Hotel Development Standards

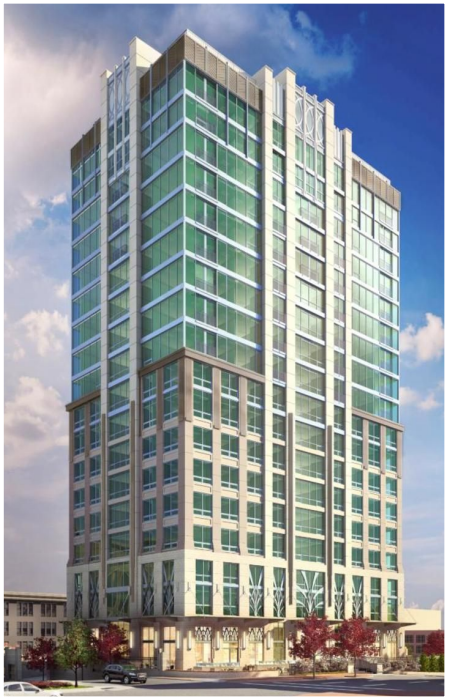
City Council Update

September 14, 2021

Todd Okolichany
Planning & Urban Design Director







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Key Takeaways

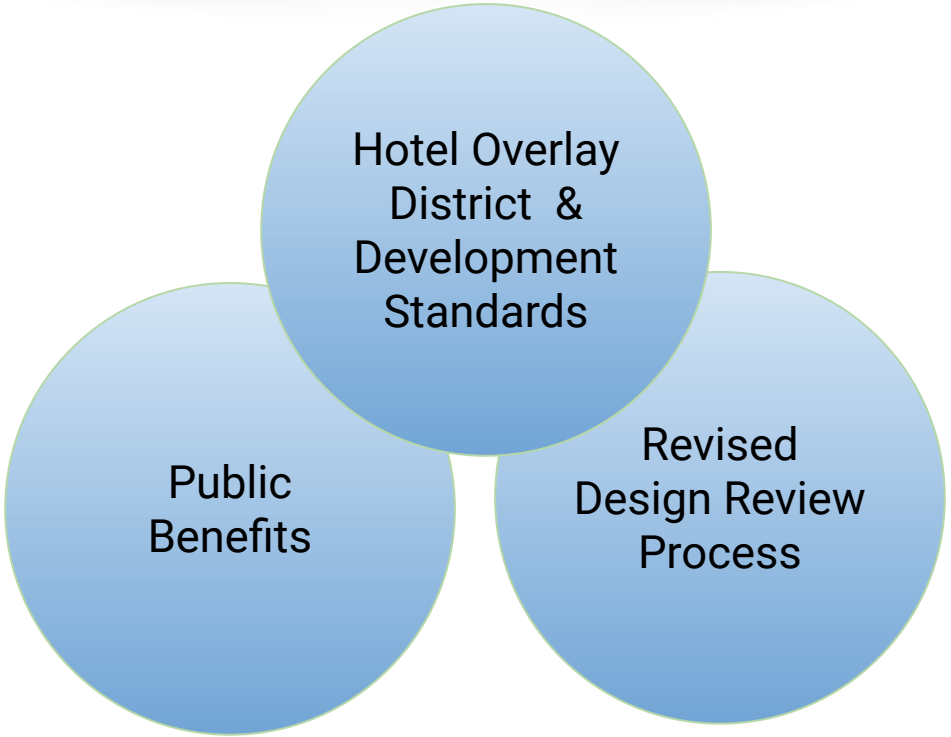
- Regulations are working as intended
- Text amendments are needed for clarification purposes
- Design Review Committee membership should be adjusted
- Staff is engaging the community on public benefits

Hotel Development Standards Background

- New hotel development standards were adopted by Council in February 2021
- This followed an 18 month moratorium to study the issue in partnership with the Urban Land Institute
- Due to the complexity of the hotel standards, Council asked for periodic updates to review and assess the code
- This is the first six month update to Council

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Key Elements of Hotel Development Standards



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Goals of Hotel Development Standards

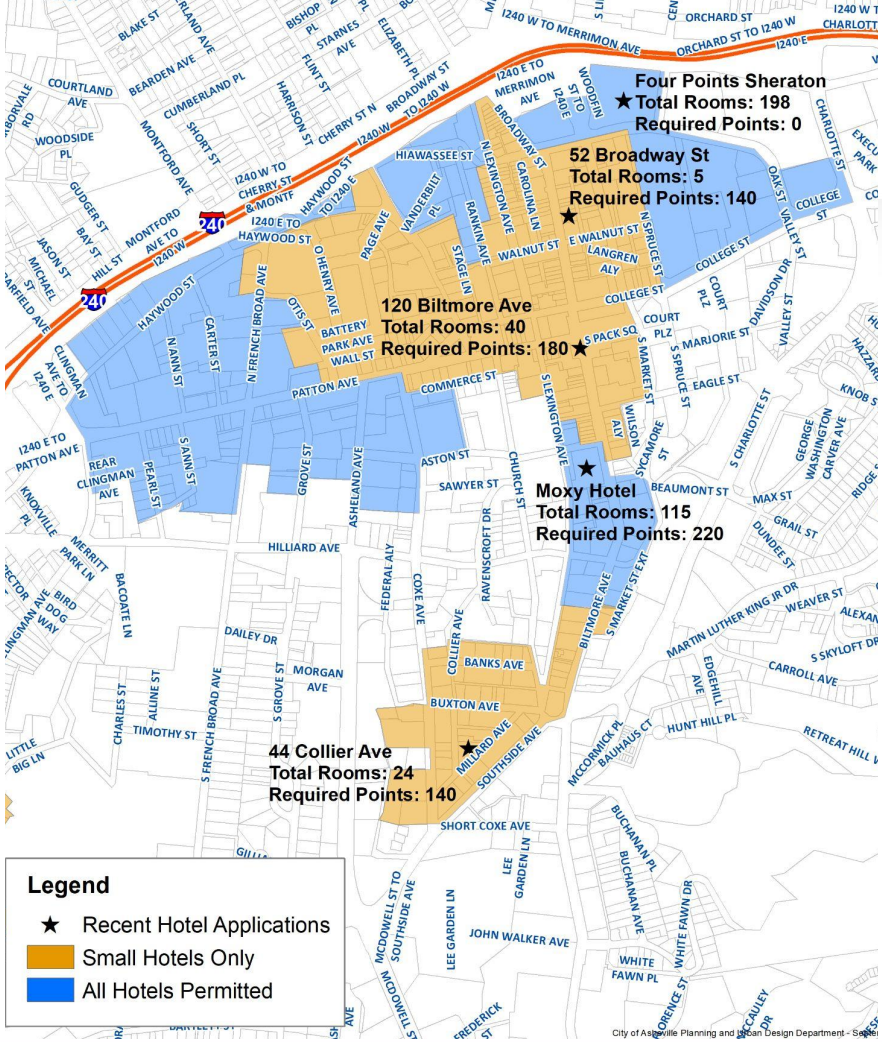
- Improve predictability and transparency in the hotel development review process
- Establish where hotels are appropriate in the City
- Leverage hotel development to achieve community benefits and limit impacts of new hotels
- Enhance the design of hotels

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Key Element #1 - How is it Working?



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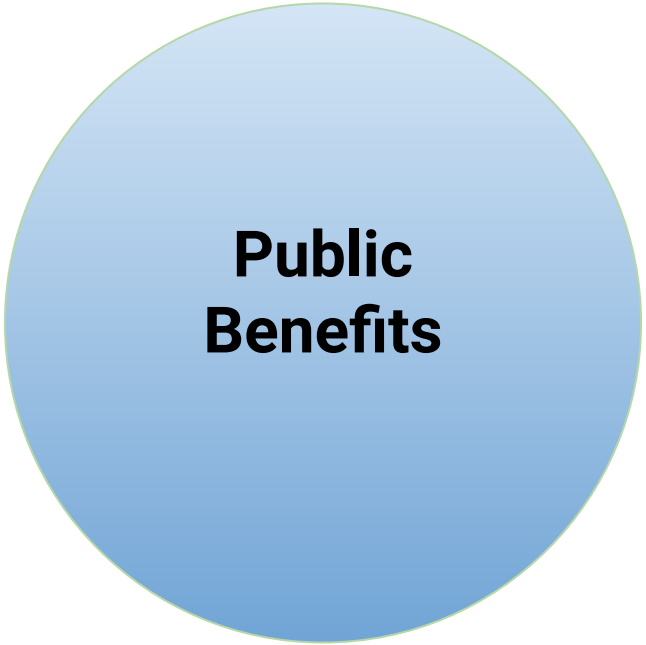
Hotel Projects February To August 2021

- Total of five projects
  - Three large and two small
  - All located in Downtown
- Four have the option to meet the public benefits standard
- Potential for $650,000- $800,000 for public benefits, including:
  - Affordable housing/reparations
  - Neighborhood improvements
  - Public art
- Additional public benefits include:
  - Paying living wages
  - Green Globes certification
  - Adaptive reuse of historic building

Hotel District and Overlay Standards - Observations

- Overlay working as intended
- Need some clarifying language to support staff's intention and interpretation of the code, including that:
    - Off-street parking is required for all lodging uses, including Downtown
    - Hotels below the threshold for Council review may be reviewed as either Level I or Level II (depending on size)
- Need to distinguish between extended stay hotels and "condotels", which act more like short term vacation rentals

Key Element #2 - How is it Working?



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Public Benefits - Observations

- Not enough data to comment on how the point threshold is working
- Staff is working to determine if public benefits should be incorporated into other zoning districts and/or revised in existing hotel standards. Staff will provide more information at next Council update
- Staff is developing a system to track benefits and points, and a system to track revenue

Key Element #3 - How is it Working



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Joint Design Review Committee - Current Membership

- The Joint Design Review Committee has nine members
- Council appoints four qualified members from the Downtown Commission and four from the Asheville Area Riverfront Redevelopment Commissions to serve on the Joint Design Review Committee
- The Joint Design Review Committee appoints one member from the community as a member at large

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Joint Design Review Committee - Observations

- The Design Review Committee has been formed
- Four meetings have been held
  - Nine total cases including two hotels
- All four Downtown Commission seats have been filled
- Three seats from the Asheville Area Riverfront Redevelopment Commission have been filled
  - One seat remains vacant
- The at-large seat has been filled
- The prior design subcommittees of the Downtown and Riverfront Commissions had additional at-large seats, which allowed them to add expertise for design review from the community

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Possible Amendments to the Design Review Committee

- Modify Committee membership makeup:

Current Committee Make-Up	Possible Committee Make-Up
• Downtown Commission: 4 members • Riverfront Commission: 4 members • Design Review Committee: 1 at-large member • 9 total members • Council appoints 8 of 9 members	• Downtown Commission: 3 members • Riverfront Commission: 3 members • 3 at-large members • 9 total members • Council appoints all members

- Benefits:
  - Easier to fill seats
  - Potential to expand the design expertise and diversity of the Committee

Key Takeaways

- Regulations are working as intended
- Text amendments are needed for clarification purposes
- Design Review Committee membership should be adjusted
- Staff is engaging the community on public benefits

Next Steps

- **September 2021:** update the Downtown and Riverfront Redevelopment Commissions
- **Fall 2021:** draft UDO amendments for hotels
- **Winter 2021:** review UDO amendments with the Planning and Zoning Commission
- **Early 2022:** present UDO amendments to City Council for review and adoption
- **Spring 2022:** next City Council update
- **Fall 2021 - Spring 2022:** continue to engage with community to determine if public benefits should be expanded to other districts or revised in existing hotel standards

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