

STAFF EVALUATION

To: Planning Commission

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728-5237

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728-5244

Reviewed By: Bonnie Brown, CAO

727-6157

Case No.: Use Permit No. 17-00001

Date: March 2, 2017

General Information

Applicant & Property
Owner

Peninsula Main VA, LLC

Applicant Agent

Matthew Hooker

Location

The address is 3000 Allainby Way [LRSN 13002082], southern portion of the former Macy's building in Peninsula Town Center. If approved, the use permit would apply to Block 6 of Plat Book 2 on Page 1 of 1, titled Exhibit "B-1" Peninsula Town Center, Hampton, Virginia (see Exhibit A).



Requested Use

The request is a use permit for a hotel.

This case is being concurrently advertised for City Council on March 8, 2017.

Description of Proposal

The applicant is proposing to construct an approximately 100,000 square foot, three-story hotel. The hotel is projected to have between 125 and 130 rooms, with over 1,000 square feet of meeting room space.

Existing Land Use

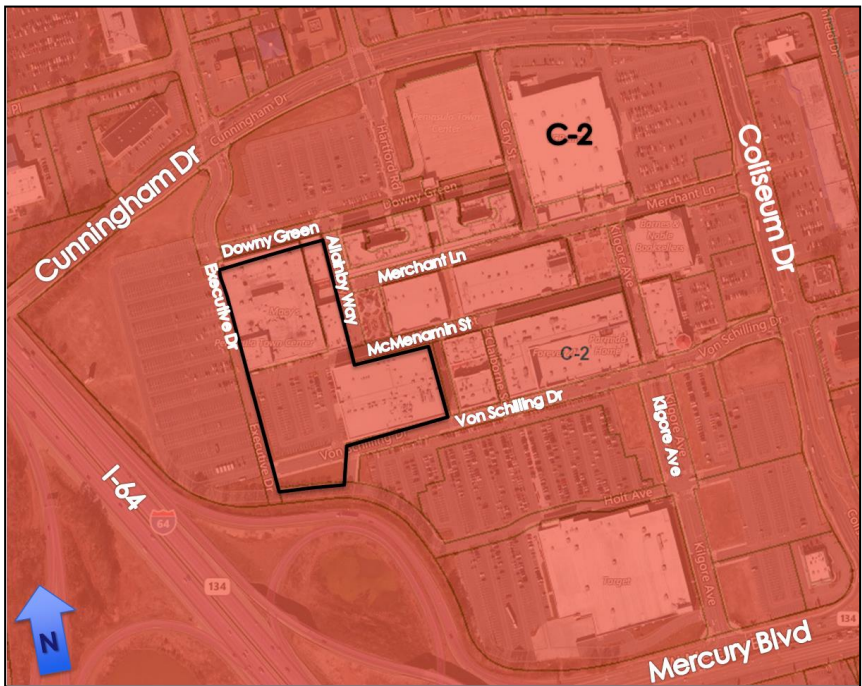
Commercial (vacant former Macy's building)

Zoning

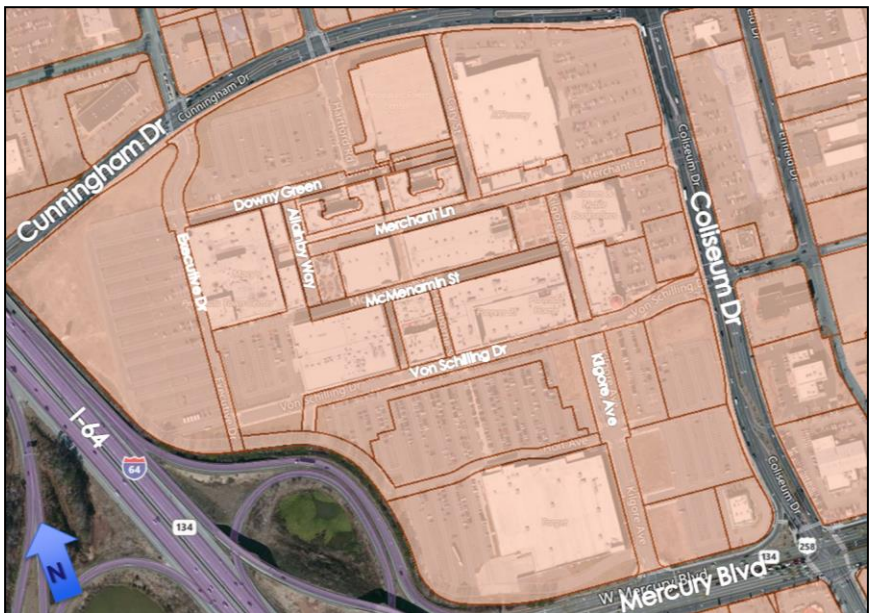
The subject site is zoned C-2 District - Limited Commercial District and is covered by the O-CC – Coliseum Central Overlay District.

Surrounding Land Use and Zoning

- North:** C-2 (Limited Commercial) – Retail, parking lot
- South:** C-2, (Limited Commercial) – Retail, apartments, parking lot
- East:** C-2 (Limited Commercial) – Retail, a park, apartments
- West:** C-2 (Limited Commercial) – parking lots, I-64



Public Policy



The Hampton Community Plan (2006, as amended) recommends mixed-use for the subject property and for all of the properties within Peninsula Town Center.

Additional policies related to this request are listed below and involve making Hampton a unique regional retail and

entertainment destination, by supporting the City's economic development priorities:

ED Policy 6: Expand tourism, entertainment, and cultural opportunities within the city [pg. ED-23].

ED Policy 9: Ensure that the City's implementation plans, physical infrastructure, and land use regulations support the City's goals for economic development and growth.

The Coliseum Central Master Plan (2015, as amended), recommends developing high-quality hotel rooms to support the Hampton Roads Convention Center, sports tourism, and other tourism initiatives. It specifically, calls for constructing a multi-story hotel adjacent to other buildings, such as on the western edge of the Cinebistro building to provide visual interest and variety to the skyline (Page 37). At the time the Master Plan was adopted in 2015, stakeholders and consultants did not anticipate the closing of the Macy's business operation. Re-purposing a portion of the building for the hotel, will re-activate the space and create the multi-story hotel building the Plan recommends. The Master Plan also recommends establishing pedestrian oriented streets and streetscapes that connect development nodes and neighborhoods to each other (Page 35). The proposed Merchant Lane extension will contribute to this achieving this recommendation.

<i>Zoning History</i>	In 2008, a variance was approved to permit increased signage on the Macy's building (VA08-38).
<i>Applicable Regulations</i>	C-2 allows a hotel subject to securing a Use Permit. The purpose of this Use Permit is to identify the operational characteristics of the proposal and establish the conditions under which the facility will be operated. This action is necessary to ensure the safety and welfare of the public as well as minimizing project impacts on the adjoining properties.
<i>Traffic/Parking</i>	There are no foreseen negative impacts to traffic. The hotel would generate less traffic than the former Macy's department store based on the estimated number of proposed hotel rooms. There are 4,444 parking spaces in Peninsula Town Center that are shared between all of the tenants. Merchant Lane will be extended through the former Macy's building to enhance vehicular and pedestrian circulation and includes about 20 new on-street parking spaces.
<i>Community Meeting</i>	There is no community meeting scheduled.

Analysis

Use Permit Application No. 17-00001 is a request for a hotel. The applicant is proposing to construct a 100,000± square foot, three-story hotel. The hotel is projected to have between 125 and 130 rooms, with over ± 1,000 square feet of meeting room space. Within the Coliseum Central District, the subject property is located on the western side of Peninsula Town Center, closest to Interstate- 64. More specifically, it is located at 3000 Allainby Way [LRSN 13002082]. If

approved, the use permit would apply to Block 6 of Plat Book 2 on Page 1 of 1, titled Exhibit "B-1" Peninsula Town Center, Hampton, Virginia (see Exhibit A).

The applicant intends to re-purpose the former Macy's building by cutting it in half, creating two separate buildings. The southern portion of the building would be used for the proposed hotel, the northern portion of the building will be used for new apartments, and Merchant Lane is proposed to be extended between the two buildings, connecting to Executive Drive. The main entrance to the hotel would be on the Merchant Lane extension. Please note that the apartments are not the subject of the use permit and are a by-right use.

The subject site is zoned C-2 Limited Commercial District and is covered by the O-CC Coliseum Central Overlay District. A hotel is a permitted use in the C-2 Limited Commercial District, subject to approval of a use permit. The overall intent of the O-CC Coliseum Central Overlay District is to apply additional criteria that raise the overall quality of development within the District through enhanced site design and architecture.

The Hampton Community Plan (2006, as amended) details the significance of tourism to our City. "Tourism has become increasingly important to Hampton's economy. The infusion of dollars into the economy from visitors to the region is an important component of hospitality, entertainment, and retail market activity (ED Policy 6)." Furthermore, our local, cultural and recreational attractions within the Coliseum Central District such as: the Hampton Coliseum, Hampton Roads Convention Center, Blue Bird Gap Farm, and Boo Williams Sportsplex all contribute significantly to the amount of visitors that come to explore Hampton's attractions. This also contributes to the need for additional quality hotel rooms for guests of the city to enjoy.

In addition to providing another quality hotel, this proposal supports several policies from the City's comprehensive plan. The opportunity to increase entertainment opportunities, while expanding tourism, is an economic development strategy that will have a lasting positive impact on the community (ED Policy 6). The proposed Merchant Lane extension aligns with the City's commitment to "ensuring that the City's implementation plans, physical infrastructure, and land use regulations support the City's goals for economic development and growth" (ED Policy 9). Re-purposing a vacant building such as the subject property and maintaining it as a tax-generating property that serves citizens and visitors alike is also achieving the City's economic development goals.

Furthermore, the Coliseum Central Master Plan (2015, as amended) and the Hampton Coliseum Mall Project – Conservation Plan (February 2006) provide additional policy guidance for this area. Based on a hotel market study, policy recommendations in the Coliseum Central Master Plan include developing high-quality hotel rooms to support the Hampton Roads Convention Center, sports tourism, and other tourism initiatives. The proposed hotel is located within the Coliseum North Initiative Area of the Coliseum Central Master Plan (2015, as amended). The Plan identifies the location of a new multi-story hotel at Peninsula Town Center as a key strategy to meet the hotel demand and to support the retail, restaurant, and entertainment (Page 37).

The Hampton Coliseum Mall Project – Conservation Plan was adopted by City Council on February 22, 2006. The purpose of the conservation plan was to revitalize the deteriorating Coliseum Mall and to redevelop the site as an "integrated mixed-use town center". Peninsula Town Center is a direct result of this Plan created to transform a once distressed property into what it is today. The proposed hotel aligns with the objectives of the Conservation Plan. It recommends developing a hotel on the perimeter of the project area also known as Peninsula Town Center. A hotel use has always been envisioned to be part of the redevelopment plans for this property. Per the Plan, it is also imperative to "[p]rovide public improvements to complement and serve new development, including needed facilities, street and alley development, landscaping, and pedestrian facilities and parking" (Conservation Plan, Page 5, and Policy #10). The Merchant Lane extension will help achieve this objective.

USE PERMIT NO. 17-00001**STAFF EVALUATION**

The proposed hotel would exist within the context of a mixed use development that is the Peninsula Town Center. The hotel would generate less traffic than the former Macy's department store based on the estimated number of proposed hotel rooms; therefore, no significant traffic issues are anticipated. To ensure proper circulation and access to and from the site, the proposed conditions address the location of the hotel, vehicular circulation, and pedestrian circulation and safety. All other conditions are standard to ensure compliance with all applicable codes and ordinances.

The proposed use permit is consistent with the City's goals and policies, as outlined in the Hampton Community Plan (2006, as amended), the Coliseum Central Master Plan (2015, as amended), and the Hampton Coliseum Mall Project – Conservation Plan (February 2006).

Based on the analysis of this proposal, staff recommends approval of Use Permit Application No. 17-00001 with six (6) conditions.

Use Permit No. 17-00001

Peninsula Main VA, LLC
16600 North Dallas Parkway
Dallas, TX 75248

Conditions**1) Issuance of Permit**

The Use Permit boundary applies only to Block 6 depicted and recorded at Plat Book 2 Page 180, titled Exhibit "B-1" Peninsula Town Center, Hampton, Virginia (see Exhibit A) and is not transferable to another location. The proposed hotel location is indicated to be at the southern portion of the former Macy's building, as depicted and highlighted in red on Exhibit B.

2) Site Design**a. Concept Plan**

The Property shall be developed in substantial conformance with the concept plan prepared by Woolpert and entitled Peninsula Town Center Macy's Redevelopment Site Plan, Sheet C200-A, revise dated 1/18/17, which is attached hereto and incorporated by reference. Any minor changes to the concept plan made necessary by environmental, engineering, architectural, topographic or other development conditions, or site plan and subdivision approval requirements, may be permitted subject to the approval of the Director of Community Development.

b. Vehicular & Pedestrian Circulation

The development shall include pedestrian access to the Hotel building on all sides, including but not limited to sidewalks and crosswalks. In order to provide for vehicular circulation consistent with existing streets in the vicinity, the proposed extension of Merchant Lane shall comply with the Public Works Design and Construction Standards to the maximum extent feasible, including provision of curb and gutter, street trees, and street lighting.

3) Capacity

The maximum capacity determined by a City building official through the issuance of a Certificate of Occupancy shall not be exceeded.

4) Compliance with Applicable Laws

This Use Permit may be terminated for any violation of applicable federal, state, or local law.

5) Nullification

The use permit shall automatically expire and become null and void under any of the following conditions:

(1) If, in the case of new construction, the building has not been erected, with doors, windows, roof covering and exterior finish materials in place within two (2) years of the issuance of the use permit;

(2) No building permit to construct the authorized improvements has been issued within twelve (12) months of the date of approval by the city council, or if no building permit is required, if the use is not established within twelve (12) months of the date of approval by the city council; or

(3) Once the property may be occupied, if the property is not used for the permitted purpose for a continuous two-year period unless otherwise specified in the zoning ordinance. In making this determination the city may consider such matters as the issuance of a building permit, a business license, utility connections and such related factors.

6) Revocation

Notwithstanding any condition or provision of this use permit to the contrary, the use permit may be revoked for violation of any terms or conditions of the use permit as set forth in chapter 14 of the zoning ordinance.

Exhibit A: Block 6 (General area within which the hotel will be located.)

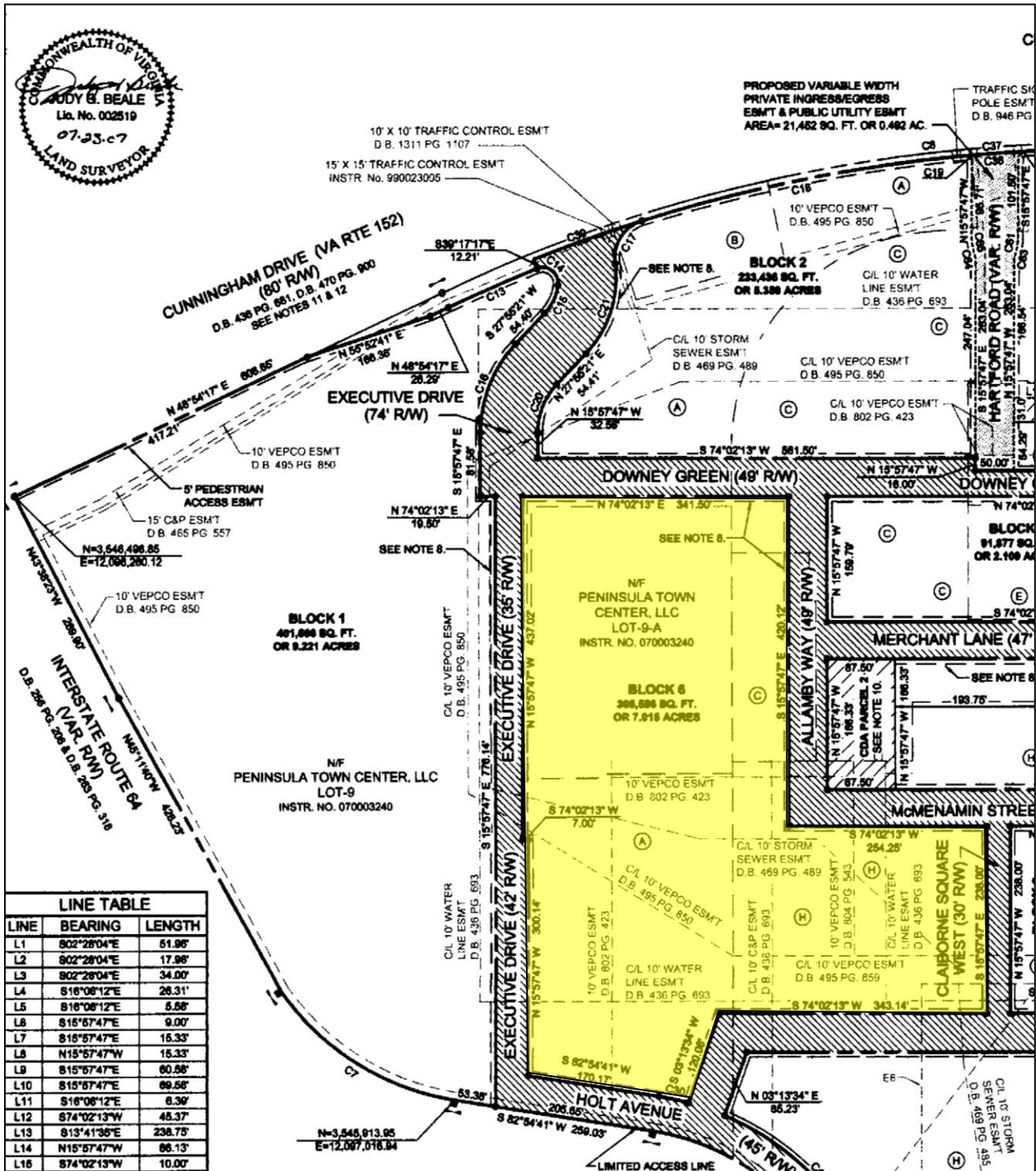


EXHIBIT B: Southern portion of former Macy's Building outlined in the red dashed line and labeled hotel.

