

**Approved City Council Minutes**  
**Approved Planning Commission Minutes**  
**Approved City Council Report**  
**Approved Planning Commission Report**

# CITY COUNCIL REPORT



MEETING DATE: May 17, 2004

ITEM NO. 34 GOALS: Preservation Character

## SUBJECT

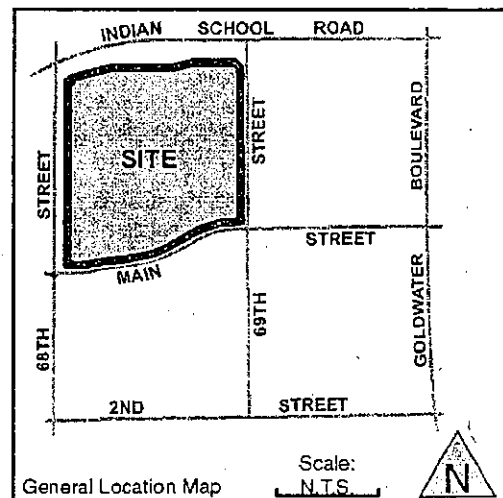
**Hotel Valley Ho Amended Historic Preservation Plan and Amended Development Standard - 2-HP-2004 and 7-ZN-2002#3**

## REQUEST

1. Request to approve the amended Hotel Valley Ho Historic Preservation (HP) Plan for amended building height (in the Developmental Assistance category), and
2. Request to approve an amended development standard in Highway Commercial (C-3) and Downtown Overlay (DO) zoning districts for the Hotel Valley Ho for building height for the tower building only, and
3. Request to adopt Ordinance No. 3572 affirming the amended HP Plan (Developmental Assistance section) and amended development standard for building height for the Hotel Valley Ho.

### Key Items for Consideration:

- This case is to amend the development standards for the Hotel Valley Ho to increase the height of the tower building from 65-feet to 72-feet. The underlying zoning height of 36-feet was amended to 65-feet in 2003.
- The requested amended height will allow for one additional story on one portion of the historic hotel for a total of seven-stories in the tower building, implementing the 1956 plans for a tower addition in this location.
- The Historic Property (HP) overlay district allows the City Council to amend development standards for historic properties, including height.
- An anticipated federal tax credit of 20% of the rehabilitation costs for the historic hotel (\$4.5 million) was denied by the National Park Service. Faced with this setback, the applicant explored potential options to ensure the financial success of the project and determined that the most viable strategy was to request an additional 7-foot height on the approved 65-foot tower.
- The owner's plans are consistent with City policies to encourage additional residential use in the downtown because the tower will contain for-sale condominium units.
- The requested amendment will achieve the historic preservation objectives in the



*Approved w/ additional stip. - 7/10*

HP Plan better than any other option and is consistent with its Scottsdale Historic Register designation and the purposes of HP zoning.

**Related Policies, Cases, and Zoning History:**

- This action directly supports City Council Broad Goal B: Preserve the Character and Environment of Scottsdale
- The site is located within the Downtown area, which designates the site for hotel/resort land use
- 7-ZN-2002, zone change added Historic Property overlay zoning (C-3 HP)
- 7-AB-2002, abandonment of Main St. between 68<sup>th</sup> and 69<sup>th</sup> Streets
- 1-HP-2003, HPC approved a comprehensive Hotel Valley Ho Historic Preservation Plan on February 13, 2003
- 7-ZN-2002#2, City Council adopted Ord. #3502 affirming the HP Plan and Hotel Valley Ho amended development standards on April 1, 2003, including a 65-foot amended building height for the six-story section
- 49-DR-2002, HPC approved Certificate of Appropriateness and design review in C-3 HP zone for rehabilitation of historic hotel, Oct. 24, 2002
- 5-ZN-2003, City Council adopted Ord. #3521 on July 1, 2003 for the Downtown Overlay (DO) and amended that ordinance December 9, 2003. The DO height standard (36-feet) is also being amended in this request.

**OWNER**

MSR Properties LLC  
480-637-6222

**APPLICANT CONTACT**

Scott Lyon  
MSR Properties LLC  
480-367-6222

**LOCATION**

6850 E Main St

**BACKGROUND**

**Historic Significance of Hotel** - City Council adopted the Hotel Valley Ho HP zoning in July 2002 to recognize the project's historic and architectural significance, and to formalize the City of Scottsdale's commitment to its preservation. In 2003 the National Park Service determined that the resort met the criteria for listing the property on the National Register of Historic Places because of its exceptional historic significance.

**Process** - The HP overlay zoning has a provision for the owner of a historic property to request amended development standards through a historic preservation plan. The purposes of the plan and amended standards are to support the preservation goals for the property to protect, enhance, and preserve historic resources. Formal adoption of any proposed amendment to the plan and amended development standards must be approved by City Council, following recommendations from the Historic Preservation Commission (HPC) and Planning Commission.

The original Hotel Valley Ho HP Plan was approved by City Council on April 1, 2003 with an amended building height of 65-feet. The current application is to increase the building height from 65-feet to 72-feet in one location on the property.

**Reason for the Requested Amendment** – The property owner sought a \$4.5 million federal historic preservation tax credit to make the hotel rehabilitation project financially feasible. In April 2004, the owner received a letter from the National Park Service (NPS) that the Historic Preservation Services Division had decided that the project does not meet the Secretary of Interior's Standards to realize the federal tax credit. The NPS reviewer believed that no additional stories could be added to the building to be consistent with its historic character. Although the Arizona State Historic Preservation Office and the City's Historic Preservation Officer strongly disagree with this decision, there is no ability to appeal the decision until the property is listed on the National Register of Historic Places, which takes approximately one year to accomplish. Faced with a \$4.5 million shortfall, the owner explored options for narrowing the financial gap.

**Options Considered** - After receiving the denial from the NPS, the owner and his architects met with City officials to discuss ways to complete the project without the federal tax credit. Various options were considered including demolishing the two historic 1958 buildings, which were planned to be rehabilitated in a later phase, and building new construction in their place with a building envelope consistent with the current zoning. Other options were demolition of one of the 1958 buildings or partial demolition of the two buildings also incorporating new construction. Since the preservation of the significant historic buildings on the hotel site is an important goal, these options were strongly opposed by City staff.

Various other portions of the site were considered for new buildings. The group evaluated replacing the Trader Vic's restaurant, planned for the northeast corner, with additional hotel rooms or adding additional stories above the ballroom on the southwest corner of the hotel building adjacent to 68<sup>th</sup> Street. A final option was to add additional stories to the tower.

In the end, the property owner concluded that the best option for the hotel operations, preservation of the historic character and compatibility with the surrounding area was to add one additional story on the five-story tower addition. The applicant is requesting the minimum additional height necessary for an additional story in the tower. This amended height will enable the owner to maintain the schedule for the rehabilitation of the historic buildings and reopening the hotel in late 2005.

#### **APPLICANT'S PROPOSAL**

##### **Goal/Purpose of Request**

The applicant is requesting an increase in the permitted height of the tower building from 65-feet to 72-feet through an amended development standard. The amended building height standard will allow for the expansion of the approved six-story building (65-feet) to a seven-story building (72-feet) in a tower addition above the central portion of the hotel complex.

The tower addition is restricted to the location above the lobby, bar and restaurant and would implement the documented original 1956 plans by the architect, Edward Varney, and structural engineering for additional floors on top of the two-story lobby. The plans submitted for HPC design review and approved in the Fall of 2002, included additional stories in a tower element in the same location as the one in these original 1956 drawings.

The owner intends to construct for-sale condominiums in the five residential floors to be built in the tower. The inclusion of new residential construction in this project is consistent with the purposes of the Downtown Overlay to encourage new residential uses downtown.

The location for the addition is 220' from the nearest residence, which is west of the property across 68<sup>th</sup> Street. The exceptions in Section 7.102 to exceed maximum building height still apply with this amendment, so the appurtenant stair and elevator towers on the north and south ends of the proposed seven-story building, would comply with ordinance standards.

**Summary of Amended Standard**

The request is to increase the maximum building height from 65-feet to 72-feet for one location on the southwestern part of the site, for the area above the portion of the building containing the lobby/bar/restaurant only. Please see Attachment 6., Exhibit A for Ordinance No. 3563 for the proposed text changes in the HP Plan. Exhibits B and C for Ordinance No. 3563 show the proposed text changes to the C-3 Highway Commercial and DO Downtown Overlay zoning district standards.

The property owner's request for a height amendment is a response to a recent financial setback for the project caused by a determination by the National Park Service that the project as planned is not eligible for a federal tax credit. This request for an increase in building height and in overall square footage will enable the project to go forward as planned. If City Council approves the amended building height for the tower, the applicant will need to have revised plans reviewed in a public hearing by the HPC for a Certificate of Appropriateness.

**General Plan/Downtown Plan/Land Use Discussion**

Based upon previous approvals, the proposed amendment to the HP Plan is considered to be consistent with the Scottsdale General Plan. The Character and Design Element includes a Scottsdale Value for the "Protection of significant historic buildings and settings." The Downtown Land Use Plan recommends Residential/Hotel land uses (Attachment 3. Land Use Map). The resort hotel/residential use is consistent with the Downtown Land Use Plan. The owner intends to use the option for residential uses in a C-3 district that is included in the Downtown Overlay (DO) standards, adopted by Council in July 2003.

**Context**

The surrounding area is predominantly one- and two-story character. The hotel property is bordered by public streets on three sides. The portion of the hotel property on the south side of Main Street was sold to another developer. This portion of the property is not designated historic. The developer of this property has requested a zoning change to permit a building height of 65-feet (case 1-ZN-2004).

	North	East	South	West
Land Use Plan	Downtown Office Residential Type 2 Downtown Overlay	Downtown Office Residential Type 2 Downtown Overlay	Downtown Residential Hotel Type 2 Downtown Overlay	Suburban Neighborhood
Zoning	C-2 DO	C-2 DO	C-3 DO	R1-7
Land Use	Automobile repair, Commercial retail and office	Commercial retail and office	Vacant hotel, multi-family residential	Single family residential (Southwest Village)
Building Height	36'	36'	36' (pending zoning -65')	30'

**Key Issues***Historic Preservation and Building Height*

- The Hotel Valley Ho has exceptional significance that merits the City's special treatment of this designated historic property. The proposed amendments will ensure that the historic character of this significant resource is preserved and maintained.
- On April 1, 2003, City Council, with a favorable recommendation from the Planning Commission, adopted amended development standards providing for 65-feet in building height in the planned tower for the Hotel Valley Ho. The current request would add 7-feet to the amended development standard.
- The owner's request for one additional story in a specific location is the owner's response to a gap of \$4.5 million in the project's pro forma resulting from the project being ineligible for a federal tax credit.

*Land Use and Zoning*

- The Downtown Land Use Plan recommends a Residential/Hotel land use.
- The pending rezoning for the project to the south is for 65' height.
- The owner can use the July 2003 Downtown Overlay (DO) zoning to include residential uses in a C-3 Highway Commercial district.

**IMPACT ANALYSIS****Development Information:**

- *Existing Use:* Vacant historic Hotel Valley Ho
- *Parcel Size:* 8.86 acres (gross)
- *Total Existing Square Footage:* 104,386 sq. ft.
- *Total Proposed Square Footage:* 200,440 sq. ft.  
*Mixed use project including: the historic hotel with ancillary health club and spa, restaurant, bar and ballroom; for sale condominiums; and free standing Trader Vic's restaurant*
- *Allowed Height:* 36 ft. (C-3 and DO); 65 ft. for tower

- *Requested Height Amendment:* 72 ft. -- Tower building only
- *Number Hotel Rooms:* 194 Hotel rooms
- *Number Residential:* 36 Condominium units
- *Parking Required/Provided:* 352 required and 352 provided

**Historic Preservation and Other Policy implications**

The Hotel Valley Ho was listed on the Scottsdale Historic Register because it is the only remaining intact historically and architecturally significant Post World War II resort in Scottsdale and most likely Arizona. It was recognized at the time the original HP Plan was adopted, that no other property within the downtown would have a basis for requesting amendment of the development standards for building height for the reasons being considered for this property.

The Historic Preservation Commission fully supports the owner's plan to rehabilitate this significant historic resource and continue its historic use as a hotel complex.

**Community Impact**

Approval of this request will demonstrate the City's support for the preservation of historic properties. It will show a willingness to understand and resolve the complexities of dealing with existing historic conditions, and to be flexible in the administration of the development standards when it is necessary to be able to retain the historic character of the community.

**Traffic and Parking**

The applicant will need to obtain a Certificate of Appropriateness through a design review process from the Historic Preservation Commission for this hotel revitalization project. Traffic and parking will be addressed during the technical review phase of the design review process. The request for a new Certificate of Appropriateness will amend the earlier October 2002 design review approval for the project.

**Community Involvement**

The Hotel Valley Ho project has been the subject of an exhaustive public review process in 2002 and 2003 as part of the historic designation and the adoption of the original HP Plan and amended development standards. The owner has been in regular contact with neighbors as the project has evolved. The result of these numerous contacts with citizens and property owners has been favorable. The City Council will hear a report at the hearing from the applicant on the results of the open house on April 28, 2004, and public reactions to the current request to amend the building height standard.

**OPTIONS**

**Option A – Do not approve the amended HP Plan and amended development standard:** If the proposed HP Plan amendment and amended height are not approved by Council, the property owner could decide not to rehabilitate the historic hotel because the project would be less economically viable. A different development plan could propose to demolish the historic hotel.

**Option B – Approve the amended HP Plan and amended development standard:** This option would adopt Ordinance No. 3563 to approve the amendment to the Hotel Valley Ho Historic Preservation Plan and the amended development standard for a 72-foot building height for the tower addition. This option will enhance the owner's ability to achieve the City's objectives of preserving and maintaining the historic hotel in an economically viable use, and it will assist the owner in responding to a recent financial setback with the rejection of their federal tax credit.

**Option C – Approve a revised amendment for the HP Plan and/or a revised amended development standard for height:** The Council could determine that a different amended development standard is needed to preserve and maintain the historic character of the historic resource, and/or is more consistent with established community policies.

**Option D – Reject the proposed HP Plan amendment and/or amended standard and direct the applicant to prepare a different plan and/or amendment:** This option would direct the applicant to prepare a different proposal for the Hotel Valley Ho. The types of assistance and/or support from the City to the owner could change.

**OTHER BOARDS AND COMMISSIONS**

**Historic Preservation Commission Hearing Recommendation:** The HPC held a public hearing on this case on May 5, 2004. City Council will receive a report on May 17, 2004, on the HPC hearing and the HPC recommendation. The recommendation and draft minutes from the HPC meeting may also be delivered to City Council in a supplemental information packet.

**Planning Commission (PC) Hearing Recommendation:** The PC held a public hearing on this case on May 12, 2004. City Council will receive a report on May 17, 2004, on the public comments, PC discussion and the PC recommendation.

**STAFF RECOMMENDATION**

Adopt Ordinance No. 3563 affirming the amended HP Plan and amended development standard for building height for the Hotel Valley Ho, in cases 2-HP-2004 and 7-ZN-2002#3, as an appropriate tool to achieve the historic preservation and planning objectives for this property of exceptional significance, subject to the attached stipulations.

**RESPONSIBLE DEPT(S)**

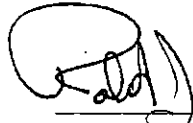
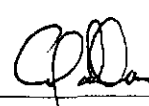
Preservation Division  
Historic Preservation Program


Planning and Development Services Department  
Current Planning Services

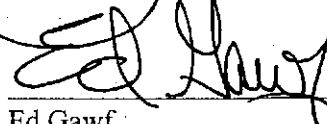
**STAFF CONTACT(S)**

Don Meserve, AICP, Preservation  
Planner, Preservation Division  
(480) 312-2523  
E-mail: [dmeserve@scottsdaleaz.gov](mailto:dmeserve@scottsdaleaz.gov)

**APPROVED BY**

  5-5-04  
\_\_\_\_\_  
Robert J. Cafarella, AICP Date  
Director, Preservation Division

 5-5-04  
\_\_\_\_\_  
Randy Grant Date  
Chief Planning Officer

 5/5/04  
\_\_\_\_\_  
Ed Gawf Date  
Deputy City Manager

**ATTACHMENTS**

1. Applicant's Narrative
2. Context Aerial
- 2A. Aerial Close-Up
3. Land Use Map
4. Zoning Map
5. Photo simulation showing addition
6. Ordinance No. 3572  
Exhibit A. HP Plan Amendment, Developmental Assistance  
Exhibit B. Highway Commercial Amendment, Section 5.1504.  
property development standards  
Exhibit C. Downtown Overlay Amendment, Section 6.1207. Site  
development standards  
Exhibit D. Stipulations
7. Composite Site Plan – Location of Amended height Standard  
Illustrated
8. City Notification Map

## **Hotel Valley Ho Historic Preservation Plan Amendment and Amended Development Standard Narrative Cases 2-HP-2004 and 7-ZN-2002#3**

**Past Project Approvals** – Scottsdale City Council approved the HP-Historic Property overlay zoning for the historic Valley Ho in July 2002. The Hotel Valley Ho was placed on the Scottsdale Historic Register due to its historic and architectural significance to the community and its relationship to the development of Scottsdale as an arts colony and tourist destination. In 2003, the National Park Service evaluated the significance of the Hotel Valley Ho and made a preliminary determination that the resort is eligible for the National Register of Historic Places because it has exceptional historic significance. An HP Plan is mandated by the HP Ordinance, Section 6.119, for all properties designated HP by City Council. The HPC approved the character defining features and the design guidelines sections of the HP Plan on August 22, 2003 and used the approved design guidelines to review our site plan and elevations and approve a Certificate of Appropriateness for the Hotel Valley Ho in October 2002.

The HPC approved a comprehensive 'Hotel Valley Ho Historic Preservation Plan' on February 13, 2003, including three amended development standards that we requested to be consistent with the original site plan, landscaping, and planned addition. The amended standards in the plan included changes in the underlying C-3 zoning for building height, frontage open space and parking lot setbacks. City Council approved the HP Plan and Hotel Valley Ho amended development standards on April 1, 2003. We also worked with the City to prepare a financial incentives package, and City Council approved the 'Hotel Valley Ho Historic Preservation Incentive and Easement Agreement' on November 4, 2003.

**Recent Developments** – The approved incentives for this historic property also included technical assistance from the City to assist Westroc in obtaining a federal tax credit equal to 20% of the costs of rehabilitating the historic hotel. Plans for the rehabilitation of the hotel were submitted to the State Historic Preservation Office (SHPO) in the fall for approval and certification that the plans were consistent with the 'Secretary of Interior's Standards for Rehabilitation'. The application included the City-approved plans to construct additional stories above the existing one-story lobby and restaurant portion of the hotel to implement the documented original 1956 plans, engineering and construction. SHPO approved the plans and forwarded the plans to the National Parks Service with their favorable recommendation. Contrary to the City and State approvals, the National Park Service determined in April 2004 that the plans were not consistent with the Secretary of Interior's Standards. We projected the tax credit to be \$4.5 million, based upon current construction cost estimates for the historic hotel. This recent federal rejection is a major setback to the financial plans for a successful project because it means the project is not eligible for the federal tax credit.

**Proposed Response to Financial Setback/Requested Amendment** – Westroc has carefully considered our options for successfully completing this project in the face of this \$4.5 million financial shortfall. We have determined with our architects, Allen + Philp, that the best option is to request approval for an additional story above the lobby and restaurant. This option allows the project to proceed with only a minor delay, shifting the opening date from October to December of 2005.

We have met with Preservation Division staff to discuss this approach and understand that the HP Plan needs to be amended to change the allowable height for this addition from 65' to 72', and that the amended development standard must be adopted by City Council in a zoning case, following hearings by the HPC and Planning Commission. Our rationale for requesting approval to construct one additional story is that the rehabilitation of the historic Hotel Valley Ho, and repositioning the 1950's hotel in the downtown Scottsdale marketplace, cannot be achieved financially without the added value of a modest increase in total square footage in the project.

ATTACHMENT #2

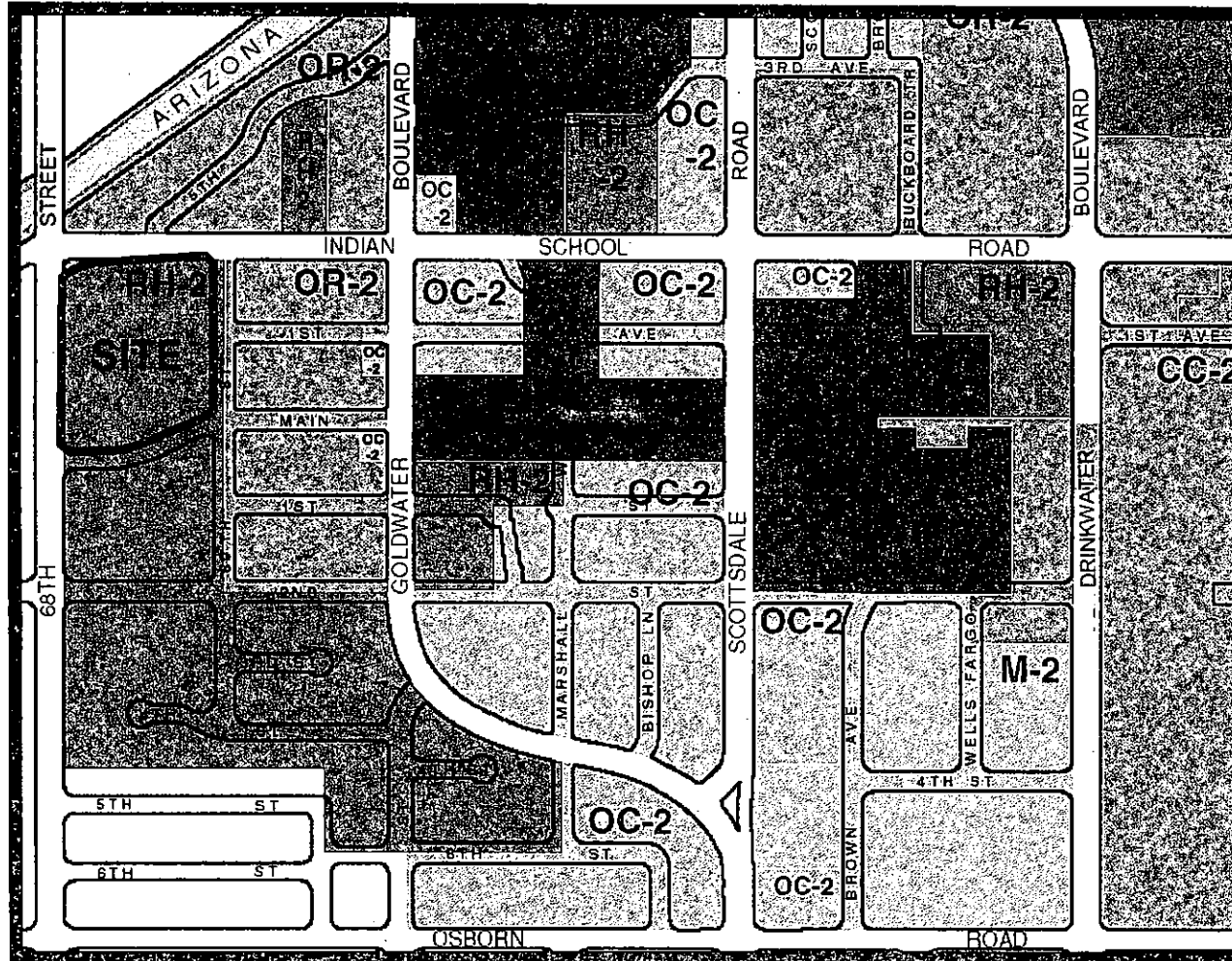


Hotel Valley Ho

7-ZN-2002#3

ATTACHMENT #2A

# Downtown General Plan

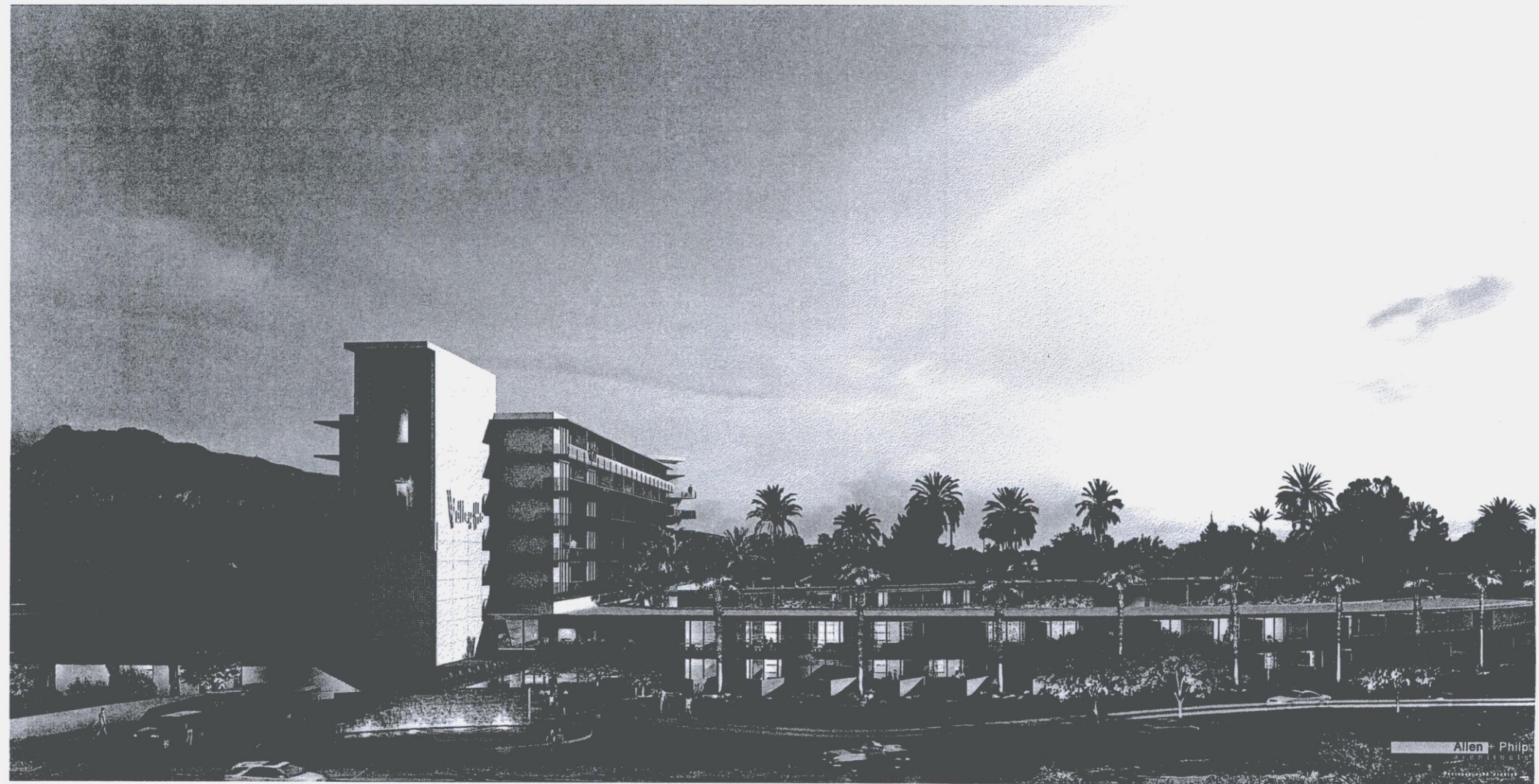


- |  |                    |  |                            |
|--|--------------------|--|----------------------------|
|  | Retail Specialty   |  | Residential/Hotel          |
|  | Office Commercial  |  | Regional Commercial/Office |
|  | Civic Center       |  | Residential High Density   |
|  | Office Residential |  | Medical                    |



**7-ZN-2002#3**  
ATTACHMENT #3

ATTACHMENT #4 .



7-ZN-2002#3

ATTACHMENT #5

ORDINANCE NO. 3572

AN ORDINANCE OF THE COUNCIL OF THE CITY OF SCOTTSDALE MARICOPA COUNTY, ARIZONA, AMENDING ORDINANCE NO. 455, THE ZONING ORDINANCE OF THE CITY OF SCOTTSDALE, BY AND FOR THE PURPOSE OF AMENDING THE DEVELOPMENT STANDARD FOR BUILDING HEIGHT AND ADOPTING THE HISTORIC PRESERVATION (HP) PLAN AS APPROVED IN CASE NO. 7-ZN-2002#3 FOR PROPERTY KNOWN AS THE HOTEL VALLEY HO ON 8.86 +/- ACRE PARCEL LOCATED AT 6850 E MAIN STREET, WITH HIGHWAY COMMERCIAL, HISTORIC PROPERTY, DOWNTOWN OVERLAY (C-3 HP DO) ZONING.

WHEREAS, the City of Scottsdale is committed to historic preservation for the purposes of: 1. Creating a sense of pride in our heritage, 2. Preventing the loss of valuable historic resources, and 3. Creating economic benefits by increasing property values and enhancing tourism; and

WHEREAS, Case No. 7-ZN-2002#3 has been properly noticed for City Council consideration, pursuant to the requirements of the Zoning Ordinance of the City of Scottsdale and the statutes of the State of Arizona; the necessary hearings have been completed; and

WHEREAS, the Council of the City of Scottsdale wishes to amend the Development Standards by changing the maximum building height from 65 feet to 72 feet for a portion of the property; and

WHEREAS, the Council of the City of Scottsdale wishes to adopt the Historic Preservation (HP) Plan as described in the aforementioned case;

NOW, THEREFORE, BE IT ORDAINED by the Council of the City of Scottsdale, as follows:

Section 1. That the Amended Hotel Valley Ho Historic Preservation (HP) Plan, including the amendments to the section entitled "Development Assistance" on page 10 of the HP Plan, attached hereto as Exhibit A and incorporated herein by reference, is adopted for the Hotel Valley Ho on 8.86 +/- acres located at 6850 E Main Street.

Section 2. That the Zoning Ordinance of the City of Scottsdale is hereby amended, as set forth in the amended development standard for Highway Commercial District (C-3), attached hereto as Exhibit B and incorporated herein by reference, for property known as the Hotel Valley Ho on 8.86 +/- acres located at 6850 E Main Street.

Section 3. That the Zoning Ordinance of the City of Scottsdale is hereby amended, as set forth in the amended development standard for Downtown Overlay District (DO), attached hereto as Exhibit C and incorporated herein by reference, for property known as the Hotel Valley Ho on 8.86 +/- acres located at 6850 E Main Street.

Section 4. That the Stipulations for case 7-ZN-2002#3, attached hereto as Exhibit D and incorporated herein by reference are adopted for the Hotel Valley Ho on 8.86 +/- acres located at 6850 E Main Street.

PASSED AND ADOPTED by the Council of the City of Scottsdale this 17<sup>th</sup> day of May, 2004.

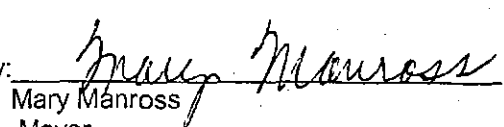
ATTEST:

CITY OF SCOTTSDALE, an Arizona  
municipal corporation

By:

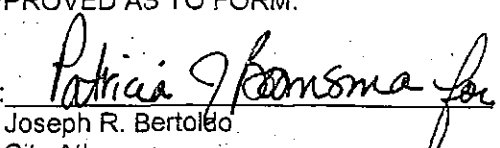
  
Carolyn Jagger  
City Clerk

By:

  
Mary Manross  
Mayor

APPROVED AS TO FORM:

By:

  
Joseph R. Bertolio  
City Attorney

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with strikeouts for deleted text and new text in **UNDERLINED BOLD CAPS**

**Developmental Assistance**

This category of assistance addresses the existing building conditions of the historic hotel complex and its unique situation and needs relative to the City review processes and building, zoning and development codes.

**Building Permit Review**

The City recognizes from the outset that there will be many challenges in rehabilitating the historic buildings of the Hotel Valley Ho to meet the standards of modern building codes. The City is committed to providing flexibility in achieving the intent of the codes by allowing equivalent life safety measures for repairs, alterations and additions to the historic buildings. The alternative methods of achieving safety utilized by the Uniform Code of Building Conservation will be considered in reviewing approaches and treatments that might be acceptable for the Hotel Valley Ho rehabilitation.

**City Expedited Development Review**

The review of the development and building plans for work undertaken as part of the redevelopment and rehabilitation of the Hotel Valley Ho will be expedited in accordance with City procedures for providing such a review.

**Amendments to the Underlying Zoning Development Standards**

Section 6.119.A.5.c of the HP Ordinance provides for the modification of the standards set in the underlying zoning district in which a designated property is located if it will assist in its preservation. Accordingly, with the approval of this HP plan the development standards for the existing zoning of C-3 Highway Commercial will be amended for the Hotel Valley Ho property as follows:

**5.1504.D Building Height:**

*Justification for Amendment:* For the operation **REHABILITATION** of the hotel to be economically viable, additional guest-rooms **SQUARE FOOTAGE** must be added to the complex. The most practical and sensitive location for the expansion to occur is by adding additional stories over the one- and two-story public area housing the lobby, lounge and restaurant. This is consistent with the original construction drawings that show this area was designed, engineered and constructed to allow for four additional floors of guest rooms. Therefore the expansion in this location is in keeping with the original design intent. Limiting the additional square footage to this one location also retains the historic arrangement of buildings and open space of the resort and preserves the historic appearance of the guest room wings. This approach to adding additional square footage also is considered the most acceptable method in keeping with the *Secretary of Interior's Standards for Rehabilitation*.

The purpose of historic preservation is to maintain the historically significant features of the property while providing for the continued evolution and economic use of the property. The existing building layout on the property is a fixed feature the owner must work with and around. This limits the development opportunities of the property. Additional building height in the location proposed achieves both objectives for the property.

*Proposed Amendment:* Maximum height will be extended from thirty-six (36) feet to ~~sixty-five (65) feet~~ **SEVENTY-TWO (72) FEET** to allow for the expansion **NEW CONSTRUCTION** to occur while minimizing the impact on the Hotel Valley Ho's character-defining features.

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with ~~strikeouts~~ for deleted text and new text in **UNDERLINED BOLD CAPS**

**5.1504.D Frontage Open Space:**

*Justification for Amendment:* Although the hotel complex as a whole meets the City's open space requirements, there is not sufficient open space along the property's frontage. It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a minimum of one-half (1/2) of the open space requirement be incorporated as frontage space should be modified to reflect the percentage of frontage open space that existed historically on the site

*Proposed Amendment:* Required frontage open space on the Hotel Valley Ho should be reduced to one-quarter (1/4) of the open space requirement.

**5.1504.F.1.c Parking Setback:**

*Justification for Amendment:* It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a yard of thirty-five (35) feet in depth shall be provided between parking and the street should be modified to reflect the existing arrangement of the parking locations.

*Proposed Amendment:* Requirement for thirty-five (35) feet yards between parking and the street be modified to allow existing parking and setbacks to remain.



Attachment: Original and Proposed Addition Intent Comparison,  
Prepared by Allen + Philp, Architects

LEGISLATIVE VERSION-C-3  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET

**ADOPTED C-3 HIGHWAY COMMERCIAL AMENDED DEVELOPMENT STANDARDS  
FOR HOTEL VALLEY HO, SECTION 5.1504. PROPERTY DEVELOPMENT STANDARDS,  
WITH REQUESTED AMENDED DEVELOPMENT STANDARD SHOWN WITH  
STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD CAPS**

**Sec. 5.1504. Property development standards.**

The following property development standards shall apply to all land and buildings in the C-3 district:

- A. *Floor area ratio.* In no case shall the gross floor area of a structure exceed the amount equal to eight-tenths multiplied by net lot area in square feet.
- B. *Volume ratio.* In no case shall the volume of any structure exceed the product of the net lot area in square feet multiplied by 9.6 feet.
- C. *Open space requirement.*
  - 1. In no case shall the open space requirement be less than ten (10) percent of the net lot area for zero (0) feet to twelve (12) feet of height, plus four-tenths percent of the net lot for each foot of height above twelve (12) feet.
  - 2. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.
- D. *Building height.* No building shall exceed thirty-six (36) feet in height, except that a building with a height not to exceed ~~sixty-five (65) feet~~ **SEVENTY-TWO (72) FEET** may only be added above the portion of the existing building generally above the public lobby, bar and restaurant areas as shown on the original 1956 valley ho plans, and except as otherwise provided in article VI or article VII.
- E. *Density.*
  - 1. Hotels, motels, and timeshare projects shall provide not less than ten (10) guest rooms and/or dwelling units with a minimum gross land area of one thousand (1,000) square feet per unit.
- F. *Yards.*
  - 1. **Front Yard.**
    - a. No front yard is required except as listed in the following three (3) paragraphs and in article VII hereof, unless a block is partly in a residential district, in which event the front yard regulations of the residential district shall apply:
    - b. A minimum of one quarter (1/4) of the open space requirement shall be incorporated as frontage open space to provide a setting for the building and a streetscape containing a variety of spaces.
    - c. Where parking occurs between a building and the street a yard of zero (0) feet in depth shall be maintained.
  - 2. **Side Yard.**

- a. A side yard of not less than fifty (50) feet shall be maintained where the side of the lot abuts a single-family residential district or abuts an alley which is adjacent to a single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A side yard of not less than twenty-five (25) feet shall be maintained where the side lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
3. Rear Yard.
  - a. A rear yard of not less than fifty (50) feet shall be maintained where the rear lot abuts a single-family residential district or abuts an alley which is adjacent to the single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A rear yard of not less than twenty-five (25) feet shall be maintained where the rear lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
4. All operations and storage shall be conducted within a completely enclosed building or within an area contained by a wall or fence as determined by Development Review [Board] approval or use permit.
5. Other requirements and exceptions as specified in article VII.

(Ord. No. 1840, § 1, 10-15-85; Ord. No. 2818, § 1, 10-17-95, Ord. No. 3502, § 1, 4-1-03)

legislativetextamendCC2

**LEGISLATIVE VERSION -DO  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET**

**ADOPTED DO-DOWNTOWN OVERLAY SECTION 6.1207. SITE DEVELOPMENT STANDARDS WITH REQUESTED AMENDED DEVELOPMENT STANDARD FOR HOTEL VALLEY HO SHOWN WITH STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD**

**Sec. 6.1207. Site development standards.**

A. For municipal uses that require a Municipal Use Master Plan, the City Council may modify the property development standards of the underlying zoning district.

B. Schedule B prescribes development standards applicable to the (DO) downtown overlay district. References in the additional regulations column refer to regulations located elsewhere in the Zoning Ordinance.

**Schedule B  
Site Development Standards**

I. Development requirements within the (DO) Downtown Overlay (all non (D) Downtown zoned zoning districts)			Additional regulations
1.	Floor area ratio (FAR)	0.8	
	A. FAR bonus maximum	0.5	Section 6.1209
	Total maximum FAR (excluding residential)	1.3	
2.	Building Volume	No maximum	
3.	Open Space	None required and the site development shall demonstrate conformance to the Downtown Plan Urban Design and Architectural Guidelines.	

II. Site requirements within (DO) Downtown Overlay (all zoning districts)			
1.	Minimum site area	None required	
2.	Minimum front building setback	16 feet from planned curb	Sections 6.1207.C.2 and 6.1207.C.3.
3.	Minimum interior side building setback	None.	
4.	Minimum corner side building setback	16 feet from planned curb	
5.	Minimum rear building setback	Minimum of 50 feet when adjacent to single-family residential districts, and minimum of 25 feet when adjacent to multi-family residential districts. No minimum in all other instances except as required for off-street loading and trash storage.	

III Building design requirements (all non-(D) downtown zoned	Properties with (S-R) Service	All other zoning districts
--	-------------------------------	----------------------------

zoning districts)		Residential zoning	
1.	Height maximum (all uses)	26 feet	36, <u>except that the area above the original lobby, bar and restaurant shown on the Composite Site Plan shall have a maximum height of 72 feet, and the exceptions in Section 7.102 still apply to this tower addition.</u>
2.	Building envelope, starting at a point 26 feet above the building setback line, the inclined stepback plane slopes at:	Does not apply	2:1 on the front, and 1:1 on the other sides of a property

IV. Residential density (all zoning districts)		
1.	Maximum residential density	23 dwelling units per gross acre

**C. Additional regulations.**

1. Spacing between two (2) buildings on the same site shall be not less than ten (10) percent of the larger building's two (2) longest adjacent sides at the space (e.g. Front and side).

2. Where existing setbacks on forty (40) percent or more of a block face are less than the specified setback, the required setback on a site to be developed shall be the average setback of the developed portion of the block face. Section 7.201 (adjustment of front yard requirements) shall not apply.

3. Buildings fronting on Camelback Road, Indian School Road, and on Scottsdale Road north from Camelback Road and south from Osborn Road to the Downtown Overlay district boundary, shall be setback forty (40) feet from the planned curb line. Buildings fronting on Drinkwater Boulevard and Goldwater Boulevard shall be setback thirty (30) feet from the planned curb line. The regulations of section 5.3062 shall also apply to these front setbacks.

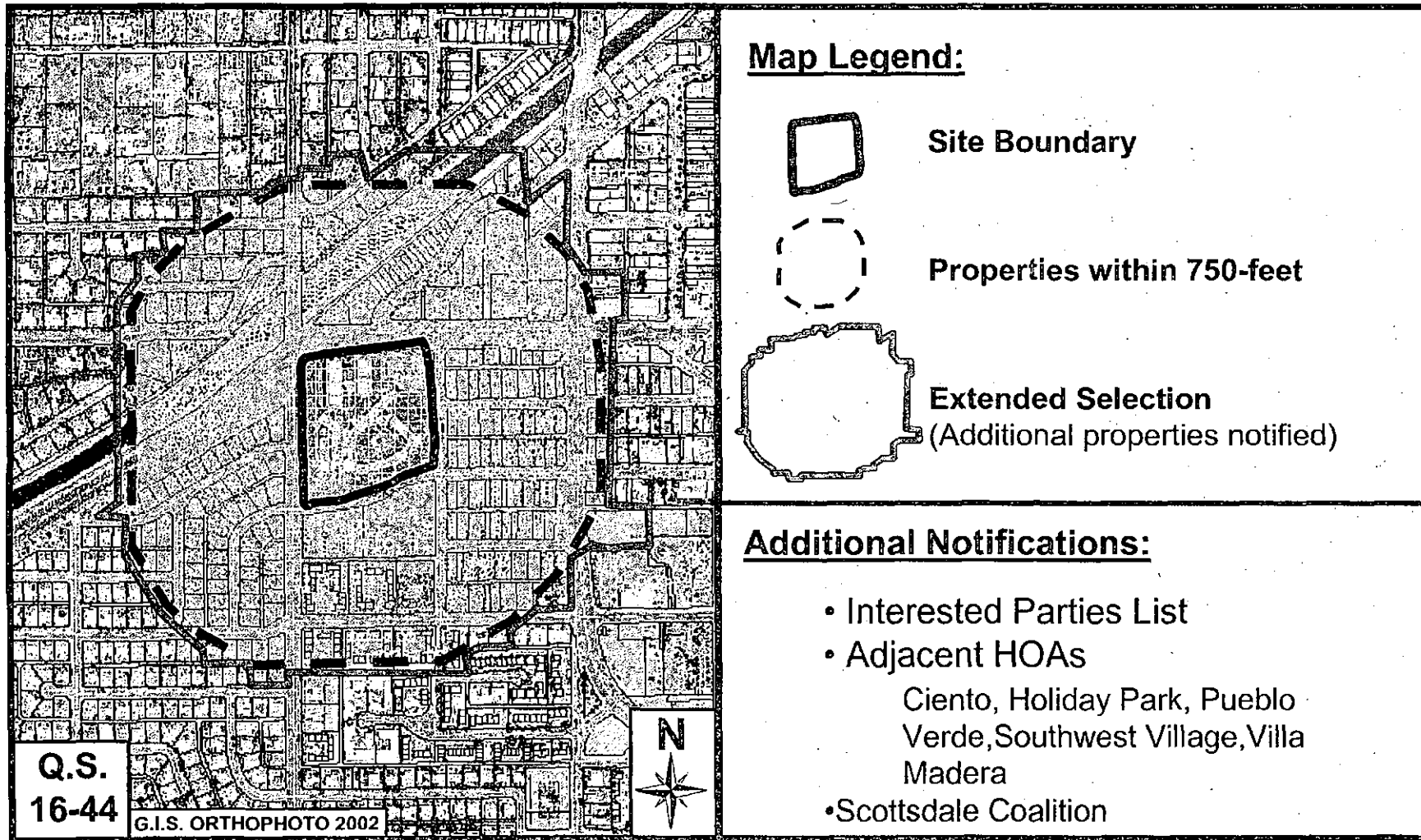
(Ord. No. 3520, § 1, 7-1-03; Ord. No. 3543, § 1(Exh. 1), 12-9-03)

**STIPULATION FOR CASE 7-ZN-2002#3**

1. Any changes in the April 8, 2004 Composite Site Plan that are different from the January 30, 2003 Composite Site Plan Worksheet that was referenced in the stipulations for the amended development standards in case 7-ZN-2002#2 must be submitted for approval of a new Certificate of Appropriateness. If the amended development standard for building height in case 7-ZN-2002#3 is adopted, the application for approval of a revised site plan and a new Certificate of Appropriateness shall include new elevations for the portion of the project, called the tower, with a maximum building height of 72-feet.
2. The stipulations in this case take precedence over the stipulations for Case 7-ZN-2002#2.
3. If the owner appeals the denial of certification of the rehabilitation in the letter from the National Parks Service dated May 7, 2004, and is successful in its appeal to have the project determined eligible for the 20% investment tax credit for historic preservation, Development Agreement No. 2003-175-COS, approved by Council on November 4, 2003 by Resolution No. 6399, shall be terminated. The City and developer may pursue a new agreement with different terms after Agreement No. 2003-175-COS is terminated.



## City Notifications – Mailing List Selection Map



## Hotel Valley Ho Historic Preservation Plan Amendment

**7-ZN-2002#3**

ATTACHMENT #8




## Current Planning Services

One Civic Center  
7447 E Indian School Road, Suite 105  
Scottsdale, AZ 85251

---

### MEMORANDUM

**TO: MAYOR & CITY COUNCIL MEMBERS**

**FROM: RANDY GRANT, CHIEF PLANNING OFFICER** 

**DATE: MAY 13, 2004**

**RE: HOTEL VALLEY HO HISTORIC PRESERVATION PLAN AMENDMENT AND  
DEVELOPMENT STANDARD AMENDMENT (7-ZN-2002#3/2-HP-2004)  
ITEM #34 ON THE MAY 17<sup>TH</sup> AGENDA**

On May 12, 2004, the Planning Commission held a public hearing on the Hotel Valley Ho case (7-ZN-2002#3/2-HP-2004). The Planning Commission made a recommendation for approval on this case. On May 5, 2004, the Historic Preservation Commission held their hearing on this case. The Historic Preservation Commission Recommendation and May 5, 2004 draft minutes are attached.

# PLANNING COMMISSION REPORT



MEETING DATE: May 12, 2004

ITEM NO. \_\_\_\_\_ GOALS: Preservation Character

## SUBJECT

**Hotel Valley Ho Amended Development Standard - 7-ZN-2002#3**

## REQUEST

Request for approval to amend the development standards for building height for the tower only on a 8.86 +/- acre parcel located at 6850 E Main Street with Highway Commercial District, Historic Property, Downtown Overlay (C-3 HP DO) zoning.

### Key Items for Consideration:

- Amend the development standards to increase the height of the tower building from 65-feet to 72-feet.
- This will allow for one additional story, from the previously approved 65-feet approved in 2003, case 7-ZN-2002#2.
- The Historic Property (HP) overlay district allows amended development standards.
- The request will achieve the HP Plan guidelines better than any other option and is consistent with the HP zoning purposes and its Scottsdale Historic Register designation.

### Related Policies, Cases, and Zoning History:

- This action directly supports City Council Broad Goal B: Preserve the Character and Environment of Scottsdale

## OWNER

MSR Properties LLC  
480-637-6222

## APPLICANT CONTACT

Scott Lyon  
MSR Properties LLC  
480-367-6222

## LOCATION

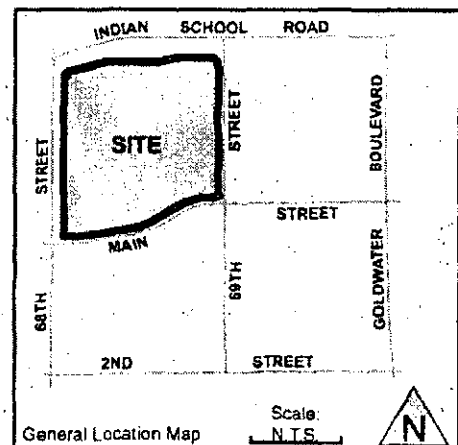
6850 E Main St

## BACKGROUND

### Cases and Zoning History

During the past two years, several City approvals have been accomplished towards implementing the preservation of the Hotel Valley Ho. These included; HP overlay rezoning, abandonment of Main Street, approving an HP Plan, amended development standard for height from 36-feet to 65-feet, Certificate of Appropriateness, and approval of the Downtown Overlay district.

**Process** - The HP overlay zoning has a provision for the owner of a historic



property to request amended development standards through a historic preservation plan. The purposes of the plan and amended standards are to support the preservation goals for the property to protect, enhance, and preserve historic resources. Formal adoption of any proposed amendment to the plan and amended development standards must be approved by City Council, following recommendations from the Historic Preservation Commission (HPC) and Planning Commission.

**Reason for the Requested Amendment** – The original financial package included the use of a federal historic preservation tax credit. In April 2004, the National Park Service (NPS) decided that the project does not meet the Secretary of Interior's Standards to be eligible for this tax credit. There is no ability to appeal this decision until the property is listed on the National Register of Historic Places, which takes approximately one year to accomplish. Therefore, the project will not be eligible for the federal tax credit and there is now a \$4.5 million gap in the funding required to finance the project.

**Options Considered** – After the denial from the NPS, there were several options considered in order to achieve preservation of the significant historic features of this site, including:

- Demolishing 2 historic 1958 buildings, originally planned for rehabilitation, and replacing these with new buildings.
- Demolition of one of the 1958 buildings or partial demolition of the two buildings, also incorporating new construction.
- Replacing the planned Trader Vic's restaurant with additional hotel rooms.
- Adding additional stories above the ballroom on the southwest corner of the hotel building adjacent to 68<sup>th</sup> Street.
- One option was to add additional stories to the tower.
- Various other portions of the site were considered for new buildings.

Since the preservation of the significant historic buildings on the hotel site is an important goal, City staff strongly opposed any options to demolish any hotel buildings.

The property owner concluded that the best option for the hotel operations, preservation of the historic character and compatibility with the surrounding area was to add 7 feet onto the 65-foot tower. Thus, creating one additional story by shortening the floor-to-floor dimensions already approved above the lobby, bar and restaurant area. Also, the applicant is changing the tower use from hotel to condominiums as these uses are allowed by the site's DO zoning, the remainder of the buildings on the site will be rehabilitated for hotel use.

With the additional 7-feet and creation of a residential component, this amended height will enable the owner to maintain the schedule for the rehabilitation of the historic buildings and reopening the hotel in late 2005. Other options could require additional time.

#### **APPLICANT'S PROPOSAL**

##### **Goal/Purpose of Request**

The applicant is requesting a 7-foot increase in building height. This will allow for the expansion of the approved six-story building (65-feet) to a seven-story building (72-feet) in a tower addition above the central portion of the

hotel complex. Exceptions in Section 7.102, for appurtenant stair, elevator towers and mechanical elements, to exceed maximum building height apply with this amendment.

The request continues to implement the documented 1956 architectural and structural engineering plans. The 2003 approved amended development standards restricted the allowed 65-foot height to the central tower portion of the hotel complex, specifically above the western appendage which contains the tower, lobby, bar and restaurant of the historic hotel complex. (See Attachment #7 for the location on the site plan.) This proposal does not change the location of where the additional height can occur on this site. This proposal adds 7 feet to the already approved 65-foot height limitation.

**Context** - The Downtown Land Use Plan recommends Downtown Office/Residential for properties to the northeast and south, and Suburban neighborhoods to the west. The surrounding zoning is north/east - C-2 DO, south - C-3 DO, and west - R1-7. To the north is an automobile repair business, offices, and retail uses. Offices and retail uses are located to the east. A vacant hotel is to the south, and to the west is a single-family residential subdivision.

The existing area is predominantly one- and two-story character. The property on the south side of Main Street was sold to another developer and their requested zoning will permit 65' buildings (Case 1-ZN-2004, Main Street Residences and Main Street Mews).

### **Key Issues**

#### *Historic Preservation and Building Height*

- On April 1, 2003, City Council, with a favorable recommendation from the Planning Commission, adopted amended development standards providing for 65-feet in building height in the planned tower for the Hotel Valley Ho.
- The owner's request, for 7-feet additional height, is the owner's response to a gap of \$4.5 million in the project's pro forma resulting from their recent notification that the project is not eligible for a federal tax credit.
- The proposed amendment helps to preserve and maintain the historic character of this significant resource.

## **IMPACT ANALYSIS**

### **Historic Preservation and Other Policy implications**

The hotel was listed on the Scottsdale Historic Register in July 2002 because it is the only remaining intact historically and architecturally significant Post World War II resort in Scottsdale and most likely Arizona. At the time the original HP Plan was adopted, it was recognized that no other property within the downtown would have a basis for requesting the amendment of the development standards for the reasons being considered for the Hotel Valley Ho. The Historic Preservation Commission fully supports the owner's plan to rehabilitate this significant historic resource.

### **Community Impact**

Approval of this request will demonstrate the City's support for the preservation of historic properties. It will show a willingness to understand and resolve the complexities of dealing with existing historic conditions, and

to be flexible in the administration of the development standards when it is necessary in order to retain the historic character of the community.

**Community Involvement**

This project has been the subject of an extensive public review process in 2002 and 2003. The owner has been in regular contact with the neighbors as the project has evolved. The result has been favorable. Staff attended an April 28, 2004 open house hosted by the applicant. That open house resulted in positive public comments.

**HPC  
RECOMMENDATION**

The HPC held a public hearing on this case on May 5, 2004 and recommended approval, 6-0.

**STAFF  
RECOMMENDATION****Recommended Approach:**

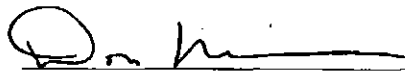
Staff recommends approval with the attached stipulations.

**RESPONSIBLE DEPT  
(s)**

Preservation Division  
Historic Preservation Program  
Planning and Development Services Department  
Current Planning Services

**STAFF CONTACT(S)**

Don Meserve  
Preservation Planner  
480-312-2523  
E-mail: dmeserve@ScottsdaleAZ.gov

**APPROVED BY**

Don Meserve, AICP  
Report Author



Kurt Jones, AICP  
Current Planning Director

**ATTACHMENTS**

1. Applicant's Narrative
2. Context Aerial
- 2A. Aerial Close-Up
3. Land Use Map
4. Zoning Map
5. Photo simulation showing addition
6. Stipulations
7. Composite Site Plan
8. Legislative Version: Amended Development Standard for C-3 and DO
9. Proposed Amendment for the Developmental Assistance Category in the Approved Hotel Valley Ho HP Plan
10. City Notification Map

## **Hotel Valley Ho Historic Preservation Plan Amendment and Amended Development Standard Narrative Cases 2-HP-2004 and 7-ZN-2002#3**

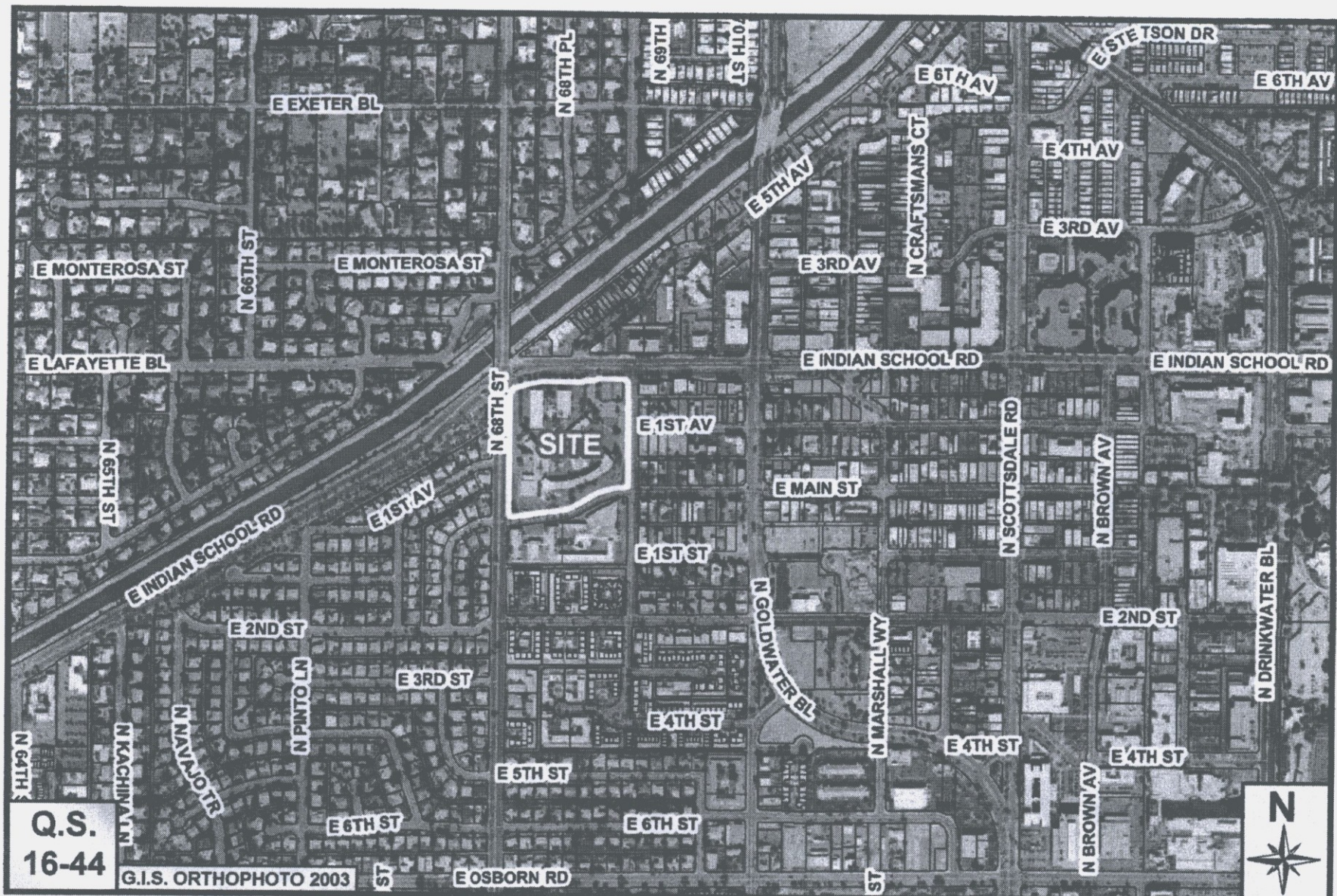
**Past Project Approvals** – Scottsdale City Council approved the HP-Historic Property overlay zoning for the historic Valley Ho in July 2002. The Hotel Valley Ho was placed on the Scottsdale Historic Register due to its historic and architectural significance to the community and its relationship to the development of Scottsdale as an arts colony and tourist destination. In 2003, the National Park Service evaluated the significance of the Hotel Valley Ho and made a preliminary determination that the resort is eligible for the National Register of Historic Places because it has exceptional historic significance. An HP Plan is mandated by the HP Ordinance, Section 6.119, for all properties designated HP by City Council. The HPC approved the character defining features and the design guidelines sections of the HP Plan on August 22, 2003 and used the approved design guidelines to review our site plan and elevations and approve a Certificate of Appropriateness for the Hotel Valley Ho in October 2002.

The HPC approved a comprehensive 'Hotel Valley Ho Historic Preservation Plan' on February 13, 2003, including three amended development standards that we requested to be consistent with the original site plan, landscaping, and planned addition. The amended standards in the plan included changes in the underlying C-3 zoning for building height, frontage open space and parking lot setbacks. City Council approved the HP Plan and Hotel Valley Ho amended development standards on April 1, 2003. We also worked with the City to prepare a financial incentives package, and City Council approved the 'Hotel Valley Ho Historic Preservation Incentive and Easement Agreement' on November 4, 2003.

**Recent Developments** – The approved incentives for this historic property also included technical assistance from the City to assist Westroc in obtaining a federal tax credit equal to 20% of the costs of rehabilitating the historic hotel. Plans for the rehabilitation of the hotel were submitted to the State Historic Preservation Office (SHPO) in the fall for approval and certification that the plans were consistent with the 'Secretary of Interior's Standards for Rehabilitation'. The application included the City-approved plans to construct additional stories above the existing one-story lobby and restaurant portion of the hotel to implement the documented original 1956 plans, engineering and construction. SHPO approved the plans and forwarded the plans to the National Parks Service with their favorable recommendation. Contrary to the City and State approvals, the National Park Service determined in April 2004 that the plans were not consistent with the Secretary of Interior's Standards. We projected the tax credit to be \$4.5 million, based upon current construction cost estimates for the historic hotel. This recent federal rejection is a major setback to the financial plans for a successful project because it means the project is not eligible for the federal tax credit.

**Proposed Response to Financial Setback/Requested Amendment** – Westroc has carefully considered our options for successfully completing this project in the face of this \$4.5 million financial shortfall. We have determined with our architects, Allen + Philp, that the best option is to request approval for an additional story above the lobby and restaurant. This option allows the project to proceed with only a minor delay, shifting the opening date from October to December of 2005.

We have met with Preservation Division staff to discuss this approach and understand that the HP Plan needs to be amended to change the allowable height for this addition from 65' to 72', and that the amended development standard must be adopted by City Council in a zoning case, following hearings by the HPC and Planning Commission. Our rationale for requesting approval to construct one additional story is that the rehabilitation of the historic Hotel Valley Ho, and repositioning the 1950's hotel in the downtown Scottsdale marketplace, cannot be achieved financially without the added value of a modest increase in total square footage in the project.



Hotel Valley Ho

7-ZN-2002#3

ATTACHMENT #2

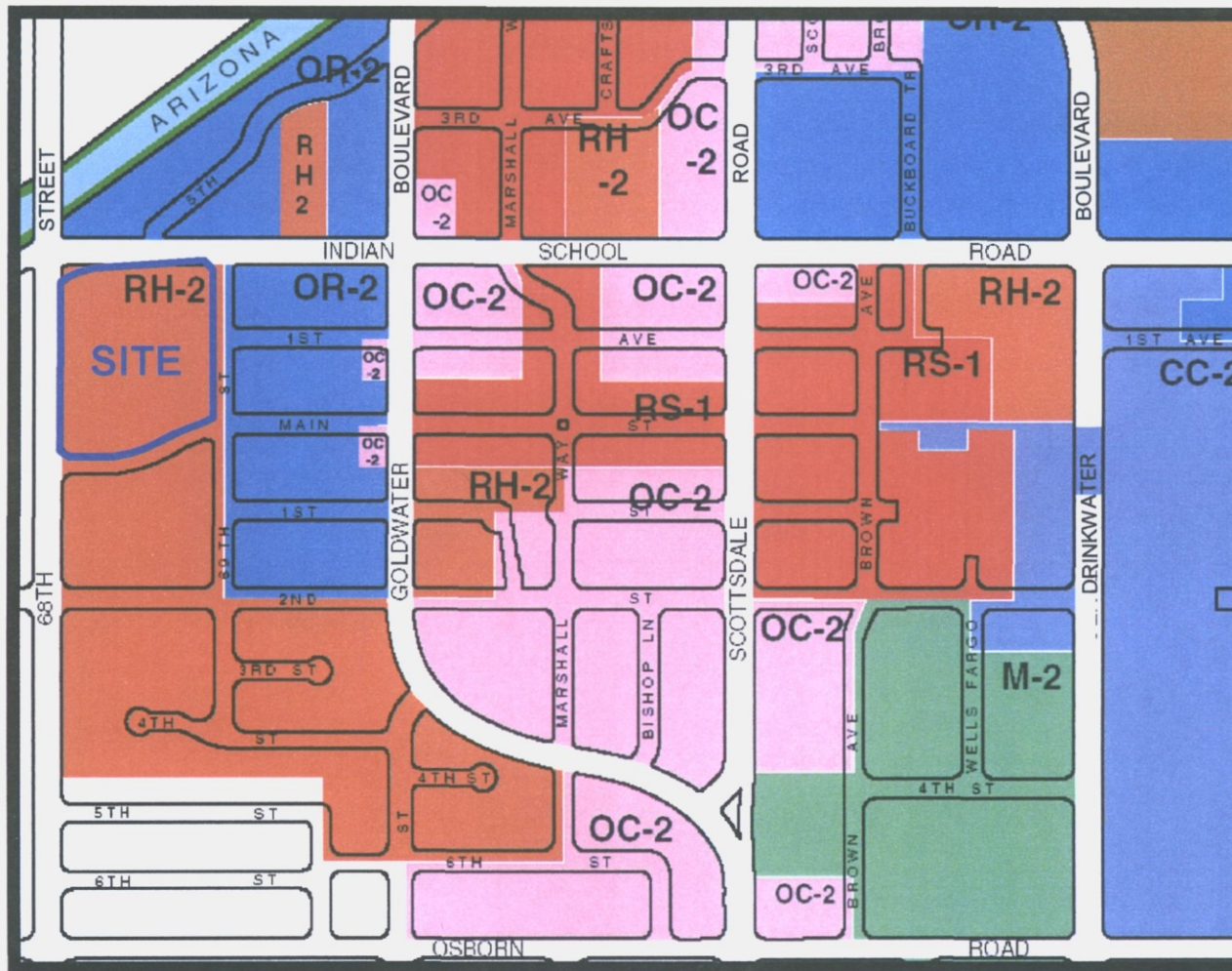


Hotel Valley Ho

**7-ZN-2002#3**

ATTACHMENT #2A

# Downtown General Plan

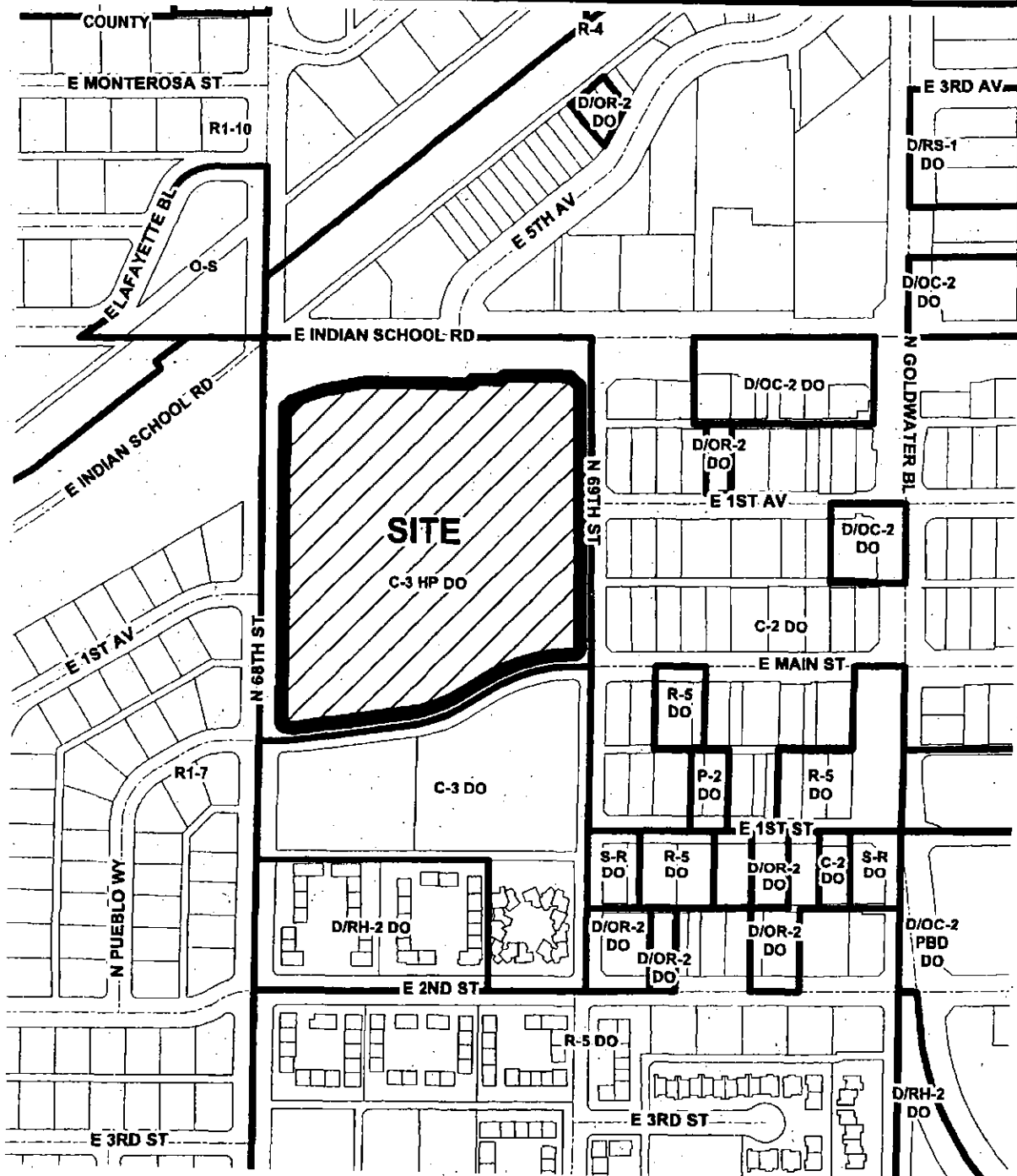


- |  |  |
|--|--|
|  Retail Specialty   |  Residential/Hotel          |
|  Office Commercial  |  Regional Commercial/Office |
|  Civic Center       |  Residential High Density   |
|  Office Residential |  Medical                    |



**7-ZN-2002#3**  
ATTACHMENT #3

Amend the development standards for building height for the tower only with Highway Commercial District, Historic Property, Downtown Overlay (C-3 HP DO) zoning.



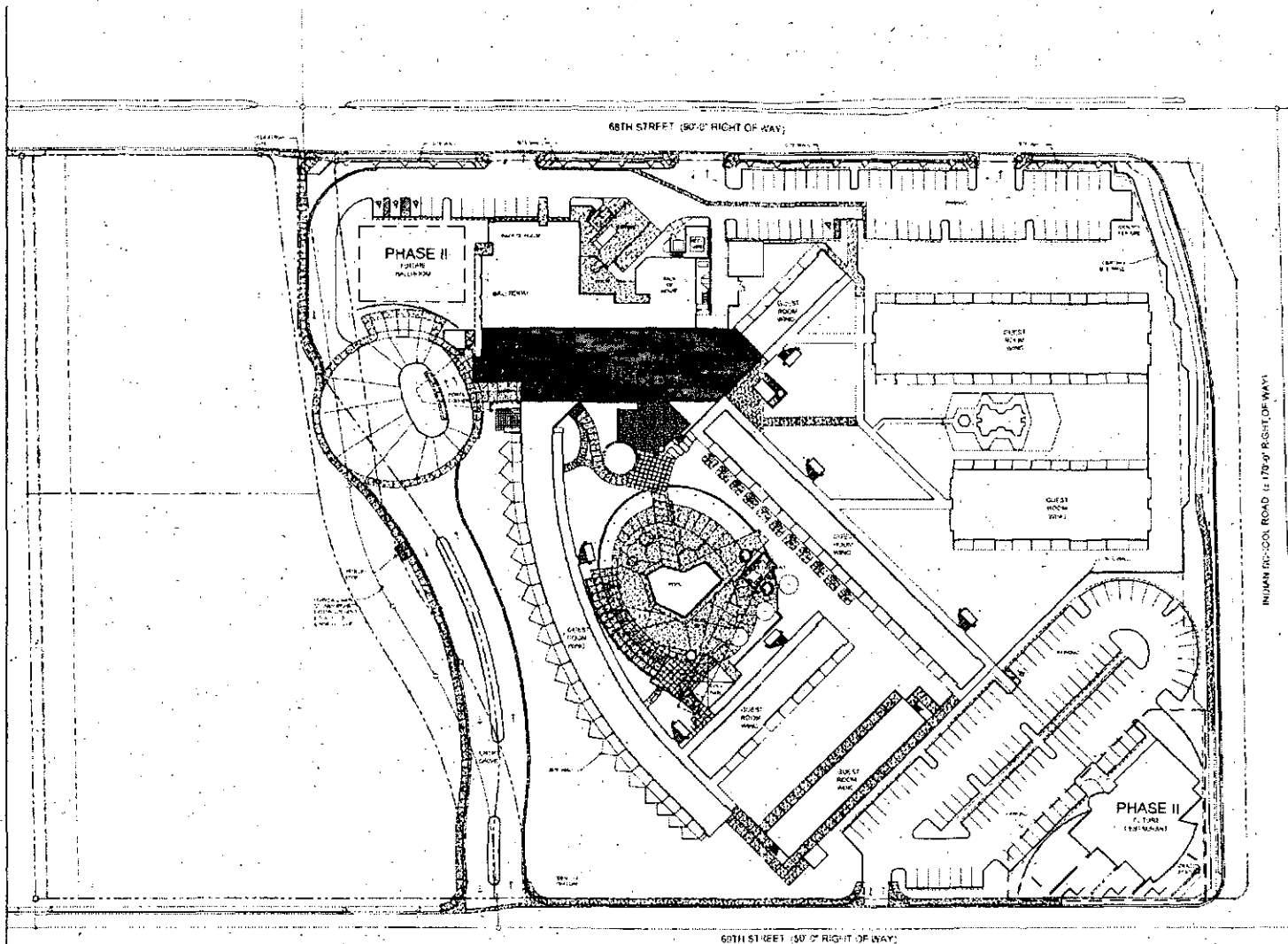
7-ZN-2002#3

ATTACHMENT #4



**STIPULATION FOR CASE 7-ZN-2002#3**

1. Any changes in the April 8, 2004 Composite Site Plan that are different from the January 30, 2003 Composite Site Plan Worksheet that was referenced in the stipulations for the amended development standards in case 7-ZN-2002#2 must be submitted for approval of a new Certificate of Appropriateness. If the amended development standard for building height in case 7-ZN-2002#3 is adopted, the application for approval of a revised site plan and a new Certificate of Appropriateness shall include new elevations for the portion of the project, called the tower, with a maximum building height of 72-feet.
2. The stipulations in this case take precedence over the stipulations for Case 7-ZN-2002#2.



COMPOSITE SITE PLAN  
SHEET NO. 1

7-ZN-2002#3

ATTACHMENT 7.

HOTEL VALLEY HO  
REHABILITATION

7550 West Fifth Avenue  
Westcliffe, Colorado 80551  
408 970 0100

WESTROC HOSPITALITY

COMPOSITE SITE PLAN

DATE: 10/01/01  
SCALE: 1/8" = 1'-0"  
PROJECT: HOTEL VALLEY HO  
SHEET: A1.01

LEGISLATIVE VERSION-C-3  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET

**ADOPTED C-3 HIGHWAY COMMERCIAL AMENDED DEVELOPMENT STANDARDS  
FOR HOTEL VALLEY HO, SECTION 5.1504. PROPERTY DEVELOPMENT STANDARDS,  
WITH REQUESTED AMENDED DEVELOPMENT STANDARD SHOWN WITH  
STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD CAPS**

**Sec. 5.1504. Property development standards.**

The following property development standards shall apply to all land and buildings in the C-3 district:

- A. *Floor area ratio.* In no case shall the gross floor area of a structure exceed the amount equal to eight-tenths multiplied by net lot area in square feet.
- B. *Volume ratio.* In no case shall the volume of any structure exceed the product of the net lot area in square feet multiplied by 9.6 feet.
- C. *Open space requirement.*
  - 1. In no case shall the open space requirement be less than ten (10) percent of the net lot area for zero (0) feet to twelve (12) feet of height, plus four-tenths percent of the net lot for each foot of height above twelve (12) feet.
  - 2. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.
- D. *Building height.* No building shall exceed thirty-six (36) feet in height, except that a building with a height not to exceed ~~sixty-five (65) feet~~ **SEVENTY-TWO (72) FEET** may only be added above the portion of the existing building generally above the public lobby, bar and restaurant areas as shown on the original 1956 valley ho plans, and except as otherwise provided in article VI or article VII.
- E. *Density.*
  - 1. Hotels, motels, and timeshare projects shall provide not less than ten (10) guest rooms and/or dwelling units with a minimum gross land area of one thousand (1,000) square feet per unit.
- F. *Yards.*
  - 1. *Front Yard.*
    - a. No front yard is required except as listed in the following three (3) paragraphs and in article VII hereof, unless a block is partly in a residential district, in which event the front yard regulations of the residential district shall apply.
    - b. A minimum of one quarter (1/4) of the open space requirement shall be incorporated as frontage open space to provide a setting for the building and a streetscape containing a variety of spaces.
    - c. Where parking occurs between a building and the street a yard of zero (0) feet in depth shall be maintained.
  - 2. *Side Yard.*

- a. A side yard of not less than fifty (50) feet shall be maintained where the side of the lot abuts a single-family residential district or abuts an alley which is adjacent to a single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A side yard of not less than twenty-five (25) feet shall be maintained where the side lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
3. Rear Yard.
- a. A rear yard of not less than fifty (50) feet shall be maintained where the rear lot abuts a single-family residential district or abuts an alley which is adjacent to the single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A rear yard of not less than twenty-five (25) feet shall be maintained where the rear lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
4. All operations and storage shall be conducted within a completely enclosed building or within an area contained by a wall or fence as determined by Development Review [Board] approval or use permit.
5. Other requirements and exceptions as specified in article VII.

(Ord. No. 1840, § 1, 10-15-85; Ord. No. 2818, § 1, 10-17-95, Ord. No. 3502, § 1, 4-1-03)

legislativetextamendCC2

**LEGISLATIVE VERSION -DO  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET**

**ADOPTED DO-DOWNTOWN OVERLAY SECTION 6.1207. SITE DEVELOPMENT STANDARDS WITH REQUESTED AMENDED DEVELOPMENT STANDARD FOR HOTEL VALLEY HO SHOWN WITH STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD**

**Sec. 6.1207. Site development standards.**

A. For municipal uses that require a Municipal Use Master Plan, the City Council may modify the property development standards of the underlying zoning district.

B. Schedule B prescribes development standards applicable to the (DO) downtown overlay district. References in the additional regulations column refer to regulations located elsewhere in the Zoning Ordinance.

**Schedule B  
Site Development Standards**

I. Development requirements within the (DO) Downtown Overlay (all non (D) Downtown zoned zoning districts)			Additional regulations
1.	Floor area ratio (FAR)	0.8	
	A. FAR bonus maximum	0.5	Section 6.1209
	Total maximum FAR (excluding residential)	1.3	
2.	Building Volume	No maximum	
3.	Open Space	None required and the site development shall demonstrate conformance to the Downtown Plan Urban Design and Architectural Guidelines.	

II. Site requirements within (DO) Downtown Overlay (all zoning districts)			
1.	Minimum site area	None required	
2.	Minimum front building setback	16 feet from planned curb	Sections 6.1207.C.2 and 6.1207.C.3.
3.	Minimum interior side building setback	None.	
4.	Minimum corner side building setback	16 feet from planned curb	
5.	Minimum rear building setback	Minimum of 50 feet when adjacent to single-family residential districts, and minimum of 25 feet when adjacent to multi-family residential districts. No minimum in all other instances except as required for off-street loading and trash storage.	

III Building design requirements (all non-(D) downtown zoned	Properties with (S-R) Service	All other zoning districts
--	-------------------------------	----------------------------

zoning districts)		Residential zoning	
1.	Height maximum (all uses)	26 feet	36, <u>except that the area above the original lobby, bar and restaurant shown on the Composite Site Plan shall have a maximum height of 72 feet, and the exceptions in Section 7.102 still apply to this tower addition.</u>
2.	Building envelope, starting at a point 26 feet above the building setback line, the inclined stepback plane slopes at:	Does not apply	2:1 on the front, and 1:1 on the other sides of a property

IV. Residential density (all zoning districts)		
1.	Maximum residential density	23 dwelling units per gross acre

**C. Additional regulations.**

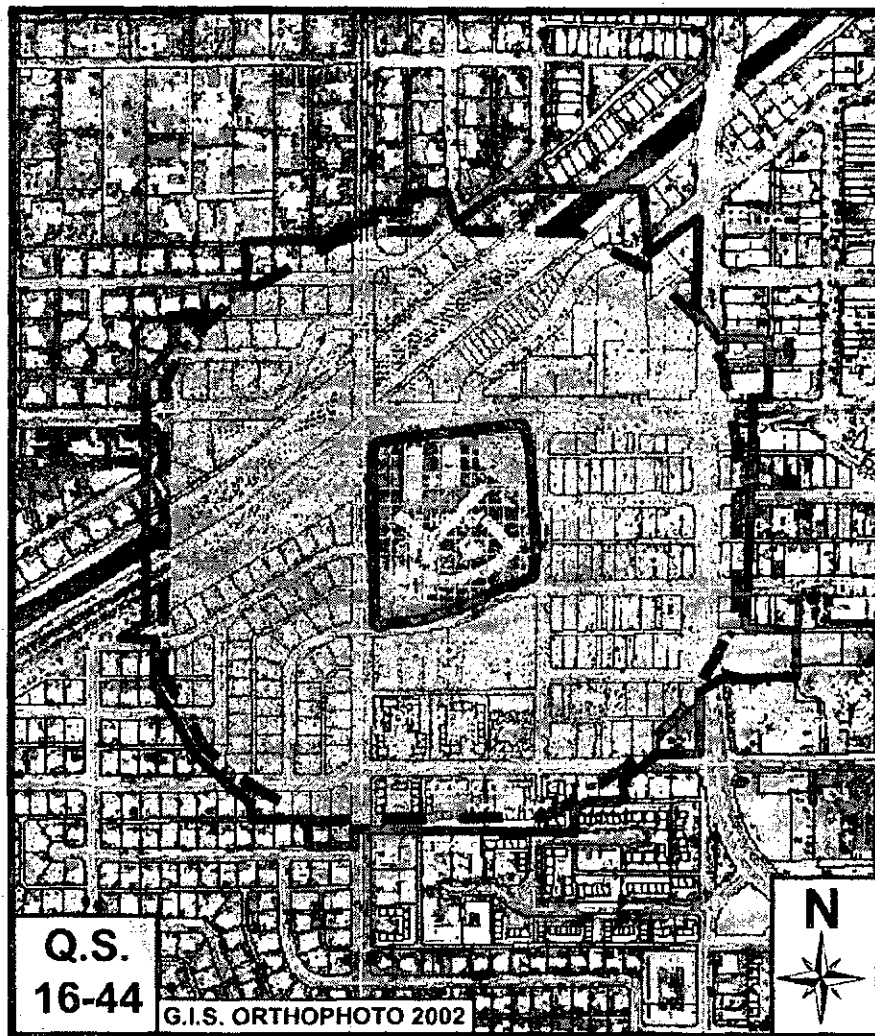
1. Spacing between two (2) buildings on the same site shall be not less than ten (10) percent of the larger building's two (2) longest adjacent sides at the space (e.g. Front and side).

2. Where existing setbacks on forty (40) percent or more of a block face are less than the specified setback, the required setback on a site to be developed shall be the average setback of the developed portion of the block face. Section 7.201 (adjustment of front yard requirements) shall not apply.

3. Buildings fronting on Camelback Road, Indian School Road, and on Scottsdale Road north from Camelback Road and south from Osborn Road to the Downtown Overlay district boundary, shall be setback forty (40) feet from the planned curb line. Buildings fronting on Drinkwater Boulevard and Goldwater Boulevard shall be setback thirty (30) feet from the planned curb line. The regulations of section 5.3062 shall also apply to these front setbacks.

(Ord. No. 3520, § 1, 7-1-03; Ord. No. 3543, § 1(Exh. 1), 12-9-03)

## City Notifications – Mailing List Selection Map



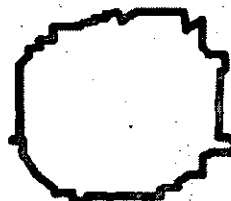
### Map Legend:



Site Boundary



Properties within 750-feet



Extended Selection  
(Additional properties notified)

### Additional Notifications:

- Interested Parties List
- Adjacent HOAs
  - Ciento, Holiday Park, Pueblo Verde, Southwest Village, Villa Madera
- Scottsdale Coalition

# Hotel Valley Ho Historic Preservation Plan Amendment

## 7-ZN-2002#3

ATTACHMENT #10

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with ~~strikeouts~~ for deleted text and new text in **UNDERLINED BOLD CAPS**

**Developmental Assistance**

This category of assistance addresses the existing building conditions of the historic hotel complex and its unique situation and needs relative to the City review processes and building, zoning and development codes.

**Building Permit Review**

The City recognizes from the outset that there will be many challenges in rehabilitating the historic buildings of the Hotel Valley Ho to meet the standards of modern building codes. The City is committed to providing flexibility in achieving the intent of the codes by allowing equivalent life safety measures for repairs, alterations and additions to the historic buildings. The alternative methods of achieving safety utilized by the Uniform Code of Building Conservation will be considered in reviewing approaches and treatments that might be acceptable for the Hotel Valley Ho rehabilitation.

**City Expedited Development Review**

The review of the development and building plans for work undertaken as part of the redevelopment and rehabilitation of the Hotel Valley Ho will be expedited in accordance with City procedures for providing such a review.

**Amendments to the Underlying Zoning Development Standards**

Section 6.119.A.5.c of the HP Ordinance provides for the modification of the standards set in the underlying zoning district in which a designated property is located if it will assist in its preservation. Accordingly, with the approval of this HP plan the development standards for the existing zoning of C-3 Highway Commercial will be amended for the Hotel Valley Ho property as follows:

**5.1504.D Building Height:**

*Justification for Amendment:* For the operation **REHABILITATION** of the hotel to be economically viable, additional ~~guest rooms~~ **SQUARE FOOTAGE** must be added to the complex. The most practical and sensitive location for the expansion to occur is by adding additional stories over the one- and two-story public area housing the lobby, lounge and restaurant. This is consistent with the original construction drawings that show this area was designed, engineered and constructed to allow for four additional floors of guest rooms. Therefore the expansion in this location is in keeping with the original design intent. Limiting the additional square footage to this one location also retains the historic arrangement of buildings and open space of the resort and preserves the historic appearance of the guest room wings. This approach to adding additional square footage also is considered the most acceptable method in keeping with the *Secretary of Interior's Standards for Rehabilitation*.

The purpose of historic preservation is to maintain the historically significant features of the property while providing for the continued evolution and economic use of the property. The existing building layout on the property is a fixed feature the owner must work with and around. This limits the development opportunities of the property. Additional building height in the location proposed achieves both objectives for the property.

*Proposed Amendment:* Maximum height will be extended from thirty-six (36) feet to ~~sixty-five (65) feet~~ **SEVENTY-TWO (72) FEET** to allow for the expansion **NEW CONSTRUCTION** to occur while minimizing the impact on the Hotel Valley Ho's character-defining features.

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with ~~strikeouts~~ for deleted text and new text in **UNDERLINED BOLD CAPS**

**5.1504.D Frontage Open Space:**

**Justification for Amendment:** Although the hotel complex as a whole meets the City's open space requirements, there is not sufficient open space along the property's frontage. It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a minimum of one-half (1/2) of the open space requirement be incorporated as frontage space should be modified to reflect the percentage of frontage open space that existed historically on the site

**Proposed Amendment:** Required frontage open space on the Hotel Valley Ho should be reduced to one-quarter (1/4) of the open space requirement.

**5.1504.F.1.c Parking Setback:**

**Justification for Amendment:** It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a yard of thirty-five (35) feet in depth shall be provided between parking and the street should be modified to reflect the existing arrangement of the parking locations.

**Proposed Amendment:** Requirement for thirty-five (35) feet yards between parking and the street be modified to allow existing parking and setbacks to remain.



Attachment: Original and Proposed Addition Intent Comparison,  
Prepared by Allen + Philp, Architects

**Historic Preservation Commission Recommendation  
on Cases 7-ZN-2002#3 and 2-HP-2004**

Motion was made by Commissioner Hart to approve the amendment to the Hotel Valley Ho Historic Preservation Plan, the Developmental Assistance section, to increase the allowable height from 65 feet to 72 feet, and amending the C-3 and DO zoning district height guidelines to similarly be 72 feet for the tower building as shown on the Composite Site Plan that has been submitted. This amendment supports both the economic feasibility of this important project while maintaining the characteristics that we found essential for approval to place the property on the Scottsdale Historic Register. Seconded by Paul Winslow, and approved unanimously, 6-0.

Hearing Date: May 5, 2004

## **SPECIAL MEETING MINUTES**

**Historic Preservation Commission Special Meeting  
7447 E. Indian School Road  
1<sup>st</sup> Floor Community Development Conference Room  
May 5, 2004  
5:00 P.M.**

### **CALL TO ORDER**

The meeting was called to order at 5:00 P.M.

### **ATTENDANCE**

**Present:** B. J. Gonzales, Vice-Chair  
Cathy Johnson  
George Hartz  
Nancy Dallett  
Paul Winslow  
Kathy Howard (5:20)

**Absent:** Edward Wimmer, Chairman

**Staff:** Debbie Abele  
Don Meserve  
Bob Cafarella  
Cathy Eley

**Visitors:** Scott Lyon, Bill Nassikas, Ken Allen, Mike Levy, John Brooks, Mische O'Reilly, Robert Mansolillo, and Brian (last name unreadable on sign-in sheet)

### **PUBLIC HEARING/ACTION ITEMS - 2 -HP-2004 & 7-ZN-2002#3**

#### **2-HP-2004 and 7-ZN-2002#3**

**(Hotel Valley Ho Historic Preservation Plan and Development Standards Amendment)** - request by Scott Lyon, MSR Properties LLC, owner/applicant, to approve an amendment to the Historic Preservation Plan for the Hotel Valley Ho and to amend the building height development standard, on an 8.86± acre parcel located on the north side of East Main Street alignment, between 68<sup>th</sup> and 69<sup>th</sup> Streets, at 6850 E. Main Street, zoned Highway Commercial, Downtown Overlay, Historic Property (C-3 DO HP). The request is to amend the development standard for building height for the tower element. The Historic Preservation Plan is required for each property zoned Historic Property (HP) overlay, and the text for this plan contains, but is not limited to, character defining features of the historic buildings, design guidelines, amended development standards, and financial incentives.

Ms. Abele reviewed with the Commission the order in which this item would be presented: staff would present their report to the Commission, the applicant would then make a presentation, the Commission would then be allowed to ask questions, public comments would be taken, staff would then conclude and make their recommendations and/or closing comments, the Commission would then discuss their action to approve, deny or continue this case and the reason.

*Staff Report* - Ms. Abele reviewed with the Commission the staff report on 2-HP-2004 & 7-ZN-2002#3 mailed to the Commission in the packets. Ms. Abele stated that this request was to revisit one small portion

of the Historic Preservation Plan as it related to the amended development standards on page 10, Section 5.14D, building height for the tower element. The applicant is requesting to add an additional seven feet, or one story, to the tower element. Ms. Abele noted that this height amendment is based on the denial from the National Parks Service for eligibility for the Tax Credit.

*Applicant Presentation* - Mr. Lyon, applicant, stated that the height amendment is only for the hotel tower component. Mr. Lyon noted that the downtown zoning allows for 65' building height for commercial buildings and 72' for hotels. Mr. Lyon commented that their application to the National Parks Service for the Tax credit was denied on several fronts; all but one were easy fixes. The problem that they could not overcome on the design was the determination that any new additions not change the character of building. The additional stories above the lobby, bar and restaurant, as originally included in the 1956 plans, was denied at the federal level. The denial made the project ineligible for the federal tax credit of 20% of the costs of rehabilitating the historic hotel, which equates to approximately \$4.5 million.

Mr. Lyon noted that they were on the Planning Commission's agenda for May 12, 2004 and then City Council on May 17, 2004, with the hopes of starting construction in June. They feel that this amendment to add one additional level in the tower is the only way to stay on the current schedule.

*Commission Questions* - Commissioner Hartz asked if the height of the tower was 72 feet, would the height of the stairs and elevator be higher.

Ken Allen, Allen + Philp Architects responded that the height of the elevator tower would be 86 feet and the height of the stairs would be 89 feet, based on the exceptions to the maximum height in the ordinance.

Ms. Abele noted that the Commission was only considering a request for the additional 7-foot height on the tower building, and no other changes to the approved Hotel Valley Ho Historic Preservation Plan.

Commissioner Johnson asked how the condominiums would be held to the standards of the Historic Preservation Plan, since they were planned to be individually owned.

Mr. Allen responded that the ownership was subject to a rental agreement with the hotel, with strict controls on any changes to the condominiums.

*Public Comments* - Mr. Michael Levy, 3846 N. Pueblo Way, expressed his support of this project, noting that it would be a betterment for the neighborhood.

*Staff Recommendation* - Ms. Abele stated that staff is recommending approval of the amendment, noting that much discussion and planning went into the Historic Preservation Plan for this project, trying to take into consideration every possibility. Ms. Abele stated that staff feels that the additional 7 feet does not substantially impact the character of the project that has already been approved.

*Commission Discussion* - Vice-Chair Gonzales commented that architecturally it does not impact the structure in any way.

Commissioner Winslow noted that the existing property has a certain character that this project is trying to preserve and that by locating this tower height in the middle of the project, it minimizes the impact to the casual observer, and that the additional height was logical to make the project economically viable.

Commissioner Johnson commented that it was a good project that will help the Downtown and preserve the historic hotel.

Vice-Chair Gonzales asked what height was proposed on the property to the south.

Mr. Lyon stated that this property, on the south side of Main Street alignment, was under contract to sell so Westroc would not be developing the property. The proposed buildings in this project in the pending zoning case could be from 36 feet high to 65 feet high.

Commissioner Dallett commented that the additional height preserves the intention of the Historic Preservation Plan.

Commissioner Johnson commented that she would like to revisit the Historic Preservation Plan and review the wording changes that may be needed based on this amendment.

Ms. Abele responded that the Commission could change the wording in the plan at any time but that the requested amended development standard for height must be approved by City Council as a zoning case.

**MOTION WAS MADE by Commissioner Hartz TO APPROVE THE AMENDMENT TO THE HOTEL VALLEY HO PRESERVATION PLAN, THE DEVELOPMENT STANDARD SECTION TO INCREASE THE ALLOWABLE HEIGHT FROM 65 FEET TO 72 FEET AND AMENDING THE C-3 AND DO HEIGHT GUIDELINES TO SIMILARLY BE 72 FEET FOR THE TOWER BUILDING AS SHOWN ON THE COMPOSITE SITE PLAN THAT HAS BEEN SUBMITTED. THIS AMENDMENT SUPPORTS BOTH THE ECONOMIC FEASIBILITY OF THIS IMPORTANT PROJECT WHILE MAINTAINING THE CHARACTERISTICS THAT WE FOUND ESSENTIAL FOR APPROVAL TO PLACE ON THE HISTORIC REGISTER. MOTION WAS SECONDED by Commissioner Winslow, WHICH CARRIED UNANIMOUSLY, 6-0.**

#### **COMMISSIONER COMMENTS AND ANNOUNCEMENTS/PUBLIC COMMENTS**

Commissioner Harts stated that there would be an Education Outreach meeting on May 10, 2004 at 5:15 PM in the 3<sup>rd</sup> Floor conference room.

Mr. Meserve distributed a memo answering questions raised by the Commission at the previous meeting, noting that an open house on one of the topics was scheduled for May 11, 2004.

Commissioner Howard noted that there would be no Historic Register Committee meeting on May 12, 2004 because of the Planning Commission hearing. The next meeting was scheduled on June 9, 2004.

Mr. Meserve noted that the Pink Pony and Sugar Bowl HP designations were approved by City Council last night, May 4, 2004, so the two properties are now on the Scottsdale Historic Register.

#### **FUTURE MEETINGS/AGENDA ITEMS**

There were none. The next regular meeting is on May 13, 2004.

Meeting adjourned at 5:45 P.M.

Submitted by:

Cathy Eley  
Recording Secretary

Agdmin/5504min

# STAFF REPORT

**TO:** HISTORIC PRESERVATION COMMISSION  
**DATE:** May 5, 2004  
**FROM:** Preservation Division  
**SUBJECT:** Case 2- HP-2004/7-ZN-2002#3

**APPLICATION:** HOTEL VALLEY HO HISTORIC PRESERVATION PLAN AMENDMENT  
AND AMENDED DEVELOPMENT STANDARD  
**REQUEST:** Approve Hotel Valley Ho Historic Preservation Plan Amendment  
to amend the permitted building height for the tower only  
**LOCATION:** 6850 E. Main Street on south side of Indian School Road between 68<sup>th</sup> and 69<sup>th</sup> Sts.  
**ZONING:** C-3 HP DO Highway Commercial, Historic Property, Downtown Overlay  
**APPLICANT:** Scott Lyon, MSR Properties LLC, (480) 367-6222  
**ARCHITECT:** Ken Allen, Allen + Philp Architects, (480) 990-2800, [slyon@westroc.net](mailto:slyon@westroc.net)  
**STAFF CONTACT:** Don Meserve, AICP, Preservation Planner, (480) 312-2523,  
[dmeserve@scottsdaleaz.gov](mailto:dmeserve@scottsdaleaz.gov)

---

## STAFF RECOMMENDATION:

APPROVE Hotel Valley Ho Historic Preservation Plan Amendment (2-HP-2004) and make a recommendation to City Council that the amended development standard for building height be approved (7-ZN-2002#3).

## BACKGROUND:

**HP Designation** - The Historic Preservation Commission (HPC) and staff identified the Hotel Valley Ho and other properties to be considered for placement on the Scottsdale Historic Register as a result of an intensive survey of a 1-square mile area of downtown. The HPC initiated the Hotel Valley Ho Historic Property (HP) zoning case in March 2002 as a significant property related to the development of Scottsdale as an arts colony and tourist destination. City Council adopted the Hotel Valley Ho HP zoning in July 2002, case 7-ZN-2002, to recognize its historic and architectural significance, and to formalize the City of Scottsdale's commitment to its preservation. After designation, the HPC approved the character defining features and design guidelines sections of the HP Plan.

**Certificate of Appropriateness** - The owner and their architect then prepared site plans and elevations and submitted a Certificate of Appropriateness application. The HPC found these plans consistent with the approved design guidelines for the hotel and approved the Certificate of Appropriateness, case 49-DR-2002, in October 2002. Following the design review approval by the HPC, the owner requested three amended development standards for the permitted building height for the tower, parking lot setbacks, and frontage open space. The City and the owner also worked together to prepare financial incentives for the project to be successful.

**HP Plan and Amended Development Standards** - The HPC approved a comprehensive Hotel Valley Ho Historic Preservation Plan on February 13, 2003, including three amended development standards and the framework for possible financial incentives, cases 1-HP-2003 and 7-ZN-2002#2. City Council adopted Ordinance No. 3502 affirming the HP Plan and Hotel Valley Ho amended development standards on April 1, 2003, case 7-ZN-2002#2. City Council also approved the Hotel Valley Ho Historic Preservation Incentive and Easement Agreement on November 4, 2003, Agreement No. 2003-175-COS.

**Historic Hotel and Significance** -The Hotel Valley Ho is a resort hotel complex, constructed in 1956 and 1958, located at the southeast corner of Indian School Road and 68<sup>th</sup> Street in Scottsdale, Arizona on the western edge of downtown. The modern style complex is characterized by a random arrangement of buildings with the original 1956 building having a free flowing, one- and two-story parabolic form with a strong horizontal emphasis. The largest building, with an entry off Main Street, contains the original lobby, bar, and restaurant. Guest rooms also open off single corridor wings and frame a landscaped interior area with patios and a pool. Two additional guest room buildings in the same style and materials as the original structure were constructed to the northwest along Indian School Road in 1958.

Plans in the original 1956 drawings for an additional four stories of guest rooms above the lobby, bar and restaurant were not built. The plans submitted for HPC design review in the fall of 2002 included a tower element in the same location as the one in the original 1956 drawings. Hotel room towers such as permitted under the height amendment are character-defining features of motor hotels from the 1950's. Allowing the additional height in this location will enhance the historic characteristics of this hotel.

The Hotel Valley Ho is historically significant for its association with Scottsdale's development as a top rated arts colony and tourist destination and for its modern, organic architectural style. It was the first year round resort to open up in the town and the first to employ "southwestern" architecture, bridging modern and western detailing, and expressing the cosmopolitan nature of Scottsdale. This is also the site where many celebrities and noteworthy guests stayed when vacationing in Scottsdale over the years.

The Hotel Valley Ho is the only remaining intact historically and architecturally significant post World War II resort in Scottsdale and most likely in Arizona. In 2003, the National Park Service evaluated the significance of the Hotel Valley Ho and made a preliminary determination that the resort meets the eligibility criteria for the National Register of Historic Places because it has exceptional historic significance.

**Ordinance Requirements for HP Plans** - The HP Ordinance, Section 6.119 (see Attachment 2.), mandates that a Historic Preservation Plan be prepared by the City after HP designation. The plan is intended to further the purposes of the HP district in Section 6.111 to protect, enhance, and preserve historic resources. HP Plans include design guidelines that are to be used to review applications for Certificates of No Effect or Certificates of Appropriateness.

In addition, Section 6.119.A.5.c. on HP Plans provides an opportunity to modify development standards in the underlying zoning district through the HP Plan. The basis for granting the modification of the development standards is to support the preservation goals for the property. The requested amendments should directly address the existing physical conditions of the historic property and enable its redevelopment in a manner most sensitive to the features that make it historically and architecturally significant.

If the plan contains amended development standards, the amended standards must also be reviewed by the Planning Commission and approved by City Council. The Planning Commission will conduct a hearing on just the proposed amended development standard, Case 7-ZN-2002#3, and will make a recommendation to City Council on the amendment.

**Efforts to Obtain Federal Tax Credit** - The owner developed a financial plan to successfully fund this project. Their financial plan included the use of a provision in the tax code that encourages the rehabilitation of buildings on the National Register of Historic Places. This provision provides a 20-percent (20%) tax credit for the cost of rehabilitating the historic buildings, estimated as a \$4.5 million credit for this project.

In April 2004, the owner received a letter notifying Westroc that the National Park Service (NPS), Historic Preservation Services Division had decided that the project does not meet the Secretary of Interior's Standards. The NPS reviewer believed that no additional stories could be added to the building to be consistent with its historic character. There is no ability to appeal this decision until the property is listed on the National Register of Historic Places, which takes approximately one year to accomplish. Consequently, the project will not be eligible for the federal tax credit under the current project schedule. Without the tax credit, there is now a \$4.5 million gap in the funding anticipated to finance the planned project.

After receiving the determination from the NPS, the owner and his architects met with City officials to discuss ways to complete the project without the federal tax credit. Various options were considered including demolishing the two historic 1958 buildings, which were planned to be rehabilitated in a later phase, and building new construction in their place with a building envelope consistent with the current zoning. Other options were demolition of one of the 1958 buildings or partial demolition of the two buildings also incorporating new construction. Since the preservation of the significant historic buildings on the hotel site is an important goal, these options were not selected as appropriate. Various other portions of the site were considered for new buildings. The group evaluated replacing the Trader Vic's restaurant, planned for the northeast corner, with additional hotel rooms and adding additional stories above the ballroom adjacent to 68<sup>th</sup> Street.

In the end, Westroc concluded that the best option for hotel operations, preservation of the historic character and compatibility with the property's surroundings was to add one additional story on the five-story tower already approved for above the one-story lobby/lounge/restaurant area. This will enable the owner to maintain the rehabilitation schedule of the historic buildings and reopening the hotel in late 2005.

#### **SUMMARY OF PROPOSED HOTEL VALLEY HO HP PLAN AMENDMENT:**

A major section of the HP Plan is called City Preservation Assistance. It contains assistance in four categories: Technical Assistance, Development Assistance, Financial Assistance and Promotion. In the current application, the owner is requesting an amendment (change) in the Development Assistance section to change the C-3 Highway Commercial development standard on building height.

The requested amended standard on height will allow for the expansion of the one- and two-story portion of the hotel complex to a seven-story building. The planned tower addition in this location would implement the documented original 1956 plans and structural engineering for additional floors on top of the two-story lobby. If the original plans had been constructed, the tower portion above the bar and restaurant and two-story lobby would have had five occupied public floors, and would have been the visual equivalent of a six-story building. The current application to increase the height of the tower from 65' to 72' would permit one additional story. The amended development standard will allow for the placement of the new construction in a manner that conforms to the City HP Design Guidelines.

If City Council approves the amended building height for the tower, the applicant will also need to have their revised plans, including the additional story, reviewed in a public hearing by the HPC. Prior to construction, an approved Certificate of Appropriateness for the revised design is required for this HP zoned property.

#### **GENERAL PLAN/DOWNTOWN PLAN/LAND USE POLICIES DISCUSSION:**

The proposed amendment to the Hotel Valley Ho HP Plan is consistent with the Scottsdale General Plan. The Character and Design Element includes a Scottsdale Value for the "Protection of significant historic buildings and settings." The Downtown Land Use Plan recommends a Residential/Hotel land use with Type 2 Development standards for this property. The resort hotel/residential use is consistent with the

Downtown Land Use Plan, and the proposed height amendment is consistent with Type 2 Development. City policies support 36' to 72' buildings (hotels with up to 8-stories) on this site.

The owner has the option of using the additional stories for hotel rooms or residential uses, including for sale condominiums, based upon the Downtown Overlay (DO) standards, adopted by Council in July 2003. The DO standards permit residential uses in all the downtown commercial districts, including the C-3 Highway Commercial district on the Hotel Valley Ho property. The existing area is predominantly one- and two-story character. The property on the south side of Main Street was sold to another developer and their requested zoning will permit 65' buildings (Case 1-ZN-2004, Main Street Residences and Main Street Mews). The property on the south side of Main Street from the Hotel Valley Ho is not zoned HP and is not on the Scottsdale Historic Register.

The approach of using the option of an HP Plan with amended standards, recommended by Preservation staff and supported by the owner, will better achieve the approved design guidelines and historic preservation objectives for this historic hotel than any other option available. The owner has elected to use the existing C-3 HP DO zoning, with the proposed amended standards in an HP Plan. The owner's current project plans are to rehabilitate and redevelop the historic hotel, including the expansion of the one- and two-story portion of the hotel to a seven-story tower section, similar to the original design of a six-story equivalent building in the 1956 plans.

The Preservation Division agrees that for the rehabilitation project to be successful, there is a need to increase the square footage in the project, and to increase the number of guest rooms and resort amenities and services available to meet the demands of the modern day traveler or vacationer. The Preservation Division fully supports the owner's plan to rehabilitate this significant historic resource and continue its historic use as a hotel complex.

#### **PUBLIC COMMENTS:**

Past public comments in meetings and public hearing on the Hotel Valley Ho project have been favorable. Citizens and City staff are both very interested in seeing a successful rehabilitation project for this historic hotel at the western entrance into the downtown. The Hotel Valley Ho property has been the subject of several meetings and hearings in 2002 and 2003 prior to the current request to amend the HP Plan. Some citizens have contacted City staff as a result of the notices for the hearings. Height has been a concern for some people. The owner has had numerous contacts with citizens and held several meetings with surrounding property owners, and has reported favorable reactions to the project in the past. The Commission will hear a report at the HPC public hearing from the applicant on the results of their April 28, 2004 open house and public reactions to their current request to amend the building height standard.

---

Don Meserve, AICP, Preservation Planner  
480-312-2523

#### **ATTACHMENTS:**

1. Applicant's Narrative
2. Hotel Valley Ho Historic Preservation Plan Amendment, Page 10 Development Assistance
3. Legislative Versions – Amended Development Standard (C-3 and DO)
4. Zoning Map
5. Location Map
6. Site Plan
7. Section 6.119. HP Ordinance text on HP Plans

# PLANNING COMMISSION REPORT



MEETING DATE: May 12, 2004

ITEM NO. \_\_\_\_\_ GOALS: Preservation Character

**SUBJECT** Hotel Valley Ho Amended Development Standard - 7-ZN-2002#3

**REQUEST** Request for approval to amend the development standards for building height for the tower only on a 8.86 +/- acre parcel located at 6850 E Main Street with Highway Commercial District, Historic Property, Downtown Overlay (C-3 HP DO) zoning.

**Key Items for Consideration:**

- Amend the development standards to increase the height of the tower building from 65-feet to 72-feet.
- This will allow for one additional story, from the previously approved 65-feet approved in 2003, case 7-ZN-2002#2.
- The Historic Property (HP) overlay district allows amended development standards.
- The request will achieve the HP Plan guidelines better than any other option and is consistent with the HP zoning purposes and its Scottsdale Historic Register designation.

**Related Policies, Cases, and Zoning History:**

- This action directly supports City Council Broad Goal B: Preserve the Character and Environment of Scottsdale

**OWNER** MSR Properties LLC  
480-637-6222

**APPLICANT CONTACT** Scott Lyon  
MSR Properties LLC  
480-367-6222

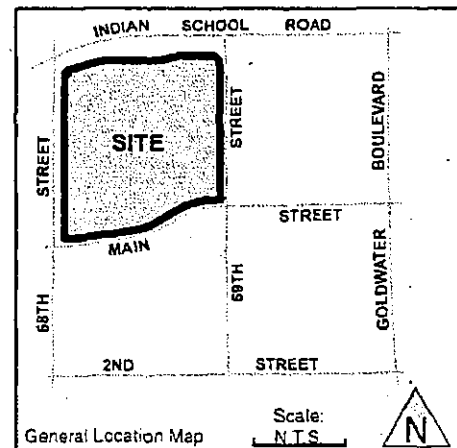
**LOCATION** 6850 E Main St

**BACKGROUND**

**Cases and Zoning History**

During the past two years, several City approvals have been accomplished towards implementing the preservation of the Hotel Valley Ho. These included: HP overlay rezoning, abandonment of Main Street, approving an HP Plan, amended development standard for height from 36-feet to 65-feet, Certificate of Appropriateness, and approval of the Downtown Overlay district.

**Process** - The HP overlay zoning has a provision for the owner of a historic



property to request amended development standards through a historic preservation plan. The purposes of the plan and amended standards are to support the preservation goals for the property to protect, enhance, and preserve historic resources. Formal adoption of any proposed amendment to the plan and amended development standards must be approved by City Council, following recommendations from the Historic Preservation Commission (HPC) and Planning Commission.

**Reason for the Requested Amendment** – The original financial package included the use of a federal historic preservation tax credit. In April 2004, the National Park Service (NPS) decided that the project does not meet the Secretary of Interior's Standards to be eligible for this tax credit. There is no ability to appeal this decision until the property is listed on the National Register of Historic Places, which takes approximately one year to accomplish. Therefore, the project will not be eligible for the federal tax credit and there is now a \$4.5 million gap in the funding required to finance the project.

**Options Considered** – After the denial from the NPS, there were several options considered in order to achieve preservation of the significant historic features of this site, including:

- Demolishing 2 historic 1958 buildings, originally planned for rehabilitation, and replacing these with new buildings.
- Demolition of one of the 1958 buildings or partial demolition of the two buildings, also incorporating new construction.
- Replacing the planned Trader Vic's restaurant with additional hotel rooms.
- Adding additional stories above the ballroom on the southwest corner of the hotel building adjacent to 68<sup>th</sup> Street.
- One option was to add additional stories to the tower.
- Various other portions of the site were considered for new buildings.

Since the preservation of the significant historic buildings on the hotel site is an important goal, City staff strongly opposed any options to demolish any hotel buildings.

The property owner concluded that the best option for the hotel operations, preservation of the historic character and compatibility with the surrounding area was to add 7 feet onto the 65-foot tower. Thus, creating one additional story by shortening the floor-to-floor dimensions already approved above the lobby, bar and restaurant area. Also, the applicant is changing the tower use from hotel to condominiums as these uses are allowed by the site's DO zoning, the remainder of the buildings on the site will be rehabilitated for hotel use.

With the additional 7-feet and creation of a residential component, this amended height will enable the owner to maintain the schedule for the rehabilitation of the historic buildings and reopening the hotel in late 2005. Other options could require additional time.

**APPLICANT'S  
PROPOSAL**

**Goal/Purpose of Request**

The applicant is requesting a 7-foot increase in building height. This will allow for the expansion of the approved six-story building (65-feet) to a seven-story building (72-feet) in a tower addition above the central portion of the

hotel complex. Exceptions in Section 7.102, for appurtenant stair, elevator towers and mechanical elements, to exceed maximum building height apply with this amendment.

The request continues to implement the documented 1956 architectural and structural engineering plans. The 2003 approved amended development standards restricted the allowed 65-foot height to the central tower portion of the hotel complex, specifically above the western appendage which contains the tower, lobby, bar and restaurant of the historic hotel complex. (See Attachment #7 for the location on the site plan.) This proposal does not change the location of where the additional height can occur on this site. This proposal adds 7 feet to the already approved 65-foot height limitation.

**Context** - The Downtown Land Use Plan recommends Downtown Office/Residential for properties to the northeast and south, and Suburban neighborhoods to the west. The surrounding zoning is north/east – C-2 DO, south – C-3 DO, and west – R1-7. To the north is an automobile repair business, offices, and retail uses. Offices and retail uses are located to the east. A vacant hotel is to the south, and to the west is a single-family residential subdivision.

The existing area is predominantly one- and two-story character. The property on the south side of Main Street was sold to another developer and their requested zoning will permit 65' buildings (Case 1-ZN-2004, Main Street Residences and Main Street Mews).

### **Key Issues**

#### *Historic Preservation and Building Height*

- On April 1, 2003, City Council, with a favorable recommendation from the Planning Commission, adopted amended development standards providing for 65-feet in building height in the planned tower for the Hotel Valley Ho.
- The owner's request, for 7-feet additional height, is the owner's response to a gap of \$4.5 million in the project's pro forma resulting from their recent notification that the project is not eligible for a federal tax credit.
- The proposed amendment helps to preserve and maintain the historic character of this significant resource.

### **IMPACT ANALYSIS**

#### **Historic Preservation and Other Policy implications**

The hotel was listed on the Scottsdale Historic Register in July 2002 because it is the only remaining intact historically and architecturally significant Post World War II resort in Scottsdale and most likely Arizona. At the time the original HP Plan was adopted, it was recognized that no other property within the downtown would have a basis for requesting the amendment of the development standards for the reasons being considered for the Hotel Valley Ho. The Historic Preservation Commission fully supports the owner's plan to rehabilitate this significant historic resource.

#### **Community Impact**

Approval of this request will demonstrate the City's support for the preservation of historic properties. It will show a willingness to understand and resolve the complexities of dealing with existing historic conditions, and

to be flexible in the administration of the development standards when it is necessary in order to retain the historic character of the community.

**Community Involvement**

This project has been the subject of an extensive public review process in 2002 and 2003. The owner has been in regular contact with the neighbors as the project has evolved. The result has been favorable. Staff attended an April 28, 2004 open house hosted by the applicant. That open house resulted in positive public comments.

**HPC  
RECOMMENDATION**

The HPC held a public hearing on this case on May 5, 2004 and recommended approval, 6-0.

**STAFF  
RECOMMENDATION**

**Recommended Approach:**

Staff recommends approval with the attached stipulations.

**RESPONSIBLE DEPT  
(s)**

**Preservation Division**  
Historic Preservation Program  
**Planning and Development Services Department**  
Current Planning Services

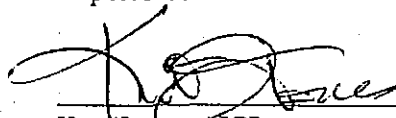
**STAFF CONTACT(S)**

Don Meserve  
Preservation Planner  
480-312-2523  
E-mail: dmeserve@ScottsdaleAZ.gov

**APPROVED BY**



Don Meserve, AICP  
Report Author



Kurt Jones, AICP  
Current Planning Director

**ATTACHMENTS**

1. Applicant's Narrative
2. Context Aerial
- 2A. Aerial Close-Up
3. Land Use Map
4. Zoning Map
5. Photo simulation showing addition
6. Stipulations
7. Composite Site Plan
8. Legislative Version: Amended Development Standard for C-3 and DO
9. Proposed Amendment for the Developmental Assistance Category in the Approved Hotel Valley Ho HP Plan
10. City Notification Map

# **Hotel Valley Ho Historic Preservation Plan Amendment and Amended Development Standard Narrative Cases 2-HP-2004 and 7-ZN-2002#3**

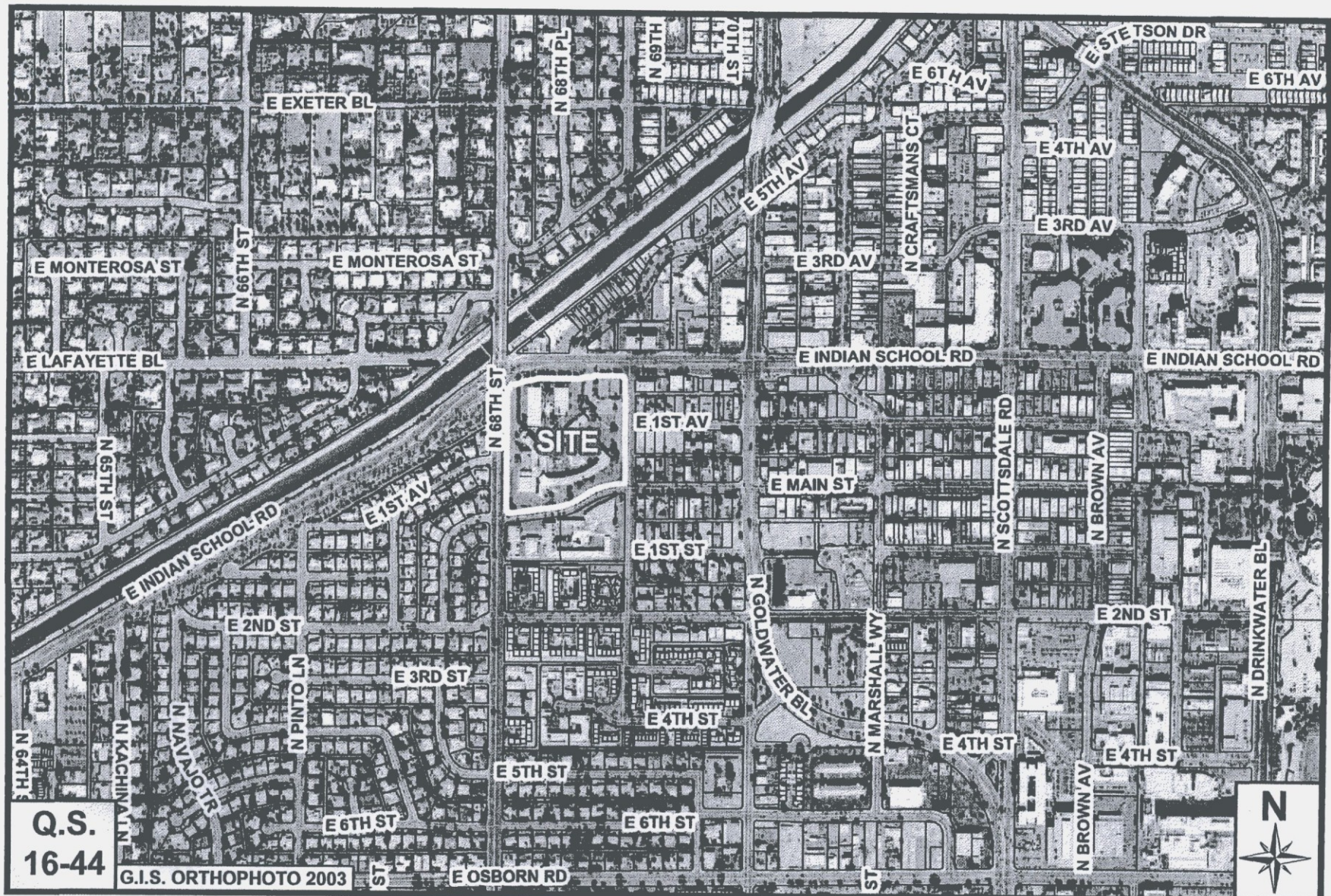
**Past Project Approvals** – Scottsdale City Council approved the HP-Historic Property overlay zoning for the historic Valley Ho in July 2002. The Hotel Valley Ho was placed on the Scottsdale Historic Register due to its historic and architectural significance to the community and its relationship to the development of Scottsdale as an arts colony and tourist destination. In 2003, the National Park Service evaluated the significance of the Hotel Valley Ho and made a preliminary determination that the resort is eligible for the National Register of Historic Places because it has exceptional historic significance. An HP Plan is mandated by the HP Ordinance, Section 6.119, for all properties designated HP by City Council. The HPC approved the character defining features and the design guidelines sections of the HP Plan on August 22, 2003 and used the approved design guidelines to review our site plan and elevations and approve a Certificate of Appropriateness for the Hotel Valley Ho in October 2002.

The HPC approved a comprehensive 'Hotel Valley Ho Historic Preservation Plan' on February 13, 2003, including three amended development standards that we requested to be consistent with the original site plan, landscaping, and planned addition. The amended standards in the plan included changes in the underlying C-3 zoning for building height, frontage open space and parking lot setbacks. City Council approved the HP Plan and Hotel Valley Ho amended development standards on April 1, 2003. We also worked with the City to prepare a financial incentives package, and City Council approved the 'Hotel Valley Ho Historic Preservation Incentive and Easement Agreement' on November 4, 2003.

**Recent Developments** – The approved incentives for this historic property also included technical assistance from the City to assist Westroc in obtaining a federal tax credit equal to 20% of the costs of rehabilitating the historic hotel. Plans for the rehabilitation of the hotel were submitted to the State Historic Preservation Office (SHPO) in the fall for approval and certification that the plans were consistent with the 'Secretary of Interior's Standards for Rehabilitation'. The application included the City-approved plans to construct additional stories above the existing one-story lobby and restaurant portion of the hotel to implement the documented original 1956 plans, engineering and construction. SHPO approved the plans and forwarded the plans to the National Parks Service with their favorable recommendation. Contrary to the City and State approvals, the National Park Service determined in April 2004 that the plans were not consistent with the Secretary of Interior's Standards. We projected the tax credit to be \$4.5 million, based upon current construction cost estimates for the historic hotel. This recent federal rejection is a major setback to the financial plans for a successful project because it means the project is not eligible for the federal tax credit.

**Proposed Response to Financial Setback/Requested Amendment** – Westroc has carefully considered our options for successfully completing this project in the face of this \$4.5 million financial shortfall. We have determined with our architects, Allen + Philp, that the best option is to request approval for an additional story above the lobby and restaurant. This option allows the project to proceed with only a minor delay, shifting the opening date from October to December of 2005.

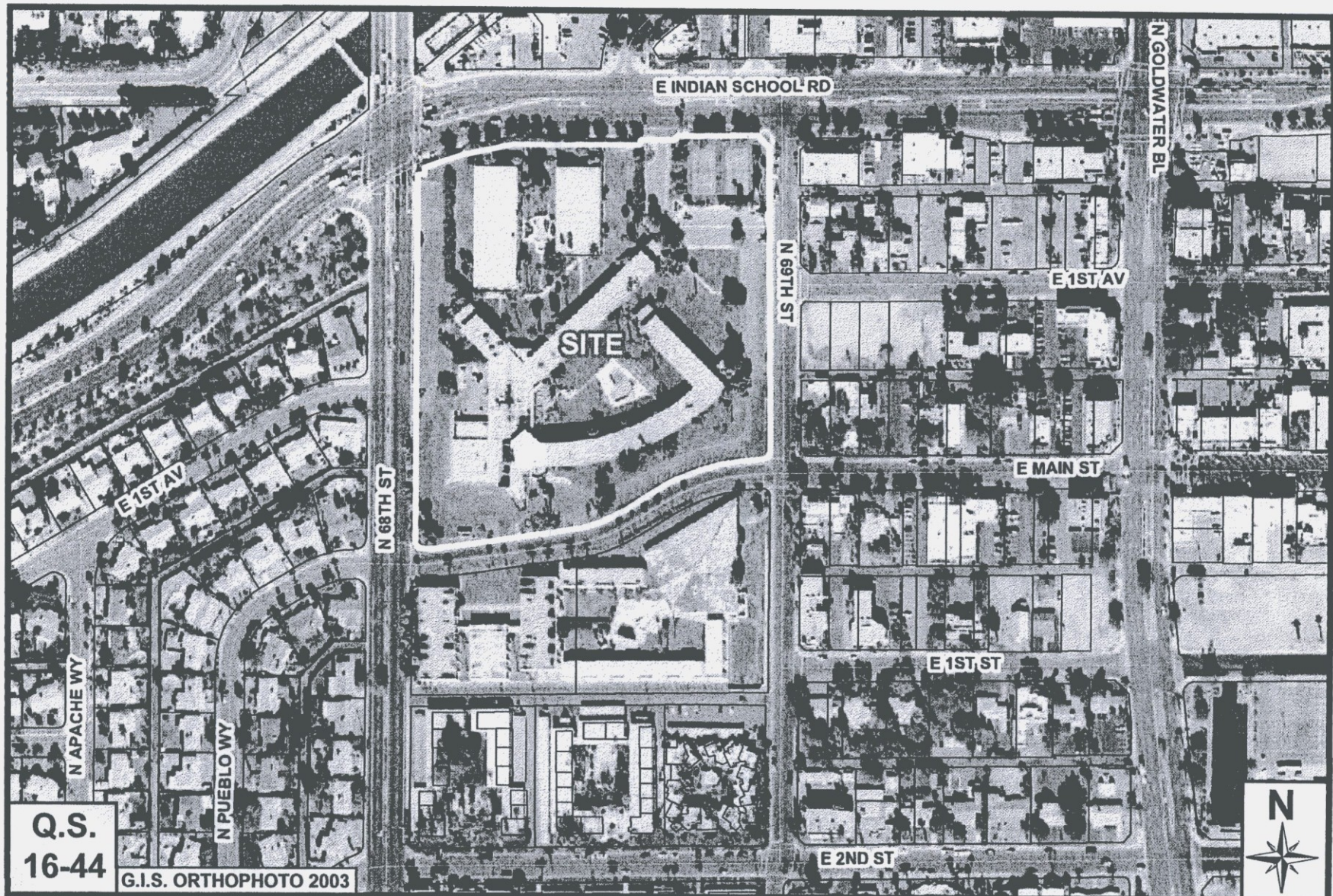
We have met with Preservation Division staff to discuss this approach and understand that the HP Plan needs to be amended to change the allowable height for this addition from 65' to 72', and that the amended development standard must be adopted by City Council in a zoning case, following hearings by the HPC and Planning Commission. Our rationale for requesting approval to construct one additional story is that the rehabilitation of the historic Hotel Valley Ho, and repositioning the 1950's hotel in the downtown Scottsdale marketplace, cannot be achieved financially without the added value of a modest increase in total square footage in the project.



Hotel Valley Ho

7-ZN-2002#3

ATTACHMENT #2

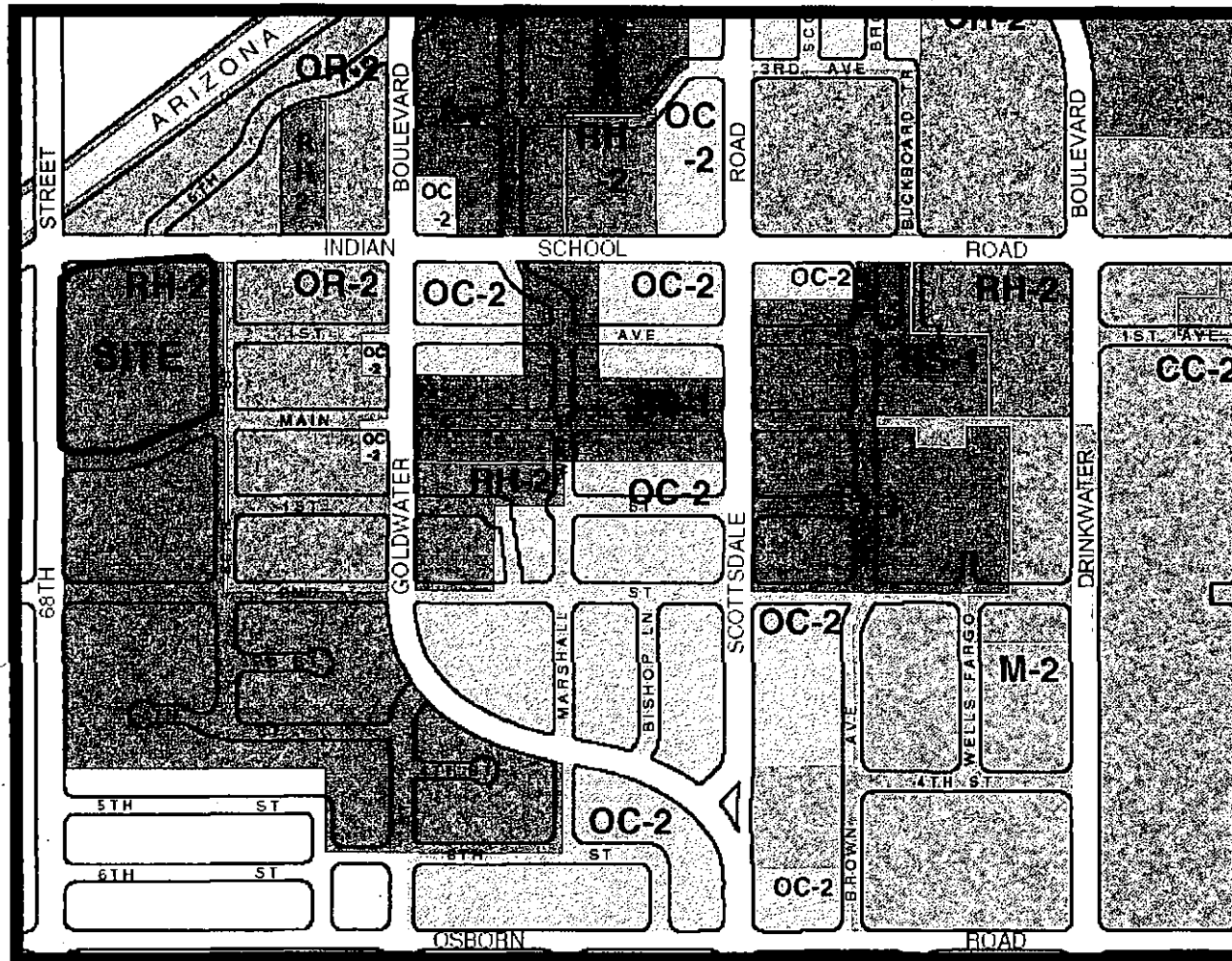


Hotel Valley Ho

7-ZN-2002#3

ATTACHMENT #2A

# Downtown General Plan

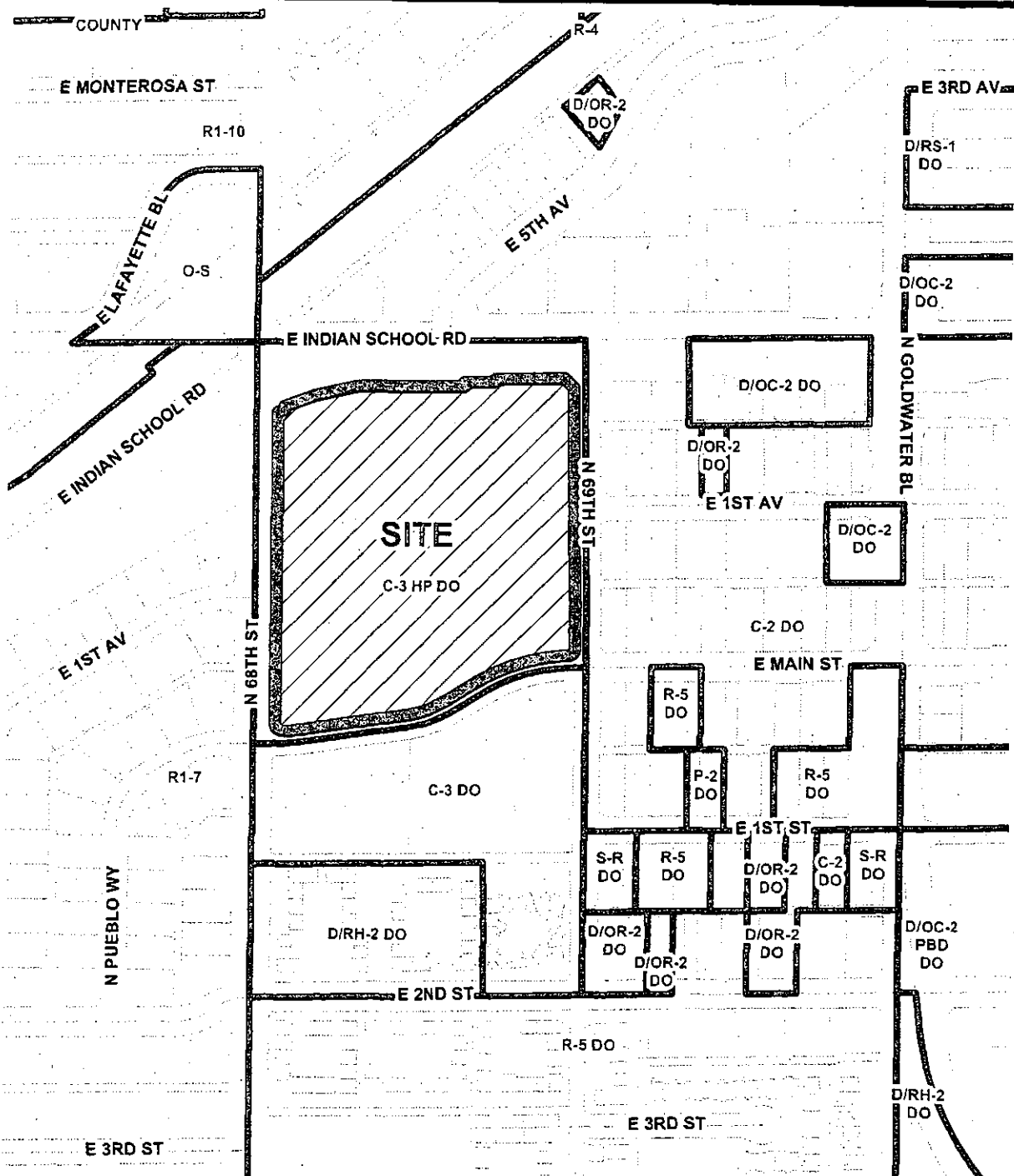


- |  |                    |  |                            |
|--|--------------------|--|----------------------------|
|  | Retail Specialty   |  | Residential/Hotel          |
|  | Office Commercial  |  | Regional Commercial/Office |
|  | Civic Center       |  | Residential High Density   |
|  | Office Residential |  | Medical                    |



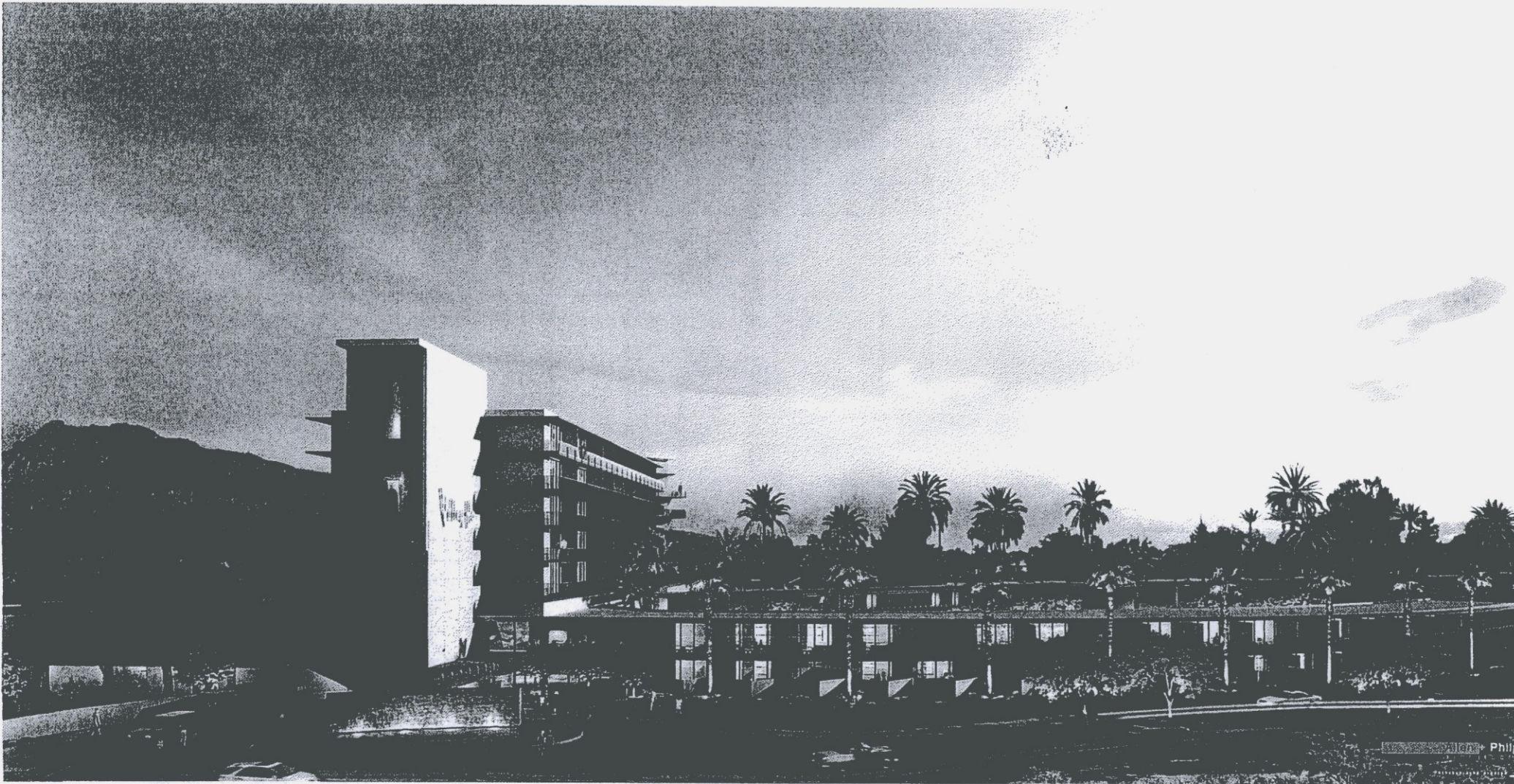
**7-ZN-2002#3**  
ATTACHMENT #3

Amend the development standards for building height for the tower only with Highway Commercial District, Historic Property, Downtown Overlay (C-3 HP DO) zoning.



7-ZN-2002#3

ATTACHMENT #4



### **STIPULATION FOR CASE 7-ZN-2002#3**

1. Any changes in the April 8, 2004 Composite Site Plan that are different from the January 30, 2003 Composite Site Plan Worksheet that was referenced in the stipulations for the amended development standards in case 7-ZN-2002#2 must be submitted for approval of a new Certificate of Appropriateness. If the amended development standard for building height in case 7-ZN-2002#3 is adopted, the application for approval of a revised site plan and a new Certificate of Appropriateness shall include new elevations for the portion of the project, called the tower, with a maximum building height of 72-feet.
2. The stipulations in this case take precedence over the stipulations for Case 7-ZN-2002#2.

58TH STREET (50'-0" RIGHT OF WAY)

INDIAN SCHOOL ROAD (± 170'-0" RIGHT OF WAY)

59TH STREET (50'-0" RIGHT OF WAY)

PHASE II  
FUTURE  
BALL ROOM

BALL ROOM

BACK OF HOUSE

BACK OF HOUSE

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

POOL

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

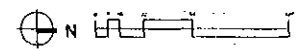
GUEST ROOM WING

GUEST ROOM WING

GUEST ROOM WING

PHASE II  
FUTURE  
RESTAURANT

COMPOSITE SITE PLAN  
SCALE: 1/8" = 1'-0"



**HOTEL VALLEY HO  
REHABILITATION**

Allen **ARCHITECTS**  
7034 east fifth avenue  
scottsdale, arizona 85261  
480 944 2888

**WESTROC HOSPITALITY**

A P D 2 0 5

NAME	DATE	SCALE

COMPOSITE SITE PLAN

DATE	DATE
SCALE	SCALE
DRAWN	DRAWN
CHECKED	CHECKED
SHEET NO.	SHEET NO.
A1.01	A1.01

© 2003 copyright owner: project name, inc.

LEGISLATIVE VERSION-C-3  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET

ADOPTED C-3 HIGHWAY COMMERCIAL AMENDED DEVELOPMENT STANDARDS  
FOR HOTEL VALLEY HO, SECTION 5.1504. PROPERTY DEVELOPMENT STANDARDS,  
WITH REQUESTED AMENDED DEVELOPMENT STANDARD SHOWN WITH  
STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD CAPS

Sec. 5.1504. Property development standards.

The following property development standards shall apply to all land and buildings in the C-3 district:

- A. *Floor area ratio.* In no case shall the gross floor area of a structure exceed the amount equal to eight-tenths multiplied by net lot area in square feet.
- B. *Volume ratio.* In no case shall the volume of any structure exceed the product of the net lot area in square feet multiplied by 9.6 feet.
- C. *Open space requirement.*
  - 1. In no case shall the open space requirement be less than ten (10) percent of the net lot area for zero (0) feet to twelve (12) feet of height, plus four-tenths percent of the net lot for each foot of height above twelve (12) feet.
  - 2. Open space required under this section shall be exclusive of parking lot landscaping required under the provisions of article IX of this ordinance.
- D. *Building height.* No building shall exceed thirty-six (36) feet in height, except that a building with a height not to exceed ~~sixty-five (65) feet~~ SEVENTY-TWO (72) FEET may only be added above the portion of the existing building generally above the public lobby, bar and restaurant areas as shown on the original 1956 valley ho plans, and except as otherwise provided in article VI or article VII.
- E. *Density.*
  - 1. Hotels, motels, and timeshare projects shall provide not less than ten (10) guest rooms and/or dwelling units with a minimum gross land area of one thousand (1,000) square feet per unit.
- F. *Yards.*
  - 1. *Front Yard.*
    - a. No front yard is required except as listed in the following three (3) paragraphs and in article VII hereof, unless a block is partly in a residential district, in which event the front yard regulations of the residential district shall apply.
    - b. A minimum of one quarter (1/4) of the open space requirement shall be incorporated as frontage open space to provide a setting for the building and a streetscape containing a variety of spaces.
    - c. Where parking occurs between a building and the street a yard of zero (0) feet in depth shall be maintained.
  - 2. *Side Yard.*

- a. A side yard of not less than fifty (50) feet shall be maintained where the side of the lot abuts a single-family residential district or abuts an alley which is adjacent to a single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A side yard of not less than twenty-five (25) feet shall be maintained where the side lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
3. **Rear Yard.**
  - a. A rear yard of not less than fifty (50) feet shall be maintained where the rear lot abuts a single-family residential district or abuts an alley which is adjacent to the single-family residential district. The fifty (50) feet may include the width of the alley.
  - b. A rear yard of not less than twenty-five (25) feet shall be maintained where the rear lot abuts a multiple-family residential district. The twenty-five (25) feet may include any alley adjacent to the multiple-family residential district.
4. All operations and storage shall be conducted within a completely enclosed building or within an area contained by a wall or fence as determined by Development Review [Board] approval or use permit.
5. Other requirements and exceptions as specified in article VII.

(Ord. No. 1840, § 1, 10-15-85; Ord. No. 2818, § 1, 10-17-95, Ord. No. 3502, § 1, 4-1-03)

legislativetextamendCC2

**LEGISLATIVE VERSION -DO  
AMENDED DEVELOPMENT STANDARD  
CASE 7-ZN-2002#3  
HOTEL VALLEY HO, 6850 E. MAIN STREET**

**ADOPTED DO-DOWNTOWN OVERLAY SECTION 6.1207. SITE DEVELOPMENT STANDARDS WITH REQUESTED AMENDED DEVELOPMENT STANDARD FOR HOTEL VALLEY HO SHOWN WITH STRIKEOUTS FOR DELETED TEXT AND NEW TEXT IN UNDERLINED BOLD**

**Sec. 6.1207. Site development standards.**

A. For municipal uses that require a Municipal Use Master Plan, the City Council may modify the property development standards of the underlying zoning district.

B. Schedule B prescribes development standards applicable to the (DO) downtown overlay district. References in the additional regulations column refer to regulations located elsewhere in the Zoning Ordinance.

**Schedule B  
Site Development Standards**

I. Development requirements within the (DO) Downtown Overlay (all non (D) Downtown zoned zoning districts)			Additional regulations
1.	Floor area ratio (FAR)	0.8	
	A. FAR bonus maximum	0.5	Section 6.1209
	Total maximum FAR (excluding residential)	1.3	
2.	Building Volume	No maximum	
3.	Open Space	None required and the site development shall demonstrate conformance to the Downtown Plan Urban Design and Architectural Guidelines.	

II. Site requirements within (DO) Downtown Overlay (all zoning districts)			
1.	Minimum site area	None required	
2.	Minimum front building setback	16 feet from planned curb	Sections 6.1207.C.2 and 6.1207.C.3.
3.	Minimum interior side building setback	None.	
4.	Minimum corner side building setback	16 feet from planned curb	
5.	Minimum rear building setback	Minimum of 50 feet when adjacent to single-family residential districts, and minimum of 25 feet when adjacent to multi-family residential districts. No minimum in all other instances except as required for off-street loading and trash storage.	

III. Building design requirements (all non-(D) downtown zoned	Properties with (S-R) Service	All other zoning districts
---	-------------------------------	----------------------------

zoning districts)		Residential zoning	
1.	Height maximum (all uses)	26 feet	36, <u>except that the area above the original lobby, bar and restaurant shown on the Composite Site Plan shall have a maximum height of 72 feet, and the exceptions in Section 7.102 still apply to this tower addition.</u>
2.	Building envelope, starting at a point 26 feet above the building setback line, the inclined stepback plane slopes at:	Does not apply	2:1 on the front, and 1:1 on the other sides of a property

IV. Residential density (all zoning districts)		
1.	Maximum residential density	23 dwelling units per gross acre

**C. Additional regulations.**

1. Spacing between two (2) buildings on the same site shall be not less than ten (10) percent of the larger building's two (2) longest adjacent sides at the space (e.g. Front and side).

2. Where existing setbacks on forty (40) percent or more of a block face are less than the specified setback, the required setback on a site to be developed shall be the average setback of the developed portion of the block face. Section 7.201 (adjustment of front yard requirements) shall not apply.

3. Buildings fronting on Camelback Road, Indian School Road, and on Scottsdale Road north from Camelback Road and south from Osborn Road to the Downtown Overlay district boundary, shall be setback forty (40) feet from the planned curb line. Buildings fronting on Drinkwater Boulevard and Goldwater Boulevard shall be setback thirty (30) feet from the planned curb line. The regulations of section 5.3062 shall also apply to these front setbacks.

(Ord. No. 3520, § 1, 7-1-03; Ord. No. 3543, § 1(Exh. 1), 12-9-03)

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with ~~strikeouts~~ for deleted text and new text in **UNDERLINED BOLD CAPS**

**Developmental Assistance**

This category of assistance addresses the existing building conditions of the historic hotel complex and its unique situation and needs relative to the City review processes and building, zoning and development codes.

**Building Permit Review**

The City recognizes from the outset that there will be many challenges in rehabilitating the historic buildings of the Hotel Valley Ho to meet the standards of modern building codes. The City is committed to providing flexibility in achieving the intent of the codes by allowing equivalent life safety measures for repairs, alterations and additions to the historic buildings. The alternative methods of achieving safety utilized by the Uniform Code of Building Conservation will be considered in reviewing approaches and treatments that might be acceptable for the Hotel Valley Ho rehabilitation.

**City Expedited Development Review**

The review of the development and building plans for work undertaken as part of the redevelopment and rehabilitation of the Hotel Valley Ho will be expedited in accordance with City procedures for providing such a review.

**Amendments to the Underlying Zoning Development Standards**

Section 6.119.A.5.c of the HP Ordinance provides for the modification of the standards set in the underlying zoning district in which a designated property is located if it will assist in its preservation. Accordingly, with the approval of this HP plan the development standards for the existing zoning of C-3 Highway Commercial will be amended for the Hotel Valley Ho property as follows:

**5.1504.D Building Height:**

*Justification for Amendment:* For the operation **REHABILITATION** of the hotel to be economically viable, additional ~~guest rooms~~ **SQUARE FOOTAGE** must be added to the complex. The most practical and sensitive location for the expansion to occur is by adding additional stories over the one- and two-story public area housing the lobby, lounge and restaurant. This is consistent with the original construction drawings that show this area was designed, engineered and constructed to allow for four additional floors of guest rooms. Therefore the expansion in this location is in keeping with the original design intent. Limiting the additional square footage to this one location also retains the historic arrangement of buildings and open space of the resort and preserves the historic appearance of the guest room wings. This approach to adding additional square footage also is considered the most acceptable method in keeping with the *Secretary of Interior's Standards for Rehabilitation*.

The purpose of historic preservation is to maintain the historically significant features of the property while providing for the continued evolution and economic use of the property. The existing building layout on the property is a fixed feature the owner must work with and around. This limits the development opportunities of the property. Additional building height in the location proposed achieves both objectives for the property.

*Proposed Amendment:* Maximum height will be extended from thirty-six (36) feet to ~~sixty-five (65) feet~~ **SEVENTY-TWO (72) FEET** to allow for the expansion **NEW CONSTRUCTION** to occur while minimizing the impact on the Hotel Valley Ho's character-defining features.

**PROPOSED AMENDMENT FOR THE DEVELOPMENTAL ASSISTANCE CATEGORY  
OF CITY PRESERVATION ASSISTANCE IN THE APPROVED HOTEL VALLEY HO HP PLAN**  
Requested amendment to text shown with ~~strikeouts~~ for deleted text and new text in **UNDERLINED BOLD CAPS**

**5.1504.D Frontage Open Space:**

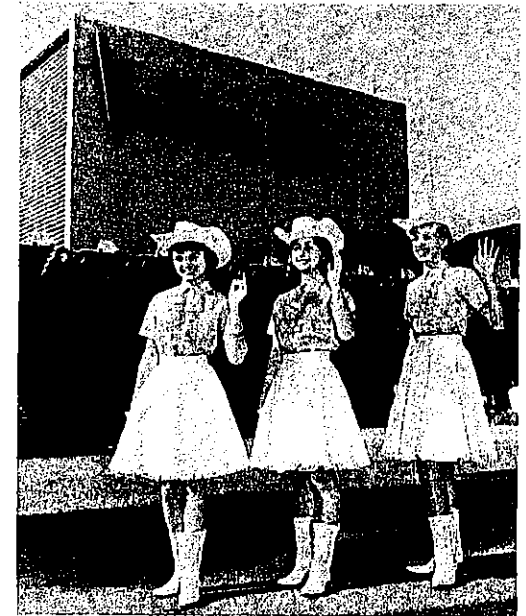
***Justification for Amendment:*** Although the hotel complex as a whole meets the City's open space requirements, there is not sufficient open space along the property's frontage. It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a minimum of one-half (1/2) of the open space requirement be incorporated as frontage space should be modified to reflect the percentage of frontage open space that existed historically on the site

***Proposed Amendment:*** Required frontage open space on the Hotel Valley Ho should be reduced to one-quarter (1/4) of the open space requirement.

**5.1504.F.1.c Parking Setback:**

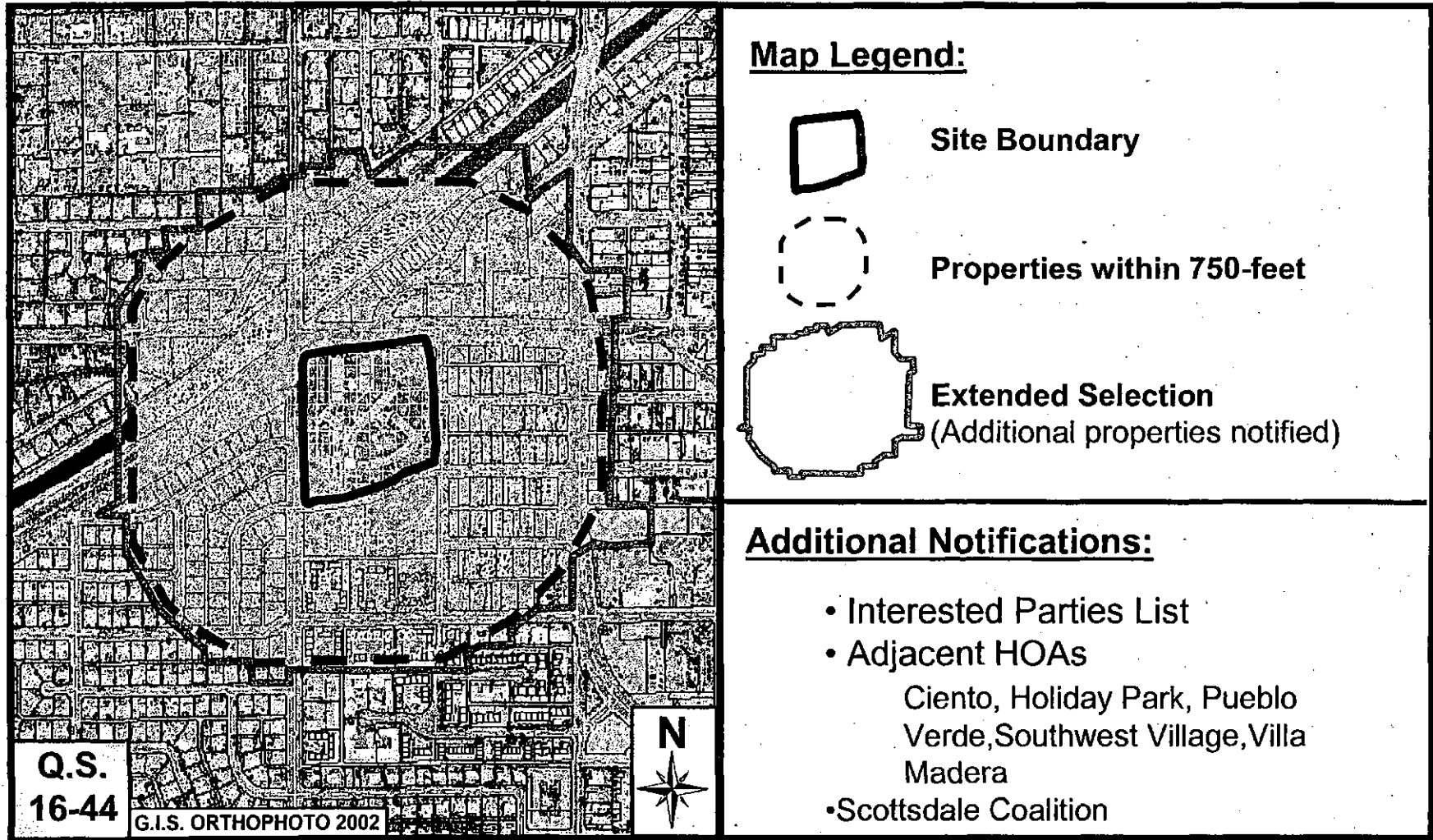
***Justification for Amendment:*** It should be recognized that the existing conditions on the site are part of its historic character and the current arrangement of the physical elements including the existing buildings, parking locations and open spaces, contributes to the property's significance. Consequently, the current requirement that a yard of thirty-five (35) feet in depth shall be provided between parking and the street should be modified to reflect the existing arrangement of the parking locations.

***Proposed Amendment:*** Requirement for thirty-five (35) feet yards between parking and the street be modified to allow existing parking and setbacks to remain.



Attachment: Original and Proposed Addition Intent Comparison,  
Prepared by Allen + Philp, Architects

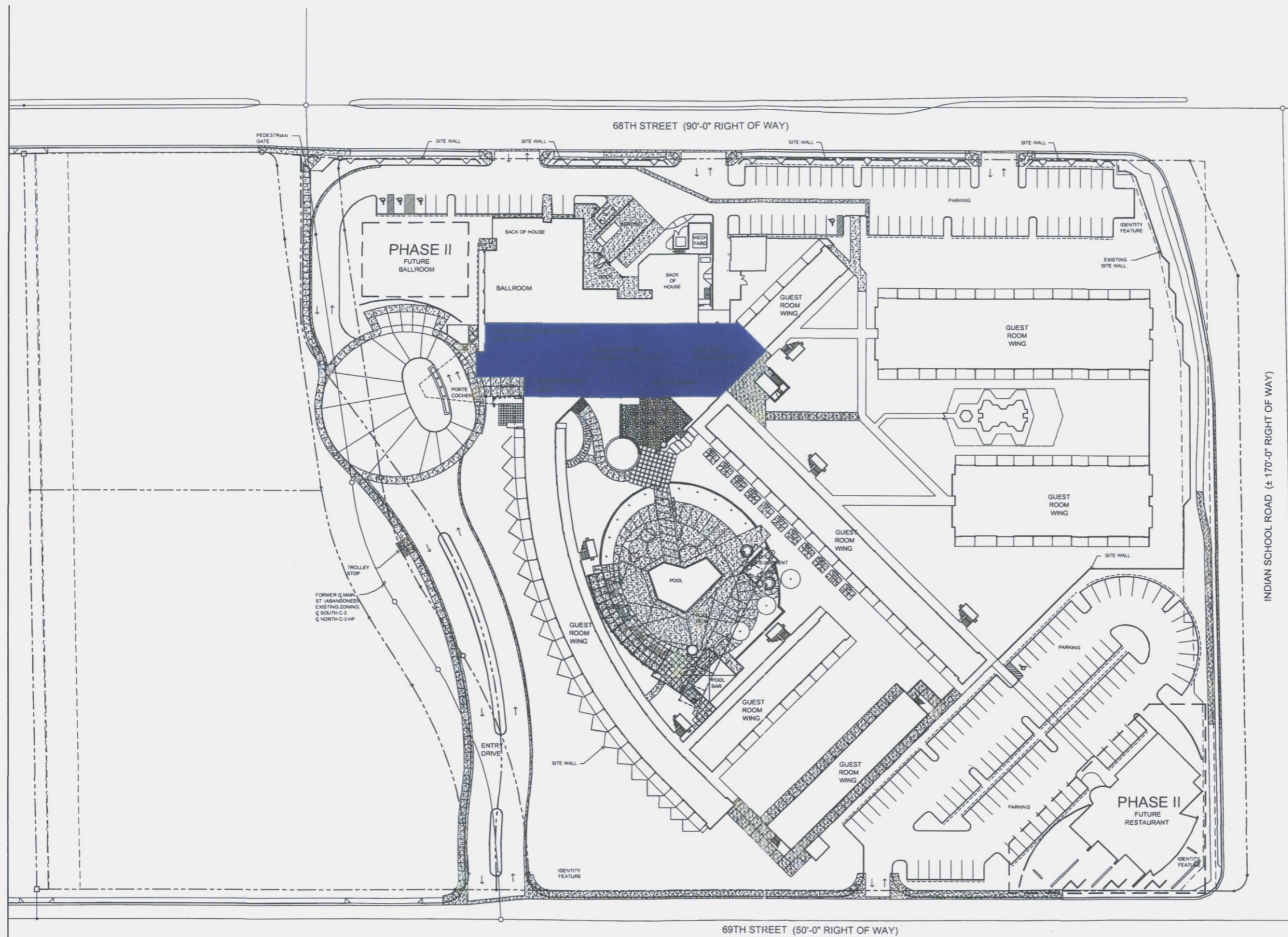
## City Notifications – Mailing List Selection Map



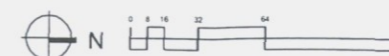
## Hotel Valley Ho Historic Preservation Plan Amendment

**7-ZN-2002#3**

ATTACHMENT #10



**COMPOSITE SITE PLAN**  
SCALE: 1/32" = 1'-0"



**HOTEL VALLEY HO  
REHABILITATION**

**Allen & Philip  
architects**  
7030 East Fifth Avenue  
Scottsdale, Arizona 85251  
480 990 2800

**WESTROC HOSPITALITY**

A P 0 2 0 5

ISSUE #	ISSUE DATE	ISSUE TITLE

**COMPOSITE SITE PLAN**

DATE	08 APRIL 04
SCALE	1/32" = 1'-0"
DRAWN	
CHECKED	

SHEET NO:  
**A1.01**



E 5TH AV

E INDIAN SCHOOL RD

N 69TH ST

E 1ST AV

E MAIN ST

E 1ST ST

N 68th Street

PUEBLO WY



