THE CITY OF KEY WEST PLANNING BOARD Staff Report



To: **Chairman and Planning Board Members** Through: Katie P. Halloran, Planning Director From: Zoe Porter, Planner I Meeting Date: October 25, 2022 Agenda Item: Text Amendment of the Comprehensive Plan - A resolution of the City of Key West Planning Board recommending an ordinance to the City Commission amending Comprehensive Plan Chapter 1, Future Land Use Element, Objective 1-1.17: - Workforce-Affordable Housing Initiative, Policy 1-1.17.1: - Distribution of Workforce-Affordable Housing Allocations., to provide for building permit allocation system units for the property located at 907 Caroline Street (RE# 00072082-004505); providing for the repeal of inconsistent provisions; providing for transmittal to the State Land Planning Agency; providing for the filing with the Secretary of State; providing for severability; providing for the inclusion in the City of Key West Comprehensive Plan; providing for an effective date. Request: The proposed ordinance to amend the City's Comprehensive Plan would allow for the construction of four (4) affordable workforce housing units on a City-owned property. The Planning Board is hearing this Comprehensive Plan amendment and the associated text amendment to the Land Development Regulation (the "LDRs") text amendment in order to set aside four (4) "Affordable – Early Evacuation Pool" building permit allocations (BPAS) for the City-owned parcel known as 907 Caroline Street (RE#00072082-004505).

Applicant:

City of Key West



Background:

The proposed ordinance to amend the City's Comprehensive Plan permits four (4) workforce-affordable early evacuation units to be set aside for the property addressed 907 Caroline Street, located within the Historic Residential Commercial Core – Key West Bight District (HRCC-2) zoning district. The proposed ordinance encourages the redevelopment of existing City-owned property and permits the right to construct four "Affordable – Early Evacuation Pool" units at 907 Caroline Street. As it stands today, the subject property is utilized as commercial space and adjoins other City-owned properties, including the City of Key West Port and Marine Services Department. If the four affordable workforce housing units are approved for allocation, the property will be managed onsite by the City's Marine Services Department.

Single-family, two-family, and multiple-family residential dwellings are a permitted use within the HRCC-2 zoning district. Properties within this zoning district are allowed a maximum density of 40 units per acre if all units are deed restricted by the owner or developer as work force affordable residential units. Additionally, the proposed units would not conflict with the required 100 foot mean high water line setback required in the HRCC-2 zoning district.

The proposed ordinance to amend the City's Land Development Regulations implements Comprehensive Plan Goals, Objectives, and Policies and the City's Strategic Plan priority to provide deeply needed workforce housing units. These workforce housing units are critical for City employees whose services are critical for the functioning of the City at large. The City recognizes the workforce- affordable early evacuation units are available for allocation on a first-come, first-served basis, and may be distributed at any time following adequate public notice and hearing procedures.



Street View of Subject Property

Request/Proposed Amendment: **Coding: Added language is* <u>*underlined*</u>; *deleted language is* *struck through at first reading.*

Policy 1-1.17.1: - Distribution of Workforce-Affordable Housing Allocations.

Workforce-Affordable Housing allocations shall be available for allocation on a first-come first-served basis and distributed at any time following adequate public notice and hearing procedures pursuant to Chapter 108 of the City's Land Development Regulations. In the event applications received exceed the allocations authorized herein, the competing applications shall be ranked in accordance with the BPAS ranking procedures in Chapter 108, Section 997(c).

The City of Key West shall transfer one hundred fifty (150) previously unallocated Affordable – Early Evacuation Pool units to the School Board of Monroe County, Florida, for affordable housing development at the property commonly known as 240 and 241 Trumbo Road, Key West, Florida.

Transfer of the aforementioned units shall be contingent on receipt of a sufficient number of Affordable – Early Evacuation Pool or equivalent affordable units by the City of Key West. All development associated with these 150 units shall be reviewed and approved as per City of Key West Land Development Regulations, notably Chapter 108, Article II. – Development Plan. The School Board of Monroe County, Florida, shall provide recorded Declarations of Affordable Housing Restrictions for these units acceptable to the City of Key West prior to the issuance of certificates of occupancy by the City. In the event building permits to construct affordable housing at 240-241 Trumbo Road have not been issued on or before June 30, 2026, these Affordable – Early Evacuation Pool units shall be released to the City of Key West and shall be re-allocated only for affordable housing purposes within the City of Key West limits. All units transferred under this policy shall be considered as contributing to the 50 percent minimum affordable housing allocation of Policy 1-1.6.1.

The City of Key West shall transfer four (4) Affordable – Early Evacuation Pool allocation units to the property addressed 907 Caroline Street (RE #00072082-004505) for the development of affordable workforce housing. All development associated with these 4 units shall be reviewed and approved as per City of Key West Land Development Regulations and in accordance with this Article.

(Ord. No. 19-05, § 1, 3-5-2019)

*Coding: Added language is underlined; deleted language is struck through at first reading.

Comprehensive Plan Amendment Process:

Planning Board Meeting: City Commission (1st Reading): Local Appeal Period: DEO Review (1st Reading): Commission (2nd Reading/Adoption): Local Appeal Period: DEO Review (2nd Reading): DEO Notice of Intent (NOI): October 25th, 2022 TBD, 2022 30 days Up to 60 days City TBD, 2023 30 days Up to 45 days Effective when NOI posted to DEO site

Analysis:

The purpose of Chapter 90, Article VI, Division 3 of the Land Development Regulations (the "LDRs") of the Code of Ordinances (the "Code") of the City of Key West, Florida (the "City") is to allow for Comprehensive Plan map and text amendments. The Section 90-551 states that the purpose of these amendments, "... is not intended to relieve particular hardships nor to confer special privileges or rights on any person, but only to make necessary adjustments in light of changed conditions. In determining whether to grant a requested amendment, the city commission shall consider, in addition to the factors set forth in this division, the consistency of the proposed amendment with the intent of the comprehensive plan."

This proposed amendment does not confer special privileges or rights on any person; all property owners within the city limits may apply for Affordable – Early Evacuation Pool or Building Permit Allocation System units.

The proposed Comprehensive Plan text amendment shall be reviewed as per the criteria of Section 90- 554(6) below:

90-5554 (6) Justification. The need and justification for the proposed change. The evaluation shall address but shall not be limited to the following issues:

a. Comprehensive Plan consistency. Identifying impacts of the proposed change in zoning on the Comprehensive Plan. The zoning should be consistent with the Comprehensive Plan.

The proposed amendment is consistent with and further implements the Comprehensive Plan objectives, policies, and goals below:

Objective 1-1.17: - Workforce-Affordable Housing Initiative. - Workforce-Affordable Housing allocations shall be available for allocation on a first-come first-served basis and distributed at any time following adequate public notice and hearing procedures pursuant to Chapter 108 of the City's Land Development Regulations. In the event applications received exceed the allocations authorized herein, the competing applications shall be ranked in accordance with the BPAS ranking procedures in Chapter 108, Section 997(c).

The proposed text amendment is in accordance with the first come, first served basis specified above. The proposed amendment shall also be in accordance with *Policy 1-1.17.2 – Specific Standards and Requirements for Workforce-Affordable Housing* by allocating four multi-family, deed restricted units to the subject property.

Objective 3-1.1: -Provide Quality Affordable Housing And Adequate Sites For Low And Moderate Income Housing.

The proposed reservation of units allows for the development of four new workforce housing units at 907 Caroline Street and ensures that any future development of housing units on the subject property will be workforce affordable.

Objective 3-1.1.3: - Ratio of Affordable Housing to Be Made Available City-Wide

All four proposed units shall be affordable; therefore, the proposed development meets the required minimum 30% affordable units for a residential project of less than ten units.

Policy 3-1.1.11: Selecting Sites for Affordable Housing for Low- and Moderate-Income Households.

The proposed amendment is for a property located within the Historic Residential Commercial Core – Key West Bight (HRCC-2) zoning district, which is centrally located to various employment opportunities. The property is serviced by potable water and central wastewater systems and can implement a plan for stormwater management at the time of development plan application and review.

Policy 8-1.1.3.: Principles and Guidelines to be used in Coordination of Development and Growth Management Issues.

The proposed text amendment would set aside early evacuation unit entitlements for anticipated future development of four workforce-affordable housing units. These units will function as required per Comprehensive Plan Policy 1-1.17.2 – *Specific Standards and Requirements for Workforce-Affordable Housing*. As such, the City anticipates safe evacuation of future tenants.

Goal 3-1: - Housing: Allocate land area for accommodating a supply of housing responsive to the diverse housing needs of the existing and projected future population and served by adequate public facilities; assist the private sector in: providing affordable quality housing in neighborhoods protected from incompatible uses; promote best practices of land use planning, urban design, and landscaping.

Through the proposed amendment the City will directly facilitate the development of four affordable workforce housing units at the subject property by reserving the right to four necessary building permit allocations.

Appendix A, The City's Chapter 1. – Affordable Housing Needs Analysis: The 2005 EAR listed "Affordable Housing" as one of the issues to be addressed during the updates to the Comprehensive Plan. Some of the contributing factors to the need for affordable housing included lower wage tourism-based jobs; loss of military families that lived in housing subsidized by the government; increased demand for second homes; government limitations on growth; the loss of housing due to conversion to guesthouses; and the lack of available vacant land.

(...)

In addition to requiring private developers to provide a percentage of affordable units, the City has historically taken a proactive approach in providing affordable units. The City has worked within the limits of the BPAS policies and, while being mindful of evacuation planning, has signed agreements with the State and with private developers to allow more affordable units.

(...)

The provision of decent, safe, sanitary and affordable housing to all residents continues to be one of the most daunting challenges that the City of Key West faces. The City's scarcity of land for new development, growth in the second home market, high quality of life and desirability, and unique and historic housing stock all contribute to property and housing values that are among the highest in the State. The City's economy is largely based on tourism and service industries, which generally pay lower wages than many other industries.

Additionally, the City's Chapter 3: - *Housing Element of the Comprehensive Plan* addresses the City's goal to allocate land area to accommodate a supply of housing that is responsive to the diverse housing needs of the existing and projected future populations. The proposed amendment to the Land Development Regulations and Comprehensive Plan will permit redevelopment of an existing commercial parcel into residential use or mixed use. These units are included in evacuation planning and will provide desperately needed affordable housing for the community. The City of Key West Marine and Port Services Department has stated that these units would be for City Port employees, and other City staff.

The proposed amendment also meets requirements from the Land Development Regulations (LDR's);

compliance with Section 108-1154(4) of the LDR's will be attained as onsite management will be conducted by the City's Marine Services department.

b. Impact on surrounding properties and infrastructure. The effect of the change, if any, on the particular property and all surrounding properties. Identify potential land use incompatibility and impacts on infrastructure.

The effect of this amendment permits four workforce affordable early evacuation allocation units to be awarded to property at 907 Caroline Street (RE #00072082-004505). The proposed units meet the permitted residential density within the Historic Residential Commercial Core – Key West Bight (HRCC-2) zoning district. The four proposed units will be developed in compliance within the City of Key West Land Development Regulations, which includes limitations on building height, setbacks, and other site features. In addition, architecture and other site features will be reviewed by the Historic Architecture Review Commission and Historic Preservation staff to ensure development is in accordance with the City's adopted historic district guidelines. Therefore, surrounding properties will be afforded the same protections as any other property within this zoning district.

c. Avoidance of special treatment. The proposed change shall not: 1. Single out a small piece of land and confer special and privileged treatment not provided to abutting properties with similar characteristics and land use relationships; and 2. Provide for land use activities which are not in the overall public interest but only for the benefit of the landowner.

The proposed amendment will allow for development of affordable workforce housing, which is a critical need of the community. The implementation of four new workforce housing units is in the public interest.

d. Undeveloped land with similar comprehensive plan future land use map designation. The amount of undeveloped land in the general area and in the city having the same zoning classification as that requested shall be stated.

Undeveloped land and vacant properties are subject to unit allocations from the Beneficial Use pool. The proposed change involves allocation of new building permits on a parcel that was previously developed for commercial use. The adjacent properties to the north, south, and west are also owned by the City of Key West. Owners of land with similar land use designations may apply for BPAS or Beneficial Use units, as permissible.

RECOMMENDATION:

The Planning Department, based on the criteria established by the Comprehensive Plan and the Land Development Regulations, recommends to the Planning Board that the request to amend the Comprehensive Plan be **APPROVED.**