



## Legislation Text

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**File #:** 19-045, **Version:** 1

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**TO:** Chair and Planning Commission

**FROM:** Jeremy Knapp, Community Development Director

**DATE:** February 5, 2019

**DEPARTMENT:** Community Development

**AGENDA TITLE:**

**Discussion of Major Special Use Permit Amendment (SUP-18-05)  
7101 E Lincoln Drive - Smoke Tree Resort Study Session #6**

**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, below. The proposed redevelopment of this property will be a complete demolition of all existing structures and construction of a resort.

**MEETING PURPOSE:**

The primary purpose of this study session is to summarize the additional information submitted by the applicant since the January 22<sup>nd</sup> 2019 Planning Commission work study session as well as review the draft stipulations.

**UPDATED SUBMITTAL:**

The updated documentation details:

1. Unit Count - Revision of the numbers of units from 180 to 165. The revised units are calculated as follows:
  - a. 120 Hotel Rooms
  - b. 30 Resort Residential Units
  - c. 15 Lock Offs
  
2. Height / Setback - Along the southern property line, the building height has been lowered from three stories and 36' to two stories and 24' in height (see Proposed Site Setbacks and Open Space Diagram exhibits in Attachment C.3). This 24' height is proposed at 20' from the south property line for the first 40' of the building depth. The max height of 44' has been situated in a horseshow shape more towards the enter of the site. The height above 36' is shown as roof structure and hip roof design to screen mechanical equipment. The applicant has stated that a flat roof design could be used to bring height down but prefers the hipped roof.

3. Parking - The applicant has agreed to update the parking for the Resort Residential Units from 57 to 60 spaces, meeting the town guideline for parking of residential. In addition, the garage spaces will meet the 9' by 20' size requirement where overhangs cannot be provided in the garage.
4. Signage - Applicant has clarified that signage will not be placed in the Town's right-of-way unless an easement is requested by the applicant and granted by the town. The applicant has indicated that signage shown is for illustrative purposes and will comply with the SUP Guidelines.

The applicant submitted a response letter to the Commission's concerns and updated two sheets to the Application Packet Dated January 30, 2019 (Attachment C.3). Any sheet that is new or updated in the application packet is marked in the lower right-hand corner with "Revised January XX, 2019". In addition to two updated sheets, the applicant provided a zoning exhibit. It should be noted this zoning exhibit is for illustrative purposes only and is not an official Town Zoning Map as it has been altered. A Traffic Impact Analysis (Attachment C.2) and Parking Analysis (Attachment C.3) have also been submitted but not updated since the last discussion. The Town Engineer provided comments on the traffic and parking to the applicant and they are currently working on updated the documents. Related to this project but completed in conjunction with Town Staff and the applicant's traffic engineer for Lincoln Medical Plaza, the Town Engineer has also made a recommendation for median design and site access for Lincoln Drive for both Smoke Tree Resort and Lincoln Medical Plaza (Attachment I). Staff will present the scope of the revisions to Planning Commission.

The applicant met with the Town Engineer regarding the drainage and water impact study and has requested these two items be provided after a decision is rendered on the application with the understanding that they will have to comply with the latest Storm Drainage Design Manual and water requirements.

Stipulations have been drafted (Attachment J) for the proposal with several areas needing direction from the commission including the number of units, right-of-way, height, etc. The stipulations have been shared with the applicant and comments are expected at a future date.

## **BACKGROUND:**

### Council Statement of Direction

The Town Council issued a Statement of Direction (SOD) on October 25<sup>th</sup>, 2018. Height, use, landscaping, traffic, parking, and circulation were areas identified for review. On January 24<sup>th</sup> the Town Council approved an amended SOD to extend the Planning Commission's action date to March 6<sup>th</sup>. Attachment G is the revised SOD.

### History and Conditions

Use of the property for guest services began prior to its annexation into the Town in 1961. At annexation, the property operated as a resort and restaurant in much the same configuration as it presently exists. The original Special Use Permit (SUP) was issued on March 13, 1969. There is limited information on past approvals and stipulations for this property. Historically, the property has not had many building permits issued or amendments to its Special Use Permit zoning. The latest activity included renovations to the restaurant in 2007 that never opened. Attached is a SUP History of the property.

### General Plan/ Zoning

The subject property has a General Plan designation of “Resort/Country Club” pursuant to the Town’s General Plan Land Use Map. The zoning on the property is “Special Use Permit - Resort”. The proposed resort use is in conformance with this designation and zoning.

Several General Plan policies apply related to the request for redevelopment of the Smoke Tree property. Primary policies that apply are the policies of Goal LU 2.1.2, Special Use Permit Property Revitalization, and several of the policies of Goal DA 2.2.1, Development Area Policy. The site is located in the East Lincoln Development Area that encourages moderate intensity, mixed-use, and context appropriate resort development that includes reasonable separation between incompatible uses and adjacent residential areas and effective buffering of unwanted noise, light, traffic and other adverse impacts. Also, the General Plan encourages upgrading existing structures and properties to improve their physical condition to acceptable Town standards. Attachment E is a more exhaustive list of pertinent General Plan policies for consideration in review of this application request.

### Enforcement

As of the date of this report, there are no known active code violations on the subject site.

### **DISCUSSION:**

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. There are several aspects of the proposed project that do not meet the Town Special Use Permit Guidelines and/or may conflict with several policies of the Town’s General Plan.

The applicant’s proposed redevelopment of this resort property will be a complete demolition of all existing structures. The proposed resort site includes the following uses:

- 120 traditional hotel guest room keys for transient occupancy owned by the resort owner.
- 30 resort residential units at approximately 1,250 square feet with lock-off feature and available for transient occupancy through the resort.
- Restaurant and bar/lounge in a similar location to the prior on-site restaurant.
- Accessory uses such as a fresh food market, café/eatery, micro-brewery, speakeasy, pop-up retail, coffee shop, florist, sandwicheria, bakery, and epicurean retail and sundries.
- Indoor and outdoor space for events, including a resort pavilion for banquets/meetings and pool areas.

### Use

Proposed uses include 120 hotel rooms, 30 resort dwelling units with 15 lock offs, restaurant, market/retail, and meeting space described on Sheet 9 (narrative) that 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.

While the primary resort use will not change, more information is needed on the new accessory uses (retail and function space/event gardens) and the proposed resort residential to ensure such uses are accessory to the resort. When reviewing the resort residential component, consider FF&E for consistency with hotel, lock-off feature, parking, guest access, and availability through the hotel rental program to ensure these units are part of the resort.

### Density

The applicant requests consideration for a density and lot coverage above the SUP Guidelines due to the site being  $\frac{1}{4}$  the size of the 20-acre minimum for resorts, located in a Development Area, and adjoining non-residential uses on three sides. Proposed lot coverage of 34% with a floor area ratio of 62%.

Consideration should be given to lot coverage and floor area ratio while acknowledging the unique characteristics considered in the Development Area. The review shall address reasonable separation between incompatible uses and effective buffering of unwanted noise, light, traffic, views of the buildings offsite, and other adverse impacts. There shall be consideration of lowering the proposed lot coverage and floor area ratio and/or requiring specific mitigation measures.

The proposed 180 units (resort and residential) creates a density of approximately 34 units per acre. The Planning Commission shall take into consideration the 5.3 acre site area and reduce density on the west and south sides of the site. Consider how the density impacts safety and quality of life of town residents.

### Height

As presented, the majority of the hotel buildings are 3-story at 44'0" in height, with some architectural elements at 48'0". The 44' height is approximately 60' from the south and 36' from the east property line. The remaining buildings are proposed at 36' or less.

Evaluation of the proposed height and its impact on adjacent properties is necessary. The minimum height is encouraged on the west side of the site closest to existing residential properties, transitioning to higher heights on the east side of the site adjacent to Lincoln Medical Plaza. A compelling reason must be given for heights proposed over 36', with such height to be limited in area and considered when necessary for mechanical screening and architectural elements. It is recommended that all heights be taken from existing finished grade. If any portion of the rooftop is visible off-site, care should be taken to minimize the impact. White roofing material is discouraged if visible off-site.

The Planning Commission shall consider the impact to adjoining properties of any encroachment outside of the imaginary plane suggested by the Open Space Criteria. Due to the size of this property being one quarter the suggested 20-acre size per the Special Use Permit Guideline and the location adjoining other commercial uses, a limited amount of encroachment may be permissible. Structures are suggested to generally stair-step from one-story/lowest height closer to the subject site property lines to not more than three-story/36 feet in height from Lincoln Drive, Quail Run Road, and the adjoining Andaz resort. The overall mass of the structures shall be reviewed to make sure it is of appropriate scale and special consideration shall be given to the views from the south side bordering the Andaz resort and the west side bordering Quail Run Road.

### Setbacks

Building C/M/E, J/K , and G are principal structures. The proposed setbacks for principal structures are 75' from Lincoln Dr (43' with full ROW dedication), 90' from Quail Run Rd (65' with full ROW dedication) , and 20' rear and east side.

Remaining proposed buildings have larger setbacks than the SUP Guideline of 40' such as 133' from Lincoln Dr (100' with full dedication), 120' from Quail Run Rd (95' with full dedication), 180' rear and 215' east side

The Planning Commission shall explore appropriate setbacks along the east and south property lines considering the adjacent uses. The west side shall also be a focus because the property borders residential. Attention shall be paid to privacy and noise levels for these residents. 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.).

#### Impact to Adjacent Uses

The proposal has the resort market (with outside tables) along the western side of the property near the existing residential uses, with the resort restaurant in direct line of sight from a residential property. Balconies for the hotel guest room keys and resort residential units also face west. In addition, the Planning Commission shall 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. Relocation or buffering of uses shall be considered.

#### Landscaping

Proposed landscaping buffers of 16' to 32' along Lincoln Dr (includes portion in the right-of-way) and 12' along Quail Run within the right-of-way).

The submitted narrative explains that the existing vegetation condition is not recommended for salvage due to age, size, and diseased quality. Evaluation of the existing mature trees shall be reviewed.

Attention shall be paid to the landscaping along Lincoln Drive and along Quail Run Road. A landscape plan shall be required. Hardscaping and pedestrian access shall be considered with the landscape plan. Special attention shall be given to the Lincoln Drive frontage as this is a gateway to the Town. The Draft Visually Significant Corridors Plan shall be considered as well as cohesion with the planned landscape improvements along the north side of Lincoln Drive. A stipulation may be considered to ensure replacement of any landscaping should it die.

#### Infrastructure Improvements

Drainage and related improvements shall be reviewed. The applicant shall address and identify the location of on-site retention and identify how the on-site retention may affect parking and circulation. Utility improvements that may have a visual impact or service level impact should be explained and mitigated. Water impact service study, utility information, and hydrology report shall be reviewed.

#### Traffic, Parking, Access, and Circulation

The proposed density and location within a heavily-traveled and mixed-use density area near the City

of Scottsdale creates a heightened need for ensuring the proposed redevelopment does not have a negative impact on traffic safety, parking, and circulation. The Commission shall consider staffs review and recommendations regarding:

- Number of access points in/out of the site
- Emergency access to the site
- Location and screening of loading zones and dumpsters
- Coordination with Town improvements along Lincoln, i.e. the entry/exit and roadway medians
- Deceleration turn lane for eastbound traffic entering the site
- Cross-access easement(s) with Lincoln Medical Plaza and Andaz Resort.
- Sidewalk and other pedestrian circulation
- Necessary roadway dedication for Lincoln Drive and Quail Run Road
- Number of parking spaces, use of shared parking, and ride-share
- Full build-out of The Ritz-Carlton Resort Special Use Permit
- Coordination of improvements/impacts with neighboring non-residential properties
- Uses that generate quick turn-around trips such as a coffee shop or take-out food

The applicant is proposing the following for right-of-way:

65' ROW shown on Lincoln Drive. The mix of dedication and easement for this 65' ROW is dependent on the proposed uses of the areas. A 49' Dedication of ROW would be an acceptable option provided that the remaining 16' can be used for parking and circulation and that setbacks and other measurements are not re-indexed from the post-dedication ROW line. Several alternatives would also be acceptable, and the details of such dedications or easements are being discussed as part of a potential Development Agreement.

25' ROW shown on Quail Run Road with improvements (street and gutter) shown on both sides, including in Town owned ROW. The 25' Dedication would be an acceptable option provided that setbacks and other measurements are not re-indexed from the post-dedication ROW line. Several alternatives would also be acceptable, and the details of such dedications or easements are being discussed as part of a potential Development Agreement.

To clarify parking, there are a total of 252 total parking spaces provided on the site, 75 surface parking and 177 undergrounding. The Town Engineer provided comments to the applicant on the parking analysis and an update or response from the applicant is anticipated.

### Signage

The proposed landscape plan shows 4 entry signs, more information is needed on impact of project sign location, dimensions, and illumination. Planning Commission review shall focus on the impact of project sign location, dimensions, and illumination on the resulting impact to the streetscape. The Commission shall look at the broader signage plan for Lincoln Drive including proposed gateway signs, identification signs, and Ritz-Carlton and Lincoln Medical Plaza signage, and any Andaz signage that may be re-located to Lincoln Drive.

### Context Appropriate Design

The Planning Commission may require that the applicant provide more precise information pursuant to General Plan Section LU 2.1.2.5. This includes impact related to exterior lighting, screening of mechanical equipment, and the choice of material pallet of the improvements. This may include

providing renderings as they relate to neighboring properties.

**PUBLIC COMMENT AND NOTICING:**

To date, several comments have been received in writing to staff. They can be found in their entirety in Attachment H in order of receipt as of 1PM on January 30, 2019. If additional comments are received between the packet being distributed and the Planning Commission meeting, they will be forwarded to the Commission via e-mail.

Moving forward, a mailing notification will be completed prior to the Planning Commission's March 5<sup>th</sup> hearing along with newspaper advertisement and property posting. The applicant will be required to hold a Citizen Review Meeting a minimum of 10 days prior to the Planning Commission hearing, tentatively scheduled for February 18<sup>th</sup>.

**NEXT STEPS:**

The revised SOD provides the Planning Commission until March 5<sup>th</sup>, 2019 to act on the application. It is anticipated that there will be multiple work study sessions by the Planning Commission to complete the review of this request. The next work session will be February 19<sup>th</sup> with a hearing on March 5<sup>th</sup>.

**ATTACHMENTS:**

- Attachment A - Application
- Attachment B - Vicinity Map & Related Maps
- Attachment C.1 - Submittal Response Letter 01/09/2019
- Attachment C.2 - Revised Narrative and Plans (01/09/2019 Application Booklet)
- Attachment C.3 - Response Letter and Updated Plan Sheets 01/30/2019
- Attachment C.4 - Traffic Impact Analysis
- Attachment C.5 - Parking Analysis
- Attachment D - SUP Guidelines
- Attachment E - General Plan Policies
- Attachment F - SUP History
- Attachment G - Smoke Tree Statement of Direction
- Attachment H - Public Comments as of 01/31/2019
- Attachment I - Lincoln Median Access Report
- Attachment J - DRAFT Ordinance 2019-02

C: Applicant  
Case File