

City of Key West Affordable Housing Workshop
January 25, 2021
Meeting Summary

PANELIST PRESENTATIONS

Randy Sterling, Executive Director, Key West Housing Authority. Mr. Sterling provided information on Housing Authority owned properties, on deed restricted affordable units monitored by the Housing Authority, and on other affordable housing including A.H. of Monroe County, Douglass Square Apartments, etc. Data included unit sizes in various developments and associated income levels of tenants and homeowners. He also provided wait list information and caveats of lists including those who may be signed up multiple times, or currently living outside of Monroe County. Turnover rates were low ranging from 7% at Public Housing properties to 14% at the Jack T. Murray Senior Citizen Complex (KPA).

Anne Ray, Manager, Shimberg Center for Housing Studies. Key West has a lower home ownership rate than the county or state at 41%, 59%, and 65%, respectively. Income and median rent in Key West are also higher at \$69,630, and \$1,816, respectively. Sale price for single family homes in Key West are almost three times more expensive than statewide median prices. “Key West’s greatest gap is affordable rental units for households below 80% AMI” (2,622 cost burdened households). A full-time worker would need to earn \$33.23/hour to rent a typical two bedroom apartment in Key West, but the average wage for the county is \$21.09/hour; this wage affords only \$1,097 in rent. Many in Key West’s service industry, plus teachers, laborers, and others can only pay between \$475-\$1,000/month. Key West’s current assisted housing inventory is an asset and must be preserved. Consider building a local housing system, an “affordable housing continuum” that leads to affordable home ownership.

E. Scott Pridgen, Executive Director/CEO of A.H. of Monroe County Inc. Organizational focus is health for people living with HIV/AIDS and housing for clients and the disabled, elderly, low-income, and others. Low income affordable housing developed using Tax Credits include 47 units at Marty’s Place (2020) and 50 units at Poinciana Royale (2010). The first step for any housing project is site control: at minimum a 50-year Land Use Restriction Agreement is needed. Development and securing funding require a knowledgeable team in areas of Request for Application (Florida Housing Finance Corporation and other programs), development, and property management. AH owns its own property management company that helps ensure compliance with associated funding programs in addition to providing tenant programs, maintenance, etc. AH success includes 127 units on 5 properties assisting 150 residents.

Q&A: *Questions and discussions included why the Housing Authority does not leverage federal funds to construct housing. Mr. Manuel Castillo noted that the HA has not wanted to turn away those with incomes comparable to firefighters or teachers and have chosen to build mixed income developments. Mr. Pridgen noted there are now tax increment products for housing at various income levels including workforce housing program funds that were used at The Quarry for 80-120% AMI.*

SMALL GROUP DISCUSSION SUMMARIES

3.2 Acre Discussion:

Commissioner Lopez – 3.2 can accommodate 40 or more units per acre. The Navy is more willing to work with the City that we originally thought, I have spoken with Mr. Ron Beams. We can go to 30 feet on the set-backs.

Unnamed - Is there a home ownership component?

Commissioner Kaufman - Can the CRA issue bonds? Can the CRA fund the project itself? What will the TIF revenue be? I recommend we reach out to FL League of Cities and FRA to discuss these options. What programs are available? What revenue could go into TIF if we develop a home ownership opportunity? Need a consultant, expert or specialist to guide us, help understand how to best use the land. Could be a mix, a tax credit program could give options to BVRAC.

Ms. Weech – Bahama Conch Community Land Trust program was set for what we are looking for – home ownership. Developers will develop it how they want and leave the community out.

Mr. Sharkey – There are (funding) resources that can be combined for different levels of income. In April there is a funding opportunity: the Florida Housing Finance Corporation Application is in April (that will not come up for another year.) Figure out basic questions - What income level, who do you want to live there? Mixing housing and retail is not the best option. Large obstacle is offering site control- 50 years for some funding sources is a requirement. Can the City offer site control?

Mr. Leamard – Would like to have commercial in order to put money back into the TIF. The CRA/TIF could apply for business opportunities and home ownership opportunities for indigenous people of Bahama Village. Who gets to live in these units?

Mr. Pridgen - Lease amounts could go back to the TIF. All TIF properties have a pathway to home ownership. BV residents should have preference in renting, home ownership of 3.2. Possibility of Adding Diesel plant to the 3.2 development. Can be more than one developer for this project. Do a survey.

Group take-away by Steve McAlearney: The City owns this 3.2 acre property and we are working on zoning. We need to know who can rent there and will there be a rent to own option. We need to start with BVRAC (Bahama Village Redevelopment Advisory Committee) with a plan. The development goals have to be realistic. We should send out a survey to get maximum input from residents.

Accessory Dwelling Unit Discussion:

BPAS Units used for ADUs or for another use

- Discussion centered on if the City wanted to use our 578 BPAS units for ADUs or if there was another way to allow people to live in ADUs without using BPAS units.
- An alternative to pursuing a BPAS unit for an ADU may be to construct a habitable accessory structure (or accessory living space, etc.)

Neighbor consent

- If an owner would like to be five feet from the setback line, neighbor consent may be required if the structure is either an ADU or a habitable accessory structure.
- If the owner would not be able to get neighbor consent, the setback may be pushed back to eight feet.
- Should neighbors have an appeal process for ADUs or BPAS units?

Parking okay for now but maybe at least one should be required

- New Town parking was discussed at length, Mr. Wardlow has said that it is increasingly hard to find parking. He concurred that if a proposed unit could show that there is space on the ROW that an off-street parking space may not be required.
- A space for bike/scooter could be provided in lieu in historic districts

HMDR and SF zoning districts are good locations for these units

- All participants said that an ADU would be good to expand from SF to SF and HMDR. We did not discuss other zoning districts, but expanding even further may be appropriate as well.

Pre-approved plans

- The city having pre-approved plans for ADUs was supported by all table participants.
- These plans must be varied, be HARC approved for any in the Historic District and have options to be ADA approved.

Habitable accessory structure vs non-habitable accessory structure

- Staff should take a look at defining habitable accessory structures vs non-habitable accessory structure.
- This includes defining criteria for pool-houses, in-law suites, etc. vs sheds, gazebos, etc.
- A height limit for non-habitable accessory structures should be adopted
- Creating criteria for habitable accessory structures will allow the city to ensure that a 1000 sqft, 27-foot tall pool house will have criteria for approval, instead of abiding by the accessory structure criteria.

Long-term residents should be the only residents in an ADU or a habitable accessory structure

Maybe have setbacks be proportionate to the size/scale

- The table agreed that the current setbacks for an ADU are too restrictive and to reduce the setbacks to be similar to an accessory structure would be appropriate.
- Furthermore, an ADU or habitable accessory structure that needs to be elevated, should have a base setback of 5-feet from property lines but setback should increase with their height/scale/size, unless the owner gets neighbor consent

Design guidelines were supported

- The table agreed that design criteria would help with ADUs and Habitable accessory structures
- Size is less of an issue as there are other factors that would constrain size. Height restrictions may be appropriate though, one story plus Base Flood Elevation.
- Applicants should make efforts to reduce non-complying impervious cover

Remaining Questions:

Can we charge utilities for habitable accessory structures?

Can we eliminate the one-time impact fees for new ADUs or habitable accessory structures?

Should ADUs applications require owner occupies the principal structure? There was some debate between Commissioner Davila and the Mayor; we settled that a bit more info would be needed but we are leaning towards not requiring owner-occupied main structures.

Immediate steps going forward:

Revise ADU code to reflect notes.

Work on revising our accessory structure code and including a definition for habitable accessory structures vs non-habitable accessory structures.

Group take-away by Mayor Johnston: With less restrictions we may be able to provide additional income for homeowners through ADUs. We may need to consider trade-offs such as reducing your on-site concrete (impervious surfaces) to facilitate ADUs. Also, if we only have 578 BPAs units, we must determine how to best utilize them.

Notes for North Roosevelt Boulevard:

Affordable housing/ mixed use?

- Discussion around how do we get affordable housing within the General Commercial zoning district (CG). There is a need and desire for housing in the area. How do we engage the property owners to use the density incentive?
- Height restrictions may be a limitation with regards to the new FEMA maps.

Short range goals for N. Roosevelt BLVD-

Provide info on the short-range goals such as:

- Online survey
- Multiple workshops
- Potential code amendments:
 1. Increased buffers and landscaping
 2. Incentivizing mixed use
 3. Preserving views and sunsets
 4. Safer ingress/egress on the BLVD.
 5. Pedestrian scale signage
 6. Higher design and architectural standards

Group take-away by Melissa Paul-Leto:

- *We need to bring property owners to the table.*
- *Height restrictions need to be addressed*
- *Visually, there is too much parking down N. Roosevelt*

CLOSING REMARKS BY MAYOR AND CITY COMMISSIONERS

Mayor Johnston: From panelist Ann Raye we know that it takes \$33/hour to make it here. The City and other major employers need to take a look at that. We need a housing czar, or director- a person to make a community housing program their priority. Our remaining 578 BPAS units are precious.

Commissioner Wardlow: We need to continue to look at how we can waive impact fees to incentive affordable housing.

Commissioner Kaufman: For the 3.2 acres should it be affordable rental, home ownership or a combination? Is a combination possible? We need an affordable housing czar. How is our Home Buyers program going? We should have a task force- Planning Board and Sustainability Advisory Board (SAB) should engage the Housing Authority. The Housing Authority should be urged to look at Porter Place and other properties. We should do something creative with our remaining BPAS units, there are things

that can be done. For ADUs: We should simplify the process and reduce the layers of bureaucracy to build a 400 square foot housing structure. Get rid of some setback requirements. For shopping centers: lets meet with the landlords.

Commissioner Lopez: Key West has lower home ownership than the rest of the state. We need better cross communication between advisory boards. SAB and BVRAC should be in constant communication, along with Art in Public Places. Need to survey the public in dealing with the 3.2 acres- the whole Truman Annex land transfer (to the city) was based on the (Bahama Village) people.

Commissioner Hoover: We want a three-phase project for North Roosevelt Boulevard; to rezone to put us in a better place for housing. We need to invite owners and draw from their experience. We need beautification and to buffer residents from businesses. The signage should be more pedestrian friendly. We need to facilitate access, ingress and egress, for stores and centers. We need workshops at different times of day so all can participate. The first phase would be 6-7 months.

Commissioner Weekley: We need a lot of follow-through. Planning and other staff need to bring recommendations forward. Until there is consensus on the 3.2 acre site, we will have a dog chasing its' tail scenario. We need community consensus.