

EXECUTIVE SUMMARY



To: Bogdan Vitas Jr., City Manager

Through: Donald Leland Craig, AICP, Planning Director

From: Nicole Malo, Planner II

Date: February 20, 2013

RE: Truman Waterfront Park
Request for Permission to Initiate a Development Agreement

Action Statement

Request: Consideration of a Development Agreement - Truman Waterfront Park - Preliminary City Commission authorization to enter into a Development Agreement with the Naval Properties Local Redevelopment Authority for the development of the Truman Waterfront Park per Section 90-679 of the Land Development Regulations

Location: Truman Waterfront Park - (RE# 00001630-001000, AK# 9038855; RE# 00001630-000801, AK# 9038833; and RE# 00001630-001100, AK# 9038866)

Background

The City's Land Development Regulations allow the City Commission, at its sole discretion, to enter into Development Agreements with property owners. Section 90-679 of the Code requires the City Commission to first make a preliminary determination regarding their willingness to enter into such an Agreement prior to the normal process of application submittal, Planning Board review and City Commission hearing of a negotiated Agreement.

On February 1, 2013, City of Key West Manager, Bogdan Vitas, on behalf of the Local Redevelopment Authority who is the property owner of the Truman Waterfront property, submitted a request for such preliminary City Commission consideration, after consulting with the Planning Department to discuss options to extend the proposed Major Development Plan/Master Plan approval timeline. The request was submitted pursuant to Section 90-678 which requires the applicant to initiate the process through the city administrative official (in this case the Planning Department).

The Truman Waterfront Park Master Plan proposed is based on conceptual Plan approval by the LRA. The construction schedule is a phased approach to the development of the approximately 28.21 acres site. The entire project is proposed to be complete within the next 5-7 years as grant funding and other additional funding sources become available. The proposal includes significant infrastructural improvements such as the redevelopment of the main roadway, redevelopment of the existing Navy building 103, a new Community Center, an amphitheater, a multi-use sports field, a stormwater management plan, new parking lots, bicycle pathways, an interactive water feature, a playground area, significant open space and passive recreation areas, a large waterfront promenade and a complete landscaping and long-range maintenance plan.

Applications for Major Development Plan and a bicycle Substitution Variance were received on January 14th and reviewed by the DRC on January 31, 2013. After DRC comments are incorporated into the application package, staff will submit the application package to the Navy for a preliminary 90 day review period. The Development Agreement, Major Development Plan and a Bicycle Substitution Variance review will begin after that time period. In addition to the above development review applications, two Land Development Regulation Amendments will be processed for review for Restaurants as allowed uses accessory to recreational uses in the HPS-1 zoning district; and for Cultural and Civic uses within the HRCC-4 zoning district. Please see the attached Truman Waterfront Park Submittal and Approval schedule for additional information.

Given the size of the project and complexity of the funding acquisition, it is appropriate for the Commission to consider extending the Development Plan approval timeline into a Development Agreement, thereby giving the City and Local Redevelopment Authority the additional time needed to acquire funding in a manner consistent with the phased construction schedule. While the Development Agreement process is not right for every project, it is generally most suitable for large-scale projects of this nature.

Although up to ten years are allowed for a Development Agreement per City Code, it is up to the Commission to determine what timeframes will be appropriate for this project, should the Commission decide to issue this preliminary determination.

The Land Development Regulations acknowledge the findings of the state legislature that enable Development Agreements under Florida Statute, as follows (see Section 90-676):

- (1) The lack of certainty in the approval of development can result in a waste of economic and land resources, discourage sound capital improvement planning and financing, escalate the cost of housing and development, and discourage commitment to comprehensive planning.*
- (2) Assurance to a developer that, upon receipt of a development permit, the applicant may proceed in accordance with existing laws and policies, subject to the conditions of a development agreement, strengthens the public planning process, encourages sound capital improvement planning and financing, assists in ensuring there are adequate capital facilities for the development, encourages*

private participation in comprehensive planning and reduces the economic costs of development.

(3) The comprehensive planning process should be furthered by authorizing local governments to enter into development agreements with developers. The intent is to encourage a stronger commitment to comprehensive and capital facilities planning, ensure the provision of adequate public facilities for development, encourage the efficient use of resources, and reduce the economic cost of development.

Should the Commission give the applicant preliminary authorization to move forward with an application for a Development Agreement, the applicant would be required to provide a draft agreement as well as other information required by the code. The draft agreement would be heard first by the Planning Board and then be submitted to the City Commission for public hearing.

Options / Advantages / Disadvantages:

Option 1. Approve the preliminary request by the applicant to consider a Development Agreement for the Truman Waterfront Park Master Plan project.

1. **Consistency with the City's Strategic Plan, Vision and Mission:** This action is consistent with the mission and vision of the city.
2. **Financial Impact:** The ability to implement a Development Agreement for the Truman Waterfront Park Master Plan will promote the implementation of the Park Master Plan and long-term cost savings including staff time.

Option 2. Do not approve the request and require the applicant to use limited timelines associated with Development Plan approvals for the project.

1. **Consistency with the City's Strategic Plan, Vision and Mission:** This action is inconsistent with the mission and vision of the city.
2. **Financial Impact:** The denial of the LRA's request could cause long term expenditure of city staff time and failure of the Park Master plan to be implemented.

Staff Recommendation

Option 1: Approval of the preliminary request to enter into a Development Agreement