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Via Email: Town Clerk, Dolores Vasquez, dvasquez@townoflyons.com

January 24, 2022

Town of Lyons
-- Planning and Community Development Commission
Shirley F. Johnson Council Chambers
432 5th Ave.
Lyons, CO 80540

Re: Hotel Lyons, Development Plan Review; Comments for Public Hearing Jan. 24, 2022

Dear Members of the Planning Commission:

Thank you for the opportunity to express my views on the proposed Hotel Lyons, submitted by Moss Rock Development Co. I was a member of the PCDC for roughly 8 years (2011-2019) and helped develop the land use and development Code that apply to the Hotel proposal.

Based on the packet and application submittals, the proposed Hotel is not in compliance with numerous provisions of the Town Code. In addition, the proposal would be a serious departure from the recent Town efforts to address the lack of available parking downtown, and is inconsistent with the Town's recent Lodging Study which specifically found that the 4th & Main St. site is not compatible with such a large-scale hotel development.

Although I support a Hotel at the site, and the benefits of a properly-scaled lodging facility, the project should be denied in its current form and should not be approved without serious redesign and reductions of scale and impacts to the Town.

The Proposal Does Not Comply with the Town Code, Comp Plan, and Town Plans and Guidance

At the outset, although a hotel is a use by right in the downtown zone, that does not in any way mean that the proposed project must be approved, or that the BOT (and recommendation from the PCDC) is under any obligation to agree to proposals from the project proponent. As noted below, and by a large number of community members (based on the latest comments in the PCDC packet), the imposing 3-story, 3-lot building is not consistent with numerous provisions of the Town Code and Plans, any one of which is grounds for rejecting the proposal as it now stands.

I. Parking

The proposal would require at least 54 off-site parking spaces (79 total), and even more based on special events. Based on the company's own admission, this would take up **all** of the available parking on Main St. between 3rd and 4th Avenues, as well as the spaces on 4th Avenue between Main and Broadway. The plan also involves completely occupying the unpaved lot on 3rd Avenue across from the Fire Station and Post Office for "valet service" parking.

At the outset, the proposal neglects to include employee/staff parking, which the company said will involve 110 full-time jobs (although not all would need parking at once). In addition, the proposal fails to account for parking for patrons of the rooftop bar/lounge, which the company says will attract additional visitors from around the area above and beyond the Hotel's guests.

This directly contradicts the recommendations of the Town's 2018 Downtown Parking Study/Plan (included in PCDC 1-24-22 public packet at PDF pp. 279+). As just one example, a major goal of the Study/Plan is to **increase** available parking downtown, as there is not enough current parking. Study/Plan at pp. 10-11. Yet the Hotel would do just the opposite – severely **decrease** available downtown parking.

Further, the Study/Plan highlights the need for 2-hour parking on Main St. between 3rd and 4th Avenues to support local business visitor turnover. Study/Plan at p. 16, and Figure 5-1 (p. 19). Yet the Hotel would use up all the available parking for overnight guests – certainly violating the 2-hour restriction.

Regarding the off-site "valet parking" plan to use the lot on 3rd Avenue, the proposal downplays the safety issue, as guests and staff will be in constant foot traffic across Broadway (Rt. 36). The proposal makes the vague claim that there will be no traffic and pedestrian safety issues, with no supporting analysis. In addition, the impacts from eliminating current Town and visitor access to this lot is not analyzed.

Overall, in order to meet the Town's goal to improve the current parking situation, the number of rooms and parking needs required by the Hotel must be significantly downsized.

II. 3-story, 3-Lot Size and Scale Is Not Consistent with the Comprehensive Plan and Town Standards/Guidelines

The proposal is misleadingly portrayed as a "boutique" hotel, but that is not what is proposed. As stated in the Town's January, 2020 Hotel Feasibility [Lodging] Study (packet PDF pp. 320+), a "boutique" hotel would be around 30-35 rooms, whereas a "chain" hotel is considered to hold 60-80 rooms. Thus, although the Hotel is not currently proposed by a national hotel chain like Motel 6, it is considered by the hotel industry, as detailed in the Lyons Lodging Study, as a "chain-size" hotel.

The Lodging Study specifically looked at the 4th & Main site and found it unacceptable for a

chain-size hotel of 60-80 rooms. Study at p. 22. This was due to, among other concerns, the substantial parking needs of any hotel of that size. The Study did find that a smaller “boutique-size” hotel would be acceptable at the site. “A boutique hotel would be a fitting choice for Lyons’ downtown.” Study at 15.

The company asserts that reducing the size of the Hotel would make any hotel unprofitable. **But the Town Lodging Study found the opposite – that a 30-room hotel would still make substantial profit.** Study at pp. 28-30 (well over \$100,000 profit per year after the initial year, growing each year). “The modeled boutique hotel can be expected to be profitable and to produce sufficient income to meet debt coverage ratios, once occupancy has stabilized following the first year of operation.” Study at 29.

Here, the proposed Hotel has 15 rooms on the first floor, 43 on the second floor, and 21 on the third floor. Based on the Town Study, eliminating the third floor would still allow substantial profits (although less than with the third floor’s 21 extra rooms). But an applicant’s desire to maximize profit should not come at the expense of the interests of Town residents and existing local businesses on Main St.

The proposal packet discusses the required standards and guidelines in the Town Code and Comp Plan, but the staff recommendations erroneously apply these requirements.

First, in describing the project proposal, the staff recommendation stated that: “the proposed development closely followed the Town’s Commercial and Mixed-Use Development Design Standards and Guidelines (DDSG) to maintain an aesthetic typical of the area.” Staff Report at Section IV, PDF 1-24-22 packet p. 20). Yet constructing a 3-story building covering 3 lots will **not** “maintain an aesthetic typical of the area.”

Regarding “Public Utilities,” the staff report states that: “The Town of Lyons Director of Utilities and Utility and Engineering Board have reviewed the application and specifically requests the following be confirmed and detailed at the time of the building permit application:

- Adequate water pressure for fire suppression system
- Wastewater downstream lines and WWTP adequacy**
- Increased wastewater flows from town restaurants to feed hotel residents
- Rather than 85% occupancy should use 100% occupancy and a standard Colorado peaking factor
- Document that electrical transformer(s) proposed are adequate and if single phase or three phase required
- Stormwater report needs to be updated with final design plan with calculations
- Consider different water taps for different businesses since wastewater fee calculations vary by usage type
- Confirmation that the project does not include food service or laundry facilities**

Staff Report, PDF 1-24-22 packet pp. 23-24 (emphasis added). These critical issues, such as the adequacy of the Waste Water Treatment Plant (WWTP) should be answered **now**, before the project receives Plan approval by the PCDC and BOT. Further, it is hard to understand how a 79-room hotel, with a bakery and bar, does not include “food service or laundry facilities.”

The company's proposal lists the "Land Use and Growth Goal" of the Town Comprehensive Plan, including that any project "Ensure that the build environment contributes to Lyons' identity." PDF 1-24-22 packet at p. 36). Yet constructing a 3-story building covering 3 lots will clearly not "contribute to Lyons' identity." Rather, it represents a severe intrusion into the Main Street visual and aesthetic environment.

Regarding the required "Environmental Impact Analysis," the company states that: "The new development on these three parcels will dramatically improve the visual character of the historic downtown area as seen from Main Street, 4th Avenue and Broadway." PDF 1-24-22 packet at p. 40.¹ The company also asserts that: "The hotel's strong presence and the vitality of its streetscape will also create a positive first impression for visitors to the downtown area arriving from the east on Main Street." Id.

It is hard to see how the large-scale project will "dramatically improve the visual character of the historic downtown area." Instead, the imposing building will significantly alter the viewshed, dwarf existing buildings, and likely not create a "positive first impression" to Town visitors.

Regarding the "Downtown Core District Guidelines," the proposal admits that the 3-story design would not comply with Section 2.3.2 of the Standards and Guidelines: A. **Any third floor building wall shall be set back a minimum of fifteen (15) feet from the base front building wall at the sidewalk edge in the core downtown district. (S).** (Section 2.3.2 emphasis added).

The company argues that it should be able to violate this standard because "In order to meet the 40' height restriction applied to this sloping site and provide the needed number of hotel rooms, the massing did not allow for setting the third story on Main Street back 15'. Instead, we have created a three-story façade that is historically consistent in proportion and character, and have broken this façade into vertical modules that produces a massing and façade that will be attractive to the Downtown Core Area streetscape." PDF 1-24-22 packet at p. 243.

The same is true for the Standard relating to "Façade Articulation," Section 2.3.3 (PDF 1-24-22 packet at pp. 244-45): "**A single façade should not exceed a maximum of 50 (fifty) linear feet (equivalent to two traditional lots). (S).**" (emphasis added). The company admits that the project would exceed the 50 linear foot limit, but argues that slight alterations to the front façade nevertheless comply with this standard.

Again, the only justification for violating Town Code is to accommodate the company's desire for a large 3-story, 79 room, 3-lot hotel. But the Town of Lyons should require developers to meet our requirements, not the other way around. Further, as noted above, the Town's Lodging

¹ The applicant states that: "the hotel replaces six unattractive and derelict buildings and parking areas fronting on both Main Street and Broadway." PDF at p. 40. Yet those buildings have already been removed. Thus, any review of visual or aesthetic impacts should be from the **current** situation. The fact that the applicant undertook the removal/demolition of the previous buildings does not create any equities in the proposal, as a developer's expenses in advance of obtaining any Town approval has no bearing on whether the proposal should be approved.

Study determined that a much smaller, 30 room truly “boutique” hotel would still be substantially profitable.

III. Critical Problems and Questions Must Be Resolved Now, and Should Not Be Deferred to the Future

Overall, it is clear that this proposal has numerous problems. Even though the staff recommends approval (despite the various Code violations and contradictions with Town guidance and studies detailed above), the staff report admits that additional analysis and study is needed regarding the safety, access, parking, water treatment, and other concerns.

These issues are too important to be pushed-off to the future. Requiring developers to provide adequate analysis and support for their proposals at this stage also protects the rights of Town residents. If there are serious uncertainties about the project – which is clearly the case here – residents need to have the questions answered as early in the process as possible. When such critical and basic information regarding safety and the project’s impacts on the community are not provided, the PCDC should not recommend approval of the current limited plans and should, at a minimum, require the applicant to provide such needed materials to the Town and the public.

Thank you for your consideration of these concerns.

Sincerely,

/s/ Roger Flynn