

Warrant Article 25 – Proposed Zoning By-Law Changes Regarding Motels or Hotels

**Overview
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*Rob Anderson
Community Development Director*



Zoning Update for Hotels

- The regional business marketplace needs more hotels;
- Billerica only has 3 hotels and 486 rooms;
- However, there are growing international businesses that have a need that is not being fully realized in Billerica;
- Conversations with hotel developers have indicated that Burlington, in particular, is talking about recruiting more hotels to service the market; and
- With some zoning changes to align with regional standards, Billerica can be proactive in attracting more Class A hotel developments especially since visitors pay a lodging tax that adds revenue to the town.



How can hotel development help Billerica?

- Billerica has a local option lodging tax; this tax provides excess tax revenue to the town.
- In the most recent Town of Billerica Annual Report, room excise taxes provided the town \$842,253 in Fiscal Year 2013 and an estimate of \$750,000 in Fiscal Year 2014. With 486 hotel rooms, the average is between \$1,543 and \$1,733 per room per year.
- Attracting another 100 room hotel could add an additional \$150,000+ in tax revenue to our community.
- The construction of new commercial building will also provide commercial property tax revenue to Billerica.
- Hotels create jobs.



Current Zoning

SECTION 5 (Regulation of Uses, Buildings, and Structures); **C** (Uses, Buildings, and Structures permitted in the Main Zoning Districts); **5** (Neighborhood Business District); **c** (Commercial Uses); **2** (By Special permit); **b** (Motel or Hotel)
Required Findings:

- The use is located on at least ten acres of land
- The use has a minimum of 100 guest rooms or suites
- Open space is provided on the lot in addition to any area required for parking and associated to driveways, equal to twice the gross floor area of the hotel or motel
- Rooms or suites of rooms shall not contain cooking facilities unless specifically permitted by the SPGA



Proposed Change

- Only a simple change:

From:

*The use is located on at least **ten** acres of land*

To:

*The use is located on at least **three** acres of land*

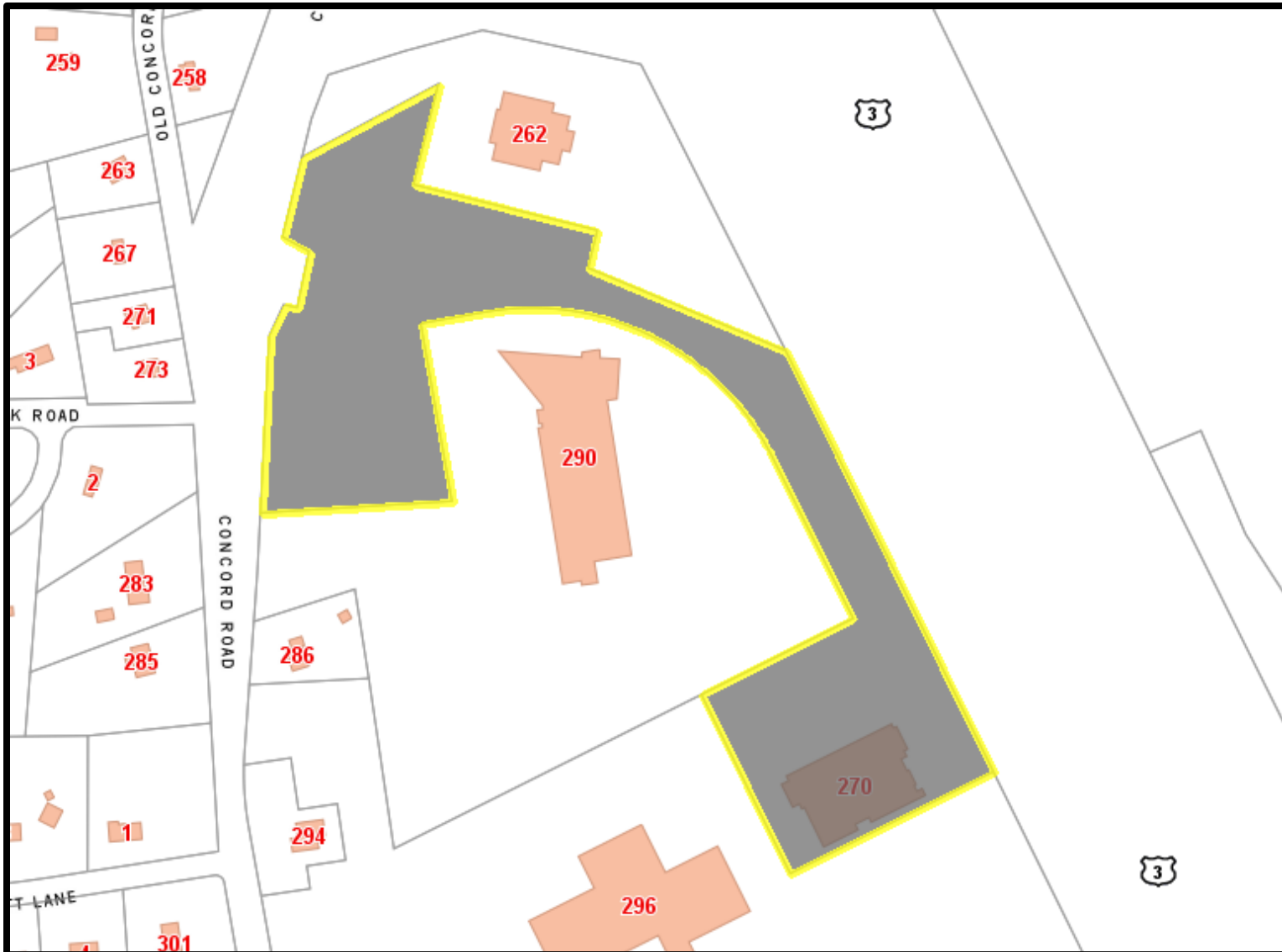


Has the 10 acre minimum served Billerica well?

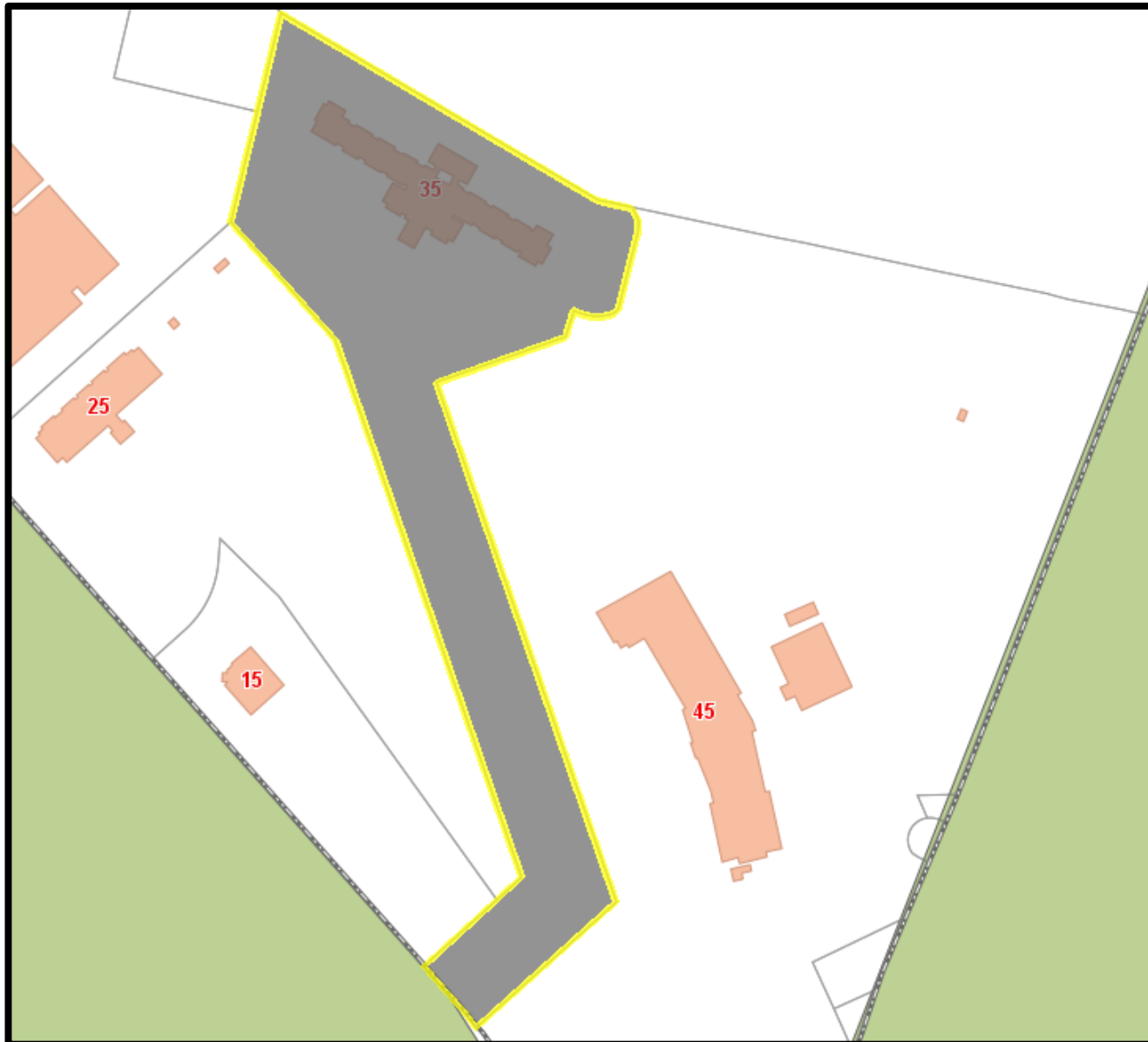
- The minimum acreage requirement for hotels was 3 acres until 1989 when the minimum acreage required was moved to 10 acres by a Town Meeting vote.
- This stifled development, and the first hotel since the zoning change did not come to Billerica until 1999 during the reconstruction of Route 3 and the commercial expansion of businesses in Billerica.
- There have been no new hotels built in town since 2002 (the construction dates were 2002, and two in 1999).
- If Billerica wants to promote development within a growing regional economy a change seems necessary.
- The 10 acre minimum has created interesting parcels...



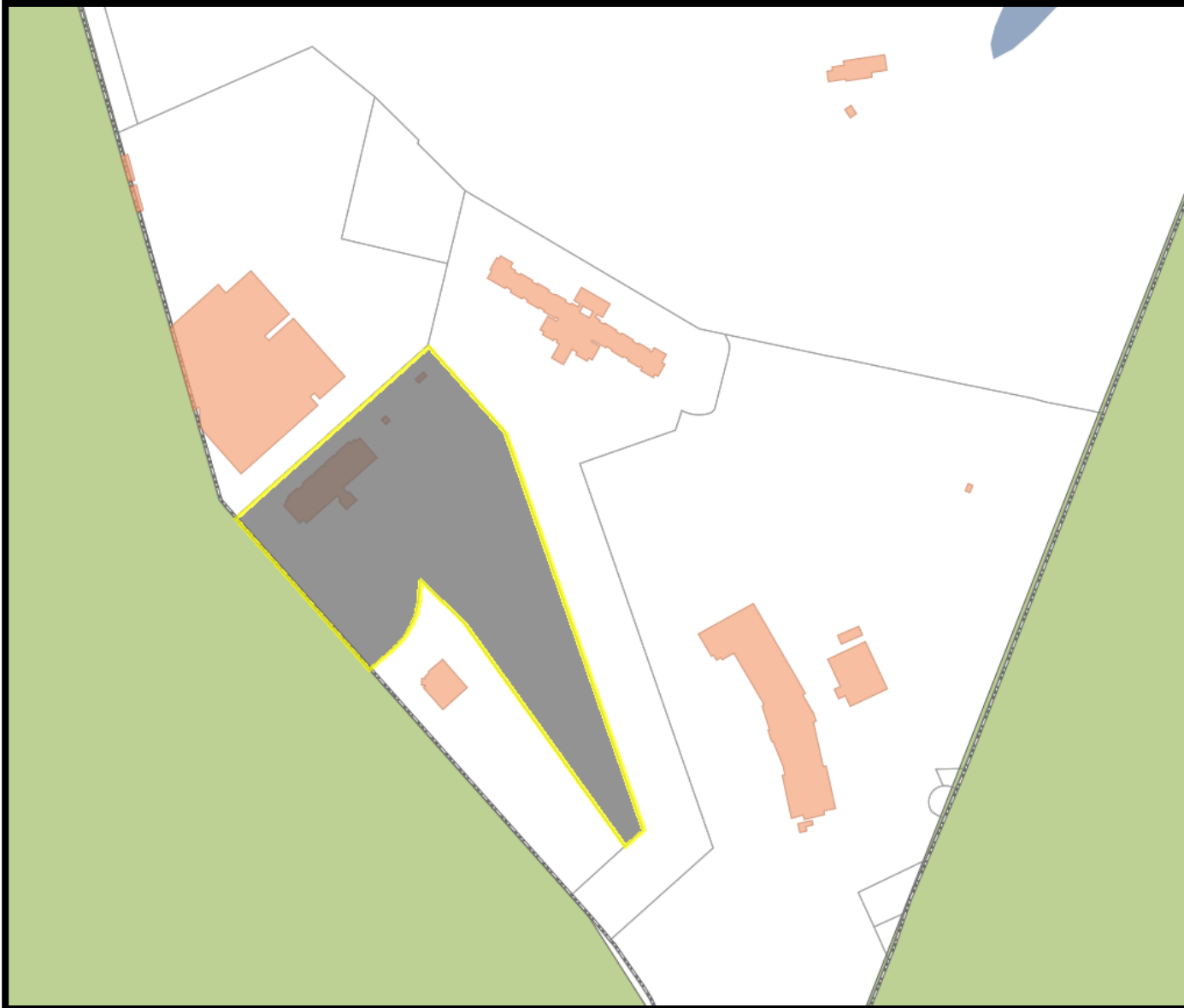
Marriott – 270 Concord Road



Homewood Suites – 35 Middlesex Turnpike



Hampton Inn – 25 Middlesex Turnpike



Comparing us to our competition

| Key criteria | |
|--|--|
| Billerica | The use is located on at least ten acres of land [Note: 10 acres is 435,600 SF] The use has a minimum of 100 guest rooms or suites |
| Burlington | Minimum Lot Area shall be 120,000 SF. Each building must contain fifteen (15) or more sleeping rooms. |
| Peabody | 2 acres [Note: 2 acres is 87,120 SF] Maximum number of stories 6 |
| Wilmington | On a lot with an area of at least 60,000 SF At least 50 guest rooms |
| Wellesley | No building or other structure shall be erected or placed on a lot containing less than 40,000 SF in area. No building or addition to any building shall be erected or placed on a lot which will result in covering more than 20% of the lot area. |
| Arlington, Ashland, Chelmsford, Concord, Framingham, Franklin, Gardner, Lexington, Littleton, Marlborough, Methuen, Milford, North Andover, North Reading, Reading, Southborough, Tewksbury, Westborough, Westford... | No special acreage or room requirements. |

- The Average Hotel size in the US is 94 Rooms¹ and is approximately 48,000 SF in size, covering multiple floors.

¹ American Hotel & Lodging Association (<https://www.ahla.com/content.aspx?id=36332>)



Comparing us to our competition, Part 2

| | Hotel | Address | Rooms | Acreage |
|--------------------------------|--|----------------------------------|------------|---------------|
| Burlington | Candlewood Suites Boston-Burlington | 130 Middlesex Turnpike | 149 | 3.49 |
| | Extended Stay America Boston - Burlington | 40 South Avenue | 140 | 3.304 |
| | Sonesta ES Suites Burlington Boston | 11 Old Concord Road | 167 | 5 |
| | Hilton Garden Inn Boston/Burlington | 5 Wheeler Road | 179 | 11.2 |
| | Hyatt House Boston/Burlington | 2 Van de Graaff Drive | 151 | 4.948 |
| | Boston Marriott Burlington | 1 Burlington Mall Road | 419 | 14.81 |
| Chelmsford | Radisson Hotel and Suites Chelmsford, MA | 10 Independence Drive | 214 | 7.18 |
| | Best Western PLUS Chelmsford Inn | 187 Chelmsford Street | 107 | 4.53 |
| | Hawthorn Suites by Wyndham Chelmsford/Lowell | 25 Research Place | 105 | 2.85 |
| Marlborough | Embassy Suites by Hilton Boston Marlborough | 123 Boston Post Road West | 229 | 6.73 |
| | Hampton Inn Boston/Marlborough | 277 Boston Post Road West | 142 | 2.56 |
| | Residence Inn Boston Marlborough | 112 Donald Lynch Boulevard | 112 | 4 |
| | Courtyard by Marriott Boston Marlborough | 75 Felton Street | 202 | 5.46 |
| | BEST WESTERN Royal Plaza Hotel & Trade Center | 181 Boston Post Road West | 431 | 35.25 |
| | Quality Inn | 880 Donald Lynch Boulevard | 65 | 2.21 |
| | Holiday Inn Hotel & Suites Marlboro | 265 Lakeside Avenue | 173 | 7.23 |
| | Extended Stay America - Boston - Marlborough | 19 Northboro Road East | 135 | 4.88 |
| Woburn | Courtyard Boston Woburn/Boston North | 700 Unicorn Park Drive | 192 | 3.94 |
| | Residence Inn Boston Woburn | 300 Presidential Way | 149 | 4.53 |
| | Courtyard by Marriott Boston Woburn / Burlington | 240 Mishawum Road | 118 | 3.27 |
| | Crowne Plaza Boston Woburn | 15 Middlesex Canal Park Road | 197 | 7.5 |
| | Holiday Inn Express Boston North-Woburn | 315 Mishawum Road | 98 | 2.6 |
| | Comfort Inn | 14 Hill Street | 70 | 0.97 |
| | Fairfield Inn Boston Woburn | 285 Mishawum Road | 129 | 1.93 |
| | Hilton Boston / Woburn | 2 Forbes Road | 344 | 7.98 |
| | Extended Stay America - Boston - Woburn | 831 Main Street | 100 | 1.51 |
| | BEST WESTERN PLUS New Englander | 1 Rainin Road | 99 | 5.2 |
| Red Roof PLUS+ Boston - Woburn | 19 Commerce Way | 159 | 5.14 | |
| Tewksbury | Motel 6 | 95 Main Street | 120 | 5.5 |
| | TownePlace Suites Boston Tewksbury/Andover | 20 International Place | 95 | 2.82 |
| | Holiday Inn Tewksbury-Andover | 4 Highwood Drive | 227 | 4.41 |
| | Fairfield Inn Boston Tewksbury/Andover | 1695 Andover Street | 133 | 4.54 |
| | Extended Stay America - Boston - Tewksbury | 1910 Andover Street | 92 | 1.3 |
| Bedford | DoubleTree by Hilton Boston-Bedford Glen | 44 Middlesex Turnpike | 281 | 23.431 |
| | Bedford Motel | 30 North Road | 40 | 2.2 |
| | Bedford Plaza Hotel | 340 Great Road | 99 | 0.801 |
| Lowell | Courtyard Boston Lowell/Chelmsford | 30 Industrial Ave E | 120 | 6.9 |
| Westford | Hampton Inn & Suites Westford-Chelmsford | 9 Nixon Road | 110 | 6.018 |
| | Westford Regency Inn & Conference Center | 219 Littleton Road | 192 | 20.289 |
| | Residence Inn Boston Westford (1 of 6 condo buildings) | 7 Lan Drive | 108 | 14.21 |

| | | |
|-----------------------------------|--|------|
| | Note: Trade and Conference Centers removed from calculations | |
| | Note: Including Trade and Conference Centers | |
| Rooms in the 8 Communities | 5488 | 6392 |
| Average Rooms/Hotel | 148 | 160 |
| Average Lot Size (acres) | 4.96 | 6.41 |
| Units per acre | 30 | 24 |
| Median Number of Rooms | | 135 |
| Median Lot Size (acres) | | 4.53 |

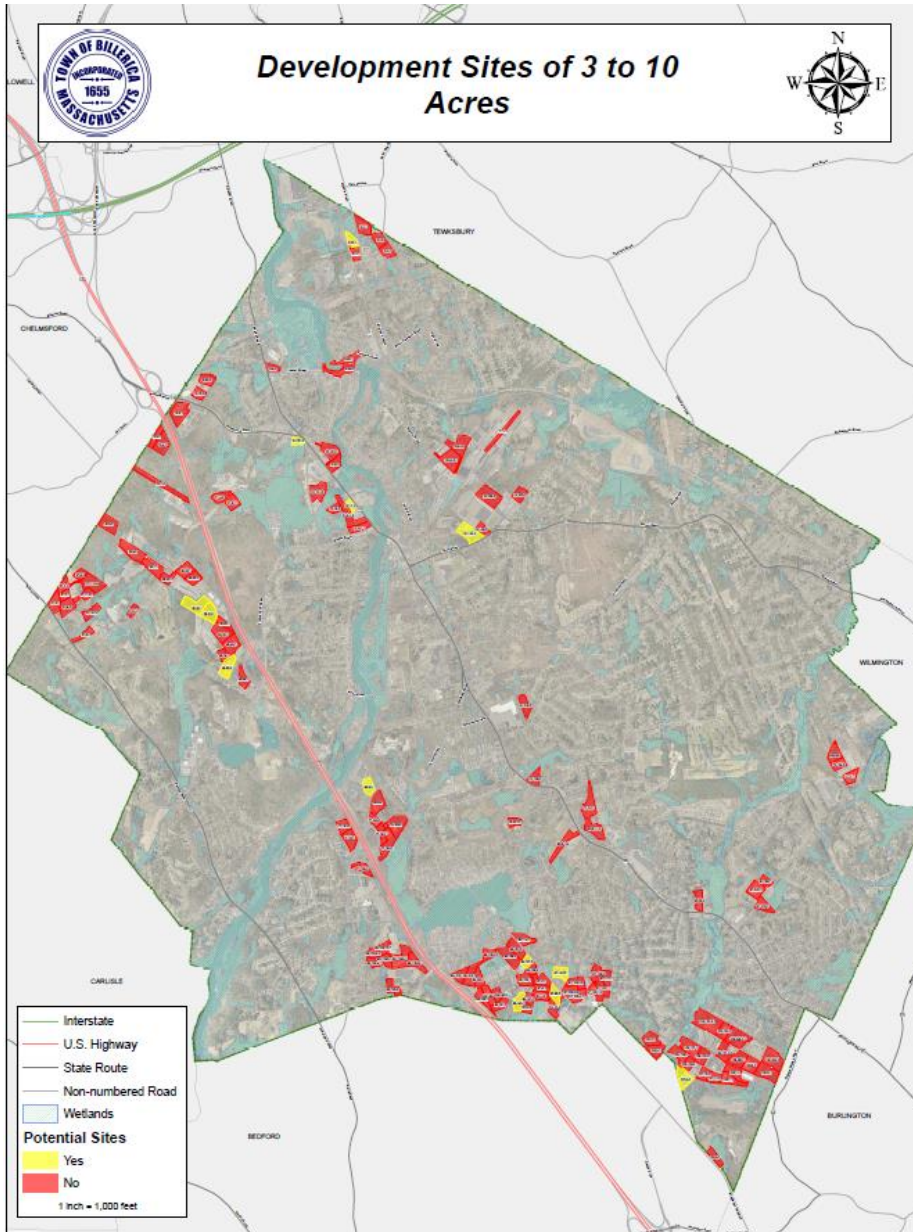


Isn't 3 acres too small for a hotel?

- Industrial users—with an increase in truck traffic and a greater environmental impact—needs to have a minimum lot size of 60,000 SF (1.37 acres) while hotels need 435,600 SF.
- A three acre requirements would still be more restrictive than Burlington (which is 120,000 SF) and there are significantly more communities that do not have acreage requirements for hotels
- Billerica's other dimensional zoning constraints may dictate slightly larger parcels...but we might have more potential interest with a smaller lot size requirement.
- The goal is not to squeeze a hotel onto a small lot, simply to indicate flexibility to have the conversation and align more closely with our competitors.



All Sites affected by the zoning change



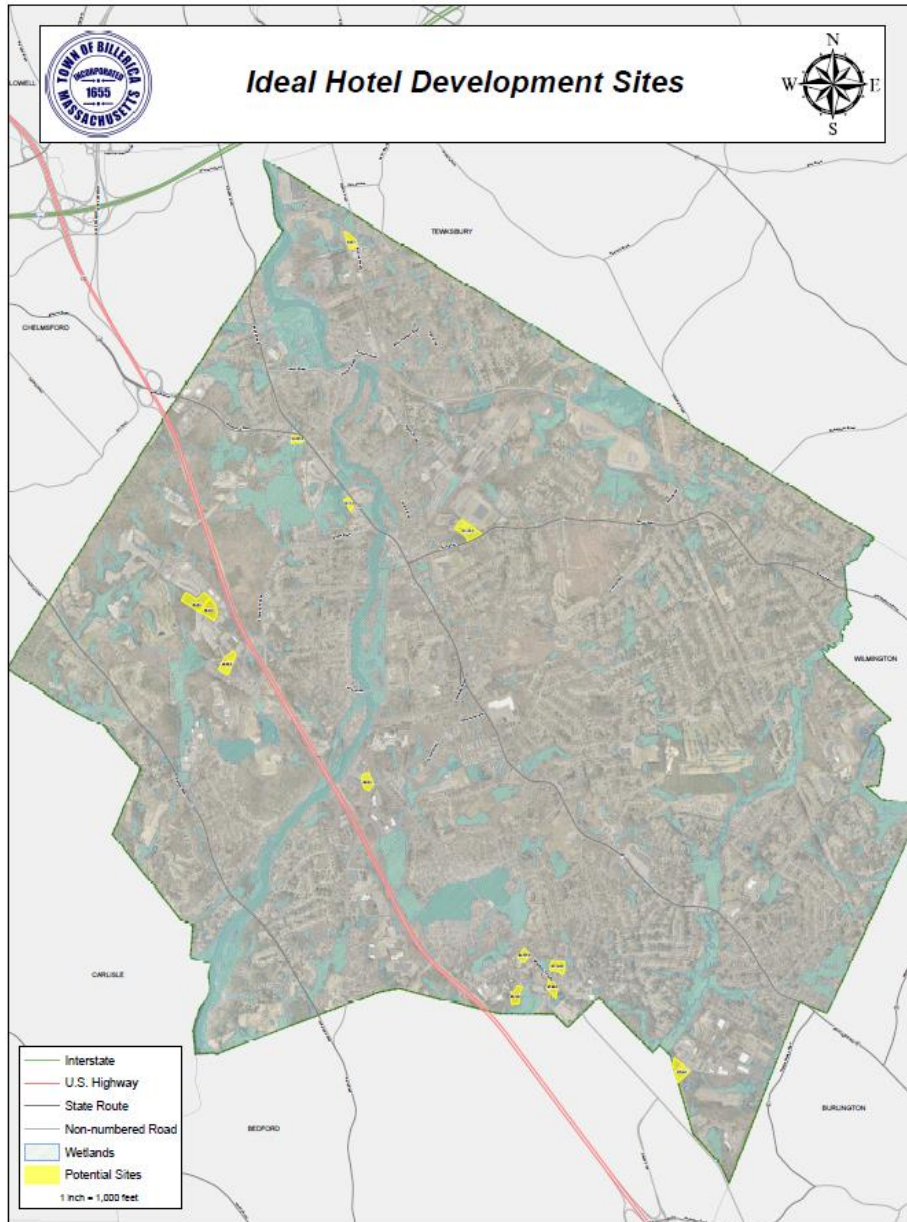
These are sites zoned Business or Industrial and are between 3 to 10 acres (131 parcels)

We can remove many of these sites because of:

- Wetlands
- Lack of sewer
- Newly purchased and developed
- Split zoning with residential
- Owned by a non-profit
- Landlocked with no street frontage
- Previously turned down for hotel usage by the ZBA



Potential Development Sites



There are fewer prime locations for hotels, but still more opportunities than currently exist.

Hotel developers will take the time and analysis on *where* to site their hotels, but Billerica can have some sense of where they could go.

A developer may choose any of the potential sites (including those without sewer) if they want to make the investment. But once again, Billerica retains permitting authority (through the ZBA) before a hotel will be approved for development.



Will we lose Open Space with this change?

- No. Hotels need to be located within Business or Industrial zones and hotels cannot go in residential neighborhoods.
- Hotel developers do thorough analysis of the marketplace before siting hotels; just because there is an open land does not mean that a hotel will go there.
- Hotels still need a special permit through the Zoning Board of Appeals, so simply allowing for the conversation does not mean that a hotel will come.
- Billerica's 2008 Open Space and Recreation Plan indicated that there are 202 parcels of permanently protected lands comprising 1,842.31 acres, or 10.9% of the town's overall land area. Billerica continues to add to this number.



Are there concerns about homeless housing?

- No. People may mention **Section 8** (a federal housing program) and the concern is that would happen in a hotel, but the reality is that Section 8 is intended to house people in permanent housing. Hotels by definition are not.
- The Hotel Voucher program where homeless families were housed in hotels is a policy that is being phased out by the Baker administration.
- None of the existing hotels in Billerica participate in the Hotel Voucher Program.
- In outreach to a former colleague at HUD (United States Department of Housing and Urban Development), he “would say with 100% certainty that the possibility of a homeless family in a newly constructed Billerica hotel room is slim to none.”



Are there concerns about drugs or escorts?

- No. There is no existing data that the construction of a new hotel creates an uptick in prostitutes or increase in drug usage.
- According to anecdotal evidence from Billerica Police, hotel prostitution has not been a serious issue here in Billerica. They have conducted “prostitution stings” at various hotels over the years but this has been mostly law enforcement initiated and not as a result of any serious public outcry for action.
- As for calls for service at the hotel for drugs, parties, domestic violence or other disorderly type offenses: this is a low volume issue.
- Billerica Police have always had very good relationships with the three existing hotels in town and have open communications with their management.



Why do this now?

- Billerica is being proactive and indicating to the development community that we are interested in pursuing hotels within the Town;
- The regional business marketplace needs more hotels;
- Staff can be identifying locations for hotel development that match the needs of the marketplace; and
- Having this tool early, as opposed to waiting for the Zoning Bylaw Committee, means we are much further along in recruiting new businesses.

