<sup>th</sup> meeting.

**ATTACHMENT(S):**

Attachment A - Application  
Attachment B - Vicinity & Related Maps  
Attachment C - Project Narrative & Site Data  
Attachment D - Project Plans  
Attachment E - Ordinance 2017-02 (Existing SUP)  
Attachment F - SUP Guidelines  
Attachment G - SOD Considerations Points  
Attachment H - Draft Statement of Direction Redlined  
Attachment I - PowerPoint Presentation  
Attachment J - Public Comments