

THE CITY OF KEY WEST
PLANNING
BOARD
Staff Report



To: Chair and Planning Board Members

From: Zoe Porter, Planner I

Through: Katie P. Halloran, Planning Director

Meeting Date: June 15, 2023

Agenda Item: Final Determination of Award for Year 10 Building Permit Allocation System (BPAS) Applications pursuant to Sections 108-995 and 108-997 of the Land Development Regulations of the Code of Ordinances of the City of Key West, Florida.

Request:

Approval of the final rankings of Year 10 (July 1, 2022 – June 30, 2023) BPAS applications for award of ten (10) market-rate housing units and nine (9) affordable-rate housing units.

Background:

This item was presented at the May 18th Planning Board meeting as a discussion item. The item has been returned to the June 15th Planning Board agenda as an action item to allow the Planning Board to vote on the Final Determination of Award pursuant to Section 108-997(d) of the Land Development Regulations. Following the May 18th Planning Board meeting the applicant requesting one (1) market-rate BPAS allocation at 3705 Eagle Avenue withdrew their BPAS application in response to a successful rendering period by the DEO, approving the Planning Department's determination of award of one (1) Beneficial Use Allocation to the property.

The Year 10 BPAS cycle opened on July 1, 2022, and will run through June 30, 2023. Pursuant to Section 108-995 of the Land Development Regulations, a maximum of forty-six (46) market-rate units are available for allocation, and a *minimum* of four tenths (0.4) affordable units* may be allocated.

As of the date of this report, there are forty-six (46) market-rate BPAS allocations available for Year 10. Furthermore, there is no limitation to the total number of affordable housing allocations on a year-to-year basis pursuant to Section 108-995 of the Land Development Regulations. The City received eight (8) applications for Year 10, consisting of twenty (20) requested single-family units (20 building permit allocations).

The deadline to submit applications for Year 10 was November 5, 2022, by 3 PM EST. As of that date, the City received seven (7) BPAS applications requesting a total of ten (10) market-rate units and nine (9) affordable units. An application for one (1) market-rate residential BPAS unit was accepted by the Planning Department on December 22, 2022, due to unforeseen circumstances at no fault of the

applicant. One applicant requesting one (1) market-rate unit withdrew their application on May 26, 2023, in response to approval of a Beneficial Use allocation on March 23, 2023.

The applications were evaluated by staff for completeness. Applicants were notified of any deficiencies within their application and were allowed approximately one month to resolve the deficiencies and change their BPAS score.

**Pursuant to Ordinance 22-06, 128 affordable units were allocated for the 3.2 development in Bahama Village. The 128 affordable units contributed to the minimum affordable unit allocations necessary for the Year 10 BPAS cycle.*

The Year 10 BPAS applications are summarized in the table on the following page.

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Year 10 BPAS Applications	317 Whitehead Street	423 Bahama Street	717 Duval Street	918 James Street	1000 Virginia Street	715 Seminole Avenue**	811 Seminole Avenue
Existing/Recognized Units	1	0	0	1	1	18	16
New Market Rate Units	1	1	1	1	1	5	
New Affordable Units							9
Total Existing + Proposed Year 10 BPAS Units	2	1	1	2	2	23	25
Zoning	Historic Residential /Office (HRO)	Historic Neighborhood Commercial – Truman/Simonton (HNC-1)	Historic Residential Commercial Core – Duval Street Gulfside (HRCC-1)	Historic Medium Density Residential (HMDR)	Historic Medium Density Residential (HMDR)	Historic Medium Density Residential (HMDR)	Historic Medium Density Residential (HMDR)
Maximum Density (du/acre)	16 du/acre	16 du/acre	22 du/acre	16 du/acre	16 du/acre	16 du/acre	16 du/acre
Land Area (SF)	6,537	3,196	1,571	5,425	5,786	52,500	83,000
Land Area (AC)	0.15	0.07	0.04	0.12	0.13	1.21	1.91
Proposed Density (du/acre)	13.3	14.2	25	16.6	15.3	19.0	13.1
Maximum Dwelling Units Allowed	2.4	1.1	.9*	1.9*	2.1	19.4**	30.6

**Allowable density is rounded to the nearest whole number.*

***715 Seminole Avenue and 811 Seminole Avenue shall be combined through Unity of Title to achieve the requested density; release of requested BPAS units at these properties shall be contingent upon the recording of a properly executed Unity of Title in the Public Records of Monroe County, Florida, with respect to 715 Seminole Street and 811 Seminole Street. The said Unity of Title shall be in a form approved by the City of Key West. Upon demand by the City of Key West, any mortgagee who accepts or has accepted any or all of the property as collateral or security for any purpose or loan shall execute and deliver, in recordable form, its subordination agreement subordinating its mortgage to the terms and conditions of said Unity of Title.*

Analysis:

Staff evaluated, scored, and ranked the final BPAS applications according to the prerequisites and criteria outlined in City Code Section 108-997 (b) and (c).

Of the six (6) market-rate applications received by the Planning Department, ten (10) units were requested. Pursuant to Section 108-995 of the Land Development Regulations, forty-six (46) market-rate units may be allocated during Year 10. The Planning Department staff is recommending the award of all requested market-rate units; however, the Planning Department recommends two conditions be considered by the Planning Board.

The applicant/owner of 715 Seminole Street requested five market-rate units. As the recorded parcel exists today, 715 Seminole Street does not have the necessary density for five additional units. Planning staff may not recommend approval of a project that would potentially create a nonconformity; however, the Planning Department may recommend approval of the requested BPAS units with the understanding that the applicant must meet all other conditions required by the Land Development Regulations, including density. The applicant has agreed to combine 715 Seminole Street with 811 Seminole Street via Unity of Title, which will increase the allowable density and thus ensure the requested BPAS units are in compliance with the maximum density of the property's applicable zoning district.

- Condition 1: The Planning Department recommends a contingent award of the five (5) requested market-rate units to 715 Seminole Street with the understanding that the applicant must meet all other conditions required by the Land Development Regulations including, but not limited to, density, variances, previous development approvals, etc. Release of requested BPAS units at these properties shall be contingent upon the recording of a properly executed Unity of Title in the Public Records of Monroe County, Florida, with respect to 715 Seminole Street and 811 Seminole Street. The said Unity of Title shall be in a form approved by the City of Key West. Upon demand by the City of Key West, any mortgagee who accepts or has accepted any or all of the property as collateral or security for any purpose or loan shall execute and deliver, in recordable form, its subordination agreement subordinating its mortgage to the terms and conditions of said Unity of Title.

Attached are the resulting scores and final rankings. The Planning Department staff's evaluation of the final applications is summarized in the score review sheet, which is attached to the application package.

Pursuant to City Code Section 108-995, a maximum of forty-six (46) market-rate units are available for Year 10 (July 1, 2022– June 30, 2023) of the BPAS cycle. The following market-rate projects are recommended for award:

YEAR 10 MARKET-RATE BPAS APPLICATIONS – RECOMMENDED FOR AWARD						
Rank	Project	Units Requested	ESFU Factor	ESFUs Requested	Major/Minor Renovation	Score
1	717 Duval St	1	1.00	1	Major	27
2	715 Seminole St	5	5.00	5	Major	25
3	317 Whitehead St	1	1.00	1	Major	15
Tied	1000 Virginia St	1	1.00	1	Minor	0
Tied	918 James St	1	1.00	1	Major	0
Tied	423 Bahama St	1	1.00	1	Major	0

Pursuant to City Code Section 108-995, a *minimum* of four tenths (0.4) affordable units are available for Year 10 (July 1, 2022 – June 30, 2023) of the BPAS cycle. The following affordable projects are recommended for award:

YEAR 10 AFFORDABLE-RATE BPAS APPLICATIONS – RECOMMENDED FOR AWARD						
Rank	Project	Units Requested	ESFU Factor	ESFUs Requested	Major/Minor Renovation	Score
1	811 Seminole Street	9	9.00	9	Major	95

Recommendation:

Based on the criteria established by the Comprehensive Plan and the Land Development Regulations, The Planning Department recommends to the Planning Board **APPROVAL WITH CONDITIONS** of the final Year 10 BPAS rankings, approving the award of ten (10) market-rate housing units and nine (9) affordable-rate housing units contingent on the following conditions:

1. The Planning Department recommends a contingent award of the five (5) requested market-rate units to 715 Seminole Avenue and nine (9) affordable-rate units to 811 Seminole Avenue with the understanding that the applicant must meet all other conditions required by the Land Development Regulations including, but not limited to, density, variances, previous development approvals, etc. Release of requested BPAS units at these properties shall be contingent upon the recording of a properly executed Unity of Title in the Public Records of Monroe County, Florida, with respect to 715 Seminole Avenue and 811 Seminole Avenue. The said Unity of Title shall be in a form approved by the City of Key West. Upon demand by the City of Key West, any mortgagee who accepts or has accepted any or all of the property as collateral or security for any purpose or loan shall execute and deliver, in recordable form, its subordination agreement subordinating its mortgage to the terms and conditions of said Unity of Title.