

ROGER FLYNN
P.O. Box 1636
1010 Steamboat Valley Rd.
Lyons, CO 80540

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

February 3, 2022

Town of Lyons
-- Board of Trustees
Shirley F. Johnson Council Chambers
432 5th Ave.
Lyons, CO 80540

Re: Hotel Lyons: Comments for Public Hearing Feb. 7, 2022

Dear Members of the Board of Trustees:

Thank you for the opportunity to express my views on the proposed Hotel Lyons, submitted by Moss Rock Development Co. I was honored to serve as a member of the Lyons Planning and Community Development Commission (PCDC) for 8 years (2011-2019).

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 would be a serious departure from the recent Town efforts to support local businesses and 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 a hotel is a use by right in the downtown zone, that does not mean that the proposed project must be approved, or that the BOT 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 comments in the BOT and PCDC packets), the imposing 3-story, 3-lot building, with over 100+ needed parking slots, 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

A typical hotel of this large size, such as the one proposed here, provides its own parking lot to accommodate guests, staff, and patrons. This is done so that the parking needs do not overwhelm the local carrying capacity. But that is not the plan here. Rather, due to its size, the proposed hotel would take current parking spots from existing businesses. Instead of reducing the size of the hotel and its parking to fit Lyons' needs, the applicant wants the opposite – asking

Lyons to accede to the project's needs – at the expense of existing businesses that rely on the current parking on Main St. to attract customers.

The proposal would require at least 54 off-site parking spaces, 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.

In addition, 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). The proposal also 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 number of hotel guests.

The company's plan directly contradicts the recommendations of the Town's 2018 Downtown Parking Study/Plan. 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.

More specifically, the company's plan to use **all** of the available parking spaces on Main St. directly contradicts the Town's Parking Study/Plan which 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.

The "Intent" of Lyons' parking regulations (Chapter 16, Article 8) "is to prevent or alleviate congestion of public streets, to minimize detrimental effects of parking on adjacent properties and to promote the safety and welfare of the public." Sec. 16-8-10. However, based on the need for roughly 100 parking spots (hotel guests, staff, restaurant/bar patrons), the opposite will occur – increased "congestion of public streets and detrimental effects of parking on adjacent properties." Further, a fundamental goal of the parking regulations is that new uses "demonstrate the adequacy of the parking supply." Sec. 16-8-20 (j). The fact that the proposed hotel is located along Main St. does not mean that such a use can ignore these important Town goals.

With all of the parking on Main St. in the area taken by the hotel, visitor's entering the Town from the east will not be able to find a parking spot. Not only would all the spots along Main between 3rd and 4th (and along 4th) be taken, the parking needs of hotel guests/staff will spill-over onto neighboring streets, such as Main St. between 4th and 5th –further eliminating parking spots relied on by the businesses on that block. Instead of stopping to visit, these potential customers will likely keep driving through, much to the detriment of local businesses. Directing incoming traffic towards High Street will not offer much relief, as travelers will likely just continue on rather than drive around looking for an elusive open spot.

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 should be significantly downsized.

II. The 3-story, 3-Lot Size and Scale Is Not Consistent with the Town's Lodging Study.

Overall, the proposed large-scale project does not fit the site. If the applicant wishes to develop the 4th and Main site, the project must be downsized so that the demands from parking and infrastructure compliment, rather than negatively impact, the downtown area. A hotel of this size would, however, be a natural fit for the Eastern Corridor (which would allow for a dedicated hotel parking lot of sufficient size).

The project 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, 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, 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 applicant asserts that reducing the size of the hotel would make it 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 substantially 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 and some additional rooms would still allow substantial profits.** 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.

As just one possible re-design to reduce these impacts, the project could eliminate the 3rd floor rooms and move the restaurant/bar to the ground floor in the interior courtyard facing Broadway. That way, the applicant could still realize the revenues from restaurant/bar sales. The Lodging Study, as noted above, found that a 30-room hotel would generate substantial profits, but that did not include the potential additional revenue from restaurant/bar sales. Thus, such a smaller hotel would generate even more profits.

III. The Large Project Size and Scale Is Not Consistent with the Town's Comprehensive Plan and Town Standards/Guidelines

Although all of the Town's Commercial and Mixed-Use Development Design Standards and Guidelines may not specifically apply to the site, they are used as a guide to determine whether a proposed project fits within the overall goals of the Town's Comp Plan and other regulations.

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. Yet constructing a 3-story building covering 3 lots will **not** "maintain an aesthetic typical of the area."

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." But 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."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 edifice with no setback will significantly alter the viewshed, dwarf existing buildings, and likely not create a "positive first impression" to Town visitors. This will be especially true when Town visitors will be scrambling to find a parking spot.

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)."

The company argues that it should be able to bypass 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

¹ The applicant states that: "the hotel replaces six unattractive and derelict buildings and parking areas fronting on both Main Street and Broadway." 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.

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.”

The same is true for the Standard relating to “Façade Articulation,” Section 2.3.3: “A single façade should not exceed a maximum of 50 (fifty) linear feet (equivalent to two traditional lots). (S).” 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 bypassing these goals 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 needs, not the other way around.* Further, as noted above, the Town’s Lodging Study determined that a much smaller, 30 room truly “boutique” hotel would still be substantially profitable.

IV. 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 Board of Trustees should not approve 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