

Sky Ranch Lodge on Airport Mesa
Zone Change Request
Letter of Intent
December 11, 2013 (13 pages)

INTRODUCTION

Sky Ranch Operations LLC is proposing an expansion to the hotel’s existing lodging use. They currently lease land on top of Airport Mesa from the Sedona Oak Creek Airport Authority. Their existing Commercial/Lodging zoning occupies approximately 7.3 acres. The proposed 4.6 acre lease expansion is adjacent and directly to the west of the existing property. This land was recently designated Commercial/Lodging on the Land Use Map. This request asks to change approximately 4.6 acres from Community Facility zone to a Lodging zone designation.

PROJECT DESCRIPTION

Sky Ranch Lodge proposes to build 40 new lodging units along with a meeting facility building, all required parking, a new resort pool and associated terraces and walkways. The existing facility has 94 lodging units.

The new lodging units will be accommodated in twenty small, single story cottages. These small cottages average about 980 square feet and will each contain two lodging units. The only significant change from the previous Map Change proposal is that the 20 unit two-story lodge has been replaced by 10 of these duplex single-story cottages. This was seen as a positive change during the city’s Conceptual Review.

The Meeting Facility will include 4454 square feet of open meeting room space along with 3000 square feet of support space, to include: entry, circulation ways, restrooms, a prep area for catered-in food, storage rooms and a cabana bar which will be shared by the resort pool.

The buildings are grouped to help define positive outdoor spaces including; a resort pool and spa, the “juniper forest” and a “sunset vista”. The lodging units are designed as small cottages to allow for maximum vegetation preservation, by locating irregularly amongst the juniper trees on the north portion of the site.

PROJECT STATISTICS

Lease Size 509,250 sf

Parking 97 new + 115 existing = 212 spaces total

Hardscape/Pool 12,285 sf new (incl. HC prkg, terraces, conc. walks)

The following chart summarizes the Lot Coverage and Floor Area Ratio calculations required in the Zoning Ordinance. This project is well below the Zoning Regulation limits. The Lot Coverage and Floor Area Ratio calculations show the cumulative effect of adding each phase to the existing development:

	BUILDING SQ. FT.	COVERED PATIO SQ. FT.	LOT COVERAGE	FLOOR AREA RATIO
EXISTING BUILDING	35,552		7%	9%
PHASE I	12,550	3,225	10%	12%
PHASE II	5,096	1,000	12%	14%
PHASE III	10,330	2800	14%	16%

PROJECT PHASING

Should Sky Ranch receive approval to proceed with this proposal, it is their intent to move ahead with the proposed additions in three phases. The first phase will be 10 units in 5 cottages along the rim, the meeting facility, swimming pool, a minimum of 57 parking spaces and associated landscaping. This phase will be followed closely by a second phase which will be 10 units in the remaining 5 cottages along the rim (two are connected), a minimum of 10 parking spaces and associated landscaping. The final 20 units and the remaining parking and landscape will be a third phase, at somewhere between 3-10 years in the future. The waste water treatment plant and the maintenance yard will occur in Phase I.

SEDONA AREA SENSITIVE DESIGN PRINCIPLES

The existing character of Sky Ranch Lodge will be the informing direction for the new architecture. New units will be small scale and primarily grouped in twos to create duplex cottages. The Meeting Facility will compliment this theme with an architectural style, called “parkitecture”, based on the lodges or visitor centers of our National Parks. Stained wood siding and natural stone will be the primary exterior building materials. Roofs will be of dimensional composite shingles or rusted metal. All new buildings will be one story. They are all within the City’s DRO guidelines.

There are over 300 piñon and juniper trees larger than 4” dbh existing. The small cottage strategy, with smaller building footprints, helps to save approximately three quarters of these piñon and juniper trees. This allows for 91% of the zoning ordinance tree requirements, for the structures, to be met by tree preservation. The required parking peninsulas are configured to allow for 71% of their tree requirement to be met by tree preservation. The landscaping concept adds native and non native plantings to create additional gardens, privacy screening and construction mitigation. All plantings will be from the Sedona Approved Plant List. These landscaped areas will utilize reclaimed effluent for irrigation, minimizing water consumption. A complete landscape plan, as well as, a more detailed cottage / meeting room design are included with this submittal. Also attached is a survey showing specific trees that require removal or relocation.

The concept for the parking (except for handicapped spaces) is to create a permeable surface using a compacted gravel “road bed” with a crushed granite surface. This minimizes the “heat island” of asphalt and helps storm water percolate into the ground. The handicapped parking will be concrete to insure compliance with slope requirements.

Service, mechanical equipment, dumpsters and maintenance requirements have been efficiently located behind fenced “yards” in the center of the development. These fences will be of stained wood with stucco or stone piers at corners and gates and at intervals to give a substantial, permanent quality. Vines and landscape will further insure that these fences become an integral part of the quality visual environment. The wastewater treatment equipment will be located behind a similar fence for safety and visual screening. Smaller screen fences enclose the small compressors for the cottages. All of these features can be see on the site plan.

Signage and lighting are “low key”. Parking will be illuminated by low (36” high) bollard style lights. Walkways will have even shorter bollard style path lights. Entries and patios will have subtle wall sconce lighting. The Meeting Facility has much view glass, but also has black out curtains to mitigate any light “spillage”. The Meeting Room’s entry and covered patio and require more than subtle wall sconces for safe lighting, but they will not have visible light sources and have been selected to meet City requirements. On-site signage will follow the “parkitecture” theme, and serve to identify the pool area, the Meeting Facility, the Juniper Forest, etc. No new signage at the roadway is planned.

COMMUNITY FIT

The Sedona Community Plan addresses **criteria for locating Lodging** uses (*shown in italics below*). The Land Use Element of the plan states on Page 5-29:

Key considerations in determining lodging uses in the community include:

- *Avoiding homogenous or “hotel strip” development along the highway corridor. Commercial diversity and mixed uses are also important to the health and character of the community.*

This proposal will not contribute to any “strip” development along the highway corridor. The location on Airport Mesa is not very visible from the highway corridor.

- *Limiting the replacement of commercial uses, that meet residential needs, with visitor-based lodging uses.*

This proposal will not displace any resident based commercial uses.

- *Providing locations that have the greatest diversity of commercial uses to encourage pedestrian, rather than vehicular trips.*

While not in an 89-A activity node, the Lodge will have walkable access to and from the Airport and the Mesa Grill, which will allow for some vehicular trips to be eliminated. The incorporation of meeting space into the Sky Ranch Lodge facilities will create a more cohesive use pattern for the hotel, reducing vehicle traffic and increasing time spent at the hotel by guests.

- *Providing locations with the best traffic control at the highway.*

The Sky Ranch Lodge traffic will access 89A at the signalized intersection at Airport Road.

The **Sedona Community Plan goals and objectives** are supported by and/or support this proposal. A sampling follows, with Community Plan statements in italics:

Land Use

1.3 Discourage unregulated access to National Forest lands from residential areas and encourage access from designated trailheads and neighborhood links as recommended in the City Trails and Urban Pathways Plan. (Page 5-12)

The guests of Sky Ranch Lodge will have direct USFS trail head access from the adjacent scenic overlook (Sky Ranch will be participating with the Airport Authority in the remodeling of the overlook). This will minimize the need to drive to other trail heads and minimize “social trail” making (which tends to occur when authorized trail heads are not readily evident).

4.11 Encourage and support social and interest events other than official meetings to bring people together with in community. (page 5-15)

This proposal will add 4000 square feet of indoor meeting and event space in an inspirational setting.

5.1 Ensure that a significant amount of quality open space will be a strong determining factor of Sedona’s ongoing character. (page 5-15)

The location for this proposal places lodging units in a location that will not increase the apparent density of development of Sedona.

Environmental Quality

3.5 In order to provide alternatives to air tours as a source of revenue for the airport, the City should work with the Airport Administration in identifying, evaluating and determining under what conditions non-aeronautical uses at the airport can be supported, including compatibility with the existing and future traffic circulation system. (Page 3-31)

Sky Ranch Lodge provides a substantial revenue source to the Airport and would increase this revenue stream as a result of this proposal. Partnership opportunities with

the Mesa Grill will not only reduce traffic impact on 89A, but also increase the revenue generative contribution of Sky Ranch Lodge to the Airport Administration.

3.7 Mitigate the visual impacts of facilities, structures, utilities and mechanical installations through appropriate screening and locational criteria. (Page 3-32)

Aside from the overall mesa location (addressed in 5.1 below), the location of small single story cottages, screened by existing juniper trees and the location of the two story lodge well back from the edge address this goal.

Economic Development

2.0 Provide an appealing visitor experience sensitive to visitor and community needs and conducive to extended stays. (Page 3-45)

The low-key, cottage-like ambiance of Sky Ranch has proven to be an “appealing visitor experience” with a Sedona feel (versus the larger corporate character of many hotels). The proposed Meeting Facility will compliment this character and provide the infrastructure to meet the needs of many community activities, as well as, encourage longer stay visitors attending seminars, retreats, etc. The meetings will attract a market different than current visitor profiles, and hence, not “rob” from the existing visitor base.

Circulation

5.1 Provide alternative modes of travel (i.e., bicycle, pedestrian and equestrian pathways) through the development of a circulation system that integrates compatibly with the sensitive and picturesque topography of Sedona.

Sky Ranch will be participating with the Airport Authority in the remodeling of the overlook which will include a pathway connecting the popular airport saddle to the scenic overlook. Currently people drive between the two or walk out in the roadway.

9.2 Provide appropriate land use options to minimize highway travel. (Page 7-13)

Placing lodging within walking distance of services is an important strategy embraced by this project. One such “service” is air travel; and as the Community Plan states, “Lodging at the Airport serves arriving and departing air travelers (among others)...”. This project will add onsite amenities, including the meeting facility, which are expected to be used by hotel guests without the need for roadway travel.

TRAFFIC

During the Map Change request, Shepherd Wesnitzer Inc. prepared a trip generation analysis and while traffic impact was discussed at length during the hearings, it was concluded to be minimal. Therefore, the Zone Change Conceptual Review submittal was not required to submit additional analysis. However, the Conceptual Review process, again, discussed traffic at length and resulted in a request for a complete Traffic Impact Analysis (TIA). Sky Ranch Lodge hired Shepherd Wesnitzer Inc. to complete a TIA for the added development impact, which is attached to this submittal.

The Executive Summary of the TIA concludes: "The intersection of Airport Road / Highway 89A will continue to operate at an acceptable Level of Service (LOS) with the additional traffic generated by the expansion. Airport Road will also continue to operate at an acceptable LOS."

The TIA, using ADOT required standards, determined the maximum capacity of Airport Road and determined that: "After the proposed expansion of the Sky Ranch Lodge, Airport Road will be running at 29% of capacity just south of the 89A signal." It should be noted that this volume is taken at the peak hour.

The TIA also addresses safety, parking and pedestrian movement. It concludes that the intersection and Airport Road do not require modifications, with the exception that the Airport Saddle Vortex area "does appear to be too small for its popularity..." This issue has been viewed by City Staff, at prior hearings, as something best handled between the USFS and City, without involvement of Sky Ranch Lodge. The TIA does note the construction of the new trail that parallels Airport Road and connects the Saddle with the Overlook, as helping to address parking and pedestrian needs.

The recent settling of portions of the north edge of Airport Road, is under review by the City and the Airport Authority. While the TIA confirms that the Sky Ranch expansion will not cause a meaningful impact to the capacity or safety of Airport Road, Sky Ranch will be contributing a substantial Development Impact Fee, which the Community Plan states is for new development paying its share of infrastructure maintenance costs.

WASTEWATER

For the Conceptual Review submittal Sky Ranch Lodge hired SWI to create a Wastewater Concept Study that explored the type of system that would be needed to service both the existing Lodge and the new addition. The total design flow for both new and existing uses combined requires that a new system be designed for the entire project, replacing the existing standard septic/leach system currently in use at Sky Ranch Lodge. The new system will utilize a textile filter for advanced treatment with a capacity of 17,500 gallons per day, and drip irrigation disposal of 26,800 sq. ft. (in project landscape areas, or on native soils). This system can be expanded in steps to match the proposed construction phases. Per the conclusion in the Wastewater Concept Report, "This will provide a highly treated effluent that can be disposed of on site. It will meet the regulatory requirements applicable to the project, and will reduce the pollutant load on the environment below current levels."

SWI has now completed a more detailed analysis and has developed the specific requirements for the treatment plant components and confirmed that drip irrigation in landscape areas, as well as, sub-surface turf irrigation will be approvable for effluent disposal. This strategy will conserve area ground water.

COMMUNITY BENEFITS

Page 8 of the city's Zone Change Application Form states that "community benefits are provided to mitigate the impact of the zone change." Although the process, to date, has not determined negative impacts of this proposal, community benefits are proposed. Page 8 also requires referencing "specific sections of the Community Plan" when discussing community benefits. The following (*italicized*) Community Benefits are identified in The Sedona Community Plan on page 5-32. Below, we discuss how this project addresses each of these community benefits. Some additional community benefits are identified (in bold). Also discussed are both the Public Art Requirement of chapter 18 of the Land Development Code and the city's Development Impact Fee.

BENEFIT: Securing City of Sedona design review control.

It should also be noted that approving this portion of Airport land for non-aviation uses, allows the control of the City of Sedona from a Design Review standpoint. The City is insuring that the proposed development will meet its design guidelines, whereas an alternate aviation use would not have to meet such requirements.

BENEFIT: Tax revenue contributions that clearly more than offset the net impacts.

Lodging use and retail use are the only uses that generate tax revenue for the City. This proposal is projected to generate \$126,690.00 per year in new tax revenue (new units only). Calculations are shown in the following table:

40 units x 365 nights x 75% occupancy = \$1,861,500 ~
\$1,861,500 x 6% bed and sales tax = \$111,690.00 per year.

There will be additional sales tax generated by the Meeting Room activities and space rentals. Sky Ranch is projecting \$150,000/year x 3% sales tax = \$4,500.00 per year. There will also be additional sales tax generated by others catering food for Meeting Room events. Sky Ranch is projecting \$350,000/year x 3% sales tax = \$10,500.00 per year (by others).

The total estimated tax contribution to the city, from this proposal, is \$126,690.00 per year (this is in addition to existing taxes paid on existing rooms). *Not calculated, but a clear benefit of this proposal, is the added tax revenue from increased occupancy of the existing rooms due to marketing meetings and conferences.*

BENEFIT: Consolidation of parcels as part of a single development plan.

This project is not directly applicable to this goal; however, the recent Airport Authority master planning effort incorporated this Sky Ranch Lodge expansion proposal. As a result, the evaluation of mutual benefits and relationships between this proposal and other Airport Mesa uses has concluded that this proposal is desirable.

BENEFIT: Pedestrian/Bicycle pathways and linkages.

Sky Ranch Lodge worked with the USFS, and paid \$16,300 for the construction of the new trail connecting the Airport Vista parking lot with the popular vortex destination at

Airport Saddle. This new connection will allow pedestrians to walk on a safe path, as opposed to walking the Airport Road pavement. This also creates a direct access for Sky Ranch visitors to the USFS official trail system, which will keep guests from having to drive to another trailhead for close by hiking experiences. A map of the trail is included with this submittal.

BENEFIT: Contribution to the quality of the Visitor Experience.

Sky Ranch Lodge is committed to helping the Sedona Airport Authority make improvements to the Airport Vista Overlook experience. Sidewalks connecting the Overlook and the Lodging to the Airport Mesa Grill will be part of this improvement (A schematic site plan is included with this submittal). Sky Ranch Lodge has earmarked \$50,000 for these infrastructure improvements; approximately \$12,600 of which will be designated for a public art project at this actively used setting (city formula).

BENEFIT: Preservation of natural vegetation and open space and view corridors.

The site planning for this proposal has paid special attention to creating small, single story cottages. This strategy will minimize existing vegetation loss, as the smaller buildings can be sited amongst the existing juniper trees. It will also result in positive visual impacts, with heights similar to the current structures. It should be noted that, although the structures can be discerned from town, no real view corridors are blocked from any locations in town. The new structures will have darker colors per the City's design standards, which will render them even harder to see. As part of this proposal, even the existing units will be re-painted, with darker colors to match.

BENEFIT: Provide an appealing visitor experience sensitive to visitor and community needs and conducive to extended stays.

The low-key, cottage-like ambiance of Sky Ranch has proven to be an "appealing visitor experience" with a Sedona feel (versus the larger corporate character of many hotels). The proposed Meeting Facility will compliment this character and provide the infrastructure to meet the needs of many community activities, as well as, encourage longer stay visitors attending seminars, retreats, etc. The combination of mid-priced rooms, new meeting facility, and spectacular outdoor ambience will increase Sedona's potential market share for attracting government and NGO conferencing.

BENEFIT: Support of government entities and the public good.

As referenced in the City Council Work Session of June 26, 2013, the Sedona Airport Authority maintains its' 501.c-3 status because the Airport Authority relieves a government entity (Yavapai County) of the responsibility and cost of providing a service deemed necessary for the public good. The current and future rent monies paid by Sky Ranch Lodge to the Sedona Airport Authority contribute substantially to the funding the operations of the Sedona Airport. Increased non-aviation revenue streams mean that the Airport Authority will need to rely less on air traffic sources of income. The city's Development Impact Fee on this project will provide the city with approximately \$126,780. Of this, \$118,095 is designated, by city formula, for transportation infrastructure (timely relative to the required maintenance on Airport Road).

BENEFIT: Inclusion of Shuttle Transit stops/facilities.

Although not a public transportation system, Sky Ranch Lodge will provide a shuttle van for its customers, which will consolidate visitor trips from the mesa into town and back. This service will be in place at the time of the Certificate of Occupancy.

BENEFIT: Underground overhead utility lines.

This proposal will be under grounding all utilities.

BENEFIT: Affordable housing.

Sky Ranch Lodge will provide 3 employee housing units. One affordable unit for employees exists on site. In addition, 4 of the existing motel units will be remodeled into two affordable employee housing units. Per previous hearing discussions this conversion will not reduce the number of hotel rooms. Having employee housing on site is helpful both to Sky Ranch (in that it maintains 24 hour employee presence), and to the community in that it eliminates traffic associated with employee commuting.

BENEFIT: Improving existing signage at Airport Road & 89A.

Per the suggestion and request of the Planning and Zoning Commission at the Conceptual Review, Sky Ranch would be happy to upgrade and renovate this sign based on the City Sign Ordinance and approvals.

BENEFIT: Imbuing City meetings with a “sense of place”.

We believe that a facility overlooking town can engender community meetings with a sense of cohesiveness that will facilitate consensus and positive direction for local initiatives. To insure community use, Sky Ranch Lodge will provide free use of the Meeting Facility for both City and Community Non-Profit uses per the following table:

Years 1-4

- 6 days or nights in the meeting facility at no charge to be booked up to 6 months in advance.
- 6 days or nights in the meeting facility at no charge to be booked up to 30 days in advance
- Additional use to be billed at 50% of the published rental rates.

Beyond 4 years

- 3 days or nights in the meeting facility at no charge to be booked up to 6 months in advance.
- 6 days or nights in the meeting facility at no charge to be booked up to 30 days in advance
- Additional use to be billed at 50% of the published rental rates.

BENEFIT: Providing jobs to locals.

This project will provide seven to ten new, full time employment positions, including administrative and sales positions. In addition, the construction of the project will provide jobs for local carpenters, electricians, plumbers, roofers, etc. for a period of more than one year required to complete the construction of this project. Sky Ranch is working with local architects, has hired a local General Contractor and intends to construct this project with local subcontractors.

Sky Ranch Lodge believes it has created a proposal with value to the community, met the intention of the Community Plan, met all of the criteria in Section 401.06 of the Land Development Code, will not create any negative impact on the city, yet is offering substantial benefits to the City of Sedona.

Respectfully submitted for Sky Ranch Lodge,



Mike Bower & Max Licher Design Group Architects

encl:

Traffic Impact Analysis by SWi

Waste Water Report by SWi

Grading and Drainage Site Plan

Architectural Site Plan

Required Building Elevations and Floor Plans

Exterior Color & Materials Sample Board

Exterior Lighting Cut Sheets

Landscape Site Plan & Prototype Landscape Detail Plan

USFS GIS Map of New Trail

Public Participation Plan

GIS Labels

note:

Application Form, GIS Data, Letters of Serviceability, Legal Description and Letters of Authorization have been previously submitted on July 29, 2013.

Enclosed by reference are previously submitted clarification drawings requested by staff (eg. Existing Parking Layout, Line of Sight Analysis).