



# Historic Neighborhood Commercial Zoning (HNC-4)

Bahama Village Truman Waterfront



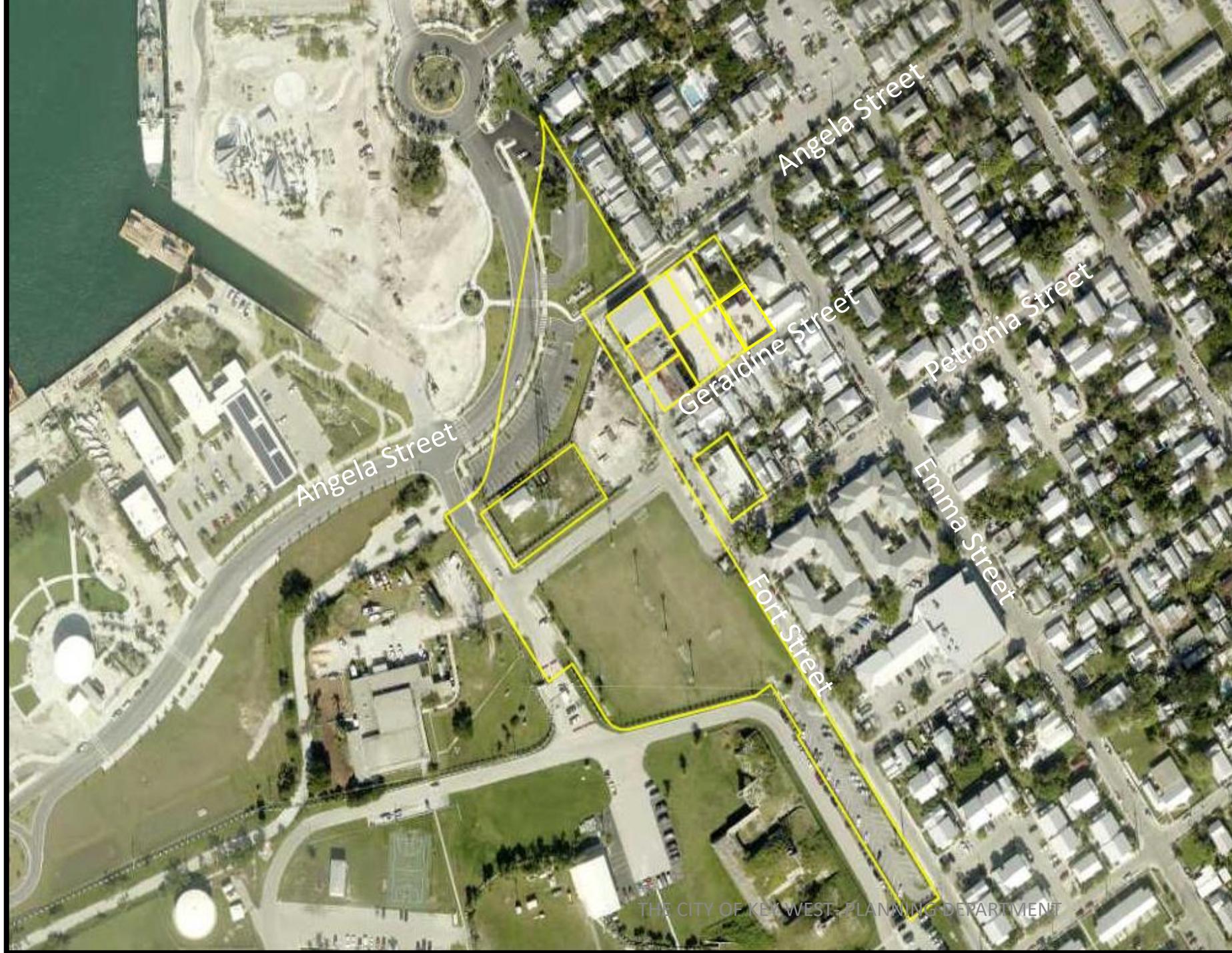
City Commission is hearing an official zoning map amendment, a future land use map amendment, a Comprehensive Plan text amendment, and a Land Development Regulations text amendment in order to create a new zoning district, to be named the Historic Neighborhood Commercial District Bahama Village Truman Waterfront (HNC-4), which would allow for mixed use, mixed income affordable workforce housing at forty (40) dwelling units per acre and neighborhood oriented commercial uses.

### REVIEW HISTORY

- **November 19, 2019: Planning Board approval**  
**(Resolutions 2019-85, 2019-86, 2019-87, 2019-88)**
- **January 7, 2020 City Commission approval (First Reading)**
- State DEO issued comments on March 19, 2020
- April 7, 2020 City Commission (Second Reading) Postponed
- May 5, 2020 City Commission (Second Reading) Postponed
- May 19, 2020 Withdrawn for Second Reading
- **September 17, 2020 Planning Board approval**  
**(Resolutions 2020-28, 2020-29, 2020-30, 2020-31)**
- October 20, 2020 City Commission (Second Reading) Postponed
- November 5, 2020 Bahama Village Redevelopment Advisory Committee Special HNC-4 Public Meeting
- November 17, 2020 City Commission (Second Reading) Postponed
- December 2 (Dec. 3), 2020 City Commission (Second Reading)

# Proposed Map





- 918 Fort Street
- 727 Fort Street
- 101 Geraldine Street
- 709 Fort Street
- 100 Angela Street
- 105 Geraldine Street
- 110 Angela Street
- 111 Geraldine Street
- 112 Angela Street
- 109 Geraldine Street
- 114 Angela Street



## History of amendments

After first reading approval, the City rendered proposed HNC-4 ordinances to the Florida Department of Economic Opportunity. The DEO reviewed the City's proposed Comprehensive Plan amendments/zoning changes and sent the City comments to consider on March 13, 2020 ("Objections, Recommendations and Comments Report", City of Key West item 20-02ACSC)

DEO's Comment:

Proposed table 1-1.1.5 revision identifies the allowable uses as "Affordable housing is strongly encouraged." The proposed Table 1-1.1.5 uses the word "encourage" without clarifying the steps the City will consider taking to encourage the use of affordable housing.

The City could consider incentives or request identifying the steps that can be taken to encourage affordable housing. Other zoning designations within the FLU category of Historic Commercial limit the density to 16 units per acre. The City could establish a policy that would require that any density above 16 units per acre be for affordable housing. Additionally, the City should update the table to reflect that uses permitted are in accordance with Policy 1-1.1.9.





## History of amendments

In September, Planning Board approved modified language to clarify housing entitlements in the HNC-4 zoning district. Changes were designed to respond to DEO comments and state *the minimum* percentage of onsite workforce housing

- *Intent* portion of the new HNC-4 zoning district in the Land Development Regulations
- Housing density language in Table 1.1-1.5 in the Comprehensive Plan



*Photo: Nordberg Dynamo Generator, Building 4, Diesel Plant structures, Key West, Florida. Source: Enid Torregrosa, Historic Preservation Planner.*



*Dynamo generator in Building 1, Unknown manufacturer, Diesel Plant structures, Key West, Florida. Source: Enid Torregrosa, Historic Preservation Planner*

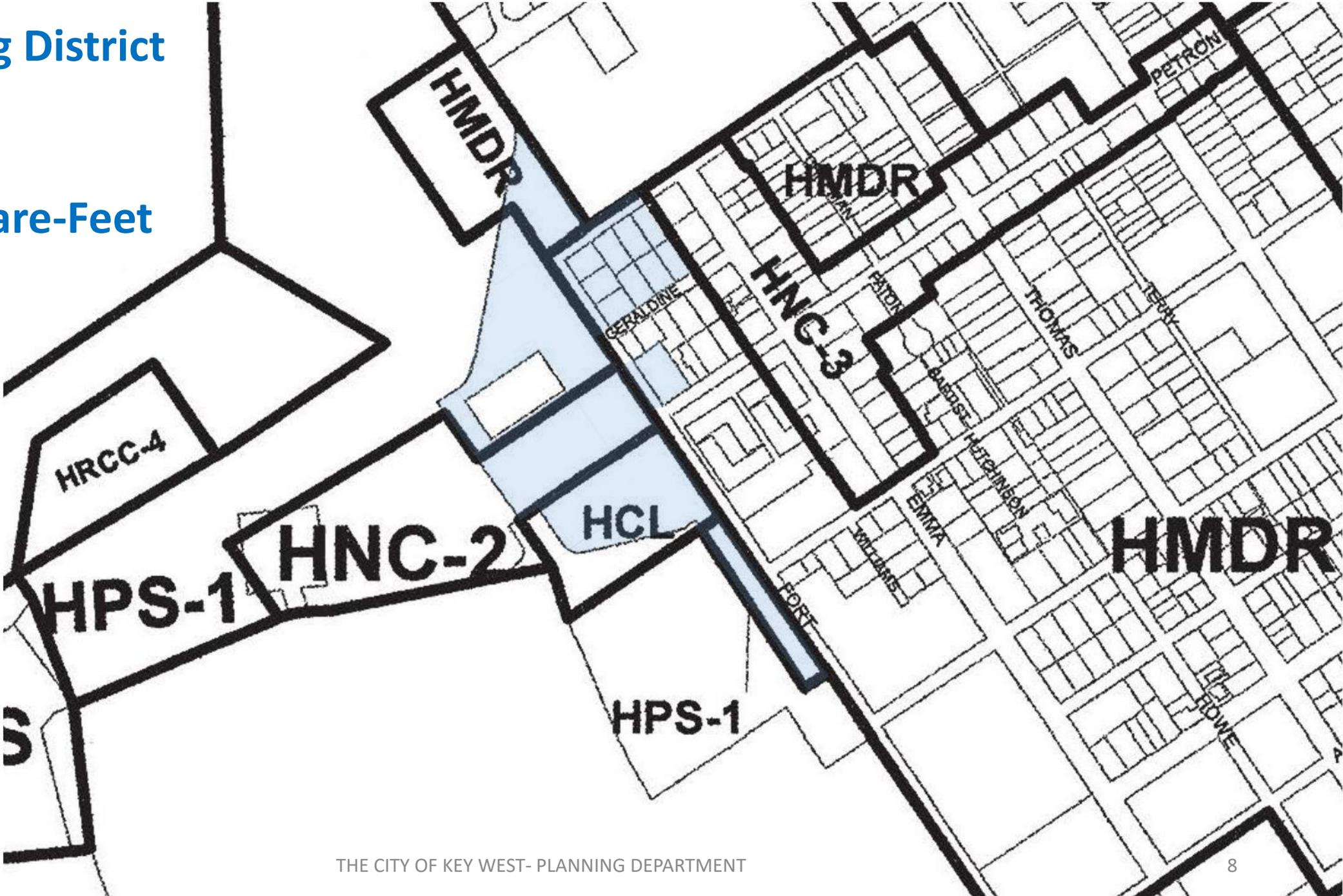
## History of amendments

- In October, these items were postponed to respond to public comments. Goal: ensure open air market uses would be allowed, as they were in the Historic Limited Commercial (HCL) district and capture the neighborhood supportive intent of HCL.
- See this new language in slides on the Land Development Regulation amendments
- On November 5, public comments were also collected and considered at a Bahama Village Redevelopment Advisory Committee meeting

# HNC-4 Zoning District

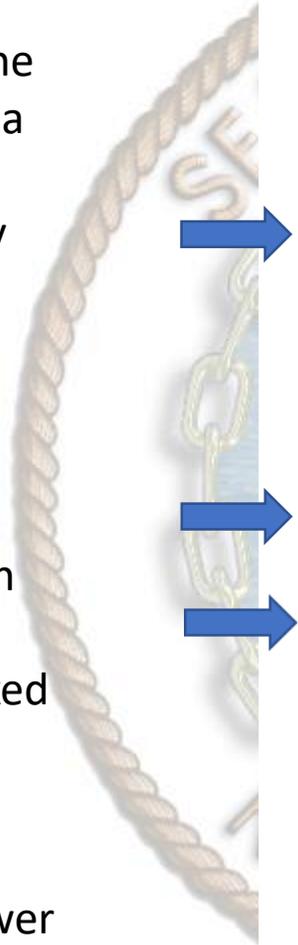
6.635 Acres

289,029-Square-Feet



# Bahama Village Community Redevelopment Subarea Visioning and Capital Projects Work Plan

- Plan adopted by Caroline St. Corridor and Bahama Village Community Redevelopment Agency Jan 2018
- 2015-2040 planning horizon
- Progress: on (#1) Health center, (#4) New affordable housing/mixed use development opportunity at 3.2 acre Parcel, (#5) Adaptive Reuse (Keys Energy Power Plant)



## PROGRAM PRIORITIES LIST: RECOMMENDED CAPITAL PROJECTS

	A Consistent with Chapter 163	B Estimated Total Project Costs (2017 \$'s)	C Potential Costs to CRA (2017 \$'s)	D Potential Annual Increment (b)	E Prioritization Level	F Timing
1. HEALTH CENTER	YES	\$720,000	\$360,000	\$0.00	CRITICAL	YRS. 1-2
2. DOUGLAS GYM EXPANSION <i>New Resource Center, Early Childhood Education (ECE) Programming and Fitness Center (a)</i>	YES	\$6.6 MILLION	\$4.5 MILLION	\$0.00	CRITICAL	YRS. 1-6
3. INFILL & DILAPIDATED <i>Structure Rehabilitation Program</i>	YES	\$7.4 MILLION	\$740,000	\$47,300	CRITICAL	YRS. 1-3
4. NEW AFFORDABLE HOUSING / MIXED-USE <i>Development Opportunity at 3.2 Acre TWP CRA Parcel</i>	YES	\$21.7 MILLION	\$0.00	\$175,000	CRITICAL	YRS. 1-3
5. ADAPTIVE REUSE <i>Keys Energy Power Plant and New Market Tax Credits</i>	YES	\$6.7 MILLION	\$2.97 MILLION	\$8,500	IMPORTANT	YRS. 6-8
6. CONNECTIVITY & BEAUTIFYING COMMUNITY <i>with focus on Petronia and Emma Streets</i>	YES	\$10.8 MILLION	\$250,000	N/A	STRATEGIC	YR. 8
7. NELSON ENGLISH PARK <i>Playground Shade Structure</i>	YES	\$180,000	\$180,000	\$0.00	STRATEGIC	YRS. 1-2

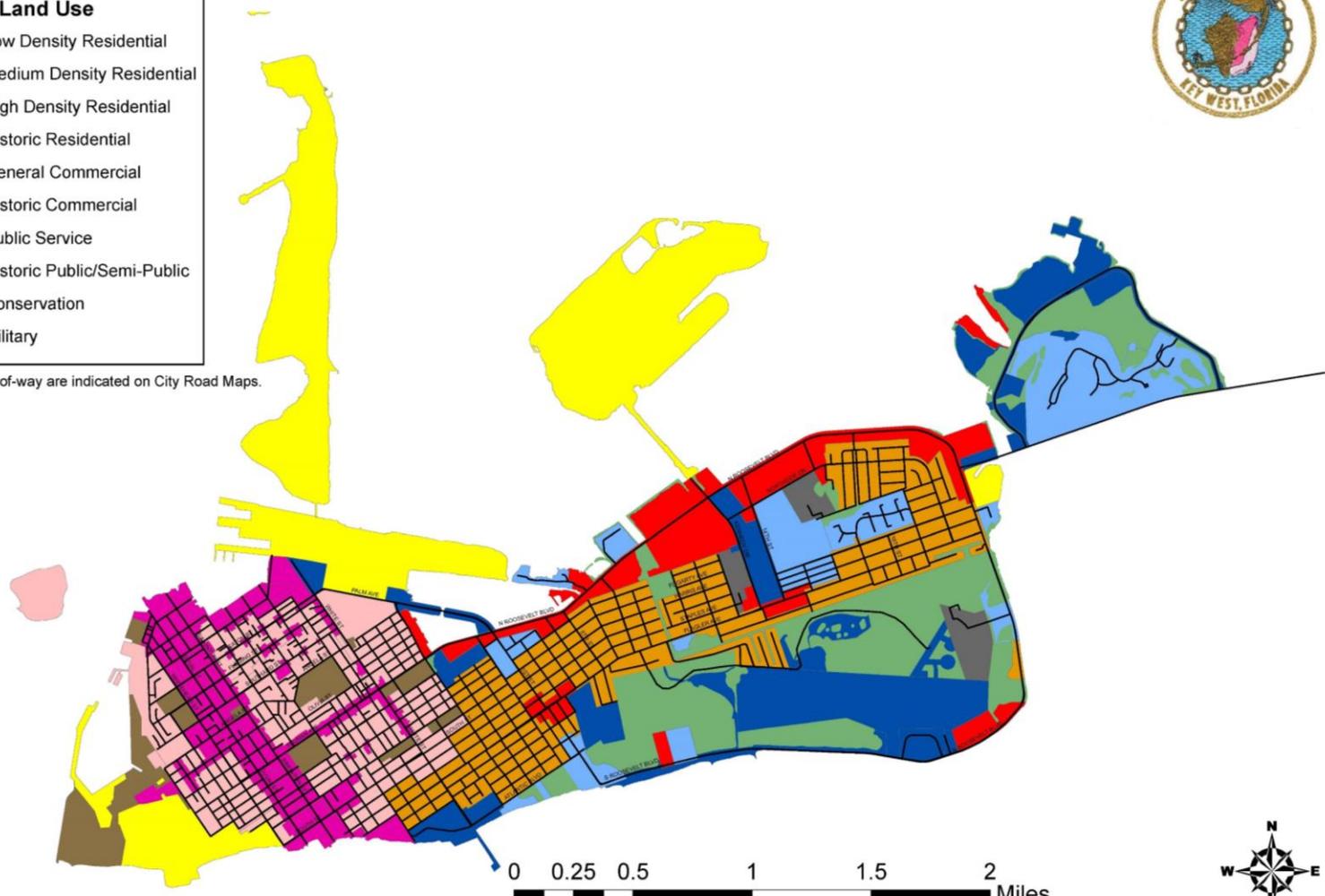
(a) Phased Development to include Gym Rehab; Community Structure & Parking; Courtyard.  
 (b) Increment values herein reflect estimated current dollars.





- Legend**
- Future Land Use**
- Low Density Residential
  - Medium Density Residential
  - High Density Residential
  - Historic Residential
  - General Commercial
  - Historic Commercial
  - Public Service
  - Historic Public/Semi-Public
  - Conservation
  - Military

Note: Rights-of-way are indicated on City Road Maps.



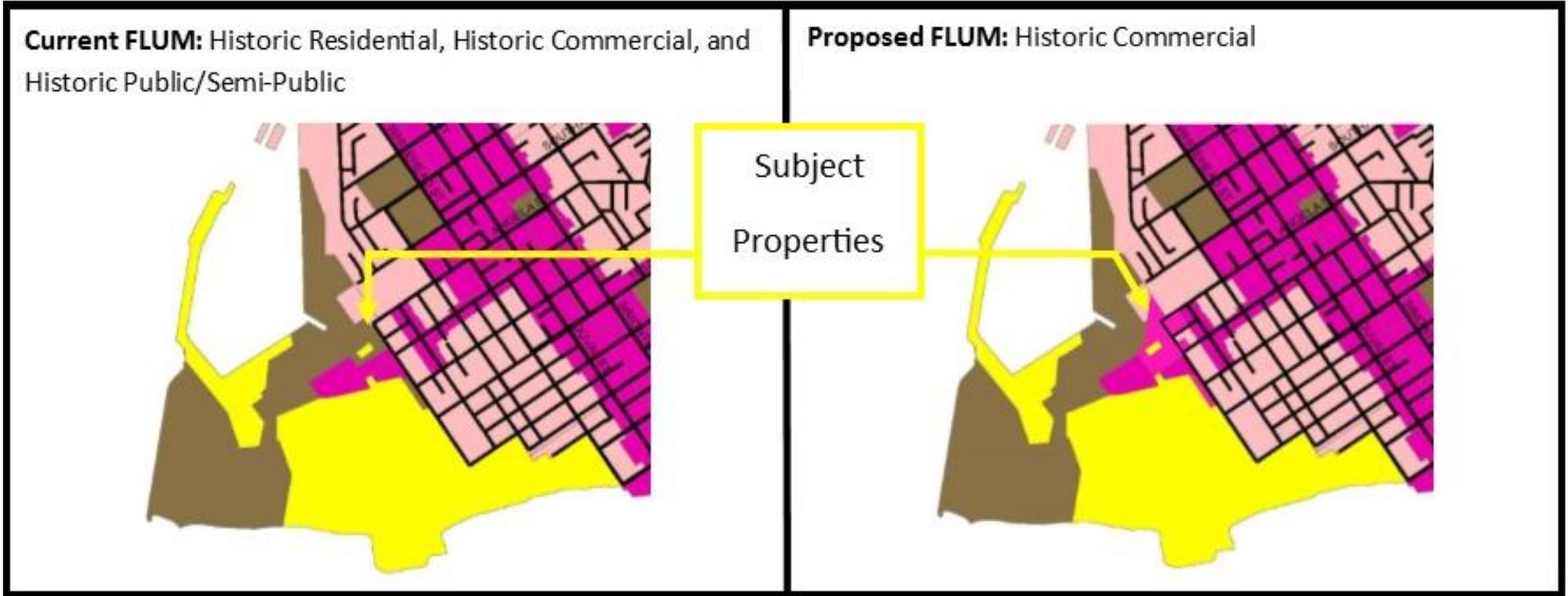
Note: Original Scale is 1" = 800 feet



**CITY OF KEY WEST - 2030 FUTURE LAND USE MAP**

# Future Land Use Map Amendment

Request:  
A request to amend the boundaries of the Comprehensive Plan Future Land Use Map (FLUM) category from Historic Public / Semi-Public, Historic Commercial, and Historic Residential to entirely Historic Commercial



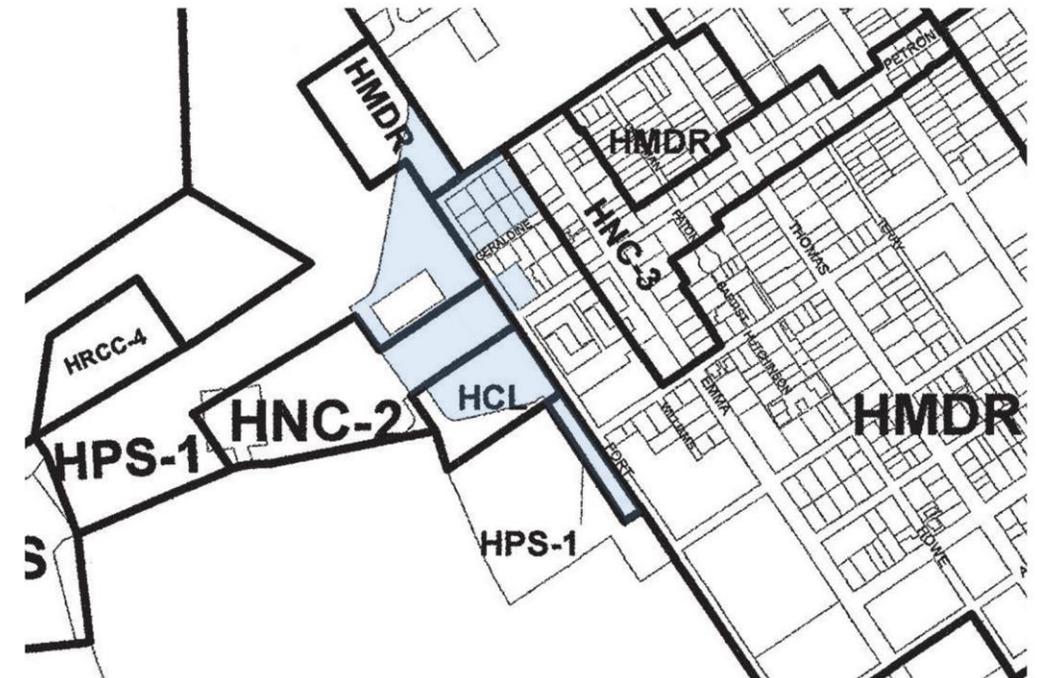
# Future Land Use Map Amendment

THE CITY OF KEY WEST- PLANNING DEPARTMENT



## Request:

- Amend the boundaries of the Official Zoning Map category from a mix of Historic Neighborhood Commercial District – 2 (HNC-2), Historic Public and Semi-Public (HPS-1), Historic Limited Commercial (HCL), and Historic Medium Density Residential (HMDR) and to define a new Official Zoning Map zoning subdistrict designation of “Historic Neighborhood Commercial District Bahama Village Truman Waterfront (HNC-4)



# Official Zoning Map Amendment





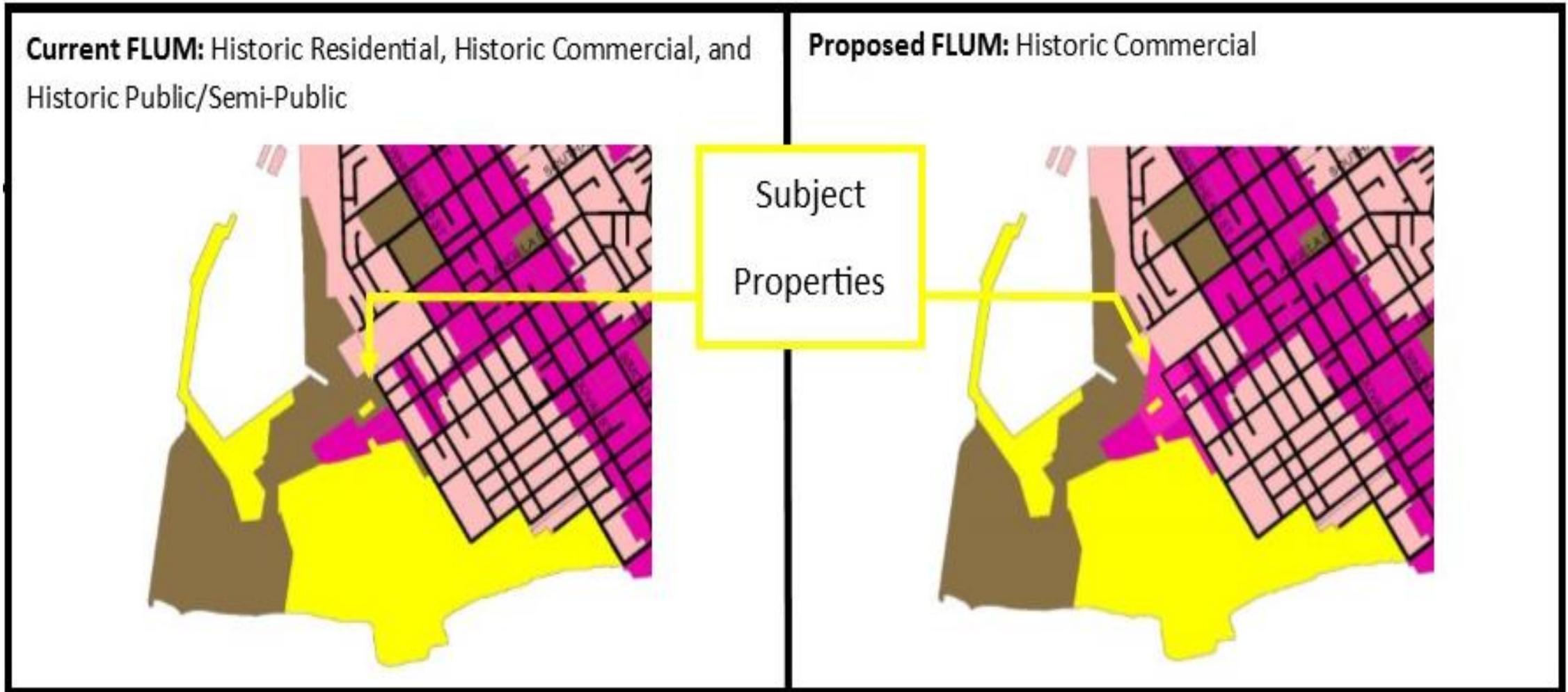
## Request:

A request to amended Policy 1-1.1.4, entitled “Affordable Housing and Compact Development Incentives,” to add a revised FLUM, amending Comprehensive Plan Table 1-1.1.5, to add an additional subdistrict under Historic Commercial Future Land Use District, and amending Comprehensive Plan Policy 1-1.1.9, entitled “Allowed Uses in Historic Neighborhood Commercial,” to add a fifth corridor and a fourth HNC subdistrict to allow for up to 40 dwelling units per acre; pursuant to Chapter 90, Article VI, Division III; providing for repeal of inconsistent provisions; providing for an effective date; and providing for the inclusion into the City of Key West Comprehensive Plan.

# Comprehensive Plan Amendment



# Policy 1-1.1.4: - Affordable Housing and Compact Development Incentives.



# Comprehensive Plan Amendment

THE CITY OF KEY WEST- PLANNING DEPARTMENT



# Table 1.1-1.5

HISTORIC COMMERCIAL FUTURE LAND USE DISTRICT			
Zoning District	Density	Intensity	Uses & Limitations
(HNC) Historic Neighborhood Commercial	Maximum 16 dwelling units per acre.	Maximum of 1.0 FAR.	Allowable uses in areas zoned HNC are in accordance with Policy 1-1.1.9.
(HNC-1) Historic Neighborhood Commercial		Maximum of 1.0 FAR.	
(HNC-2) Historic Neighborhood Commercial		Maximum of 1.0 FAR.	
(HNC-3) Historic Neighborhood Commercial		Maximum of 1.0 FAR.	
(HNC-4) Historic Neighborhood Commercial Bahama Village Truman Waterfront	<u>Maximum of 40 dwelling units per acre.</u>	<u>Maximum of 1.0 FAR.</u>	<u>Affordable workforce housing is strongly encouraged, and every effort will be made via a variety of local incentives to provide such housing.</u>  <u>Affordable workforce housing is required per Section 122- 1467 of the Land Development Regulations. Linkage exceptions shall not be permitted.</u>

New language proposed to address DEO comments: new district will require AT LEAST 30% affordable workforce housing. No linkage means that the affordable units must be built on-site.

# Comprehensive Plan Amendment



# Division 10 Workforce Housing: Excerpts from the Code

- **Sec. 122-1466. – Definitions .**
- The following words, terms and phrases, when used in this division, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:
- *Affordable housing* shall be defined as provided in the following classifications:
- *Affordable housing (low income) for a rental dwelling unit* shall mean a dwelling unit whose monthly rent, not including utilities, does not exceed 25 percent of that amount which represents 80 percent of the monthly median household income (adjusted for family size). For an owner-occupied dwelling unit, affordable housing (low income) shall mean a dwelling unit whose sales price shall not exceed two and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472.
- *Affordable housing (median income) for a rental dwelling unit* shall mean a dwelling unit whose monthly rent, not including utilities, does not exceed 25 percent of that amount which represents 100 percent of the monthly median household income (adjusted for family size) for Monroe County. For an owner-occupied dwelling unit, affordable housing (median income) shall mean a dwelling unit whose sales price shall not exceed three and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472. The definition of "affordable housing (median income)" applies to and encompasses all affordable housing under construction or built pursuant to this ordinance prior to July 1, 2005, for which deed restrictions are required.
- *Affordable housing (middle income) for a rental dwelling unit* shall mean a dwelling unit whose monthly rent, not including utilities, does not exceed 25 percent of that amount which represents 140 percent of the monthly median household income (adjusted for family size) for Monroe County. For an owner-occupied dwelling unit, affordable housing (middle income) shall mean a dwelling unit whose sales price shall not exceed six and one-half times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472.
- *Affordable housing (moderate income) for a rental dwelling unit* shall mean a dwelling unit whose monthly rent, not including utilities, does not exceed 25 percent of that amount which represents 120 percent of the monthly median household income (adjusted for family size) for Monroe County. For an owner-occupied dwelling unit, affordable housing (moderate income) shall mean a dwelling unit whose sales price shall not exceed five times the annual median household income (adjusted for family size) for Monroe County, in accordance with section 122-1472.
- ***Affordable work force housing* shall include low income, median income, moderate income and middle income housing.**



# Division 10 Workforce Housing: Excerpts from the Code

- **Sec. 122-1467. - Requirements of affordable work force housing.**
- (1) (a) *Housing units.* At least ten percent of all units developed or redeveloped each year shall be low income affordable housing of at least 400 square feet each, as defined herein and 20 percent shall be affordable housing (median income) housing of at least 400 square feet each, as defined herein. Residential or mixed use projects of less than ten residential or mixed use units shall be required to develop or redevelop at least 30 percent of units of at least 400 square feet each as affordable (median income), but 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). The 30 percent affordability requirement shall be determined on a project by project basis and not on a city-wide basis. Vested units shall be subject to this subsection if not otherwise governed by law or agreement. For every required affordable housing (median income) unit, a developer may increase the sales or rental rates to affordable housing (middle income) so long as another unit's sales or rental rate is decreased to affordable housing (low income).
- (b) *Linkage of projects.* Two development or redevelopment projects may link to allow the affordable housing requirement of one development or redevelopment project to be built at the site of another project, so long as the affordable housing requirement of the latter development or redevelopment is fulfilled as well. Written proof of the project linkage shall be supplied by the developer to the city commission at the time of the first site plan approval. The project containing the affordable units must be built or rebuilt either before or simultaneously with the project without, or with fewer than, the required affordable units. In addition, if a developer builds or rebuilds more than the required number of affordable units at a development site, this development or redevelopment project may be linked with a subsequent development or redevelopment project to allow compliance with the subsequent development's affordable unit requirement. Written proof of the linkage must be supplied by the developer to the city commission at the time of the subsequent development's site plan approval. Linkage shall not be available if either development is entirely or in part to be constructed by public funds. Finally, all linkages under this subsection may occur within the city or on a site within the city and on a site on Stock Island in the unincorporated part of the county.



## Policy 1-1.1.9: - Allowed Uses in Historic Neighborhood Commercial.

These predominantly neighborhood-scale commercial uses are generally concentrated along portions of the following ~~four~~ five corridors:

1. Simonton Street: from Caroline Street south to United Street.
2. Truman Avenue: from Simonton Street northeast to White Street.
3. White Street: from Truman Avenue south to United Street, and from Eaton to Southard Street.
4. The Petronia Street Corridor from near Duval Street to Emma Street.
5. Fort Street: from near Olivia Street to Angela Street.

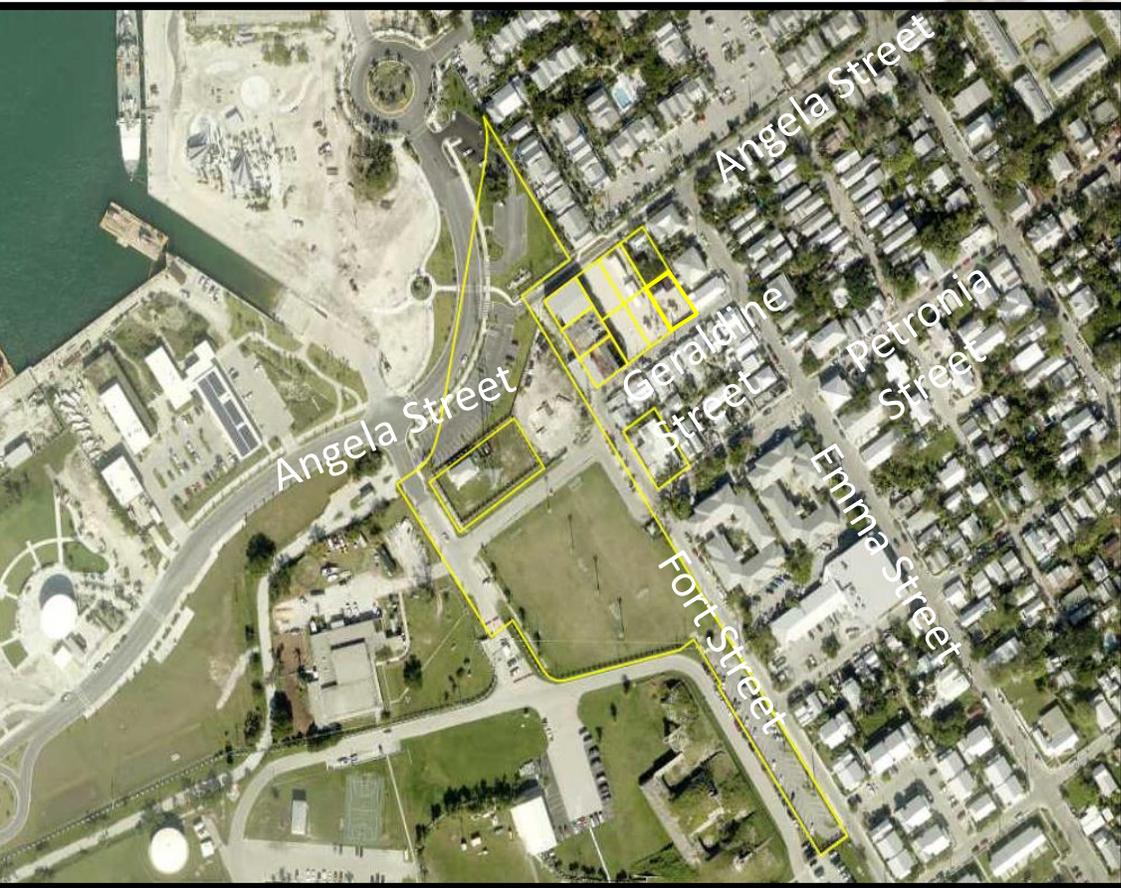
In order to manage the impacts of future development on transportation and public facilities, the City shall limit the intensity of development within areas zoned "Historic Neighborhood Commercial" (HNC) by establishing the following thresholds within the HNC-1, HNC-2, ~~and~~ HNC-3, and HNC-4 sub-districts, respectively:

1. Within areas zoned HNC-1, a FAR of 1.0.
2. Within areas zoned HNC-2, a FAR of 0.9.
3. Within areas zoned HNC-3, a FAR of 0.8.
4. Within areas zoned HNC-4, a FAR of 1.0.

Within HNC areas redevelopment or conversion of permanent housing structures to transient residential (excepting HNC-2 and HNC-4 areas which do not allow transient uses), office, or other allowable commercial uses shall be permitted only if no on-site reduction in housing units for permanent residents occurs. The allowable maximum residential density shall be 16 units per acre (excepting HNC-4 areas which allow for up to 40 units per acre). The maximum intensity for nonresidential activities shall not exceed a floor area ratio of 1.0 as stratified above (.8, .9, or 1.0) considering floor area allocated to all such uses. Performance standards shall be included in the Land Development Regulations which restrict the allowable neighborhood commercial uses to very limited square footage in order to maintain land use compatibility with residential uses in the vicinity. In addition, the performance standards shall incorporate other qualitative and quantitative standards which protect residential properties.

# Comprehensive Plan Amendment





### Request:

To amend Chapter 122 of the Land Development Regulations, entitled “Zoning”, Article IV, entitled “Districts”, Division 8 entitled “Historic Neighborhood Commercial Districts”, to create a new zoning district entitled the “Historic Neighborhood Commercial District Bahama Village Truman Waterfront” (HNC-4), providing amendments to section 122-92, entitled "Future land use map designations and zoning districts", section 122-1111, entitled “Table of land use by districts”, section 122-1112, entitled “Table of permitted and conditional commercial retail uses by districts”, and section 122-1151, entitled “Size and dimension”; providing for intent, permitted uses, conditional uses, prohibited uses, and dimensional requirements; providing for a residential density of up to 40 units per acre; pursuant to Chapter 90, Article VI, Division 2; providing for severability; providing for repeal of inconsistent provisions; providing for an effective date.

# Land Development Regulations Amendment



Sec. 122-871. – Intent. “The Historic Neighborhood Commercial – Bahama Village Truman Waterfront (HNC-4) zoning district shall expand the Bahama Village community and link Historic Bahama Village with the Truman Waterfront. The zoning district shall provide open spaces linked with multimodal green ways, public access to Truman Waterfront, affordable housing, neighborhood retail, social services, and historical and educational nodes that shall serve as an extension of the neighborhood fabric of Bahama Village.

The HNC-4 zoning district shall accommodate neighborhood scale mixed use development that shall include high density mixed income and affordable workforce housing with a density of 40 dwelling units per acre. At least 30% of any new multi-family development shall be deed-restricted affordable workforce housing pursuant to Section 122-1467 requirements for affordable workforce housing, however, linkage exceptions shall not be permitted for mixed-use or multi-family developments within this district. Locally owned and operated neighborhood scale markets, commercial shops, and restaurants shall be encouraged. High intensity commercial uses shall not be accommodated.”

# Land Development Regulations Amendments

**Sec. 122-872. - Uses permitted.**

Uses permitted in the historic neighborhood commercial district Bahama Village Truman Waterfront (HNC-4) are as follows:

- (1) Single-family and two-family residential dwellings.
- (2) Multiple-family residential dwellings.
- (3) Group homes with less than or equal to six residents as provided in section 122-1246.
- (4) Business and professional offices.
- (5) Commercial retail low intensity.
- (6) Medical services.
  
- (7) Parks and recreation, passive and active.
- ~~(8) Parking lots and facilities.~~
- (8) Restaurants, excluding drive-through facilities that generate less than or equal to 50 pm peak hour vehicle trips per 1,000 square feet of gross leasable floor area.
- (9) Open air vending and mobile vending consistent with other city regulations
- (10) Cultural and Civic Activities
- (11) Social Services



# Land Development Regulations Amendments



## Sec. 122-873. - Conditional uses.

### Conditional uses in the historic neighborhood commercial district Bahama Village Truman Waterfront (HNC-4) are as follows:

- (1) Group homes with seven to 14 residents as provided in section 122-1246.
- (2) Cultural and civic activities.
- (2) Educational institutions and day care.
- (3) Nursing homes, rest homes, assisted living facilities, and convalescent homes.
- (4) Protective services.
- (5) Public and private utilities.
- (6) Commercial retail medium intensity.
- (7) Restaurants, excluding drive-through, that generate between 50 and 100 pm peak hour vehicle trips per 1,000 square feet.
- (8) Places of worship.
- (9) Community centers, clubs, and lodges.
- (10) Veterinary medical services.
- (11) Parking lots and facilities.

#### STRATEGY 3: INTEGRATE THE PARK INTO THE BAHAMA VILLAGE NEIGHBORHOOD THROUGH PLACEMAKING AND URBAN DESIGN

The park's relationship to the Bahama Village neighborhood can be strengthened by employing good urban design principles and considering active uses in the community, at the park periphery. Benefits of considering the neighborhood's relationship to the park in design terms include:

- » Using the amenity of the park to bolster economic development and support success of development and uses along the park's boundary.
- » Providing strong relationships between the culture of the community and the spaces and uses of the park to ensure the park is unique and alive with local traditions and culture.
- » Ensuring the benefits of the park have positive effects in the community.



The Gateway to Bahama Village at Southard and Duval Streets is a local case of creative placemaking. Source: Casaroll.blogspot.com



The historic KEYS Diesel Plant buildings sit at the edge of Truman Waterfront Park and offer a great opportunity to activate the park edge, blending the line between Bahama Village and the park.

#### Recommendation 4.3-A:

##### Encourage active uses at park periphery.

Promoting active uses along park edges helps to create nodes of activity that serve as magnets for public attention and use. Active uses along the edges of the park further integrate the park with the adjacent neighborhoods and soften the boundaries--contributing to the feeling of an open community and creating positive spillover effects in the community. The redevelopment of the KEYS Diesel Plant buildings would serve such a purpose, especially if

this included a civic and/or restaurant feature.<sup>2</sup> The park helps support any redevelopment in Bahama Village, particularly mixed-use development, commercial, educational, and dining uses.

<sup>2</sup> At the time of publication, the City of Key West had selected the Key West Art & Historical Society (KWAHS) for the stabilization and redevelopment of the former Keys Diesel Plant. The KWAHS's D.I.E.S.E.L. Plant proposal pitches a multi-use cultural facility that includes an interactive museum, a restaurant and microbrewery, and a multi-use space.

# Land Development Regulations Amendments



# Staff Recommendations

The Planning Department, based on criteria in the City Code, recommends the requests for amendments be approved as follows:

- Item 17, **Future Land Use Map** amendments:  
**Approve Option 1** (Planning Board Resolution 2020-28)
- Item 18, **Official Zoning Map** amendments:  
**Approve Option 1** (Planning Board Resolution 2020-29)
- Item 19, **Comprehensive Plan** amendments:  
**Approve Option 1** (Planning Board Resolution 2020-30)
- Item 20, **Land Development Regulations** amendments:  
**Approve Option 1** (Planning Board Resolution 2020-31 with further staff recommendations)

