

THE CITY OF KEY WEST

PLANNING BOARD

Staff Report

To: Chairman and Planning Board Members

From: Taylor Brown, Planning Director

Meeting Date: June 18th, 2026

Agenda Item: **Minor Development Plan & Conditional Use – 325 Duval Street, Rear (RE# 00004320-000000)** – A request for a minor development plan and conditional use approval to allow for the after-the-fact construction of an outdoor bar, live music space, and associated seating area located in the Historic Residential Commercial Core – 1 Duval Street Gulfside (HRCC-1) zoning district, pursuant to Sections 122-62, 122-688, and Section 108-91 of the Land Development Regulations of the City of Key West, Florida.

Request: This application requests approval of a Minor Development Plan to address after-the-fact improvements constructed without permits, currently subject to an open code enforcement case, including two tiki huts: one containing a full bar and the other functioning as a stage for live performers, as well as an open-air consumption area with seating.

Applicant: Smith Hawks, PL

Property Owner: Key West Hotel LLC

Location: 325 Duval Street (RE# 00004320-000000)

Zoning: Historic Residential Commercial Core – (HRCC-1)

Background and Analysis

The subject property, located at 325 Duval Street, consists of a hotel containing 12 transient units. The applicant has constructed, without permits, an outdoor bar, live music stage, and associated seating area in the rear of the property, which are currently subject to an open code enforcement case. This application seeks after-the-fact approval of those improvements.

The property has previously received approvals to serve alcohol within 300 feet of a church pursuant to Planning Board Resolution 2024-015, and for a movable bar fronting Duval Street through Planning Board Resolutions 2025-041 (Conditional Use) and 2025-040 (Alcohol Sales Special Exception).

The proposed Minor Development Plan and Conditional Use request seeks approval of a bar/lounge use in the rear of the property, within an open-air area that was formerly used for parking. The unpermitted improvements include two tiki hut structures, one containing a full bar and the other functioning as a stage for live performers, along with an associated outdoor consumption and seating area.

The proposed outdoor commercial activity totals approximately 1,025 square feet, which falls within the 500 to 2,499 square foot range requiring Minor Development Plan approval pursuant to Section 108-91(B)(1)(c).

Section 108-91(B)(1)(c), of the Code of Ordinances (the "Code") of the City of Key West, Florida (the "City") provides that inside the Historic District, a Minor Development Plan is required for the *"addition of outdoor commercial activity consisting of restaurant seating, outdoor commercial storage, active recreation, outdoor sales area or similar activities of 500 to 2,499 square feet"*

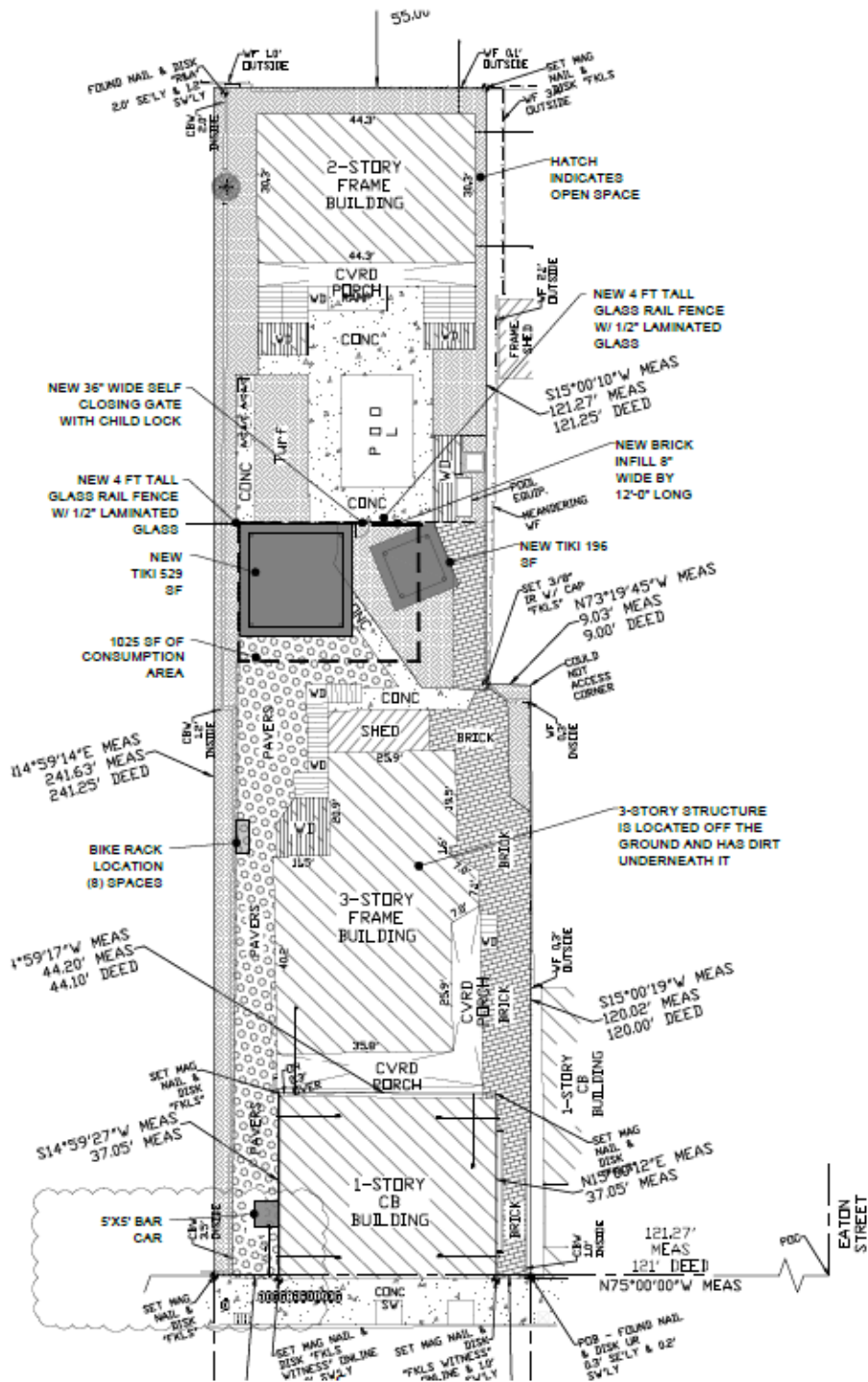
This after-the-fact request seeks approval of the constructed improvements, including the bar, stage, and associated outdoor consumption and seating areas at 325 Duval Street. The proposal represents an expansion of outdoor commercial activity associated with the hotel use, including a bar and live entertainment component. An parking variance has also been submitted for the additional commercial floor area, consumption area, and the reduction of preexisting parking.

Proposed Development:

The site data table for the proposed development is shown below. All numbers are in Square Feet.

	Required	Existing	Proposed
Site Area	4,000	12,771 sf	No Change
Impervious Surface	70%	7,725 (60.5%)	7,954 (62.3%)
Building Coverage	50%	4,762 (37.3%)	5,487 (43.0%)
Open Space	20%	2,586 (20.2%)	2,690 (21%)
Front Setback	0'	NA	92'-9" (From Bar)
Side Setback	2' 6"	NA	11' 5"
Side Setback	2' 6"	NA	11' 6"
Rear Setback	10'	NA	89' 3"

Proposed Site Plan, submitted by applicant.



PROPOSED SITE PLAN

SCALE: 1/16"=1'-0"

Surrounding Zoning and Uses:

The surrounding uses are primarily commercial uses in the heart of Duval Street in downtown Key West.

Process:

Development Review Committee:	January 22, 2026
Tree Commission Meeting (Conceptual landscape plan & tree removal approval):	None required due to limited scope of landscaping work
Planning Board Meeting: Tree Commission Meeting (Final landscape plan approval):	May 21, 2026
Local Appeal Period:	TBD
Planning renders to DOC for review:	10 Days
	Up to 45 days

Landscaping (Code Chapter 108, Article VI)

The Urban Forester has confirmed that this project does not trigger the need to go in front of the Tree Commission, and the applicant has confirmed no palms or trees are being removed, all improvements or changes on site have already been made and no further are proposed.

Concurrency Facilities and Other Utilities or Services (City Code Section 108-233)

Comprehensive Plan Objective 9-1.5 directs the City to ensure that public facilities and services needed to support development are available concurrent with the impacts of new development. The analysis considers potable water, sanitary sewer, solid waste, drainage, vehicle trip generation and recreation. City Code Section 94-36 requires a concurrency review determination to be made concerning the proposed development. Staff determined that public facilities are expected to accommodate the proposed development at the adopted level of service (LOS) standards. Staff finds that the project meets the adopted level of service standards pursuant to Sec. 108-233

Comprehensive Plan Consistency

Pursuant to Policy 1-1.1.8 *“The HRCC-1 zoning sub-district encompasses the Duval Street Gulf side tourist commercial core, which provides an intensely vibrant tourist commercial entertainment center characterized by specialty shops, sidewalk-oriented restaurants, lounges and bars with inviting live entertainment; and transient residential accommodations. The commercial entertainment center spans Duval Street generally from the Pier House Hotel south to Petronia Street, and is the most intense activity center in the historic commercial core.”*

The proposed consumption area and bar is located toward the rear of the property and separated from Duval Street by the principal structure, which helps to buffer potential noise impacts. The proposed bar/lounge use with associated live entertainment is subject to Conditional Use approval. Given the property’s location within the HRCC-1 zoning district, which is characterized by active commercial and entertainment uses, the proposed use is generally compatible with the surrounding

area, subject to appropriate conditions to ensure it does not adversely impact nearby properties. The proposal is therefore consistent with the Comprehensive Plan policies supporting the vibrant tourist commercial entertainment center.

RECOMMENDATION

As per Sec. 108-94. - Review by staff. - "Each application for development plan approval shall be reviewed by the city planner and transmitted to the development review committee and other staff as may be designated by the city planner based upon the type of development proposed. The city planner shall review each application for compliance with land development regulations."

Based on the analysis above, staff finds that the proposed outdoor commercial activity meets the criteria for Minor Development Plan approval pursuant to Section 108-91, and that the proposed bar/lounge use is appropriate within the HRCC-1 zoning district subject to Conditional Use approval. Accordingly, the Planning Department recommends **APPROVAL** of the Minor Development Plan and Conditional Use, subject to the following conditions:

1. The development plan shall be consistent with the plans signed and sealed on April 21st, 2026 by Richard Milelli.
2. Additional seating may be approved by staff in accordance with appropriate occupancy loads and seating calculations performed by staff.
3. The approved use shall be limited to the site plan and operational characteristics presented in the application.
4. Live entertainment shall comply with all applicable City noise regulations.
5. No expansion of the approved bar, stage, or seating area shall occur without further review and approval.
6. The bar/lounge use shall remain accessory to the principal hotel use.