

STAFF REPORT ON PETITION FOR ZONING ORDINANCE TEXT AMENDMENT

ZOTA 2017-7: AMENDMENT TO ALLOW HOTELS AS A PRINCIPAL PERMITTED USE WHEN LOCATED IN PROFESSIONAL OFFICE PROJECTS IN THE PROFESSIONAL OFFICE (P-1) ZONE

REQUESTED BY: PWM Real Estate Holdings, LLC

PROPOSED TEXT: (Note: Text underlined indicates an addition to the existing Zoning Ordinance; text ~~dashed through~~ indicates a deletion.)

ARTICLE 8-15: PROFESSIONAL OFFICE (P-1) ZONE

8-15(o) Special Provisions

1. A Professional Office Project may be permitted by the Planning Commission for a tract of land with a minimum of ten (10) acres, upon the approval of a preliminary development plan and a final development plan as provided in Article 21, and subject to the P-1 zone regulations.

Subdivision of land in a Professional Office Project is permitted, subject to the following regulations:

- a. There shall be no minimum lot size, lot frontage, yard or open space, nor maximum lot coverage or height requirements for each subdivided lot; however, all said requirements for the approved final development plan shall be applicable to the subdivision.
- b. Each subdivided lot shall have access to adjacent streets or joint parking areas, as provided by appropriate easements shown on the final development plan and the final record plan.

In addition to the uses otherwise permitted in the Professional Office zone, the following uses shall be permitted in the Professional Office Project:

As a principal permitted use:

1. Hotels and Extended-Stay Hotels.
2. Mail Service Facilities.

As accessory uses:

1. Receiving, shipping, and storage of new fixtures, equipment and other non-perishable materials for distribution to corporate or affiliated units subsidiary to the tenant(s) of a principal structure. Such activity, including loading and unloading, shall be conducted entirely within the walls of the principal structure and shall be limited to a maximum of twenty percent (20%) of the total floor area of said principal structure.
2. Shoe repair, clothing alteration or tailoring services.

As conditional uses:

1. Helistops and heliports, provided such facilities conform to the requirements of all appropriate Federal, State and local regulations.
2. Beauty shops and barber shops, with no restrictions.

In addition to the uses otherwise permitted in the Professional Office zone, the following accessory use shall be permitted in a P-1 area of at least twenty (20) contiguous acres:

Restaurant(s), with or without a cocktail lounge, entertainment, dancing, and sale of alcoholic beverages, provided it meets the following conditions:

- a. It shall be located in an office building containing a minimum of 40,000 square feet of floor area.
- b. It shall occupy not more than twenty-five percent (25%) of the building in which it is located.
- c. It shall have no more than one public entrance and one service entrance directly to the outside of the building, and that this use shall be at least one hundred fifty (150) feet from any residential zone.
- d. It shall have no drive-in or drive-through food service.
- e. There shall be no more than two restaurants within an office building, provided that the 25% limitation is not exceeded.
- f. Signs permitted per office building may be used to identify the restaurant and/or the office use.

STAFF REVIEW:

The petitioner, PWM Real Estate Holdings, LLC, has filed a Zoning Ordinance text amendment to allow hotels as a principal permitted use within designated Professional Office Projects. Professional Office Projects are allowed under the Professional Office (P-1) zoning category for ten contiguous acres of P-1 zoned land, as approved by the Planning Commission.

Under the current regulations, extended-stay hotels are a permitted conditional use in the P-1 zone and principal uses within a Professional Office Project. These specialized types of hotels were added to the P-1 zone in 2008 to cater to the professional business traveler. It was determined at that time that locating extended-stay hotels in a Professional Office Project would be a natural progression in land use, given the residential character of this specialized hotel use. Hotels in general are only permitted in the downtown business zones (B-2, B-2A and B-2B), the Highway Service Business (B-3) zone, the Interstate Service Business (B-5P) zone, the University Research Park (P-2) zone, the Mixed-Use 3: "Mixed-Use Community" (MU-3) zone for mixed-use entertainment projects only, and most recently they were added as a supportive use to the Economic Development (ED) zone in the Expansion Area.

Hotels often have the following characteristics, which make land use regulation imperative, as the externalities (possible impacts outside of the property itself) can be both positive and negative:

- transient populations (less concern about impacting the surrounding environment, i.e. leave trash, hold loud gatherings, safety);
- traffic impacts spread throughout the day;
- typically 100 rooms/suites or more;
- typically three or more stories in height;
- operated 24-hour a day, 7 days a week;
- well-lit parking areas;
- support other industries (tourism, general business, healthcare, airport); and
- activity outside of typical business hours.

The proposal to modify the P-1 zone, and specifically the special provisions for Professional Office Projects to allow hotels, should be given serious consideration. The P-1 zone is the lowest intensity commercial zone within the community, and it is often located adjacent to residential neighborhoods. When considering the existing Professional Office Projects throughout the community (there are 11 established), the proximity to residential zoning and land use is a concern. Some of the externalities of hotels mentioned above would be a major concern for residential neighbors. While many of the existing projects do not have any vacant land available for development, the possibility of individual site redevelopment should be a consideration.

In addition to the concerns about the proximity of hotels to residential neighborhoods, the staff is also concerned about the conversion of standard "jobs land" to a land use that may provide far fewer employment opportunities. The staff is also concerned about the percentage of land within a Professional Office Project that may be converted to a hotel use. The ED and P-2 zones limit the ratio in different but effective ways to ensure that the development does not lose its intended focus on job creation. Lastly, if hotels are added to the P-1 zone, a parking requirement should be added to Section 8-15)(n). Typically hotels require one (1) space per suite with a minimum of five (5) spaces.

The Staff Recommends: Postponement, for the following reasons:

1. The staff would like to engage the petitioner to discuss possible locational criteria and maximum ratio of hotels within any Professional Office Project, prior to formulating a substantive recommendation to the Planning Commission.