



TOWN OF PRESCOTT VALLEY STAFF REPORT

DATE: June 29, 2023

TO: Mayor & Town Council

THROUGH: Gilbert Davidson, Town Manager

FROM: Fernando Gonzalez, Development Services Director

DEPARTMENT: Development Services

AGENDA TYPE: Old Business

SUBJECT: Homewood Suites by Hilton ZMC23-002 - Consideration & Possible Action (2nd Reading) [Earnest Rubi, Development Services Deputy Director/Principal Planner]

STRATEGIC PLAN FOCUS AREA: Prosperous Community means creating an environment where our residents can thrive for a lifetime via job opportunities, a variety of housing options, and a safe and healthy lifestyle with a diversified and growing economy.

SUMMARY/BACKGROUND:

In February of 2023, Preston Johnson (agent), on behalf of Matticus Hospitality Group, requested a Zoning Map Change (ZMC23-002) from RS PAD (Residential and Services-Planned Area Development) zoning to C2-3 PAD (Commercial; General Sales and Services-Planned Area Development) zoning for an approximately 1-acre parcel (APN 103-026-067) located north of State Route 69 on the northwest corner of Frontage Road and Glassford Hill Road. The purpose is to develop a 4-story hotel to be known as "Homewood Suites by Hilton".

Homewood Suites is proposed to have ninety (90) guest rooms, an indoor pool with spa, an outdoor patio with barbeques, an outdoor pickle ball court, and a fitness center. The parking lot would be located entirely on the south side of the

property and (as required by Town Code) would have a minimum of 95 on-site parking space (4 designated as accessible). A fire emergency access gate would be provided onto Horizon Lane from the north of the project (but other ingress/egress from the site would be prohibited at that location). A left-turn-only onto Pleasant View Drive is proposed, with curbing to restrict turning movements. Access to the site would otherwise be provided from two driveways into the parking lot, located along the Frontage Road. A third left-turn-only driveway would be located along Pleasant View Drive. Note that the nearby segment of Pine View Drive does not extend through because of a realignment of nearby Glassford Hill Road. The right-of-way along North Glassford Hill Road is proposed to be developed by the property owner/developer into a “park-like” landscaped setting with a pedestrian walking path.

A Traffic Impact Analysis has been obtained that indicates the proposed hotel would generate a total of 352 daily vehicle trip ends (14 in, 14 out) during the AM peak-hour, and 33 trip ends (16 in, 17 out) during the PM peak-hour.

As required by Town Code, the applicant conducted a Neighborhood Meeting on September 20, 2022 after providing notice by first-class mail to property owners of record within a 1,000-foot radius. It was reported that twenty-eight (28) people attended. Three (3) e-mails and a phone call message were also subsequently received by the Town. Concerns raised because of this meeting were largely about potential traffic impacts (although other objections were raised about the bulk and scale of the 4-story hotel itself). A second Neighborhood Meeting was held on May 25, 2023 to address a revised Preliminary Development Plan (Site Plan). The Revised Site Plan included the left-turn-only traffic movement onto Pleasant View Drive, intended to alleviate concerns about traffic from the hotel passing through the residential neighborhood. Proponents of the project noted that its bulk and scale would be like the Hampton Inn already located across Glassford Hill Road to the east. It was also noted that this area is part of the Gateway Entryway into Prescott Valley. Finally, by right, the project could be reversed with the hotel (with fewer stories) could be built on the southern property adjacent to the Pediatric Dental Office (and the parking lot built on the northern parcel fronting onto Horizon Lane). This concept would not require rezoning but could be approved through a Final Development Plan (FDP) considered administrative in nature by the Town Council.

The Prescott Valley Planning and Zoning Commission held a formal public hearing on ZMC23-002 at its regular meeting on May 8, 2023. In the face of considerable public comment at the hearing, it voted to table the matter and continue the hearing to its meeting on June 12, 2022. After the continued public hearing on June 12, 2023, the P&Z Commission voted to recommend approval by

the Town Council of ZMC23-002 (subject to conditions) in that it found the request to be consistent with General Plan 2035. In the process, the Commission also approved the related Preliminary Development Plan (PDP23-002) for Homewood Suites by Hilton.

The Town Council held its own public hearing on June 22, 2023 and considered additional concerns expressed by neighborhood residents. At the end of the hearing, the Council voted to read Ordinance No. 2023-925 by title only on two separate occasions then place the same on final passage at its June 29, 2023 meeting. However, as part of the vote the conditions listed in the draft Ordinance No. 2023-925 were revised to read as follows:

- 1. Development shall occur generally consistent with the circulation patterns and building areas as illustrated on the Preliminary Development Plan, and uses of the property shall be limited to uses permitted in the C-2 PAD zoning district.*
- 2. The property owner/developer shall ensure that remittance is made to the Town, on a monthly basis, of all monies collected as a result of the proposed hotel complex (and/or its successors and assigns) applying a "surcharge" against all rents collected from occupation and use of units within any phase of the development (said surcharge being two percent (2%)). Such remittance shall be made no later than the fifteenth (15th) day of the following month to the Town Finance Department and shall begin no later than sixty (60) days after issuance by the Town of any certificate permitting occupancy of any phase of the apartment complex.*
- 3. The uses on the described property shall be limited to that of a hotel. The hotel may not subsequently be converted to an extended-stay housing facility, apartment building, or related use otherwise permitted in Town Code Article 13-14 "C2 (COMMERCIAL; GENERAL SALES AND SERVICES)".*
- 4. A traffic analysis shall be conducted to consider the potential for a single driveway onto the frontage road that aligns with the driveway across the street into the parking area that includes the Yellow Leaf Coffee Shop.*

The Landscape Plan was also added as Exhibit "B" to be included as a condition.

It is now proposed that Ordinance No. 2023-925 be read by title only for the second reading, after which the Council would vote whether to adopt Ordinance No. 2023-925 approving ZMC23-002 (as conditioned).

[Note: In accordance with ARS 12-1134(I), the applicant has been asked to sign the standard Proposition 207 waiver agreement.]

RECOMMENDED MOTION:

[the Mayor instructs the Town Clerk to read Ordinance No. 2023-925 by title only for the 2nd Reading, then asks "Shall the Ordinance Pass?"] **VOTE.**

STAFF RECOMMENDATION:

Staff recommends adoption of Ordinance No. 2023-925 approving ZMC23-002.

FISCAL ANALYSIS:

In addition to the proposed condition of monthly remittance to the Town of monies collected as a result of the proposed "surcharge" against rents from occupation and use of the hotel units (said surcharge being two percent (2%)), the Town would presumably also receive transaction privilege tax revenue on the commercial activity at the hotel and on the one-time construction costs.

Council Action at the Meeting:

ATTACHMENTS: Yes