

**Project Application**  
**Project Narrative**  
**Project Data Sheet**  
**Amended Development Standards**  
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**Owner's Letter(s) of Authorization**

## **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. 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.

**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**  
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**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 -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
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zoning districts)		Residential zoning	
1.	Height maximum (all uses)	26 feet	<u>36, 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)

LEGISLATIVE VERSION  
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)

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