



## THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

August 2, 2012

Sent Via Electronic Mail

David Paul Horan  
Horan, Wallace & Higgins, LLP  
608 Whitehead Street  
Key West, Florida 33040

REVISED 28 August

RE: Peary Court Approval Schedule

Dear David,

Yesterday, Donna Bosold visited my office, with no pre-arranged subject matter stated. Upon arrival she announced was working for Ralf Brooks and White Street Partners. She presented me with a letter from Everett Atwell ostensibly referring to the discussions between White Street Partners and me (Attachment 1). The letter presents a series of commitments on White Street Partners behalf and requests a schedule for a newly proposed Development Agreement, a copy of which Donna could not leave with me. The reason David, you are the directed recipient of this letter is that you represent the land owner, with which the City must coordinate all permitting activities. Also, this letter is copied to all who have been involved with Peary Court or who have been authorized to represent the landowner/improvements owner, or have an important interest in project outcomes.

While the meeting was very cordial, I emphasized to Donna, that as we progress through the Development Agreement/Major Development Agreement approval process, the City must have one point of contact for all matters relating to the application(s). While City staff is often charged with working with an applicant, his attorney and architect/planner, the contacts should not change with the "winds and tides", and all parties should be informed of the others actions. Therefore, when the application for Development Agreement/Major Development is submitted, I would very much appreciate being contacted by one or a few who are authorized to speak on behalf of the owner.

The second purpose of this letter is to make everyone aware of a reasonable schedule for the submittal of the Development Agreement/Major Development applications. Realizing that Peary Court is not the only applicant or major project with which the City must contend, and that very importantly the City must have an adopted policy basis and LDR to support the Development Agreement/Major Development applications, this is the schedule the City can support:

1. **September 5 - City Commission Approval of the HSMDR Zoning Category** applicable to Peary Court. The City Commission will consider the request of Southeast Housing LLC to rezone the property to accommodate the existing development of 160 units and 48 affordable BPAS units provided by DEO. The second reading of the ordinance adopting the zoning will be **September 18**. The City Commission will be informed that DEO on July 25 committed to provide the City with 48

Affordable BPAS allocations (Attachment 2). The letter received by the City late 7/27/12 states that the mechanism for allocating the BPAS units must be a Comprehensive Plan amendment. In conversation with Rebecca Jetton yesterday, she and I agreed that the appropriate amendment would be the EAR based amendments being processed now and scheduled for City Commission adoption on **October 2**. At the **September 5** City Commission date the City Commission will be asked to decide if they wish to allow the addition of the 48 affordable units as satisfactory for the commitment required for Peary Court. The HSMDR regulation as presently written identifies the affordable housing requirement as 30% of the total units developed on site. This would equate to 68 units if the existing 160 units were to be developed as market rate units. The Commission will also be informed that proposed density of 8 **units per acre** has been adjusted to 9 **units per acre** for 48 additional units. The commission will also be informed that the adopting the zoning would be contingent and conditional upon the adoption and second reading of the companion Future Land Use Map (FLUM) approved by the Commission on first reading on May 28, 2012, with transmittal to DEO occurring on June 8. Finally the Objections, Recommendations and Comments (ORC) report on the Peary Court FLUM amendment from DEO was received Friday, **August 3**.

2. **September 18**- Second reading of the Ordinance rezoning Peary Court to HSMDR. The effective date would be subject to both the approval of the Peary Court FLUM and the Administrative Rule by DEO approving the HSMDR zoning. The latter typically takes 60 days from the transmittal by the City to DEO. DEO can shorten the process, but the rule making process takes 21 days from the time the DEO sends its approval of the HSMDR ordinance to the Administration Commission. With no expediting by DEO the effective date of the HSMDR zoning would be approximately **November 30, 2012**.
3. **August 30** - The Planning Board hears and approves the EAR Based amendments which contain the new BPAS policy language identifying the basis for the 90 BPAS allocations to be received by the City annually as a result of the Hurricane Evacuation Workshops Memorandum of Understanding and in recognition of the Area of Critical State Concern rule applicable to the City as separate and distinct from the rules applicable to the remainder of the County. The new policy language is the basis for the 48 BPAS units for Peary Court coming from the 90 for the first year's allocation. The intent of the Comprehensive Plan Amendment is to make the BPAS allocation period begin in July 2013, and be effective for a planning period of ten years to 2023, with the planning horizon of the EAR Comprehensive Plan horizon of 2030. The Planning Board recommendation on the EAR amendments will be forwarded to the City Commission for the **October 2** meeting to meet all the required advertising deadlines.
4. **September 18** - The City Commission will conduct the **second** reading of the ordinance adopting the Peary Court FLUM application, and any amendments to the transmitted FLUM based upon the ORC report. If the City Attorney determines that there are significant changes from the first reading of the ordinance, there may be a requirement for a third reading, which would take place on **October 2**.
5. **October 2** - Development Agreement Initiation Authorization request heard by the City Commission. White Street Partners withdrew the application for a Development Agreement (DA) from the **May 29, 2012** City Commission agenda. Therefore a new application for initiation of the DA is required. At this point in time the City Commission would have approved both the HSMDR FLUM and Zoning, even though the zoning may not become effective until **November 30**.

Assuming normal processing of the Peary Court FLUM approved by the Commission on **September 18**, and no administrative challenge under FS 120.57, DEO should issue a Notice of Intent to approve the FLUM by **October 22**. On **October 22** the existing ZIP zoning designation is no longer applicable. In order to have the Development Agreement Initiation application heard on **October 2** it must be submitted N.L.T. **September 7**.

6. **October 2** - The City Commission hears the first reading of the ordinance adopting the EAR based amendments to the Comprehensive Plan which will contain the Policy basis for the BPAS allocations from the HEM MOU, inclusive of the 48 units for Peary Court. This will be the transmittal phase of the Comprehensive Plan review and approval process when the required submittal to the DEO is sent no later than 8 October, the ORC report from DEO can be expected on **December 1**.
7. **October 3** - White Street Partners submits applications for FS 163 Development Agreement and Major Development, and perhaps a subdivision if the area for the Affordable Housing to be provided is to be considered as a separate parcel. The applications will be considered by the DRC on **October 25**. Also on this date submit for HARC review on **October 23**. Fourteen (14) day posting is needed on the property.
8. **October 2** - The City Commission hears the first reading of the ordinance adopting the EAR based amendments to the Comprehensive Plan which will contain the Policy basis for the BPAS allocations from the HEM MOU, inclusive of the 48 units for Peary Court. This will be the transmittal phase of the Comprehensive Plan review and approval process when the required submittal to the DEO is sent no later than 8 October, the ORC report from DEO can be expected on **December 1**.
9. **October 23** - HARC Review of the Major Development Plan, and plan for phased demolition of the existing structures.
10. **October 25** - Development Review Committee (DRC) review of the Major Development Plan and Development Agreement.
11. **November 15** or special meeting the week of **November 26** - The Planning Board would hear the Major Development Plan and the Development Agreement.
12. **December 4, 2012 or January 8, 2013** - City Commission approval of the Development Agreement and Major Development Plan.
13. **January 4, 2013 or February 8, 2013**, transmittal of the approved Development Agreement and Major Development Plan to DEO after the local 30 day appeal period. Also on one of these dates the City Commission would have its second reading of the ordinance adopting the EAR based Comprehensive Plan amendments.
14. **Mid January or Mid February 2013** - Effective dates of for Development Agreement and Major Development Plan. Also by this time barring FS 120.57 challenge, the EAR based amendments to the Comprehensive Plan become effective.

15. **February 2013** - Write the LDRs to implement the new BPAS allocation policies of the Comprehensive Plan that allow the allocation of new affordable units to Peary Court.
16. **March 28, 2013** - DRC hears the proposed amendments to the LDRs which implement the new Comprehensive Plan BPAS policies.
17. **April 18, 2013**- The Planning Board hears the new LDRs implementing the new BPAS policies of the Comprehensive Plan.
18. **May 21, 2013** - The City Commission hears the first reading of the LDR ordinance implementing the Comprehensive Plan BPAS policies.
19. **June 4, 2013** - The second reading of the new LDR ordinance for BPAS implementation.
20. **June 10, 2013** - The approved LDR sent to DEO for review and publication as an Administrative Rule.
21. **July 15, 2013** - The new BPAS LDR becomes effective, and Peary Court Affordable Housing allocations are awarded to White Street Partners so that building permits can be issued for this housing. The new annual allocation of 90 BPAS units begins and the application process for the 42 remaining units commences, recognizing that 48 of the first 90 have been allocated to Peary Court.

This schedule is aggressive yet realistic and allows sufficient time to develop applications for the 2013 cycle for tax credit funding for the affordable housing, if that method of financing is chosen.

Please comment on the details of the schedule.

Respectfully,

Donald Leland Craig, AICP  
Planning Director

C: James Landers  
Everett Atwell  
Donna Bosold  
Ralf Brooks  
Ron Demes  
Robert Spottswood  
Richard Klitenick  
Owen Trepanier  
Shawn Smith  
Larry Erskine  
Bogden Vitas  
Rebecca Jetton  
Mark Finigan  
Nicole Malo

Jeff Sharkey