Project Narrative

Sleep Inn and MainStay Suites Dual-Branded Hotel 5351 South Power Road





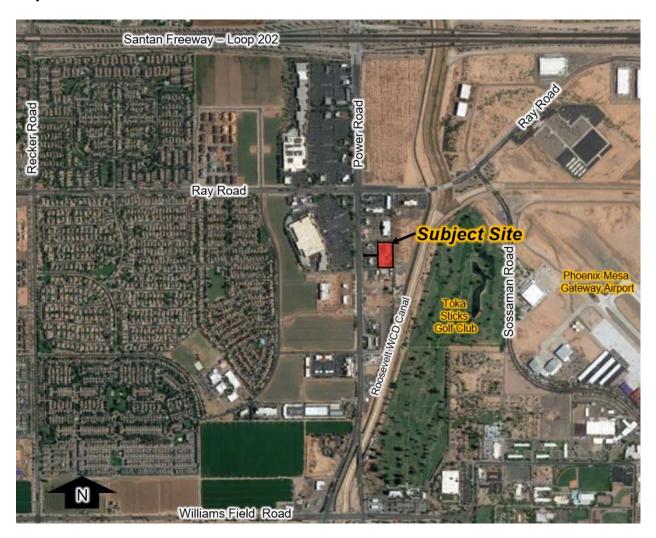
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Introduction

On behalf of Equinox Hospitality, we are pleased to submit this narrative and supporting information requesting a Rezoning (PAD Amendment), Subject Site Plan Review/Modification, and Design Review approval to allow a dual-branded hotel (the "Project") on an infill parcel south of the southeast corner of Power and Ray Roads (map below). This Project will finally bring needed development to this +/- 2.5 acre site ("Subject Site") that has remained vacant for decades despite adjacent commercial development. This new hotel project will also generate substantial taxes and jobs for the City of Mesa.



Background

The subject property is zoned Limited Commercial (LC) PAD and is located south of the southeast corner of Power Road and Ray Road (APN 304-37-035) (see above Aerial photo). The Subject Site is a rectangularly shaped parcel with a finger that extends west and connects to Power Road.

The Subject Site is part of a larger 4.74-acre area consisting of three parcels – the Subject Site and two smaller parcels situated along Power Road. These two smaller parcels have been developed with a fast-food restaurant (Popeyes) and a small inline commercial building that includes two restaurants, a haircut establishment, and a nail salon (these three parcels, collectively, the "Commercial Center"). This Commercial Center was the subject of Zoning Case Z13-048, approved on September 18, 2013 by the Planning and Zoning Board. This case approved a Subject Site Plan Modification for the Commercial Center. During that site plan process, a hotel use was listed as the proposed use for the Subject Site. However, because a hotel use had not been secured at that time, staff stipulated that any future site plan for the Subject Site would require a separate site plan review. Hence our current request for Site Plan Review.

Context

The Subject Site is located approximately 3/4ths of a mile southeast of the Power Road and Loop 202 intersection. Across Power Road to the west is the Town of Gilbert and a large retail center on 80 acres. The Subject Site is mostly vacant and undeveloped, except for a sidewalk and driveway that curve through the lot to connect retail and restaurant lots west of the Subject Site to more commercial development to the north. The Project will retain this access between the adjacent parcels.



As explained above, the Subject Site sits on the southeastern portion of an approximately 14-acre property of retail development and is the last undeveloped land in that area. Recent signage to the southwest also indicates an Alamo Drafthouse will soon be constructed along with additional retail space.

General Plan Consistency

The Subject Site is designated on the Mesa 2040 General Plan for "Mixed Use Activity District, Community Scale." The proposed hotel is consistent with this designation. Additionally, the hotel use is compatible with the hotel, retail, restaurants, office, and other uses in this immediate area.

Request

Three requests are being filed concurrently. The first request seeks an amendment to the Subject Site's current PAD zoning to allow additional height for the hotel. Currently, the site allows 33' for the base building height and an additional 9' of height for architectural embellishments. For the proposed three-story hotel to fit here, given our architecturally enhanced roof design, we need to increase the allowable building height to 50' 6", which includes architectural embellishments.

The second companion request seeks Site Plan Review/Modification approval. As proposed, the hotel will feature +/- 91 hotel rooms and provide amenities such as a fitness room, a sundries market, wireless internet, complimentary breakfast, guest laundry, a business center, (with full in-room kitchens in the MainStay Suites units), and an outdoor pool with a tree-shaded outdoor seating area.

The third companion request seeks Design Review of the Project's site plan, landscaping plan, and elevations.

Narrative

Equinox's market research reveals the business and leisure travel markets are strong in the areas surrounding the Subject Site (southeast Mesa, Gilbert, and Queen Creek) and will grow in the future, making this a good location for hotel development. Equinox has also found the extended-stay segment of the hotel market is underserved in the area, which is why it is dual-branding the hotel with both Sleep Inn and MainStay Suites.



Although the current pandemic has heavily

hit the hospitality industry, Equinox is confident that the market will return by the time this hotel is constructed and opened for guests and is therefore pushing forward at full speed.

The area has seen explosive commercial and residential growth while the city of Mesa has developed a reputation for being a well-run and business friendly environment. Equinox's due diligence indicates that these and other strong demand generators will continue to drive companies to Mesa, creating demand for both the short-term-stay and long-term-stay capacity of the proposed hotel. We believe the Project's excellent access to the now expanded 202 freeway and the Mesa Gateway Airport will allow it to harness this dynamic area growth and secure it a prosperous future.

The Project is in a commercial area along Power Road and next to restaurants and retail properties. The property is strategically located near the Mesa Gateway Airport and has good street access to arterial roads. When completed, the Project will fill in the last undeveloped parcel of a nearly 97-acre L-shaped retail development, where the long, upright portion of the L spans from the 202 Freeway down to Walmart and Carl's Jr., and the base of the L continues from there east to the Project's site.



The proposed hotel Project will benefit the City of Mesa and the surrounding businesses in several ways. First, this development will greatly enhance this stretch of Power Road's streetscape by converting a vacant dirt lot to a well-designed three-story hotel that will be visible from Power Road along with its porte-cochere and lush landscaping.



Second, this hotel will generate customers for the restaurants and retail users on this corner of Power Road and Ray Road, which will both support existing businesses on this corner and help attract quality future tenants.

Third, this support for adjacent businesses translates into both an increase in sales tax to the City and an increase in property values for adjacent properties.

Fourth, increasing the City's hotel capacity will help to support business activity in the City, such as business conventions at the Mesa Convention Center, and leisure activity, such as spring training, the Mesa Arts Center, and many others.

The proposed Sleep Inn and MainStay Suites Dual-Branded Hotel is designed to be three stories in height with an overall



maximum building height of 50-feet 6-inches. As mentioned above, the original PAD (Z08-031) allows for a building height of 33-feet and up to 42-feet for architectural embellishments. This rezoning request seeks to increase the overall building height to 50' 6" to accommodate the hotel's proposed sloping roof design.

When staff reviewed the previous zoning case, they stated in their staff report/analysis "...Staff does agree that an office or hotel development in the rear would typically be taller...." (see Staff Report, P&Z Hearing, Sept. 18, 2013). We agree with staff's analysis that a taller building at the back parcel is appropriate, particularly due to its distance from Power Road.

This is a challenging parcel to develop because it lacks visibility from Power Road. The proposed height increase would help to overcome the Subject Site's lack of street visibility. The proposed 3-story building height is fully compatible with the area and consistent with the Marriott Courtyard Hotel just north of the Subject Site. For a hotel to flourish on the Subject Site, we believe the proposed height is absolutely *necessary*.

The Subject Site has remained vacant for decades and developing it with a three-story hotel is a quality solution for a site that is tucked behind two developed commercial buildings and lacks direct street frontage.



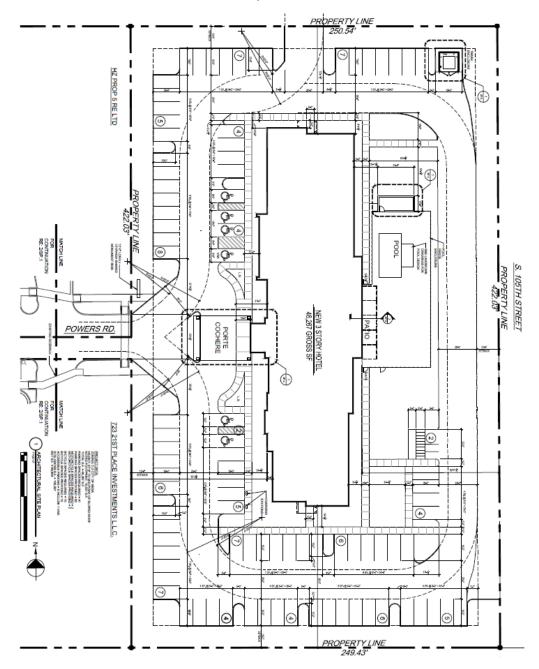
The main entrance to the hotel has been oriented toward Power Road and special attention has been given to the entrance's porte-cochere design, which will give the hotel an inviting and quality feel from Power Road.



The hotel's design is complementary to the retail buildings within the Commercial Center but also achieves a unique statement of its own. The hotel facade is largely symmetrical and incorporates a variety of upscale elements such as architectural features at the human scale, enhanced roof line details, horizontal banding, stone and stucco, and good use of window glazing to stimulate visual interest and offset the building background. The proposed building design is largely based on Choice Hotel's prototypical hotel design.

As guests arrive, they will first experience an attractive, quality welcome experience. This begins with an entrance drive from Power Road that provides a direct view to the hotel's entry porte-cochere. This entry porte-cochere and the hotel's 3-story height are important features for drawing guests into the Subject Site from Power Road, as the features stand in contrast to the retail developments on either side of the entry drive. The total square footage for the hotel is 46,267 square feet. This new hotel and building height are fully consistent with the mix of commercial and hospitality uses in the area and will add to the vibrancy Mesa has created in this area.

Access to the property will remain as previously approved with one entrance onto Power Road and a secondary entrance from the existing shopping center to the north. Sufficient internal circulation is provided to accommodate fire department requirements. The hotel is situated in the center of the Subject Site to allow complete circulation around the entire Subject Site. A total of 93 surface parking spaces are provided along the north, west, and south sides of the Subject Site.



For reason stated within this narrative, the proposed hotel will provide a boost to the livability and character of this area. We see no possible negative impact on the adjacent properties to the north, west, and south or vacant property to the east. The proposed character and use of the Project are consistent with the two commercial developments

adjacent to the west and with the other existing mix of uses in the area, including the hotel to the north.

Conclusion

The proposed hotel will be complementary to and compatible with the established uses, pattern of development, and architectural styling in the area. When the City reviewed and granted approval for the Commercial Center of which the Subject Site is a part, the Subject Site was labeled as "Hotel." We are now bringing that development. At that time, staff noted that additional height would be expected on the Subject Site. We are now bringing that request for additional height to facilitate a three-story design with an attractive sloped roof.

Stylish exterior architectural detailing, quality construction, lush exterior landscaping, and common area amenities will transform this vacant parcel into a beautiful and productive addition to the area. Equinox is confident that based on its extensive demographic research for this area and the presence of the nearby airport, this hotel will be very successful at this location.

We respectfully request approval of the three requests.

Sincerely,

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