

Moab City Council Agenda Item
Meeting Date: January 14, 2020

Title: Discussion of Ordinance 2019-30, an ordinance amending the City of Moab Municipal Code, Section 17.31 RC Resort Commercial Zone to allow Hotels and Motels, subject to revised Development Standards.

New language in this staff report is in italics

Disposition: The Planning Commission has not yet forwarded a recommendation to the City Council. They are scheduled to discuss and possibly take action at their next meeting on January 23, 2020. Therefore, this City Council item will be for discussion only and possible policy direction.

Staff Presenter: Nora Shepard, Planning Director

Attachments:

Exhibit A: REVISED Draft Ordinance 2019-30

Exhibit B: Analysis of number of Overnight Accommodations (OAs) currently licensed in the City.

Exhibit C: Map and list of developable parcels in the RC Zone

Exhibit D: Approved Grand County Ordinance to Revise Overnight Accommodations Development Standards

Background/Summary:

PC/CC Direction

As the result of the adoption of Ordinance 2019-18, the City Staff and Planning Commission have been tasked with drafting of Development Standards so that the City can, one again, accept applications for new Overnight Accommodations in the City. As discussed by the Planning Commission and City Council in a joint work session held on Tuesday, August 13, 2019, the Development Standards that need to be developed shall include:

- Energy Efficiency
- Density and Size
- Aesthetics
 - Height, bulk and scale
 - Façade Variation
 - Color and Materials
 - Viewshed
- Landscaping, buffering
- Mixed Use Requirements
- Water carrying capacity, existing infrastructure capacity
- Contribution to cumulative traffic, connectivity/contribution to non-motorized/micro vehicle transportation network

Where Are We in the Process?

The City and County have been working together to develop consistent Development Standard for Overnight Accommodations. While there may be some differences, the goal is to have similar standards inside and outside the City boundaries

There have been numerous public meetings and work sessions to discuss and refine the proposed standards. Such meetings were held with the City Planning Commission and Council and with the County Planning Commission and Council.

Based on public input received and on comments from the City Council and Planning Commission, the draft code provisions have been amended to address issues and concerns raised. The revisions are primarily clarifications and refinements.

The County approved an Ordinance to Revise Overnight Accommodations Development Standards on January 7, 2019. The final and approved draft is attached is Exhibit D.

Expectations

This effort to modify the regulation of Overnight Accommodations is ambitious. The goal at this time is to be able to accept new applications in the RC Resort Commercial Zone for Hotels and Motels. There will be on-going work after the adoption of the Development Standards to include, but not be limited to:

- Development Standards for OAs in all commercial zones
- Development of Standards for Campgrounds/RV Parks
- Standards for redevelopment, remodels and expansions
- Refinement of Standards based on the initial roll-out
- Revised landscape and irrigation standards

Status of the Code Revisions:

The City Council and Planning Commission have held public hearings on the proposed amendments. Changes have been made to the draft code revisions to address the comments raised by the public, Planning Commission and City Council. In some cases, input given was contradictory. In those cases, the staff has evaluated the comments based on the intent and purpose of this process, as outlined by the Planning Commission and City Council on August 13, 2019. At this time, the Planning Commission is being asked to provide a recommendation to the City Council on the proposed code revisions.

Description of Revised Development Standards:

In reviewing and revising the Development Standards, the staff considered the following (new information is in Italics):

Energy

- It is unlikely that a motel/hotel can practically meet net zero for their project. Net Zero means that the project generates as much energy as it uses. The Net Zero standard has been modified so that 80% of the energy needs are produced on site. The balance of the energy shall be required to be provided by purchasing renewable energy credits, such as subscriber solar.
- Alternately, if a developer chooses to use an energy certification program such as Leeds or Community Building/Living Challenge, they would be able to do so.
- *There has been significant discussion on whether 80% of the energy needs can be produced on site. Energy sustainability is valued in Moab, and a strict standard may be warranted.*
- *An additional standard has been included the require Electric Vehicle Charging Stations at a rate of 1 per 25 rooms.*

Water

- A rainwater catchment system will be required and used on site for beneficial uses.
- Maximum of 10% sod or non-native grass
- All new developments will have to use water-wise landscaping and/or xeriscape. In the future, the landscaping requirements in the MMC should be updated.
- Bioretention and bio-infiltration required (if the soil condition will allow it).
- *There has been discussion about including a requirement for a graywater system for all shared or group shower or laundry facilities. They are not currently allowed by Utah State Code, but it is anticipated that the State Legislature will discuss this at this year's legislative session. At this time, this has not been included in the proposed standards.*

Transportation

OA Developments shall incorporate into their subdivision plat or site plan the following transportation infrastructure:

- Space to accommodate a transit or shuttle stop
- Enclosed, lockable bike storage at a rate of 1 space per 2 lodging units
- Active transportation and non-motorized trail easements dedicated to the public when identified in the Grand County Non-motorized Trails Master Plan.
- OA developments over 40,000 sq ft will also be required to provide a narrative and transportation solutions that will reduce projected vehicle trips below the ITE Trip Generation Manual by 20%. *This remains in the proposed code changes. The goal is to provide development standards and to allow the developer to propose their own solutions.*

Mixed Use, Civic Space, and Open Space Standards

One of the primary issues that prompted the changes for OAs is that much of the development that has occurred recently in our Commercial Zones has been in the form of OAs and that many commercial uses that benefit the residents and visitors are not being provided currently in Moab. Requiring mixed use for “in-town” OAs would help this situation. In addition, Landmark Design is working on creating code that encourages

“commercial nodes” in Moab. That work will move forward as soon as we complete the Development Standards for OAs.

As a minimum requirement, all hotels and motels will have to provide 5% of their gross floor area for outdoor civic or usable open space. An addition, 5% of the gross square footage of a Hotel or Motel must be provided for retail or community commercial uses.

In order to encourage mixed use in the RC zone, the standards include incentives in the form of additional square footage and building height in exchange for additional assured workforce housing or additional commercial on-site (but not necessarily in the same building).

New Hotels and Motels must provide minimum percentages of open space based on parcel size as follows:

- Under 2 acres – 10% contiguous open space
- 2-5 acres – 15% , minimum of 7500sq.ft of contiguous
- Over 5 acres – 25%, minimum or 7500 sq.ft of contiguous

Height

Projects in the RC Zone will have a maximum building height of 2 stories or 30 feet. Projects along Hwy 191 should be stepped so that the areas closest to the road be one-story with additional stories being stepped back. This is to avoid a “wall” along the highway. As proposed, OAs could achieve a third story with a maximum height of 40 feet if:

- Additional affordable/employee/workforce housing above and beyond the amount required for Assured Workforce Housing. *Each additional unit would result in an increase in square footage of 10,000 sq ft. The maximum of 20,00 sq ft would be allowed with 2 additional workforce housing units.* This would not replace the Assured Workforce Housing requirement but would be in addition to that.; or
- Dedication of land to the City or other qualified entity for the purposes of building affordable/employee/workforce housing; or
- As a part of a master plan for the site that includes the overnight accommodation use as well as at least 20,000 square feet of commercial uses that provide goods or services for the community and open to the public. Examples include Day Care Centers, Drug Stores and Pharmacies, Grocery Stores, Open Markets and similar uses. This would be above and beyond the requirement for Mixed Use, Civic Space, Open Space. The commercial uses will not be counted toward the maximum square footage allowable for the Overnight Accommodation uses and may be in a separate structure.

Maximum Building/Project Size

One of the issues that was raised during the initial public meetings on Overnight Accommodations had to do the size and scale of many of the new projects in Moab. In

an effort to ensure that new overnight accommodations are compatible with the historic scale of Moab, the Planning Commission is recommending maximum building and project sizes. During this effort, the following research was done to compare sizes of existing and proposed development in Moab and Grand County:

Project	Total Square Footage (approximately)	# of rooms
Hyatt	74,160 sf (main building)	110 rooms
Homewood Suites	77,500 sf	96 rooms
Hampton Inn	46,000 sf	79 rooms
Sleep Inn	50,700 sf	87 rooms
Wingate	58,000 sf	120 rooms
Moab My Place	29,000 sf	64 rooms
La Quinta		100 rooms
HooDoo Hotel		115 rooms
World Mark	270,000 sf	152 units
Moab Rustic	14,500 sf	35 rooms
Apache	15,500 sf	35 rooms
Bowen	16,350 sf	41 rooms
Aarchway Inn	60,000 sf	97 rooms

The proposed maximum building size for Overnight Accommodations shall be no more than 20,000sf with a maximum total project square footage 40,000 sf. Up to 20,000 sq ft of additional OA square footage could be achieved as described in building height section. *Language has been added that requires a minimum parcel size of 2 acres. If there is an existing legal lot of record that is less than 2 acres, it can be considered for new Hotels or Motels.*

Site Development and Architectural Standards

The proposed standards are fairly common and are not generally difficult to achieve. The balance of getting good design vs cost must be considered. We want more aesthetically pleasing projects, but do not want to make the standards so onerous as to make it impossible for smaller businesses and local developers to move forward. *The latest draft has some clarifying language, but no substantive changes have been made. The Code will include schematics to explain the required massing shifts and they will be presented at the Planning Commission meeting on January 9, 2020.*

Metering

Several Planning Commissioners and City Council Members have asked the staff to provide information on potential “metering.” Given staff and time constraints, the recommendation at this time is that the Development Standards will serve as the metering mechanism. The logistics and rational basis for limiting new rooms on an annual basis are not considered viable at this time.

Updated Data on Existing/Proposed Overnight Accommodations

In response to questions about the “real numbers” on existing and proposed overnight accommodations in Moab, staff has updated the information on OAs based on business licenses. Some of the hotels that were “pending” have now been built and the status of the “pending” applications has been updated. See Exhibit B. In summary, Total OA Units Built and Licensed:

3451 (all OAs)

Existing Hotel Rooms: 2136

Pending Hotel Rooms: 604

These numbers do not include the Lion’s Back Project.

Vacant Parcels in the RC Zone

Exhibit C includes a map of the developable parcels in the RC Zone. There are 4 parcels on the south (or west) side of Hwy 191 that are undeveloped. All of the parcels could accommodate a new hotel or motel, consistent with the Development Standards, but they are all under 4 acres. Since the minimum size parcel eligible for development of an OA is 2 acres, the parcels could not be subdivided to accommodate more than 1 OA use. As you can see from the map, the parcel sizes are comparable to other Hotels and Motels in this area.

On the north (or east) of Hwy 191, there are 3 developable parcels. One is owned by Grand County. The other 2 are large in area, but the development area of each is limited due to topography. The Tramway parcel has been subdivided into 2 parcels. One of the parcels has an active Site Plan application. There is also a pre-annexation agreement that describes the development that could be associated with those parcels. There is another parcel that is privately owned but is deed restricted so that it cannot be developed into an OA. The final parcel is adjacent to Moab Springs Ranch. The parcel does not have entitlements for development or access as an extension of Moab Springs Ranch. There is does not appear to be access from the Highway.

Grand County Approved Ordinance to Revise Overnight Accommodations Development Standards

On January 7, 2020, the Grand County Council approved an ordinance to revise overnight accommodation development standards. There are some fundamental differences between the City proposal and the approved County ordinance and some minor differences in the specific Development Standards.

Overlay vs Base Zoning

As previously discussed, the County has chosen to use an Overnight Accommodation Overlay (OAO), rather than modify any of their existing base zoning. This means that anyone who wants to build an overnight accommodation must go through a legislative process to have the overlay applied to the individual parcel(s). As discussed previously in this report, the City has decided to change the base zone (RC Zone at this time) to include specific development standards for OAs. In the approved Grand County

Ordinance, there are specific findings related to the impact of the proposed development on:

“Grand County’s effort to achieve or maintain a balanced ratio of mixed uses in the County, including residential, lodging, and commercial uses; and

1. In determining what constitutes a balanced ratio of mixed uses, the County Council shall consider the following factors:

a. Grand County’s early 2019 development ratio of 1.4 overnight accommodation units to 1 primary residential unit;

b. Carrying capacity analyses or additional studies specific to Grand County; and

c. The considerations of interest in Section 4.6.7(C)(2)(g)(1).”

The findings “shall consider” the factors in granting application of the OAO district.

Other Development Standards

The approved County Ordinance includes development standards for Bed and Breakfasts, Dude Ranches or Destination Resorts, Recreational Vehicle/Campground/Trailer Parks and Residential Units.

Differences in the Specific Development Standards

The County Ordinance and City proposals have some difference in the standards themselves. In the draft of the City Ordinance (attached as Exhibit A), comments have been added indicating those differences.

Policy Questions to Discuss:

Since the last work session and discussion with the City Council, held on December 10, 2019, staff has received input and comments from several City Council Members. Many of the recent changes are in response to those comments. Given the nature of some of the comments, possible items for discussion and direction by the City Council include:

1. Energy Efficiency Standard
2. Mixed Use Requirement
3. Maximum Building and Project Size
4. Metering