

INFORMATION MEMORANDUM

| TO: | Mayor and City Council |
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| FROM: | Charles Cox |
| | City Manager |
| DATE: | August 31, 2016 |
| SUBJECT: | Proposed Ordinance No. 3389 to approve a Specific Use Permit with an associated Site Plan for a hotel |

Existing Conditions:

This 2.45 acre site is located within the Mira Lago peninsula, in one of the core tracts defined by the existing Mira Lago and Lago Vista East Boulevards and future Mira Vista and Lago Real Boulevards. The property is surrounded by undeveloped sites to the south and north. To the north, across Mira Lago Boulevard is the site of the recently approved Mira Lago Hospitality hotels (Candlewood and Holyday Inn Express). At the north east corner across Mira Lago Boulevard is the east side across Lago Vista Boulevard is Laguna Vista Apartment Complex. (See Aerial Map)

The entire Lago Vista peninsula (consisting of approximately 66 acres) is zoned Planned Development No. 81 (PD-81). (See Location Map) This PD allows for a wide variety of retail, office and high density residential development. PD-81 is divided into two basic subdistricts, the "**Employment Core**" subdistrict and the "**Mixed Use Residential**" subdistrict. This 2.45 acre undeveloped site is located within the "Employment Core" zoning subdistrict, which currently allows "hotels, including residence hotels" to be developed after obtaining a Specific Use Permit.

Site Design:

The applicant is proposing two buildings on the site: one, 4-story hotel and one, 2-level parking structure. The hotel is proposed to be located along Mira Lago Boulevard and will have a main lobby with two entries: the main entry with the drop-off area at the southern side and the pedestrian entry on the north side toward Mira Lago Boulevard. The parking structure is proposed on the southwest corner of the lot and the remaining southeastern portion along Lago

Vista East Boulevard is proposed to be used as a landscape open space until it will be developed into a Conference Center at a future date. A corresponding Site Plan application will be submitted for any future development on the remaining portion of the site. (See Site Plan)

The proposed hotel will consist of approximately 70,535 square feet, containing 117 rooms. A lobby with reception desk, meeting area with a small business center, breakfast area, fitness room, and indoor pool with outdoor seating areas will be located on the first floor. The outdoor seating areas are located on the northeast and southeast corners and will be screened from public view with landscaping. The outdoor areas are accessible only from the indoor pool area. The main entry into the hotel will be located on the south side of the building, and will include a covered driveway area, or "porte cochere". Another entry area will mirror the main entry on the northern side and serve as a pedestrian access from Mira Lago Boulevard. (See Conceptual Floor Plans)

A limited number of surface parking spaces (26) are proposed along the southern side of the building, however most of the guest parking will be located within the parking garage. The parking garage will be accessible on two sides, the stairs and elevator area will be directly connected to the hotel reception area through a walkway.

The dumpster will be located in the open area portion and will be screened from public view with a masonry wall and a dense row of shrubs. (See Site Plan)

Elevations

The architectural style of the exterior of the hotel can be generally classified as "Contemporary". The exteriors shall consist of brick, stone and stucco material, and will complement the "Contemporary Mediterranean" style of the existing buildings in PD-81. The access areas will have a distinct architectural treatment on the building north and south façades and will be covered by canopies and/or columns. The ground floor windows on the north façade, facing Mira Lago Boulevard, will have metal awnings.

The hotel will be 4 stories in height with an overall height of approximately 61 feet. The applicant is proposing at least 75% brick and stone. (See Elevations and Renderings)

The parking structure will be 2 levels high and will be constructed using precast concrete panels.

Each room will have its own individual HVAC system and will be incorporated into the window design. All other HVAC equipment will be located on the roof. A monolithic PVC membrane flat roofing system will be used on the building. The proposed parapet on the building will screen the roofing system and equipment from public view.

Landscaping and Open Space

The applicant has proposed to provide approximately 32% of the site as natural or landscaped open space. PD-81 requires 10%. The applicant has agreed to minimally landscape the open area

at the southeast corner of the remaining undeveloped site at this time. 79 new trees are proposed to be installed throughout the site, a combination of Oak, Holly and Crape Myrtle.

The proposed streetscape along Mira Lago and Lago Vista Boulevards will include 6-foot wide sidewalks with canopy trees to provide ample shade. The applicant is also proposing to install 7 seating areas with benches and trash receptacles and street light poles along Mira Lago and Lago Vista East Boulevards. This streetscape will be comparable with the existing streetscape elements located in front of the existing developments within PD-81 (Laguna Vista, Evergreen and Portofino Apartments). (See Landscape Plan)

Parking

Based on the proposed use, PD-81 requires at least 123 on-site parking spaces. 25% of these spaces can be surface parking.

The applicant is proposing 146 on-site parking spaces. 122 of these parking spaces are located within the proposed 2-level parking structure. Only 26 surface parking spaces are proposed (17% of total) within the site. Currently there are 20 parallel parking spaces along Mira Lago and Lago Vista Boulevards. (See Site Plan)

Signage

The applicant is proposing to install wall signs on three façades (north, south and east). The wall signs will be up to 4 feet in height and maximum 138 square feet. (See Elevations and Renderings) PD-81 requires all wall signs to be less than 10 feet high and less than 150 square feet. The proposed signage complies with PD-81 requirements.

Special Exception: Development Standards

PD-81 requires all buildings fronting a street to be setback no further than 10 feet from a property line. The Site Plan proposes a minimum 10 feet setback along Mira Lago Boulevard to accommodate the articulation of the proposed façade and the outdoor seating area without affecting the vision set by PD-81 for a more walkable urban community.

The City Staff is in support of this Special Exception.

Market Study:

The applicant submitted a Market Study for the proposed Hampton Inn & Suites in Farmers Branch completed by <u>DP Consulting</u>, <u>Professionals in Hotel Development</u>. In their analysis of the area and the specific location of this site in greater Dallas hotel market, the researchers make an informed estimation for occupancy, average daily rate and room revenue for 2018-2020.

For the proposed Hampton Inn, DP Consulting's Analysis indicated a strong overall occupancy rate and highlights the following main ideas:

- There is a new sum-market being formed at Luna / I-635 area that will be directly competitive with the area along TX-114 in Las Colinas.
- The proposed Hampton Inn will replace an older Hampton Inn located at I-35 and Walnut Hill.
- The estimated user groups for the Hampton Inn are the Individual Business Travelers and Leisure Travelers that will are typical users of the brand and are looking for a location with good surroundings.

Based on these assessments, DP Consulting recommends Hampton Inn & Suites as the highest and best use for the subject site.

Comprehensive Plan:

The West Side Plan designated the Mira Lago peninsula as a Neighborhood Center. A Neighborhood Center is defined as an area that could support both office, retail and residential development. The proposed SUP and associated Site Plan is consistent with the West Side Plan.

Public Response:

Nine (9) notification letters were mailed to the surrounding landowners on July 28th, 2016. Two (2) zoning notification signs were also posted on the site on that day. A public notice was placed in Dallas Morning News on August 19th, 2016. As of August 31, three letters of opposition to this request has been received by the City. One letter is from an adjacent property owner, Omni Hotels and Resorts, Park West, Dallas.

Possible Council Action:

- 1. I move to adopt Ordinance No. 3389.
- 2. I move to adopt Ordinance No. 3389 with the following modification(s)...
- 3. I move to table the item or take no action.