PLANNING DIVISION STAFF REPORT

April 7, 2025



PREPARED FOR THE PLAN COMMISSION

Proposal: Zoning Text Amendment

Legistar File ID #: 87450 (Hotel Motel Rentals of 30 Days or More)

Prepared By: Zoning and Planning Staff

<u>87450</u> - This amendment would allow hotels to rent up to 50% of their rooms for stays of 30 consecutive days or more. The zoning code currently allows motels, but not hotels, to rent up to 50% of their rooms to non-transient guests (occupancy for 30 days or more). Some hotel operators have requested similar flexibility.

Staff believes that this additional flexibility could allow for some additional shorter-term housing options for residents or longer-term lodging options for visitors. Including the 50% limit maintains a clear difference between hotels and motels and multi-family housing, preventing the hotel, motel use from being used to avoid paying required Parks Impact Fees.

A few zoning code simplifications are also proposed. Currently, the zoning code makes a distinction between the two uses of motel and hotel based on their architecture. However, the only regulatory difference is that motels are allowed to rent up to 50% of their rooms to non-transient guests (occupancy for 30 days or more) while hotels are not. With the same 50% allowance being added for hotels, the two uses can be combined into one use "Hotel, motel." A definition is created for the combined use.

Additionally, standard practice in the zoning code is for regulations specific to a use to be located within the supplemental regulations (MGO 28.151), rather than the definitions section (MGO 28.211). A new supplemental regulation is created for hotels and motels to specify that a maximum of 50% of rooming units may be occupied by non-transient guests for 30 consecutive days or more.

Staff supports this amendment.