



CITY COUNCIL MEMORANDUM

FROM: The Office of the City Manager **DATE:** December 10, 2018

SUBJECT: SUP 2018-14, Ordinance No. 3553, public hearing and consideration of a request from Cromwell Hospitality, LLC for a Special Use Permit for a hotel at 9030 Grand Avenue, being 2.829 acres described as Tract 5E01, Landon C. Walker Survey, Abstract 1652; and Lot 3E, Block 1, Northeast Crossing Addition.

PRESENTER: Clayton Comstock, Planning Director

SUMMARY:

Cromwell Hospitality is requesting a special use permit (SUP) for a hotel on 2.829 acres of property located at 9030 Grand Avenue. The developer proposes to construct a Marriott TownePlace Suites hotel on the property.

GENERAL DESCRIPTION:

Cromwell Hospitality is the same hotel developer/operator that requested approval of a hotel location in HomeTown in October 2017, which was denied by City Council. The primary message received last year from the community was for the hotel not to be located next to Walker Creek Elementary School. As such, the developer has moved their proposal further from the school to a location that was suggested by some of the residents who attended and spoke at the last public hearing.

The property now under consideration is located at the east corner of Walker Boulevard and Grand Avenue, across from the NRH Library and Stormy Plaza. The developer proposes to construct a four-story hotel with a maximum of 120 guest rooms on the site, including associated on-street and off-street parking areas and amenities. A concept plan and building elevation for the development is attached. The development is subject to final approval of a site plan package by the Development Review Committee and Town Center Design Review Board. Information about the property and request are described in detail below.

Building and Site Details

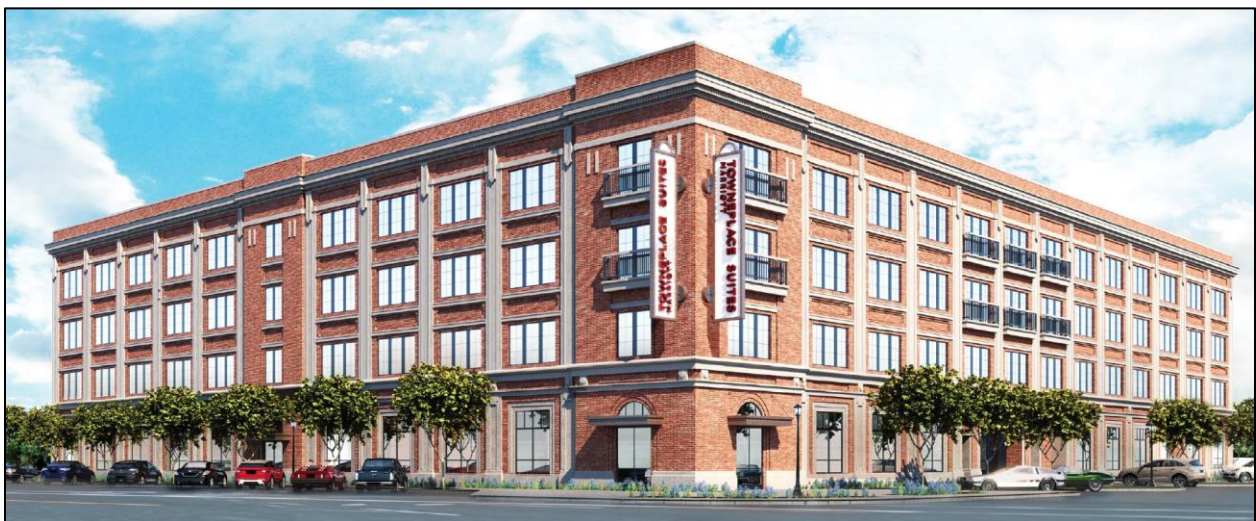
A concept plan and building elevation for the proposed hotel are attached for reference. Prior to applying for a building permit, the full site plan and architecture package would need to be approved by the Development Review Committee, the Town Center Architect, and the Town Center Design Review Board.

The building is proposed as an L-shaped building with shallow setbacks from Parker Boulevard and Grand Avenue. On-street angle-in parking would be provided on Grand Avenue and is already in place on Walker Boulevard. The primary parking field would be behind the building, hidden from public view, but accessed from Grand Avenue and a first-floor "tunnel" through the building along Walker Boulevard at the terminus of Courtenay Street. The apparent break in the building in the exhibit to the right is the location of the drive-through entry. The building is connected on floors two through four above. Wide sidewalks, street trees, and streetlights would also be installed on Parker and Grand as part of this development.



The final interior design of the hotel is awaiting conclusion of the SUP request, but it would include a maximum of 120 guest rooms, an indoor pool and gym, breakfast dining room, and business meeting room(s). A patio dining area and multi-purpose sports court would also be provided on the property. Dense evergreen landscaping will help screen the rear of the Office Depot and Kroger buildings from this property.

The building is four stories in height, with a primary roof height of 55 feet. No guest rooms would be located on the first floor on the Parker Boulevard frontage as well as much of the Grand Avenue frontage facing the Library. This frontage would be dedicated to the meeting rooms and hotel amenities.



Proposed hotel as viewed from Parker Boulevard (right) and Grand Avenue (left)

HomeTown Master Plan & Town Center Zoning

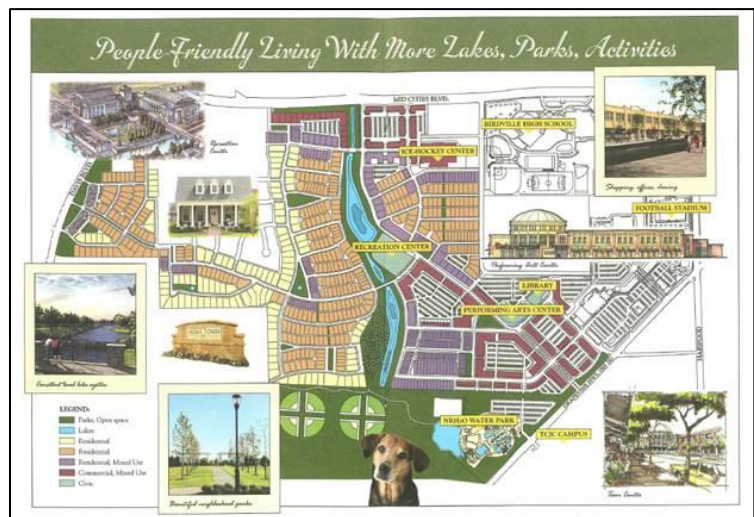
The property has been zoned “TC” Town Center since the original inception of the HomeTown Master Plan and Town Center zoning district in 1998. The Town Center district is intended to establish development standards to promote a sustainable mixed-use neighborhood that provides the opportunity for many uses typically found in a city's town center to develop in a cohesive community. This district is also divided into four subzones that provide for a gradation of development and use intensity. The “Neighborhood Core” subzone in which this property is located allows for a true mix of uses, including residential and commercial uses in the same building.

Because the concept is designed to integrate residential with commercial and civic uses, the Town Center district is more complex than the Conventional Suburban Design (CSD) that other parts of the community follow. Conventional Suburban Design consists of simplified zoning concepts that segregate uses into districts (i.e., “R-2” Residential, “C-1” Commercial, “U” Institutional, etc.). By comparison, Town Center district creates an interrelationship between land uses through specialized development standards that tie the uses together through building and streetscape design.

The Town Center district also supports the following conventions:

- A neighborhood pattern limited in size by the walking distance from its edges to its center.
- A variety of housing, shops, workplaces, and civic buildings located in close proximity.

The original 1998 HomeTown Master Plan is shown at right. It is in the sales brochure format that was provided to those who bought houses in the first phases of HomeTown. This original plan consisted of a large amount of mixed-use commercial area on the east side of The Lakes.





A few events have occurred over the years that resulted in some changes to the Master Plan:

- 1) About the same time HomeTown was approved, both Southlake Town Square and Northeast Mall were introducing new major retail areas to the Northeast Tarrant County market, thereby diminishing the immediate retail viability for the HomeTown development. The amount of commercial space originally planned soon became unachievable in the marketplace.

- 2) A 2011 lawsuit settlement predetermined the use of this 2.7-acre tract between Kroger and the NRH Library, as well as other tracts of the 93.3 acres east of The Lakes. This particular area, referred to as Tract 7, was limited by the 2011 revision to the Town Center District as follows: *“Maximum of 60 apartment units allowed, no limit on commercial space.”*

Special Use Permit Required

The property is located in the Neighborhood Core subzone. A hotel use requires approval of a special use permit in the Neighborhood Core subzone. The Neighborhood Core subzone permits a maximum building height of four stories by right.

Hotel Market Research & Marriott’s TownePlace Suites Brand

Prior to applying for a special use permit, the hotel developer conducted its own market analysis, followed by a more extensive analysis as part of the Marriott branding process. The specific brand recommendation (TownePlace Suites) was a result of that market analysis because the target market and expected types of overnight stays for this brand fits the demographics of the area and amenities desired by the community.

According to Marriott’s website, “the TownePlace Suites by Marriott brand is designed for business and vacation travelers who want to feel at home and stay productive. To appeal to these guests seeking authenticity, personality, and a seamless experience, the concept infuses local flavor into a quiet neighborhood setting, complete with the added comfort, service, and quality of an all-suite hotel. With over 300 locations, the hotels offer extraordinary value, including modern spacious suites with full kitchens.”

Average nightly room rates will exceed \$100 per night with an expected occupancy rate of 85 percent. With regard to reservations at the hotel, 64% will be made through the Marriott Rewards network. Given the price point, this is not a hotel that caters to individuals or families in transition that seek places to stay for long periods. Breakfast is provided for guests; a full-service restaurant is not proposed. The developer is local to the area and constructed the new Hilton Garden Inn at the Hurst Conference Center.

Business travel and tourism is now one of the largest industries and one of the fastest growing economic sectors, and is seen as a main instrument for stimulating and sustaining a healthy economy. North Richland Hills is currently missing a local quality lodging option, which drives quality overnight market demand (businesses and tourists) to areas outside of the city. The Grand Hall at the NRH Centre hosts hundreds of events each year, including weddings, conferences, and other corporate events that bring out of



town visitors who require an overnight stay. Without a quality lodging option, these visitors will choose to stay outside the city. In addition to lost lodging, the NRH Grand Hall is at a disadvantage when competing with other event facilities since it lacks an adjacent, convenient overnight component. NRH2O Family Water Park hosts about 250,000 visitors each year. NYTEX hosts ice hockey and a number of sports tournaments that draw overnight stays. The Birdville Fine Arts and Athletic Center hosts large scale marching band competitions and other sporting events, and the businesses in the area including Health Markets, host business related travelers. Below is a listing of the economic impact of these facilities:

FACILITY	ANNUAL ATTENDANCE FIGURES
NRH Centre	800,000 visits
NRH Grand Hall	25,000 attendees, 150 events
NYTEX Sports Centre	300,000 attendees
NRH Library	234,000 visits
NRH ₂ O Family Water Park	245,000 visits

The proposed hotel location is intended to enhance and sustain the experiences of these quality community amenities. A hotel at this location would also support and enhance area businesses creating greater marketability of existing retail and restaurant uses, and stimulating the location of additional business into the commercial centers in the Town Center district.

PUBLIC INPUT: Following posting of the public hearing signs on the subject property, the Planning & Zoning Department has received inquiries and correspondence regarding the proposal. All written correspondence received to date can be seen on the attachment “Public Input.”

COMPREHENSIVE PLAN: This area is designated on the Comprehensive Land Use Plan as “Town Center.” This designation relates to the Town Center zoning district, which establishes development standards to promote a sustainable, high quality, mixed-use development. Each subzone provides a gradient of development and use intensity. The components of each subzone – buildings, streets, and public spaces – are scaled to create and sustain an integrated living environment.

CURRENT ZONING: The property is currently zoned Town Center and located in the Neighborhood Core subzone. This subzone is the most dense business, service, and institutional center. It straddles thoroughfares at the most active intersections, and is usually in walking distance of a substantial residential population. It allows for a mix of uses, including residential and nonresidential uses in the same building.

PROPOSED ZONING: The applicant is requesting a special use permit for a hotel. The Neighborhood Core subzone requires approval of a special use permit for a hotel use. No change is proposed to the existing “Town Center” or “Neighborhood Core” zoning district other than the special use of a hotel.



SURROUNDING ZONING | LAND USE:

DIRECTION	ZONING	LAND USE PLAN	EXISTING LAND USE
NORTH	O-1 Office	Office	Vacant property
WEST	TC Town Center	Public / Semi-public	NRH Library
SOUTH	TC Town Center	Town Center	Venue at HomeTown apartments
EAST	C-2 Commercial	Retail	The Crossing shopping center

PLAT STATUS: A portion of the property is platted as Lot 3E, Block 1, Northeast Crossing Addition. The remainder of the property is unplatted. Approval of a plat would be required prior to building permits being issued.

PLANNING AND ZONING COMMISSION: The Planning and Zoning Commission will consider this item at the December 6, 2018, meeting. If the Commission issues a recommendation to City Council, staff will brief City Council of their recommendation at the December 10, 2018, meeting.

RECOMMENDATION:

Approve Ordinance No. 3553.