

Osceola County looking at ways to regulate motel conversions on tourism corridor

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This rendering depicts the renovation and residential conversion of the former Red Lion Hotel Kissimmee Maingate into a workforce housing community called Maingate Village. (WHA Design)

With at least a half dozen hotels and resorts along Osceola's W192 tourism corridor slated for residential conversion, the county will look at tweaking its land development code to put tighter restrictions on future conversions.

The W192 Development Authority votes this week on a contract with

planning firm [Logan Simpson](#) to develop conversion guidelines that could be incorporated into law. Those could include requiring owners to seek a conditional use permit before changing the use of a hotel or resort property to multifamily residential.

Executive Director Christina Morris said the county enacted strict design guidelines for the entire W192 corridor in 2018, but those rules apply mostly to new construction.

“It’s a form-based code, so it’s really hard to enforce that on existing buildings,” she said.



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The Logan Simpson report will recommend design guidelines with 3D

graphics for conversion projects and potential code changes to set standards building facades, entrances, roof treatments, public spaces, landscaping and building articulation.

“We want to make sure it looks and feels residential and has amenities,” Morris said. “So they’re not allowed to convert a room and do nothing else.”

Jeff Brown, CEO of [T2 Capital Management](#), is about halfway through the redevelopment of the former Red Lion Maingate into a residential community, and he has two more conversions planned on the corridor. Brown and his partners are investing an estimated \$40 million on the [Maingate Village](#) conversion, which involved gutting each room down to the studs and replacing the electrical, plumbing and fixtures, and installing new kitchens in each unit.

“We’ve had a great run on the leasing side and great feedback from residents as well, so we’re very thankful for that,” he said.



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Brown said T2 Capital will have a representative at the W192 meeting Thursday, and he hopes to collaborate with the county and their consultants on potential code changes. For example, he'd also like to see the county relax its parking requirements for hotel conversions.

Recently, a California company seeking to convert the Saratoga Resort into a 150-unit residential community needed to build a 140-space parking lot on an adjacent lot to comply with the parking requirements.

"So I think that's a high on the priority list for the city in the county to try to resolve and for us as developers to tune into and see what those parking requirements are," Brown said. "And I also think there is a sensitivity toward what does a conversion look like and require. We're

privity to at least one other project in which a hotel was 'converted' to multifamily but literally nothing was done to the interior of the units. So it's really difficult to say that conversion was done and. And frankly, you got to ask if it's suitable living for residents to live in those units that were simply hotel rooms that never went any through any sort of transformation."

W192 Board Chairman John Classe told **GrowthSpotter** he recognizes that residential conversions are a natural progression for some older properties on the corridor, but he doesn't want to see a proliferation of them in and around Celebration, Old Town and Margaritaville.



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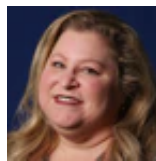
Regulating the location would be difficult because most properties on the

corridor have Commercial Tourist zoning, which allows multifamily housing as a permitted use. "Maybe there could be an overlay or a special designation where it could be prohibited or where its a conditional use," he said.

Morris sees the S.R. 535 intersection as possible dividing line, where conversions might even been encouraged east of the intersection but more tightly regulated west of the signal.

"All of that has to be explored," Morris said. "At the end of the day, we understand a lot of this is market driven, and we have a regional issue with affordable housing. So we get that. But we also want to make sure the tourist corridor remains a tourist corridor."

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Laura Kinsler is the editor of GrowthSpotter. She joined the company in 2015 as Osceola County reporter after a 15-year career at the Tampa Tribune. A proud graduate of the University of Georgia's Grady College of Journalism & Mass Communication, Laura follows the Georgia Bulldogs religiously.