



Planning Board Staff Report

Meeting Date: August 7, 2026

TO: Marco Island City Council

FROM: Daniel J. Smith, A.I.C.P., Director of Community Affairs

DATE: July 30, 2026

RE: Change to Section 30-245– Dimensional Standards, amending the density limitations in the General Commercial (C-4) District of Marco Lake, from 16 to 26 density units per acre.

DESCRIPTION:

The applicant, Marco Lakeside Inn, LLC, is requesting a text amendment to Section 30-245 of the City's Land Development Code (LDC), which establishes the dimensional standards, including density, for properties within the General Commercial (C-4) Zoning District. Specifically, Section 30-245(8) currently limits hotel density within the Marco Lake Plat (Highlands and Highlands Addition) to 16 units per acre. The applicant is requesting an amendment to remove or modify this limitation to allow additional hotel units on 3 lots. The applicant's justification for the requested text amendment is summarized below.

MARCO LAKESIDE INN LAND DEVELOPMENT CODE AMENDMENT JUSTIFICATION

Amending Marco Island's land development code to remove Lots 2-3, Block 1, Plat of Marco Highlands, recorded at Plat Book 3, Page 72; and Lot 4, Block 1, Plat of Marco Highlands Addition, recorded at Plat Book 3, page 91, (the "Subject Property") from the limitation found in section 30-245, LDC, is justified and is consistent with the comprehensive plan. The Subject Property is zoned C-4 and has a future land use designation of Community Commercial.

NEED & JUSTIFICATION

The current limitation found in section 30-245, LDC, applies to the "Marco Lake District" and it limits hotel, motel, and timeshare facilities to 16 units per acre, as opposed to 26 units per acre, which is otherwise allowed in the C-4 zoning district and the Community Commercial future land use designation. Review of the history of the "Marco Lake District" and the Subject Property provides justification for removing this limitation and the need is to allow the Subject Property to add more hotel rooms.

Collier County created the "Marco Lake Drive Business District" (MLDBD) in 1995. Collier County Ordinance 95-31. Review of Ordinance 95-31 indicates the MLDBD was established to address concerns with parking solely within the area to the west of Marco Lake Drive and in the initial formation, the MLDBD did not include the Subject Property. The creation of the MLDBD addressed the issue of parking concerns by providing parking relief (reduction in parking requirements) for certain uses. Along with this initial version of the MLDBD there was no limitation on hotel rooms. This ordinance was amended in 1997 by Collier County to include the Subject Property. Collier County Ordinance 97-26. The 1997 ordinance did not limit hotel rooms and also does not explain why the Subject Property was added.

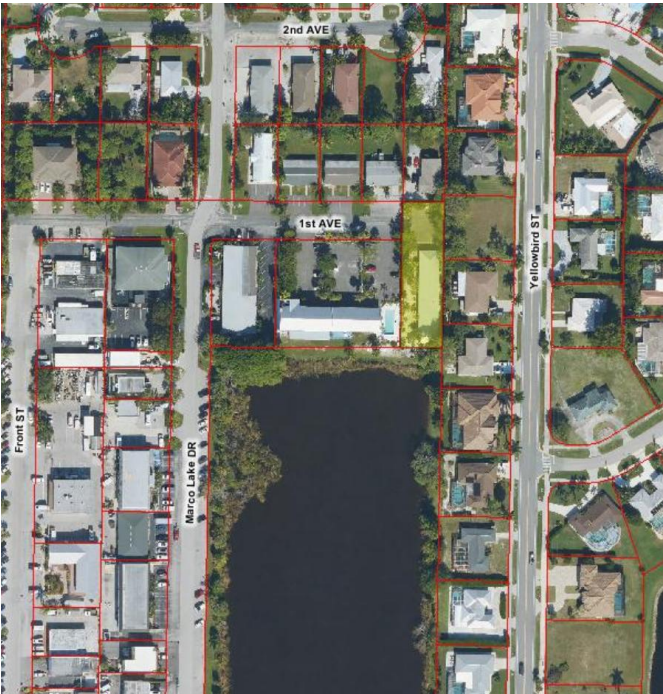
After the City was incorporated, the limitation on hotel rooms was added in 2002, City of Marco Ordinance 02-01. The Whereas clauses to Ordinance 02-01 do not provide an explanation for this change.

When analyzing the below aerial of Marco Lakeside Inn at the Subject Property, figure 1, it is clear the Subject Property is distinct from the balance of the area in that unlike the other properties in the Marco Lakeside Drive area, *see figure 2*, there is sufficient space at the Subject Property to park onsite. Accordingly, Marco Lakeside Inn does not suffer from the issue that was the cause for the creation of the various Districts regarding Marco Lake Drive.

Lot 2,3 - .74 acres



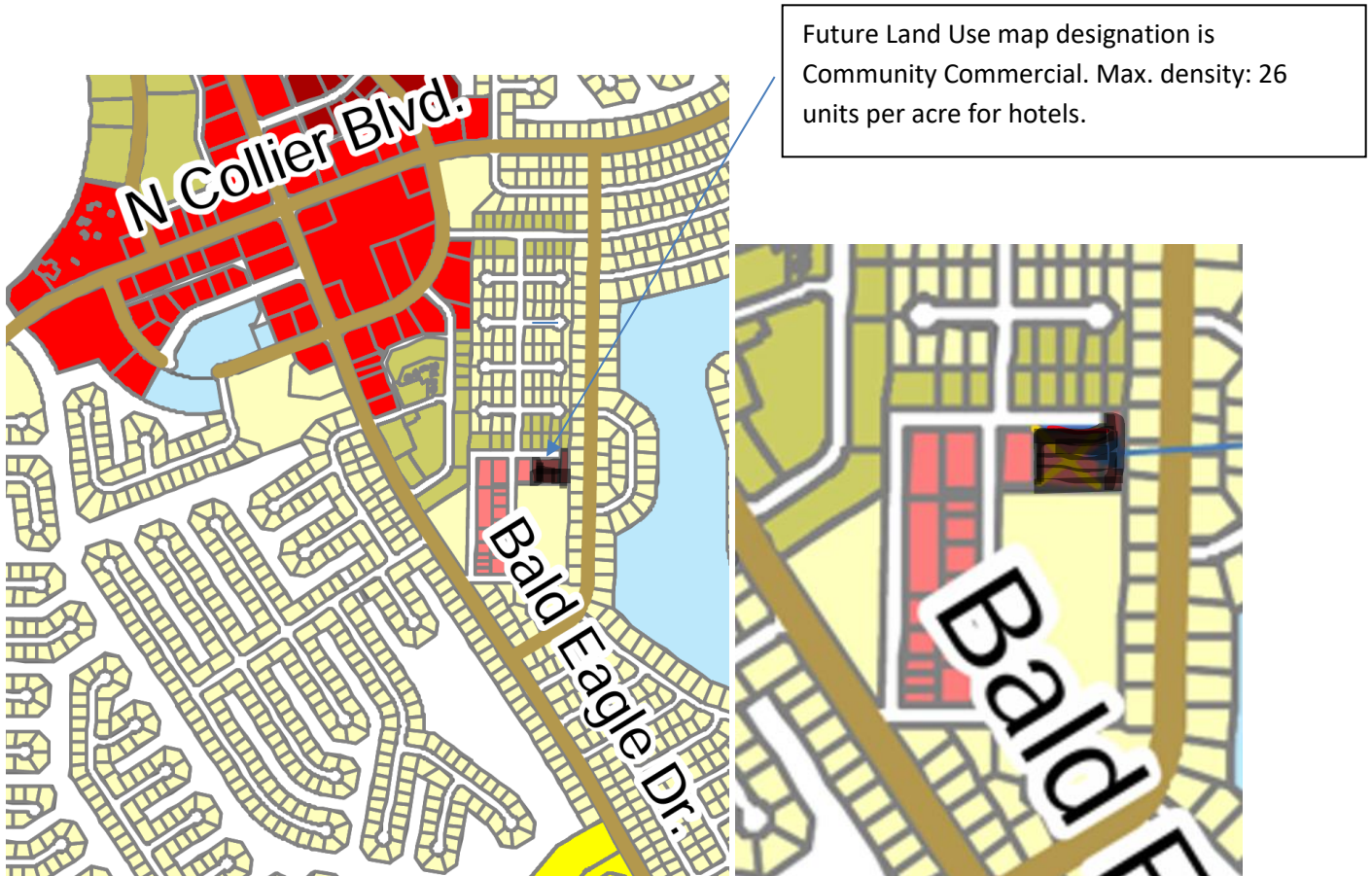
Lot 4 - .33 acres



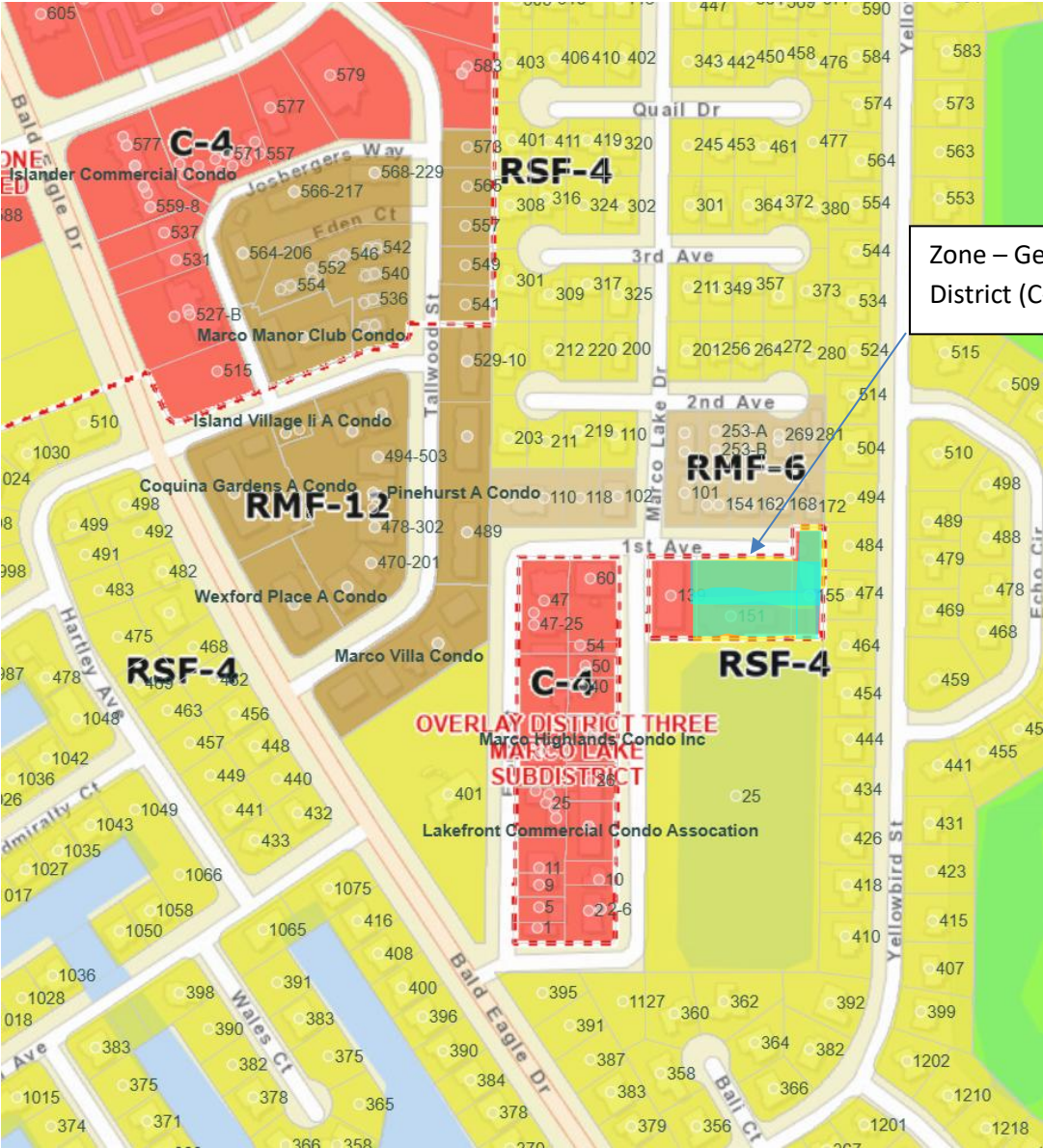
Comprehensive Plan - Future Land Use

Policy 3.2.4

The Community Commercial future land use category is intended to provide a range of commercial uses at arterial and collector intersections and nodes within the City outside of the Town Center/Mixed Use future land use category. These areas will be comprised of retail, office and mixed use land uses. Standard densities are limited to 12 du/acre. Hotel/motel densities are limited to 26 du/acre.

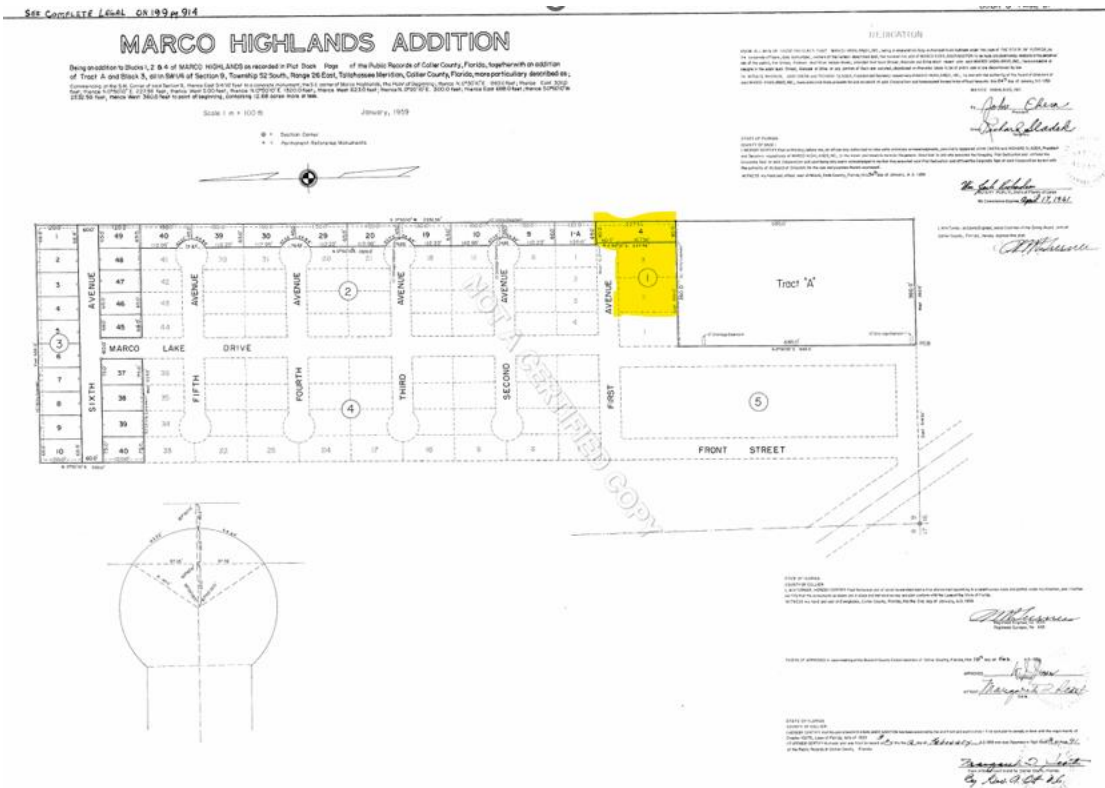
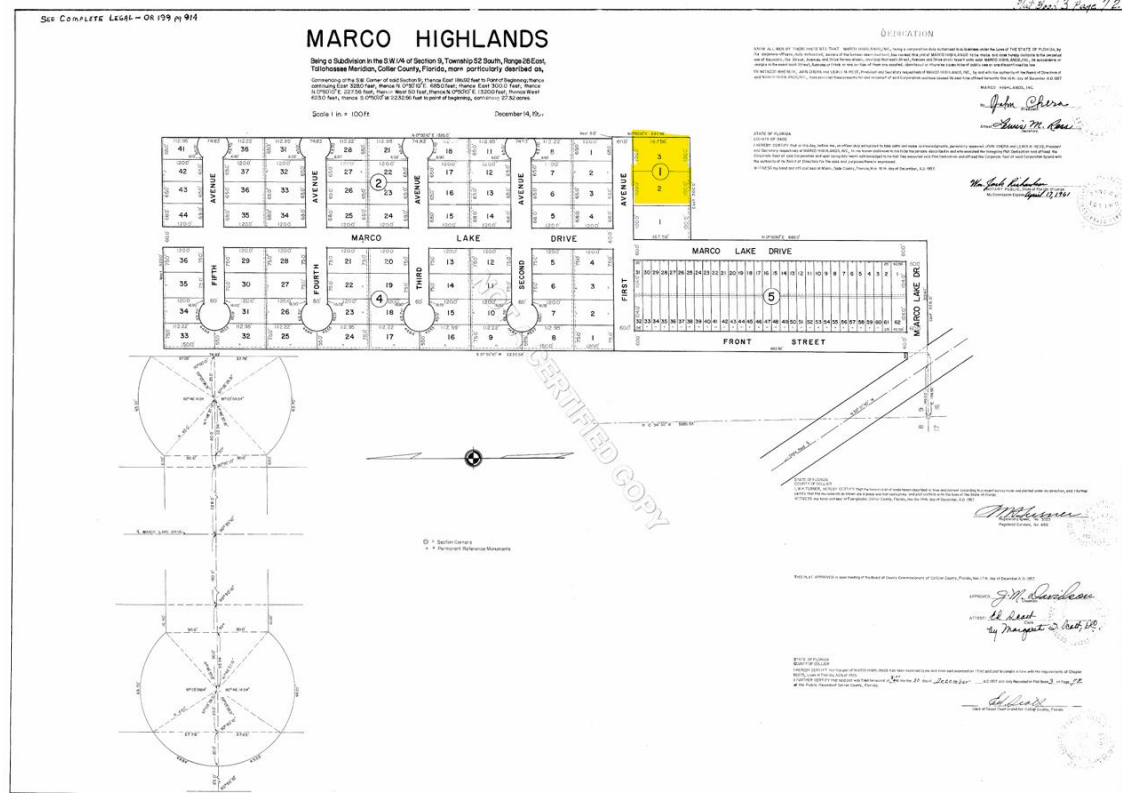


Zoning Map



Zone – General Commercial District (C-4)

Plat Maps



Current Language (In bold below)

Sec. 30-245. Dimensional standards.

The following dimensional standards shall apply to all permitted, accessory and conditional uses in the general commercial district (C-4):

- (1) *Minimum lot area:* 10,000 square feet.
- (2) *Minimum lot width:* 100 feet.
- (3) *Minimum yard requirements:*
 - a. *Front yard:* 25 feet plus one foot for each one foot of building height over 50 feet.
 - b. *Side yard:* Zero or a minimum of 15 feet except where the adjacent parcels are developed, in which case the required side yard may be zero to 15 feet, however in no case shall the separation between structures be less than 15 feet. Side yards located within the Marco Lake Subdistrict: Zero or a minimum of five feet with a minimum separation of ten feet unless attached.
 - c. *Rear yard:* Ten feet. Principal and accessory buildings shall be setback a minimum of 25 feet from an alley right-of-way when vehicular parking spaces take direct access from the alley, or ingress/egress is provided into the building.
 - d. *Any yard abutting a residential parcel:* 25 feet.
 - e. *Waterfront:* 25 feet, except none for marinas.
- (4) *Maximum height:* 100 feet, as measured from the base flood elevation to the mid-point of the roof; 75 feet beginning January 1, 2005. Maximum height is 40 feet within the Marco Lake District (lots 1-62, Block 5, and lots 1-4, Block 1, Marco Highlands). Maximum height is 40 feet within the Village Commercial District (Old Marco).
- (5) *Minimum floor area:* 700 square feet gross floor area for each building on the ground floor.
- (6) *Maximum lot coverage:* 76 percent of the total lot area.
- (7) *Floor area ratio:* (Reserved.)
- (8) **Maximum density: 16 units per acre for hotels, motels and timeshare facilities when located within the Marco Lake and the Village Commercial (Old Marco) Districts. Twenty-six units per acre for hotels, motels and timeshare facilities when located outside the Marco Lake/Village Commercial (Old Marco) Districts.**

Proposed Language (underlined)

Section 30-245 Dimensional Standards

(8) Maximum density: 16 units per acre for hotels, motels and timeshare facilities when located within the Marco Lake and the Village Commercial (Old Marco) Districts, except this limitation shall not apply to Lots 2 and 3, Block 1, Marco Highlands, according to the map or plat thereof as recorded in Plat Book 3, Page 72, of the Public Records of Collier County, Florida; and Lot 4, Block 1, Marco Highlands Addition, according to the map or plat thereof as recorded in Plat Book 3, Page 91, Public Records of Collier County, Florida. Twenty-six units per acre for hotels, motels and timeshare facilities when located outside the Marco Lake/Village Commercial (Old Marco) Districts, or on Lots 2 and 3, Block 1, Marco Highlands, according to the map or plat thereof as recorded in Plat Book 3, Page 72, of the Public Records of Collier County, Florida; and Lot 4, Block 1, Marco Highlands Addition, according to the map or plat thereof as recorded in Plat Book 3, Page 91, Public Records of Collier County, Florida.

ANALYSIS

Lots 2, 3, and 4, when combined, comprise approximately 1.07 acres. Based on the applicable density standards, the site would be permitted to accommodate 28 units. However, the applicant has indicated that, due to building height limitations and other regulatory constraints, the proposed redevelopment can accommodate only 26 hotel rooms.

The hotel currently has 19 rooms and a restaurant. Staff supports the proposed change because it reduces parking needs and vehicle trips, as shown in the tables below, by removing the restaurant. The change will also promote redevelopment of an area that needs improvement.

	ITE 11th Edition				
	Measure	Rate	Quantity	Daily Trips	Multiple
Restaurant, Stand Alone	1000 sf	83.84	2.675	224.27	3.12
Hotel/Motel	Room	7.99	9	71.91	

	ITE 9th Edition				
	Measure	Rate	Quantity	PM Peak Hour	Multiple
Restaurant, Quality	1000 sf	7.90	2.675	21.13	3.91
Restaurant, High Turnover Sit Down	1000 sf	11.15	2.675	29.83	5.52
Hotel	Room	0.60	9	5.40	
Motel	Room	0.47	9	4.23	
Resort Hotel	Room	0.42	9	3.78	

CITY of MARCO ISLAND LDC PARKING REQUIRED: CURRENT				
	Measure	Rate	Quantity	Total
Restaurant, Sit Down	Seats	1/4 x 50%	140	17.5
Hotel	Room	1.1	19	20.9
TOTAL				38.4

CITY of MARCO ISLAND LDC PARKING REQUIRED: PROPOSED				
	Measure	Rate	Quantity	Total
Restaurant, Sit Down	1000 sf	1/4 x 50%	0	0.0
Hotel	Room	1.1	28	30.80
TOTAL				30.80

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Staff encourages development that is less intense and more compatible with surrounding residential neighborhoods. Given the existing RMF-6 zoning to the north and RMF-4 zoning to the east and south, a multifamily residential structure is more compatible with the surrounding land uses than a restaurant. Accordingly, staff finds the proposed residential use to be more consistent with the character of the area and supportive of the City's planning objectives.

This amendment is consistent with the Future Land Use Element of the City's Comprehensive Plan based on the following policies:

Policy 1.1.3 The City will update and maintain LDC regulations that implement the community vision set forth in this Plan including development regulations and standards to address aesthetic and design requirements; management of the type, location, quality, design, density and intensity City of Marco Island Future Land Use Element, p. I-4 City of Marco Island Comprehensive Plan, Page 10 of 119 of new development and redevelopment; enhanced standards for land uses that have the potential to impact the community character and established residential neighborhoods.

Policy 1.2.1 The City will evaluate the growth management strategy and policies of the Future Land Use Element through visioning and evaluation of land use allocation for residential and non-residential development to optimize the use of infrastructure and services and ensure a balanced mix of land uses.

Policy 3.2.4 The Community Commercial future land use category is intended to provide a range of commercial uses at arterial and collector intersections and nodes within the City outside of the Town Center/Mixed Use future land use category. These areas will be comprised of retail, office, and mixed-use land uses. Standard densities are limited to 12 du/acre. Hotel/motel densities are limited to 26 du/acre.

Policy 4.1.1 Development will be permitted only where they are consistent with the Future Land Use Map and the goals, objectives, policies, and standards of this plan.

STAFF RECOMMENDATION:

Staff recommends that the Planning Board forward a recommendation of approval to the City Council for the proposed amendments outlined in this staff report. The amendments would allow a maximum of 26 units per acre on the combined Lots 2, 3, and 4 of Marco Lake Highlands and Marco Lake Highlands Addition Plat. Staff finds that the proposed density is appropriate given the site's development constraints, the reduction in parking demand, and the reduced traffic impacts associated with the proposed redevelopment.

Staff finds that the proposed amendments are consistent with the following provisions of the City's Comprehensive Plan's Future Land Use Element:

1. Objective 3.2 To accommodate orderly and well-planned commercial and mixed-use development at appropriate locations to serve the residents, businesses, and those they serve.
2. Policy 1.1.3, 1.2.2, 3.2.4 and 4.1.1 outlined in the staff report.

Daniel J. Smith, AICP
Director of Community Affairs