

**THE CITY OF KEY WEST
PLANNING BOARD
Staff Report**



To: Chair and Planning Board Members

From: Ginny Haller, Planner II

Through: Patrick Wright, Planning Director

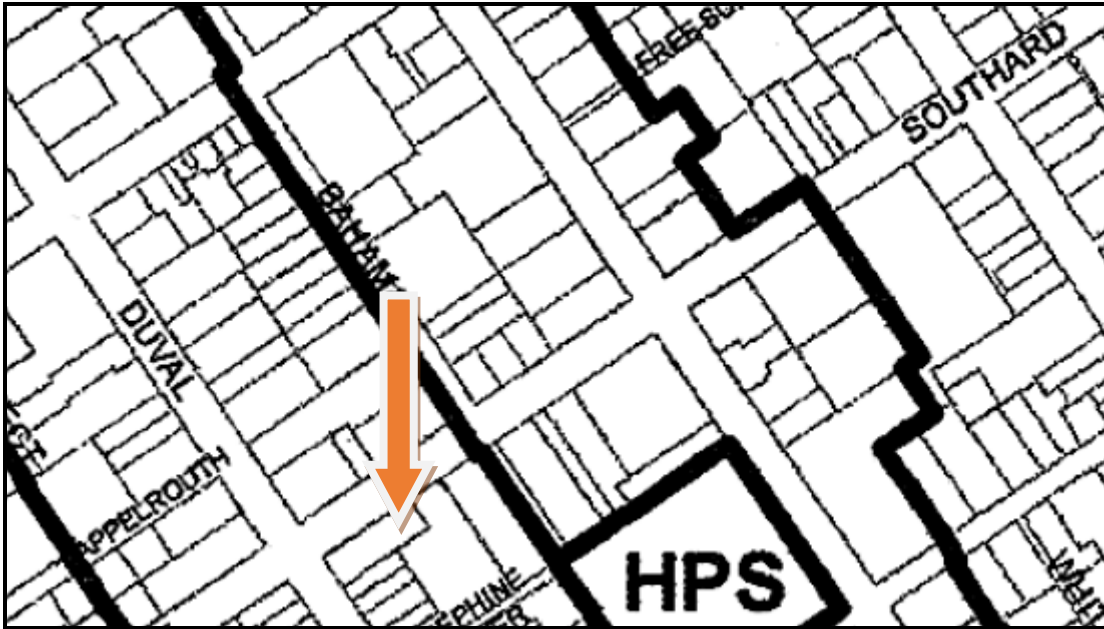
Meeting Date: April 19, 2018

Agenda Item: **Transient License Transfer – Unassigned to 601 Duval/504-506 Southard Street (RE # 00012290-000000)** – A request to transfer two transient licenses from unassigned status to property located within the Historic Residential Commercial Core – Duval Street Gulfside (HRCC-1) Zoning District pursuant to Section 122-1339 of the Land Development Regulations of the Code of Ordinances of the City of Key West, Florida.

Site Data:

	<u>Sender Site</u>	<u>Receiver Site</u>
License Owner:	MGD Silverpeak, LLC	KW Zion, LLC
Property Owner:	MGD Silverpeak, LLC	KW Zion, LLC
Agent:	Jeff Dierman	Susan M. Cardenas, Esq.
Location:	N/A Unassigned	601 Duval/504-506 Southard Street
RE #:	N/A Unassigned	RE# 00012290-000000
Zoning:	N/A Unassigned	Historic Residential Commercial Core – Duval Street Gulfside (HRCC-1)
Existing Use:	N/A Unassigned	Five (5) non-transient residential
Proposed Use:	N/A Unassigned	Two (2) transient residential

Receiver Site



Background:

The subject two transient licenses (or business tax receipts) are associated with 916 Fleming Street. The current owner of the two licenses retains ownership in an unassigned status. 916 Fleming Street is located in the Historic Medium Density Residential (HMDR) zoning district which does not permit transient use. The owner seeks to transfer the two transient licenses to a location where transient use is permitted.

The receiver site at 601 Duval/504-506 Southard currently consists of five (5) non-transient residential units on the second floor of the structure with an art gallery on the first floor. The transfer of the two licenses are confined to Units 201 & 205 with room configurations of a kitchen, bathroom and a single living space. The property is located in the Historic Residential Commercial Core Gulfside (HRCC-1) zoning district in which transient residential is a permitted use.

Relevant Code Sections:

The purpose of City Code Chapter 122, Article V, Division 6 “Transient Units” outlined in Section 122-1336 is to:

- Provide for the transfer of existing transient units and transient licenses in order to reduce noncomplying density, structures and uses;
- Remove legal nonconforming transient uses from zoning districts that now prohibit them;
- Encourage permanent residential housing by relocating transient licenses;
- Provide for the conversion of transient units to single-family dwellings by the transfer of units;

- Allow for redevelopment without increasing the population requiring evacuation during emergencies or increasing other public services;
- Protect environmentally sensitive lands; and
- Encourage redevelopment under the existing Building Permit Allocation System (BPAS) that limits the allowable number of residential and transient units.

City Code Section 122-1339(a) states that a business tax receipt (e.g., license) for transient use of a unit may itself be transferred from an area where transient uses are prohibited to a receiver site without the accompanying transfer of the unit. In addition, licenses may be transferred from the HNC-1 and HNC-3 Zoning Districts. A transfer of a license under this section does not allow a loss of affordable housing at the receiver site.

City Code Section 122-1339(b) states that where a license alone is transferred, the Planning Board shall consider whether the receiver site is suitable for transient use in the zoning district, shall consider the relative size of the unit from which the license is transferred, and shall consider the room configuration of both sites to maintain approximately the same or less net number of occupants.

Analysis:

The proposed transient license transfer does not involve the transfer of transient units. The receiver site at 601 Duval/504-506 Southard Streets has five existing dwelling units. The proposed transfer of two transient licenses would move the transient use of residential dwelling units from an area where transient uses are prohibited (HMDR Zoning District) to an area where transient uses are permitted (HRCC-1 Zoning District).

The existing use of the receiver site units at 601 Duval/504-506 Southard Streets is non-transient residential. The proposed transfer would not result in a loss of affordable housing because there is no existing deed-restricted affordable housing at the receiver site.

The sender site is associated with 916 Fleming Street and the current owner of the two licenses retains ownership in an unassigned status. Although both the sender site and the receiver site are typical guesthouse style units, the size of the units at the receiver site are larger and could be renovated into two-bedroom units. The applicant has agreed to Condition 3 of this staff report that states: The transfer of the two licenses are confined to Units 201 & 205, and the room configuration shall not be altered in any manner that results in more than a single sleeping room per unit while the transient licenses, that are the subject of this transfer, are associated with the receiver units.

The following table summarizes the applicable approval criteria for a transient license transfer pursuant to City Code Section 122-1339.

	Analysis	Complies? (Yes or No)
Transient license transfer from an area where transient uses are prohibited	Sender site zoning is HMDR, which prohibits transient uses.	Yes

	Analysis	Complies? (Yes or No)
Transient license transfer from HNC-1 and HNC-3 Zoning Districts	N/A	N/A
Transfer would not result in a loss of affordable housing at the receiver site	No existing deed-restricted affordable housing at the receiver site.	Yes
Receiver site suitable for transient use	Receiver site zoning is HRCC-1, which permits transient uses.	Yes
Relative size of the unit from which the licenses are transferred	Sender site: Unit 1- 180 sf; Unit 3- 228 sf. Receiver site: Unit 201 & 205- 780 sf	No, however condition to comply
Room configuration of both sites to maintain approximately the same or less net number of occupants	Sender site: 2 bedrooms per unit Receiver site: 1 bedroom/living area per unit	No however condition to comply

Recommendation:

Based on the above analysis of the standards for considering transfers of transient business tax receipts in Section 122-1339 of the Land Development Regulations, the Planning Department recommends the request to transfer two transient business tax receipts from unassigned 916 Fleming Street to 601 Duval/504-506 Southard Streets be **APPROVED** with the following conditions:

1. All requirements of City Code Section 122-1371 shall be met for the transient use of the residential dwelling units at 601 Duval/504-506 Southard Streets.
2. The structure proposed to be used on a transient basis shall comply with all applicable codes and requirements of the Building Department, Fire Department and all other regulatory agencies.
3. The transfer of the two licenses are confined to Units 201 & 205, and the room configuration shall not be altered in any manner that results in more than a single sleeping room per unit while the transient licenses, that are the subject of this transfer, are associated with the receiver units.
4. The owner shall obtain and maintain a Conditional Approval Permit, pursuant to City Code Chapter 18, Article XII, Division 1. The City Code Compliance shall inspect the property on an annual basis upon reasonable notice to determine compliance with the conditions of the Planning Board resolution.