

EXECUTIVE SUMMARY



To: Patti McLauchlin, City Manager

Through: Katie P. Halloran, Planning Director

From: Daniel Sobczak, AICP-C, Planner II

Meeting Date: November 3, 2021

Request: **Major Development Plan and Landscape Waiver** - 210-216 Duval Street (RE# 00001420-000000) - A request for a major development plan and landscape waiver to renovate an existing historic mixed-use structure and enclose a portion of space between buildings of the property located in the Historic Residential Commercial Core (HRCC-1) zoning district and a request to deed restrict one on-site dwelling unit to comply with the City of Key West's Workforce Housing ordinance pursuant to Sections 90-395, 108-91, 108-517, and Section 122-1467(1)(a) of the Land Development Regulations of the Code of Ordinances of the City of Key West, Florida.

BACKGROUND:

At the September 14, 2021, meeting this item was postponed by the City Commission to October 5, and postponed again to October 19. On September 14, 2021, the applicant's representative stated that they opposed the fee-in-lieu. On October 19, the applicant chose to proceed with conditions as recorded in the Planning Board Resolution. However, at the hearing on the 19th, the City Commission requested that the applicant consider on-site deed restriction or linkage to comply with City Code Section 122-1467.

The subject parcel is located at 210-216 Duval Street on the corner of Duval Street and Charles Street. According to the Historical Architectural Review Commission, the historic contributing mixed-use structure was constructed in 1912. The parcel is zoned HRCC-1 and is surrounded by HRCC-1 zoned properties in all directions. The property is approved for four (4) residential units, as well as commercial space on the ground floor.

The applicant is proposing a major development plan to restore the historic structure, aligning the façade more closely to its historic significance. The major renovation will include the removal of many supporting walls and columns and the installation of new columns in order to open the space to allow for a ground floor restaurant and bar. Major renovation is also proposed for the four residential units on the second floor of the

structure. In addition to the renovation, the applicant has proposed to add several elements such as an additional staircase, enclosing existing open space, and adding a rooftop deck for the residential portion of the structure.

The applicant was approved with conditions for a variance to maximum building coverage, maximum impervious surface, off-street parking, and minimum open space at the June 17th, 2021 Planning Board meeting. Additionally, the Planning Board voted to recommend approval of the major development plan with conditions at the June 17th Planning Board meeting (Resolution #2021-29). Final landscape plan approval by the Tree Commission occurred on August 10, 2021 (TP2021-0006), and landscape fees are due prior to a Certificate of Occupancy (see conditions below). The Historic Architectural Review Commission approved the project with further modifications at their July 28th meeting and associated demolition and final plans were approved on August 24, 2021.

The site plan approved by Planning Board was modified at the July and August Historic Architectural Review Commission hearings, and as noted, final plans were submitted in August. As such, staff recommends that the updated site plan signed, sealed, and dated 10/8/2021, which includes these changes, replace the outdated plans from the Planning Board hearing.

Process:

Development Review Committee:	April 22 nd , 2021
Planning Board Meeting:	June 17 th , 2021
Tree Commission Meeting:	Aug. 10 th , 2021
HARC Meeting:	July 28 and Aug. 24 th , 2021
Ratification by the City Commission:	November 3, 2021
Local Appeal Period:	10 Days
Planning renders to DEO for review:	Up to 45 days

Planning Staff Analysis:

The proposed major development plan is to redevelop a vacant historically contributing mixed use structure on lower Duval. The parcel consists of two connected structures that span almost the entire lot, with an entrance on Charles St. and an entrance on Duval St. Historically the parcel was mixed use with residential units on the second floor and commercial units on the first. The applicant is applying to continue the mixed-use on the parcel. The reconstructed commercial space is proposed to be used as a bar/restaurant and has a proposed consumption space of approximately 3,656 square feet. The applicant plans to convert the formerly segmented ground floor into an open concept. The ground floor was formerly used for t-shirt shops.

The applicant has also applied to redevelop the residential second floor, reconstructing four non-transient units. The City recognized two units at the property in 2020, an

additional two non-transient units were recognized upon an appeal to a Lawful Unit Determination at the property in 2020. The rooms were historically small single bedroom boarding house units; the applicant has proposed to construct two four-bedroom four-bathroom units, and two two-bedroom two-bathroom units.

Code Section 122-1467 states that mixed-use projects are required to build at least 30% affordable housing units or pay a fee-in-lieu. Per Section 122-1467 (1) (a) an applicant “may contribute a fee-in-lieu for each unit to the affordable work force housing trust fund, if approved by the city commission. The per unit fee shall be \$200,000.00 (representing construction cost, less land cost, of a 400 square foot unit).” As per Code section 122-1467 (1)(d) “Demonstration of continuing affordability”, a deed restriction or similar shall maintain affordability for 50 years at a minimum. The applicant has proposed to deed restrict one on-site unit, “Apartment 1”, as stated in an email dated October 2, 2021. The applicant has also submitted revised site plans to depict Apartment 1. Staff has revised proposed conditions to include the proposed on-site affordable housing (median) dwelling unit to comply with City Code Section 122-1467(1)(a).

The applicant has proposed to develop the site concurrently. The historic contributing mixed-use structure will be renovated to more closely resemble the historical façade of the structure, and as noted, received approval from HARC on August 24th. The property is currently insufficient in street buffer plantings, and due to the historic structure and the size of the site, the applicant is unable to plant the required landscaping. As such, the applicant has offered to pay a fee-in-lieu. The City Code establishes the price for landscape mitigation, and as noted, the applicant has agreed to pay a fee-in-lieu of \$3,450.

Additional information can be found in the attached Staff Report.

The Major Development Plan was recommended for approval by the Planning Board with the following conditions of approval:

Conditions of Approval:

1. Approval of a variance to the minimum required front and minimum required rear setbacks prior to the approval of the proposed major development plan.
2. The proposed construction shall be consistent (except for conditions of approval listed below) with the plans signed, sealed, and dated ~~12/10/2020~~ 10/8/2021 by Richard J. Milelli.
3. Maintain landscaping in the two planter-boxes on Charles St.
4. Add gutters and downspouts to the structure to drain all rain-water runoff into the proposed trench.
5. All waste receptacles be hidden or screened from view from the City right-of-way
6. The applicant shall have both waste and recycling pick-up services

Conditions prior to the City Commission hearing:

7. Submit a stormwater management plan in accordance with Sec. 108-777, to retain the greater of one-inch of runoff based on the site upland area or 2.5" times percent of impervious coverage.
8. The applicant shall obtain final landscape plan approval from the Tree Commission. *(complete)*
9. The applicant shall obtain a Certificate of Appropriateness from the Historic Architectural Review Committee (HARC). *(complete)*

Conditions prior to Certificate of Occupancy of the Commercial Unit:

10. Install bike parking either on the property or in direct proximity to the property.
11. Code required plant units that cannot be planted on-site shall be provided through a fee-in-lieu and planted off-site. The fee-in-lieu shall be proportionate to the cost of tree mitigation costs for plant material, planting, and three months of watering services, and shall be received prior to issuance of a certificate of occupancy. The applicant is required to plant 6.9 trees for two street buffer requirements, these 6.9 trees have a mitigation price of \$3,450. The applicant shall pay this \$3,450 prior to the issuance of a certificate of occupancy.

Conditions prior to issuance of a building permit ~~Certificate of Occupancy of Residential Units:~~

- ~~12. Prior to a certificate of occupancy being issued for the residential units, City Code Section 122-1467 (1) shall be met and a fee in lieu of \$200,000 for affordable housing shall be paid to the City.~~
- 12. Prior to issuance of building permits for this property the property owner shall submit a recorded deed restriction for one on-site dwelling unit (Apartment 1) for median income tenants at 210-216 Duval Street in compliance with City Code Section 122-1467(1)(a). The deed restriction must be approved by the City Attorney, and recorded by the Monroe County Clerk of the Court.**

Options/Advantages/Disadvantages:

Option 1: Approve with conditions the proposed Major Development Plan for 210-216 Duval Street.

1. **Consistency with the City's Comprehensive Plan, Vision, and Mission:** This action would redevelop a historically contributing structure and maintain its historic mixed-use by redeveloping the commercial ground floor and redeveloping its residential second floor. Redevelopment of historic structures is consistent with the City's Comprehensive Plan, Vision, and Mission.

2. **Financial Impact:** The applicant would contribute to the City's tree mitigation fund.

Option 2: Deny the proposed Major Development Plan for 210-216 Duval Street.

1. **Consistency with the City's Strategic Plan, Vision, and Mission:** This action would not be inconsistent with the Comprehensive Plan but would not facilitate maintenance of a historic contributing structure at this time. Maintenance and reuse of historic structures is supported by the Comprehensive Plan and City Code.

2. **Financial Impact:** There would be no anticipated impact.

Recommendation

The major development project would restore a historically contributing structure, redevelop a vacant structure, and redevelop four market rate units. With all the conditions recommended for approval by the Planning Board, the Planning Department concurs with the Planning Board's recommendation to approve the major development plan with conditions, and staff recommends **Option 1** for the proposed major development plan.