

PLANNING COMMISSION REPORT



Meeting Date: February 10, 2021
General Plan Element: *Land Use*
General Plan Goal: *Create a sense of community through land uses*

ACTION

The Kimsey (Triangle) 10-ZN-2020

Request to consider the following:

1. A recommendation to City Council regarding a request by owner for a Zoning District Map Amendment from Central Business Downtown Overlay (C-2 DO) district to Downtown/ Downtown Multiple Use Type-2 Planned Block Development Downtown Overlay (D/DMU-2 PBD DO) district on +/- 3.4 acres of a +/- 3.87 acre site, and Downtown/ Downtown Multiple Use Type-2 Planned Block Development Downtown Overlay Historic Property (D/DMU-2 PBD DO HP) district, on +/- 0.40 acres of a +/- 3.87 acre site, with a Development Plan for a mixed-use development including a 168 room hotel, 230 dwelling units, restaurant, and support commercial uses, and a Historic Preservation Plan, located at 7110 and 7120 E. Indian School Road and 7117 E. 3rd Avenue.

Goal/Purpose of Request

The applicant is seeking to redevelop the property with a mixed-use development including a 7-story hotel with 168 guest rooms and a 7-story residential building with 230 units. Also, a component of the Development Plan is preservation of the 1961 2-story Kimsey building designed by Ralph Haver, through a Historic Property (HP) Overlay and Historic Preservation Plan. The Kimsey (Triangle) building sits on +/- 0.40 acres at the southeast corner of the Development Plan.

Key Items for Consideration

- Planned Block Development (PBD) Overlay District Criteria
- Amended Development Standards related to setbacks for hotel along 3rd Avenue result in a 7-story (90 feet) vertical wall along that building elevation
- Historic Preservation Plan includes Historic designation for the Haver/Kimsey Building
- Staff has received public support, and no opposition at the time of this report
- The Development Review Board recommended approval of the Development Plan on January 21, 2021 with a vote of 6-0.
- The Historic Preservation Commission is scheduled to hear the proposal on February 4, 2021.

OWNER

Scottsdale Inn, Kimsey Prop. & Valley of the Sun

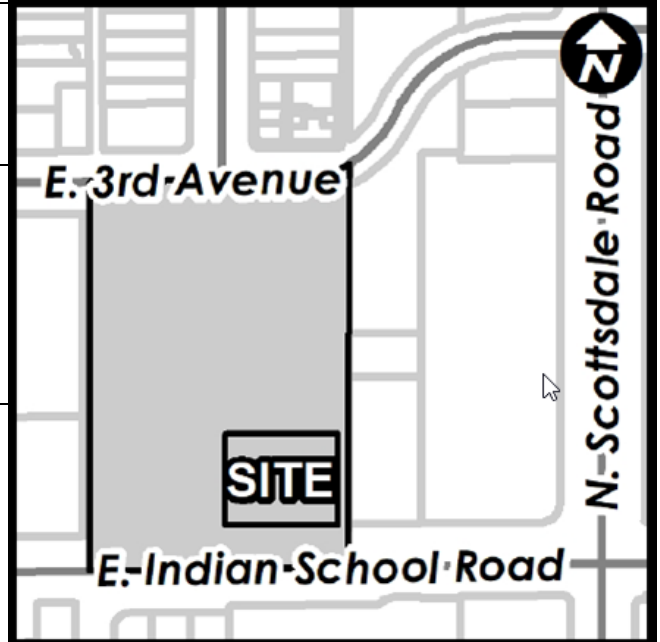
APPLICANT CONTACT

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ARCHITECT

Sydnor
Doug Sydnor
480-206-4593

LOCATION



7110 and 7120 E. Indian School Road and 7117 E. 3rd Avenue

BACKGROUND

General Plan

The Land Use Element of the City of Scottsdale 2001 General Plan designates the properties within the development proposal as Mixed-Use Neighborhoods, which includes higher density residential combined with complementary office or retail uses, generally located in areas having access to multiple modes of transportation. Furthermore, the properties are located within a General Plan designated Growth Area - specific locations within the community that are most appropriate for development focus, and will best accommodate future growth, new development, and redevelopment.

Old Town Scottsdale Character Area Plan (OTSCAP)

The properties within the development proposal are located within the boundary of the Old Town Scottsdale Character Area Plan (OTSCAP), a policy document that guides growth and development decisions for Scottsdale’s downtown area. The properties are designated as Downtown Multiple Use within the Type 2 development area, located within the OTSCAP designated Fifth Avenue District. Multiple Use areas provide a mix of activities through the development of mutually supportive land uses. Type 2 development is suited for higher-scale mixed-use projects. The Fifth Avenue District is generally defined as an area within Old Town that contains unique retail stores, restaurants, and public art. Furthermore, importance is placed on open space and pedestrian connections as they are significant in linking activity to adjacent Districts.

Zoning

The site was annexed into the City in 1951 (Ord. #1) and zoned to the Central Business (C-2) zoning designation. In 2003 the City Council adopted Ord. 3521 applying the Downtown Overlay (DO) over the downtown area, including the subject site. The C-2 district is intended to permit uses for recurring shopping and service needs for multiple neighborhoods. This district includes uses usually associated with office and retail shopping developments, typically located near residential neighborhoods. The DO allows the site to utilize certain standards of the Downtown (D) district, to develop consistent with the Old Town Plan.

Historic Preservation Plan

The proposed Historic Preservation Plan & Design Guidelines for the Historic Property Overlay (Attachment 11) includes the history of the Kimsey Building and the building's historical significance. The Plan's design policies and guidelines in Chapter 3 and recommendations for preservation in Chapter 4 are intended to preserve the significant features of the building and site. The Historic Preservation Policies and Guidelines in the Historic Preservation Plan can be amended with the approval of the Historic Preservation Commission.

Context

Located on the north side of E. Indian School Road and south of E. 3rd Avenue, approximately 200 feet east of N. Marshall Way in Old Town Scottsdale, the site is situated in the Fifth Avenue Old Town District. The site is currently occupied by the Kimsey building, the Howard Johnson Hotel, and The Venue. The surrounding area consists mainly of one and two-story retail, service, and gallery shops constructed throughout the 1960's, 70's and 80's. A three-story office building borders the site to the east. The area of the requested HP designation is +/- 0.40 acres located at the southeast corner of the development site, over the Kimsey Building and extending to the front property line along the Indian School Road frontage. Please refer to context graphics attached.

Adjacent Uses and Zoning

- North: One and two-story retail, service, gallery shops constructed in the late 1980's, with C-2 DO zoning.
- South: One and two-story office & restaurant uses constructed between the late 1960's to 2000's, with C-2 DO zoning.
- East: Three-story office building constructed in the 1980's, with Downtown Office/Residential Type-2, Planned Block Development, Downtown Overlay (D/OR-2 PBD DO) district zoning.
- West: One-story retail, service, gallery shops constructed in the late 1970's, with C-2 DO zoning.

Other Related Policies, References:

- Scottsdale General Plan 2001, as amended
- 2018 Old Town Scottsdale Character Area Plan
- Zoning Ordinance

APPLICANT'S PROPOSAL

Development Information

The applicant is seeking a recommendation from Planning Commission to the City Council regarding a zoning district map amendment from C-2 DO to D/DMU-2 PBD DO, including a Historic Preservation (HP) designation over a portion of the site. The goal of the applicant's request is to redevelop the property with a mixed-use development including a 7-story hotel with 168 guest rooms and a 7-story residential building with 230 units. Also, a component of the Development Plan is preservation of the 1961 2-story Kimsey building designed by Ralph Haver. The Kimsey (Triangle) building sits on +/- 0.40 acres at the southeast corner of the development plan.

The hotel building extends along the northern portion of the site, fronting on E. 3rd Avenue, with the residential building fronting on E. Indian School Road and wrapping around the Kimsey building to the north and east. A single parking structure with one level below grade and one level at grade runs across the majority of the site area, underneath portions of the new buildings. The shared parking structure has access points from E. 3rd Avenue and the alleyway that runs along the western boundary of the site. The above ground portions of the parking structure are screened by the new buildings and will not be visible from off-site. Within the parking structure the applicant is proposing a high-efficiency parking facility that will maximize the number of stalls provided within the garage through application of an automated parking "puzzle" installation, for approximately 62% of the provided parking. The remaining spaces will be standard spaces.

The residential building provides a building setback greater than 30 feet from E. Indian School Road as well as a generous inclined stepback in the building massing. The residential building proposes to respect the context of the existing Kimsey building by providing a setback buffer around the west and north sides of the building and internal building stepbacks. A minimum 20-foot-wide building setback is provided on E. 3rd Avenue, and the applicant is proposing adjustments to the building setback requirements along the north edge to remove the inclined stepback, and the west and east edges of the site from a 1:1 (rise/run) ratio to approximately a 4:1 ratio. Additional detail and analysis of the building massing is provided in Staff's Analysis of the Development Review Board Criteria (Attachment 12).

New shaded sidewalks with a minimum width of 8-feet will be constructed along the E. Indian School Road and E. 3rd Avenue site frontages. Additionally, a new public pedestrian connection and sidewalk will be provided along the eastern boundary of the site, extending from the sidewalk on E. Indian School Road to the sidewalk on E. 3rd Avenue. This new mid-block connection will provide more convenient pedestrian access from Indian School Road to Craftsman Court north of the site. Open space and landscaping are provided along the project frontages, along the eastern boundary of the site, and between the Triangle building and the residential building.

Description of Existing Building/Property For Preservation (Kimsey Building)

Designed by Ralph Haver in 1961 and built by David J. Friedman of Butler Home Builders in 1962, The 2-story Kimsey Building is approximately 16,000 square feet and currently houses a mix of commercial/service-related uses. The structure has a very strong street presence on E. Indian School

Road, with full height glazing and prominent, symmetrically composed and low-pitched roof form. Surface parking is immediately accessible off the street, in front, and convenient.

As an excellent example of a Contemporary-style commercial building, the Kimsey Building is eligible for historic designation by the City of Scottsdale and for individual listing on the National Register of Historic places at a local level of significance under Criterion C (Design) in the Areas of Architecture and Commerce in Metropolitan Phoenix during the Modern Movement period of 1945 to 1975.

Through implementation of the HP designation, the Kimsey Building is planned to become a key centerpiece in the infill mixed-use development of residential and a boutique hotel; and its midcentury modern spirit and aesthetic will influence and infuse the rest of the development. The intention is to provide an appropriate setting for this historic piece by retaining the parking and open space fronting on E. Indian School Road and creating a spatial distance from the new structures. The HP boundary includes the existing building and setting in front of the building, including the parking spaces directly adjacent to the front of the building. The second row of parking spaces, closest to E. Indian School Road will be removed to accommodate new sidewalk and street improvements.

Please refer to the applicant’s Development Plan (Attachment #3) and proposed Historic Preservation Plan (Attachment #11) for a detailed description of the building’s historic significance, design features, and history.

- Existing Use: Retail/Service/Entertainment/Hotel
- Proposed Use: Mixed-use
- Parcel Size: 168,391 square feet / 3.87 acre (gross)
144,173 square feet / 3.30 acre (net)
- Residential Building Area: 275,000 square feet
- Commercial Building Area: 120,000 square feet
- Total Building Area: 395,000 square feet
- Gross Floor Area Ratio Allowed: 1.4
- Floor Area Ratio Provided: 0.71
- Building Height Allowed: 66 feet w/out bonus (exclusive of rooftop appurtenances)
120 feet w/ bonus (exclusive of rooftop appurtenances)
- Building Height Proposed: 96 feet (inclusive of rooftop appurtenances)
- Parking Required: 461 spaces (per parking master plan)
- Parking Provided: 490 spaces
- Open Space Required: None
- Open Space Provided: 23,489 square feet / 0.54 acres
- Number of Dwelling Units Allowed: 193 units w/out bonus
- Number of Dwelling Units Proposed: 230 units w/ bonus
- Density Allowed: 50 dwelling units per acre w/out bonus
- Density Proposed: 59.5 dwelling units per acre w/ bonus

Development Standards

The development plan is proposing development standards that align with the requirements of the Downtown (D) district standards, with the exception of a few proposed modifications to the setback requirements along East 3rd Avenue, the eastern and western property boundaries. Additionally, some building location requirements are being adjusted along the E. Indian School Road to accommodate the existing Kimsey Building, and along E. 3rd Avenue to accommodate the proposed hotel building. The portions of the proposed development standards that vary from the D requirements are detailed in the legislative draft of Property Development Standards presented as part of the Development Plan and included in this report as Exhibit A to Attachment 3. Building setbacks and all other requirements are consistent with the D district standards.

IMPACT ANALYSIS

Land Use

The General Plan (Mixed Use Neighborhoods) and Old Town Plan (Downtown Multiple Use) designations encourage higher density housing combined with, office, retail, and other uses that are compatible in a mixed-use format. These plans encourage new developments, redevelopment and infill that strengthen the Downtown's mix of uses and activities through mutually supportive land uses. The applicant's proposal includes a comprehensive summary of the development and how the requested zoning conforms to the policies of the General and Old Town Plans (Exhibit B to Attachment 3).

The proposed use for the site area is a residential multiple-family development consisting of 230 units and a hotel with 168 rooms. Additionally, the existing Kimsey Building on the site will be preserved and repurposed with supportive commercial land uses. The proposed zoning designation of Downtown/ Downtown Multiple Use – Type 2 Planned Block Development Downtown Overlay Historic Property (D/DMU-2 PBD DO HP) allows the proposed uses and is consistent with the General Plan and Old Town Plan. The proposed development is consistent with the Old Town Plan as it pertains to strengthening an 18-hour mixed use center with a variety of housing types in the Old Town area. Furthermore, the proposed development assists in providing a mutually supportive land use, which encourages sustainability by providing land uses in proximity to one another and incorporating uses that contribute to an active downtown. The applicant proposes to bury existing above-grade powerlines in conjunction with the development request – consistent with both 2001 General Plan (Growth Area Element) and Old Town Scottsdale Character Area Plan (Character & Design Chapter) policy.

Located on the north side of E. Indian School Road, south of E. 3rd Avenue, and approximately 200 feet east of Marshall Way, the development is situated in an area of Old Town that is primarily low scale office/services and is transitioning as older properties redevelop. The proposed development is consistent with the uses and character of the area. The proposed zoning district, D/DMU-2 PBD DO, is consistent with the Old Town Plan's associated zoning designation and abutting properties.

The proposed Historic Property (HP) overlay on this property is consistent with the City's General Plan and city policies to identify and protect significant historic resources. In the Land Use chapter of the General Plan, one of the values is to recognize the community's unique identity. The preservation the

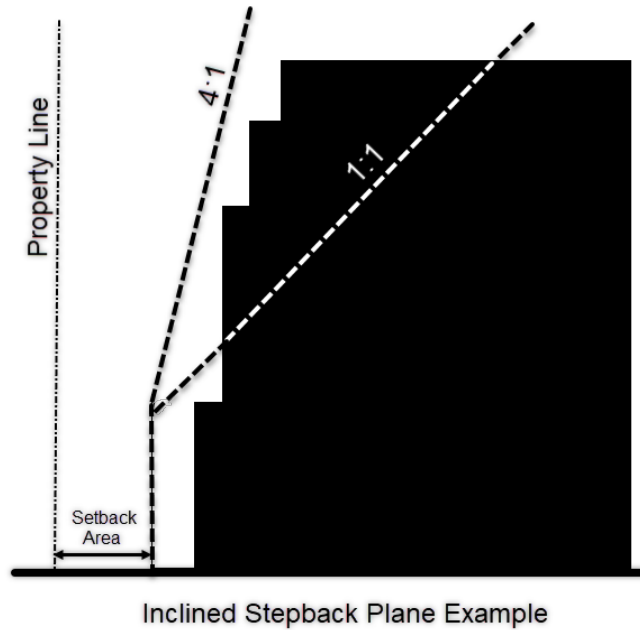
Kimsey Building through Historic Property overlay promotes the historical identity and development of Scottsdale. A Land Use goal of the General Plan is to encourage land uses which promote Scottsdale's sense of place.

PBD Criteria

In accordance with Section 6.1304.B of the Zoning Ordinance, the Planning Commission shall make a recommendation to City Council, based on the following PBD criteria:

1. The Development Plan shall reflect the goals and policies of the Character & Design chapter of the Old Town Character Area Plan.

- The Old Town Scottsdale Character Area Plan places importance on the character created by new building design, and how it may address adjacent development and still be architecturally interesting (Character & Design Chapter, Goals CD1 and CD 9). The applicant's Development Plan states that future development resulting from the proposal will utilize materials, massing, and architecture inspired by Old Town's established urban context. This includes "specific design considerations have been given to the street frontages maintaining context appropriate building massing, pedestrian-scaled architectural elements/overhangs, landscape shaded walkways, and enhanced hardscape design".
- The Old Town Scottsdale Character Area Plan discusses providing sensitive transition between different development types (Goal CD 2). The subject site is adjacent to the Type 1 Development boundary along the western, northern, and a small section of the southern edge of the site. Type-2 development allows up to 120 feet of building height and a floor area for commercial uses (GFAR) that is equal to three (3) times the gross lot area (3.0). The proposed development plan limits the height to 90 feet and GFAR to 1.4 times the gross lot area, allowing this development to transition from the Type-1 into the Type-2 areas to the south and east. In lieu of any major setbacks along this frontage of the proposal, the applicant is providing "multiple stepped building transitions" in the form of an inclined stepback plane that has a ratio of 4:1 (4 feet of height for every 1 foot of setback – see exhibit below for illustration of inclined stepback planes) beginning at 30 feet above the property line, as proposed via amended development standards. This will result in a more vertical transition between the two Development Types than would typically occur with base development standards – typically, a Type 2 Development inclines at a ratio of 1:1 (1 foot of height for every 1 foot of setback) beginning 30 feet above a property line, when adjacent to a Type 1 Development, which would result in the upper floors of a building being pushed back from the plane of the lower floors so as to reduce the apparent height of the building. The applicant states that the design of new buildings on the subject property will incorporate "layers, textures and variety in materials providing four-sided architectural character that responds to the Sonoran Desert climate while also respecting solar orientation and view corridors from adjacent properties".



- The Old Town Scottsdale Character Area Plan discusses the importance of sustainable building practices, while extending the life cycle of existing downtown building stock, through adaptive reuse (Goal CD 10 and Policy CD 10.5). As such, and as proposed, the applicant is pursuing the preservation of the triangular, Kimsey Building that is located onsite via a Historic Property overlay. Furthermore, and as per the applicant, design elements throughout the development proposal intend to celebrate the significance of this building.
- The Old Town Scottsdale Character Area Plan addresses the importance of the pedestrian environment and how interaction with open spaces – and landscaping – can enhance this environment (Policies CD 1.5, CD 3.2, CD 4.1, CD 4.3, Goal CD 6, CD 7, M 1, and M 2). The applicant’s Development Plan addresses the pedestrian environment, open space areas, and landscaping:
 - **Pedestrian Environment** - The Development Plan includes detail and direction regarding the pedestrian environment on all street frontages that are affected by this proposal via the Proposed Pedestrian and Vehicular Circulation Plan. This includes an 8-foot wide, north/south pedestrian path internal to the site as well as shaded pedestrian spaces along both 3rd Avenue and Indian School Road frontages.
 - **Open Space** – Open spaces within the Development Plan align with, and provide continuity to, pedestrian paths and sidewalks – along the eastern edge of the subject site as well as along both 3rd Avenue and Indian School Road frontages. These spaces will include shade elements and arcades, seating, and lighting.
 - **Landscaping** - The applicant states that “a variety of plants that will provide year-round color, shade, and texture for the site” – including those that are drought-

tolerant. In review of the Development Plan, the applicant provides a specific, cohesive plant palette for use in streetscaping, pedestrian spaces, and other open space areas. Furthermore, the applicant intends to incorporate the rhythmic planting of Sissoo Trees along the subject site's Indian School Road frontage, which is indicative of what is currently present along this roadway.

- Lighting within Old Town is important as it can provide a safe and inviting environment for all (Goal CD 8). The Development Plan provides generalized direction related to future lighting utilized throughout the project, including stating that "Lighting designs are... low-level with no glare or excessive intrusion for adjacent properties. Lighting is placed in a thoughtful way to provide safe pedestrian wayfinding at night and highlight paths leading along street frontages in keeping with the urban setting".

2. Criteria to add land uses

- a. Each proposed land use helps maintain a balance of land uses in the Downtown Area in accordance with the Downtown Plan.**
- b. Each proposed land use is compatible with the adjacent development, and strengthens the mix of land uses and activities in the Downtown Area.**
- c. Each proposed land use substantially implements the pedestrian oriented, twenty-four (24) hour downtown community goals of the Downtown Plan.**

The proposed development will utilize the land uses permitted within the Downtown district and is not requested any additional land uses. This criterion is not applicable.

3. Criteria to achieve bonuses

- a. The proposed Development Plan reflects noteworthy investments to provide public benefits, improve the quality of life for the community, and assist in achieving the goals and policies of the General Plan, Downtown Plan and City objectives, in the vicinity where the development will be located.**

In addition to the 1% contribution for public art in accordance with the City's Cultural Improvement Program requirements, the proposed Development Plan incorporates bonuses for an additional thirty (30) feet of height for a total maximum building height of ninety-six (96) feet, including rooftop appurtenances, and an additional 36.5 dwelling units for a total density on the site of 59.5 dwelling units per acre. To achieve the requested bonuses, the owner is required to contribute \$875,678.30 to the City for Special Public Improvements in accordance with the Bonus Provisions of the Zoning Ordinance (Section 7.1200). Details regarding the disbursement of these funds will be detailed in a development agreement that is subject to City Council review and approval with the proposed application. Additionally, use of the PBD overlay is facilitating redevelopment of an underutilized property within the downtown area that will contribute to enhanced streetscape design, pedestrian amenities, activation of the downtown, and sustainable design including application of the International Green Construction Code (IGCC) for all new construction on the property.

Development Review Board Criteria (PBD)

In addition to the above criteria, the Development Review Board made a recommendation of approval based on specific PBD design criteria. Please refer to Attachment 12 for a summary of the Development Review Board criteria and analysis of the amended site development standards.

Historic Preservation Plan Requirements

In accordance with Zoning Ordinance Section 6.119 Historic Preservation Plan, Subsection A, the historic preservation plan shall:

(Please see Attachment 11 for the applicant's proposed Historic Preservation Plan)

1. Identify the geographical location of the HP District, and

Staff Analysis:

The geographic location of the HP District is provided in Chapter 2: Building Description & Significance and in Chapter 4: Section 101 Site Plan.

2. Specify the objectives concerning the development or preservation of buildings, sites, objects, structures and landmarks within the HP District, and

Staff Analysis:

Objectives concerning the preservation of the building, site, objects, and structures within the HP District are provided in Chapter 1: Introduction, Chapter 3: Historic Preservation Policies and Guidelines, and Chapter 4: Recommendations for Preservation of Character-Defining Elements and Rehabilitation of Adaptive Uses.

3. Formulate a program for public action including the provision of public facilities and the regulation of private development and demolition necessary to realize these objectives, and

Staff Analysis:

Provision of public facilities and regulation of private development and demolition necessary to realize these objectives is provided in Chapter 3: Historic Preservation Policies and Guidelines, and Chapter 4: Recommendations for Preservation of Character-Defining Elements and Rehabilitation of Adaptive Uses.

4. Describe any plans for public access and visitation of the property, including any planned participation in a cultural heritage tourism program, and

Staff Analysis:

Plans for public access is provided in Chapter 3: Historic Preservation Policies and Guidelines, and Chapter 4: Recommendations for Preservation of Character-Defining Elements and Rehabilitation of Adaptive Uses.

5. Set forth standards necessary to preserve and maintain the historical character of the historic resource. These standards shall include design guidelines that shall apply only to the exterior features of the historic resource.

- a. Each Historic Preservation Plan shall include a general set of standards, reflecting the overall character of the HP District, which shall be used by the Historic Preservation Commission and the Historic Preservation Office to review applications for the certificates required within the HP District.**

Staff Analysis:

General standards that will be used by the Historic Preservation Commission and the Historic Preservation Office to review applications for the certificates required within the HP District are provided in Chapter 3: Historic Preservation Policies and Guidelines, and Chapter 4: Recommendations for Preservation of Character-Defining Elements and Rehabilitation of Adaptive Uses.

- b. When the HP District involves single-family residences, the Historic Preservation Plan may include a development agreement and/or a preservation easement.**

Staff Analysis:

The proposed HP District does not involve any single-family residences.

Preservation and Environmental Planning

The vision statement of the Preservation and Environmental Planning element of the General Plan emphasizes Scottsdale's commitment to preserving historic resources. This chapter also states that "Historical and cultural preservation represents a responsibility of Scottsdale citizens to maintain unique and significant structures and areas established in the past for the use, instruction, and enjoyment of future generations." One of Scottsdale's values in this chapter is the protection of historic resources. A goal of this chapter is to enhance the quality of life in Scottsdale by protecting historic resources. Another goal is to encourage "green building" alternatives by revitalization, neighborhood conservation and redevelopment. The proposed HP overlay would protect a significant historic resource and provide an opportunity for the property owner to enhance the asset with public access and engagement of the site.

Transportation/Parking

The Kimsey development is located on the north side of Indian School Road between Scottsdale Road and Marshall Way, extending north to Third Avenue. Site access is essentially remaining as it is currently, with the removal of one existing driveway on Indian School Road. Primary access to the shared garage structure will be from the alley on the west boundary of the site, which has driveway access on both 3rd Avenue and Indian School road. As a result, there will be an increase of site generated traffic using this public alley. If this request for rezoning is approved the developer is required to widen and improve this alley. The existing raised median in Indian School Road will be modified to eliminate an existing median opening on the west side of the site that is no longer needed for access to the parcel on the north side. This will eliminate left-turn access for an existing driveway on the south side of the street, although these parcels have access to Indian School Road via Marshall Way. Additional right-of-way will be required to be dedicated along the site frontage on Indian School Road frontage and the existing alley.

The proposed development is estimated to generate 3,106 weekday daily trips, 196 during the AM peak hour, and 239 trips during the PM peak hour. The existing traffic patterns around the site will generally remain the same, although there will be an increase in traffic on Indian School Road, Third Avenue, and the existing alley, especially in the a.m. peak hour. This is due primarily to the change in land uses from retail, event space, and a sixty-five (65) room motel to residential, restaurant, and a one-hundred sixty-eight (168) room hotel.

The development proposal is anticipated to increase the number of people walking and biking in the surrounding area, as new residents and hotel guests take advantage of nearby services, restaurants, shopping and recreational/educational opportunities. The developer will be required to widen the existing sidewalk along the site's Indian School Road frontage to a minimum width of eight feet. The developer will also be required to construct an eight-foot-wide sidewalk connection along the east side of the site to connect Indian School Road to Third Avenue, providing a needed north-south pedestrian corridor in this area. The developer is also required to construct a pedestrian refuge in Indian School Road to provide a pedestrian crossing location in anticipation of the multi-family residents and hotel guests desire to patronize the existing restaurants directly south of the site.

Parking

The property owner is requesting approval of a parking master plan (PMP) (Attachment 10) which includes an approximate 36% reduction in the required parking for the hotel use. In accordance with the Zoning Ordinance, 210 parking spaces are required (1.25 spaces per room), the PMP demonstrates 110 spaces are sufficient (0.65 spaces per room), and 135 spaces are proposed (0.80 spaces per room).

The Zoning Ordinance mixed-use parking provisions allow for a reduction in the required number of parking spaces based on the synergy of complementary uses that have offsetting parking demands. In a hotel, some complementary uses that have offsetting parking demand are the hotel rooms, conference areas, and restaurants. The Zoning Ordinance's mixed-use parking provisions acknowledge that a person staying at a hotel may also be attending a conference at the hotel, or patronizing other hotel amenities, such as restaurant or spa, therefore not constituting an additional parking demand from these complimentary uses. In addition to the mixed-use model, there have been a number of changes in the industry that resulted in reducing parking needs in Old Town Scottsdale for travel accommodations; this includes the launch of ride-hailing services (rideshare) Uber and Lyft in 2013; bikeshare services in 2017; scooters in 2018; and, the trolley service improvements due to surging popularity in 2015, which increased frequency to 10 minutes from 15 minutes and extended service by three hours. Rideshare and these other services and amenities have had a significant impact on parking demand reduction. The parking demands required by the Zoning Ordinance do not reflect this shift in parking demand. The current parking demand is likely significantly lower.

The Kimsey also includes one residential building with 230 residential units. The PMP proposes to provide parking for the residential units in accordance with the zoning ordinance requirements, without reduction. For the 230 units as proposed, 321 parking spaces are required. In combination with the hotel use, and other support commercial uses on the site, it is anticipated that no more than 461 spaces would be required on the site during peak demand. With 490 spaces proposed, there will be approximately 29 extra spaces available on the site that will be available for additional guest parking for the residential units (1 per 8 units). Within the parking structure the applicant is proposing a high-efficiency parking facility that will maximize the number of stalls provided within the garage through application of an automated parking "puzzle" installation, using a CityLift or comparable system. Approximately 62% of the provided parking will be provided with the vehicle stacking lifts with the remaining spaces standard surface parking within the garage and in front of the Kimsey Building.

Subject to approval, the mixed-use parking provisions of the Zoning Ordinance allows for the City Council to grant this reduction for the hotel use when it is demonstrated to be appropriate, in accordance with a PMP. The developer's request for a reduction is reasonably within tolerances of the mixed-use parking provision Zoning Ordinance, in line with current market data, and is consistent with other similar hotel developments that have been recently approved. Therefore, the proposed 490 parking space are anticipated to be adequate for the proposed development.

Water/Sewer

Preliminary Basis of Design Reports for water and waste-water were submitted as part of this application and have been accepted by the Water Resources Division. The applicant will upgrade all infrastructure as needed to accommodate the proposed project.

Overhead Utility Lines

There are several goals and policies that support the burial of existing overhead utility lines; the objective being to provide a public benefit and minimize visual impact. This is also a requirement of the Scottsdale Revised Code (Section 47-80) for utility lines in the right-of-way. The 2001 General Plan (Growth Areas Element Goal 1, bullet 3 and Public Services and Facilities Element Goal 3, bullets 2 and 4), 2019 Old Town Scottsdale Character Area Plan (Character and Design Chapter Goal CD 11, Policy 11.3), and the 2010 Southern Scottsdale Character Area Plan (Public Services and Facilities Element Policy PSF 3.3) all recommend and encourage burial of existing overhead utility lines, on-site and within utility easements as part of a redevelopment project. This has been a standard requirement included with recent zoning applications. A stipulation to bury overhead utility lines within and adjacent to this site is included in this report which includes burial of all the overhead lines along the eastern and western property boundaries, including across E. 3rd Avenue to the north.

Public Safety

The City's public safety divisions have reviewed the application and determined that existing facilities are sufficient to provide service for the proposed use, and no impacts to existing service levels are anticipated. The nearest fire station is located less than half a mile to the east at 7522 E. Indian School Road, and the nearest police station is located to the southeast at 3700 N. 75th Street.

Open Space

The City's Zoning Ordinance does not require any open space to be provided in the downtown area, however, the proposed site plan includes approximately 23,489 square feet, or approximately 16.3% of the site as developed open space. This open space area includes the sidewalks provided along all street frontages and the landscaped north-south pedestrian connection through the site tying E. Indian School Road to E. 3rd Avenue and Craftsman Court, as well as a small open court area between the Kimsey building and the residential building.

Community Involvement

Staff has notified all property owners within 750 feet of the site. In addition, the applicant has been in communication with property owners surrounding the site and sent notifications to all property owners within 750 feet of the site. The applicant held open house meetings on March 2, 2020 and January 18, 2021. As of the publishing of this report, staff has received several letters of support, including a petition of support representing 29 nearby property owners, and no opposition regarding the application. Public comment received is included in Attachment 14.

Policy Implications

The proposed redevelopment implements the General Plan and Old Town Plan which encourage higher density housing combined with, office, retail, and other uses that are compatible in a mixed-use format. The proposed Historic Property (HP) overlay over the Kimsey Building is consistent with the City's General Plan and city policies to identify and protect significant historic resources. In the Land Use chapter of the General Plan, one of the values is to recognize the community's unique identity. The preservation the Kimsey Building through Historic Property overlay promotes the historical identity and development of Scottsdale. A Land Use goal of the General Plan is to encourage land uses which promote Scottsdale's sense of place.

If the Historic Overlay is approved on the Kimsey Building the property would be subject to the Historic Preservation Plan, which includes the design guidelines and recommendations for rehabilitation and adaptive uses. The Zoning Ordinance allows an administrative process, a Certificate of No Effect, if the proposed renovations are consistent with the approved Historic Preservation Plan and Guidelines. Proposed renovations which are not consistent with the approved design guidelines or not addressed within the approved Historic Preservation Plan and Guidelines require a Historic Preservation Commission (HPC) hearing and approval by the HPC for a Certificate of Appropriateness.

OTHER BOARDS & COMMISSIONS

Development Review Board

The Development Review Board heard this case on January 21, 2021 and recommended approval of the Development Plan by a vote of 6-0.

Historic Preservation Commission

The Historic Preservation Commission is scheduled to hear this case on February 4, 2021. Staff will issue a supplement to this report with the recommendation of the Historic Preservation Commission.

STAFF RECOMMENDATION

Recommended Approach:

Staff recommends that the Planning Commission find that the Planned Block Development Overlay criteria have been met, and determine that the proposed zoning district map amendment is consistent and conforms with the adopted General Plan, and make a recommendation to City Council for approval of The Kimsey (Triangle), per the attached stipulations.

RESPONSIBLE DEPARTMENT

Planning and Development Services

Current Planning Services

STAFF CONTACT

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APPROVED BY

Bryan Cluff, Report Author

Date



1/28/2021

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Date

Randy Grant, Executive Director
Planning, Economic Development, and Tourism
Phone: 480-312-2664 Email: rgrant@scottsdaleaz.gov

Date

ATTACHMENTS

1. Context Aerial
2. Aerial Close-Up
3. Stipulations
 - Exhibit A to Attachment #3: Site Development Standards
 - Exhibit B to Attachment #3: Development Plan
4. General Plan Land Use Map
5. Old Town Character Area Plan (Land Use Map)
6. Old Town Character Area Plan (Development Types Map)
7. Zoning Map (existing)
8. Zoning Map (proposed)
9. Traffic Impact Summary
10. Parking Master Plan Summary
11. Historic Preservation Plan
12. Staff's Analysis of the Development Review Board Criteria
13. Community Involvement
14. Public Comment
15. City Notification Map
16. January 21, 2021 Draft Development Review Board Meeting Minutes