STAFF REPORT

Case Number: 16-SU-18

Request: Specific Use Permit Amendment

Address: 12101 -12301 Luna Road Lot Size: Approximately 6.105 Acres

Petitioner: Royal Hospitality Texas LLC, Z. Makahni

Background:

The applicant, Z. Makahni, is requesting an amendment to an existing Specific Use Permit (Ordinance 3326) approved by the City Council on June 16, 2015. The Ordinance rezoned the property from PD-88, with the subdistrict "Commerce" to the subdistrict "Urban Center" to allow multi-family residential and to grant a SUP for a hotel use.

The applicant is requesting a revision to the SUP for the southern portion of the approved associated site plan and elevations. This portion of the property had a proposed five-story, full service hotel with a restaurant (see existing Site Plan). The applicant is now proposing a four-story, extended-stay hotel without a restaurant. The proposed uses for the northern portion of the property are not subject to this request and are still being developed as a five-story retail development with multi-family use, although the number of multi-family units is requested to be increased and the associated parking is also proposed to be increased.

Summary of Proposed Changes:

Southern Portion of the Site - Hotel

- From a five-story "full service" hotel with a restaurant, to a four-story "extended-stay" hotel without a restaurant
- From 100 hotel rooms to 120 rooms
- From a predominately stucco (Hebel Panel) building material to a predominately brick and stone building material
- From a Best Western Elite to a Marriott Town Place Suites

Northern Portion of the Site – Retail and Multifamily

- From 150 multi-family units to 161 units
- From 268 parking spaces to 307 parking spaces (242 garage and 65 surface)

Existing Conditions:

The property is an approximately 6.105 acre tract of land located approximately 100 feet south of the southwest corner of Mercer Parkway and Luna Road, also known as 12101-12301 Luna Road. This site is located in the central portion of Planned Development No. 88 (PD-88).

To the south of the site is a portion of the flood control improvements controlled and operated by the Valwood Improvement District. Further south is the Parkwest II Office campus and I-635 (LBJ Freeway). To the north and west of the site is undeveloped land, but the property has been entitled for single-family use. To the east is Luna Road. (See Location Map).

Site Design:

The applicant, Z. Makahni, is proposing developing a high-density mixed-use community on this six-acre tract. This new development will include a five-story multi-family residential building with approximately 20,000 square feet of retail lease space on the ground floor. This proposed mixed-use building will contain an internal multi-level parking structure. This mixed-use building will be located on the northern portion of the tract.

On the southern portion of the tract, the applicant is proposing an extended-stay hotel. This hotel will be four-stories and contain approximately 120 rooms with meeting space. A proposed multi-level parking structure is attached to western end on the building, away from Luna Road. (See Proposed Site Plan.)

Hotel Details:

The applicant is proposing an extended-stay hotel on the southern half of the site. This hotel will contain a lobby, meeting rooms, a fitness center, and 120 hotel rooms. The rooms are comprised of studio and one bedroom units ranging from 332 square feet to 659 square feet. The proposed exterior of the hotel will be predominantly masonry, with a combination of brick, stone and concrete (99% of the total façade). (See Proposed Elevations.)

The hotel will also include its own multi-level parking structure attached to the western side of the hotel. This parking structure will include approximately 141 parking spaces. Another 30 surface parking spaces are proposed on the southern side of the hotel.

The applicant submitted a market study completed by HVS Consulting & Valuation, with this SUP amendment. The study concluded that there is market availability for an extended stay hotel at this location. The average room rate, at the beginning of the project, is projected at \$109.70 a night. (See HVS Report).

Mixed-Use Building Details:

The proposed five-story mixed-use building will be approximately 220,000 square feet in size and designed with an internal parking structure. Approximately 20,000 square feet of this area, located on the first floor fronting Luna Road, is proposed to be used for retail/commercial space and restaurants. The applicant has agreed to incorporate the use of a storefront colonnade along Luna Road in the proposed first floor retail area.

The remaining upper floors will contain approximately 161 multi-family dwelling units. These apartments will be predominately one- and two-bedroom units.

An internal multi-level parking structure (completely hidden from view along Luna Road) containing 242 parking spaces is proposed in the center of the building. Approximately sixty-five surface parking spaces are proposed on this northern portion of the site surrounding the new mixed use building, including twelve on street parallel parking spaces. Special attention will be given to providing convenient loading areas next to the building for easy and convenient access to both the retail and residential spaces.

The proposed architectural style for this building is a modern style using a stucco building material. The stucco finish would be applied over a type of modular concrete system known as "Autoclaved Aerated Concrete" or AAC. AAC is a porous concrete material that can molded into various shapes including stackable bricklike units. The applicant is proposing to use AAC product called Hebel Block/Panel.

Landscaping:

Approximately fifteen percent (15%) of the site is proposed to be landscaped open space. The design team has also oriented the placement of the buildings as close to Luna Road as possible to create an urban character to the site. The use of wide sidewalks and a covered colonnade area is proposed along the retail portion of the site. An interior courtyard with pool and active outdoor entertainment improvements (including cooking stations) is proposed within the mixed-use building. The hotel will include a pool and outdoor patio area associated with the pool.

Comprehensive Plan:

The 2003 West Side Plan, the Comprehensive Plan for the western portion of the City, designated this area as a future Employment District. Both the Westside Plan and PD-88 support the concept of a wide variety of high density land uses, including residential.

Thoroughfare Plan:

The 2013 Thoroughfare Plan identifies future Luna Road as a six-lane divided roadway. In order to make parallel parking safer along Luna Road, City staff required the applicant to create a new slip road configuration following the general design principles exhibited in the Luna Colonnade Street Type described in PD-88. The developer will be responsible for building this new public street configuration. In addition, a dedicated left turn lane will be installed at the hotel's main entrance. This street improvement will also be the responsibility of the developer. The applicant will install new sidewalks and a row of street trees along the western side of Luna Road.

Public Response:

Eight (8) zoning notification letters were mailed to the surrounding property owners on November 29, 2016. Notification signs were also placed on the property. As of December 9, 2016, no letters of opposition had been received.