

**THE CITY OF KEY WEST
PLANNING BOARD**

Staff Report

To: Chairman and Planning Board Members

Through: Taylor Brown, Planning Director

From: Ben Gagnon, Planner II

Meeting Date: March 12, 2026

Agenda Item: **Transfer of Transient Unit & License – 719 South Street (RE# 00038260-000000) to 1128-1130 Duval Street (RE# 00027950-000000)** – A request to transfer one transient license from a property located at 719 South Street in the Historic Residential Office (HRO) zoning district to a mixed-use property located at 1128-1130 Duval Street in the Historic Residential Commercial Core – 3 (HRCC-3) zoning district, pursuant to Sections 122-1336 through 122-1370 of the Land Development Regulations of the City of Key West, Florida.

Request: A request to transfer one transient license from a multi-family property at 719 South Street to a mixed-use building at 1128-1130 Duval Street.

Property Owners: Sender Site: Red Palm Rentals, LLC
Receiver Site: 1128-1130 Duval, LLC

Applicant: Sender Site: Greg Oropeza
Receiver Site: Greg Oropeza

Sender Site 719 South Street, HRO Zoning District

Receiver Site 1128-1130 Duval Street, HRCC-3 Zoning District

Background:

The sender site is a multi-family property located in the Historic Residential Office zoning district (HRO). The site consists of three (3) one bedroom, one-bathroom transient units, and two (2) non-transient units. A transient unit was recently transferred out in 2025, and this will be the 2nd one transferred out. The property will have two (2) transient units remaining once all licenses are finalized and updated with the City.

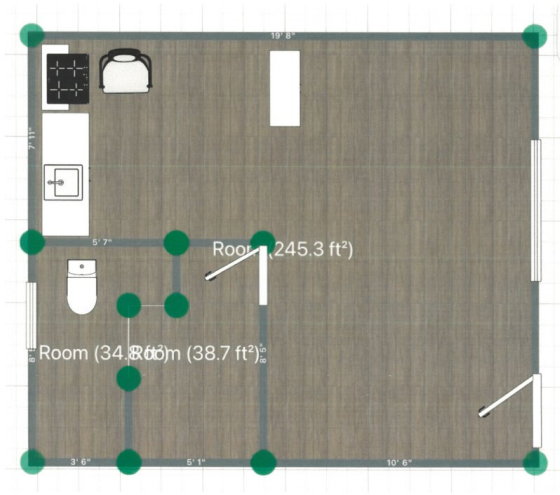
The receiver site is a two-story building with retail on the first floor and two transient dwelling units on the second floor that were recently transferred to the property in 2025. It is in the Historic Neighborhood Commercial Core – 3 zoning district, where transient dwellings are allowed. The receiver site is immediately adjacent to retail establishments to the north, east, and south while abutting residential properties to the west.

The application arose from a building permit submittal proposing to turn an attic into a third bedroom to be apart of one of the two transient units on the 2nd floor of 1128-1130 Duval. In order to comply with the licensing requirements of Section 122-1338(5), the applicant proposes to transfer one additional transient license from the sender site so that the bedroom count associated with the unit remains consistent with the number of licenses assigned, at no more than two bedrooms associated with one license. The receiver site’s density is two (2) units. The applicant proposes to utilize two transient units with three transient licenses on site, maintaining the rights to the existing non-transient unit, although it will not be utilized at this time.

Sender Site 719 South Street:



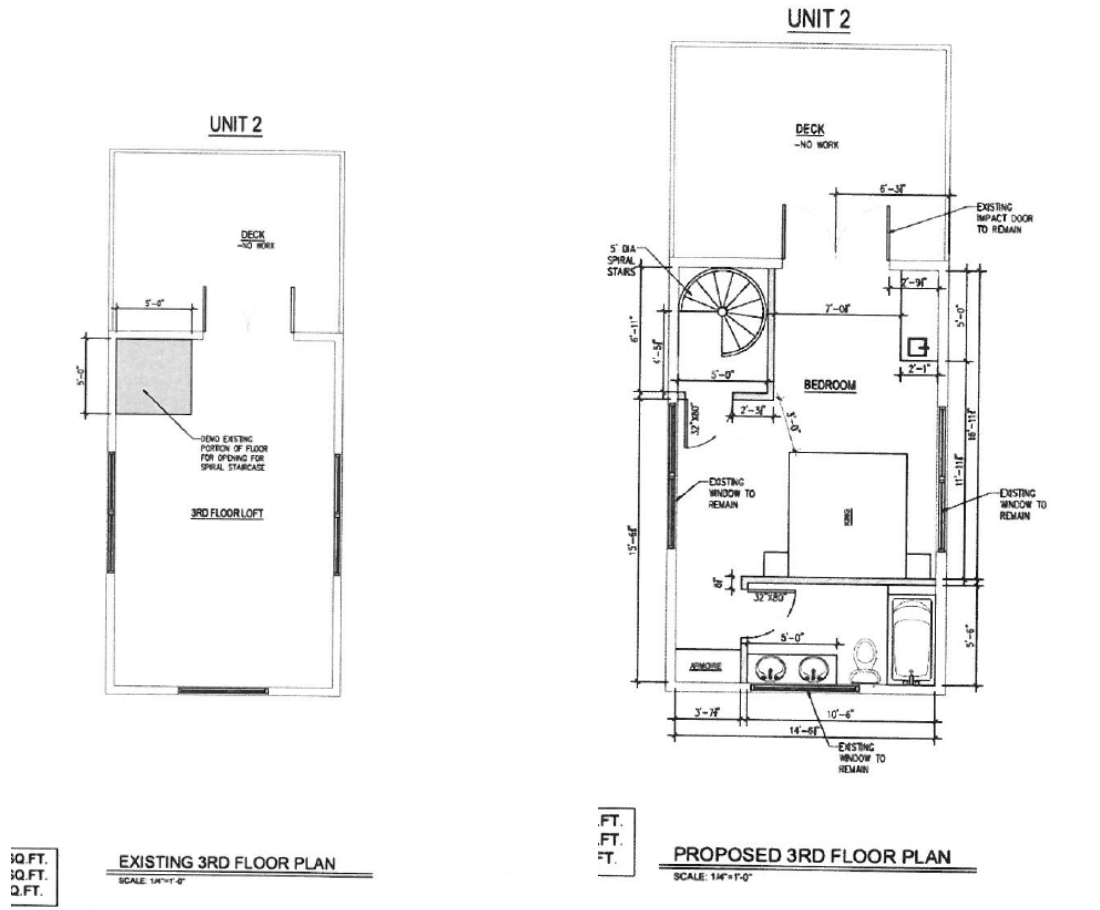
Sender Site: Existing floor plan (No changes are proposed):



Receiver Site – 1128- 1130 Duval Street



Receiver Site Floor Plans:



Development Review Committee

The item was heard at the February 26th DRC hearing. There we no major comments or concerns by Staff or Keys Energy.

Process:

DRC Meeting: February 26, 2025
Planning Board Meeting: March 12, 2025
Local Appeal Period: 10 days
DEO Review Period: Up to 45 days

Staff Analysis – Code Criteria

Sec. 122-1339. - Transfer of transient business tax receipt.

(a) A business tax receipt 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 shall not result in a loss of affordable housing at the receiver site.

(b) 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.

Staff has reviewed the above code criteria and found that the proposed transfer of a license only is in compliance with subsection (a), where the license is being removed from an area where transient use is prohibited, there is also no loss of affordable housing as the current units at 1128-1130 Duval are already transient.

The proposed transfer will not increase the number of transient units at either the sender or receiver site. The sender site will retain two transient units, and the receiver site will continue to contain two transient units. The transfer allows an additional bedroom to be associated with one of the existing units, but does not increase the total number of dwelling units or result in a net increase in transient occupancy.

Recommendation:

As a result of the transfer, one transient license will be removed from the Historic Residential Office zoning district and the associated unit at the sender site will be used as a non-transient rental unit. This reduces transient intensity within the HRO district while relocating the license to the HRCC-3 district along the Duval Street commercial corridor where transient use is permitted.

The proposed transfer of one transient license from 719 South Street to 1128-1130 Duval Street is subject to Section 122-1339. Based on the criteria of Section 122-1339 outlined above, the Planning Department recommends the request for a transfer of one transient license be **approved** with the following **conditions below**:

Conditions:

1. Floor plan of the subject unit at the sender site shall maintain consistency with those submitted with the application and in the staff report.
2. Floor plan of the subject unit at the receiver site shall maintain consistency with those submitted with the application and in the staff report.
3. The applicant shall comply with the requirements of Section 122-1371: Transient living accommodations in residential dwellings; regulations.

4. The applicant shall comply with any life safety requirements prior to a Certificate of Occupancy being issued for the attic.

5. If the transferee does not complete the purchase and sale of the transient licenses subject to this resolution within 90 days of the effective date of this resolution, the transfer and resolution shall be null and void and of no force or effect.