

**THE CITY OF KEY WEST
PLANNING BOARD
Staff Report**



To: Chairman, and Planning Board Members

Through: Katie Halloran, Planning Director

From: Nicholas Perez-Alvarez, Stantec

Meeting Date: July 17, 2025

Agenda Items: **Conditional Use – 325 Duval Street, Rear (RE# 00004320-000000)** – A request for conditional use approval to allow alcohol sales from a portable service cart, located in the Historic Residential Commercial Core – 1 Duval Street Gulfside (HRCC-1) zoning district, pursuant to Chapter 122, Article III and Section 122-688 of the Land Development Regulations of the City of Key West, Florida.

Request: This application proposes conditional use approval to allow for the sale of alcohol from a beverage cart on hotel property setback 5-feet from the property's front lot line on Duval Street.

Applicant: Key West Hotel LLC

Property Owner: Key West Hotel LLC

Location: 325 Duval St, Key West, Florida
(RE # 00004320-000000)

Background:



The subject property is situated in the Historic Residential Commercial Core (HRCC-1) Zoning District, where bars require conditional use approval. The applicant proposes the sale of alcohol from a beverage cart on hotel property setback 5-feet from the property's front lot line on Duval Street for sale to hotel guests as well as to the general public. According to the property card, this property last transferred ownership in December of 2023.

In March of 2024, the applicant obtained Alcohol Sales Exception approval to add the sale of alcohol to hotel guests on the property, which was required given the property's location less than 300-feet of a church and the City's restrictions on the sale of alcoholic beverages within 300 feet of an established church, school, cemetery, or funeral home. However, given the applicant's current request to also sell alcohol to non-hotel guests, a new Alcohol Sales Exception application has been submitted as a companion to this conditional use application reflecting the request to sell alcohol to non-guests.

As illustrated on the site plan below, the proposed cart location would front Duval Street, set back 5-feet from the property line to allow for a 5-ft. by 13-ft. "service area" for customers to gather and purchase off of the right-of-way. No seating is proposed. Given the beverage cart's proposed orientation toward the street and the request to sell to non-guests, Planning staff has concerns that approval would essentially enable open container consumption within the public right-of-way, which is prohibited under Key West City Code Section 18-87(a):

"It shall be unlawful for any person to drink from an open container of an alcoholic beverage and be under the influence of said beverage while upon a public or semipublic area open for vehicular or pedestrian travel, or a commercial establishment parking lot or property owned by or under lease to the city, except in those areas in which such consumption is permitted pursuant to the beverage law, other state statutes, state administrative rule, or city ordinance or resolution."

Proposed Site Plan

3. please provide a site plan that shows where customers will stand when purchasing product, and confirm if customers will need to stand on public right-of-way to purchase product;
Applicant response: Provided
4. will applicant be the holder of the alcohol license; and
Applicant response: The Key West Hotel LLC is the holder of the alcohol license which covers the proposed site of sales to the public.
5. describe how the cart from which alcohol is sold may be characterized as a bar or lounge, where consumption on premises would be a characteristic of a bar.
Applicant response: This application is following the Key West Planning Department's and the Land Development code which characterizes the serving of alcohol drinks to the public as a "bar".

Process:

Planning Board Meeting: July 17, 2025
 Local Appeal Period: 10 days
 DOC Review Period: up to 45 days

Staff Analysis -Conditional Use Criteria Evaluation:

Conditional uses are regulated pursuant to Chapter 122 (Zoning), Article III (Conditional Uses). Section 122-61 of the Code states:

The purpose of this article is to ensure that a conditional use shall only be permitted on specific sites where the proposed use may be adequately accommodated without generating adverse impacts on properties and land uses within the immediate vicinity. This article sets forth provisions and criteria for consideration of conditional uses on specific sites. Conditional uses shall be permitted only upon a finding that the proposed use satisfies this article.

Section 122-62(b) *Characteristics of use described*

CHARACTERISTICS	COMMENTS
Scale & intensity	
Floor area ratio	The proposed use will not add any additional floor area
Traffic generation	Given that the proposed beverage cart would be an accessory use to the existing hotel and would be oriented toward passing pedestrians already walking on Duval Street, it is not anticipated to generate additional traffic.
Square feet of enclosed building for each specific use	N/A
Proposed employment	N/A
Proposed number and type of service vehicles	None proposed
Off-street parking needs	There would be no additional parking requirements with this request, given there would be no new consumption area created.
On- or off-site improvement needs generated by the proposed conditional use	
Utilities	The property has adequate facilities to support the proposed use.
Public facilities, especially any improvements required to	None expected.

ensure compliance with concurrency management as provided in chapter 94	
Roadway or signalization improvements, or other similar improvements	None.
Accessory structures or facilities	None.
Other unique facilities/structures proposed as part of site improvements	A moveable beverage cart is proposed, to be setback 5-feet from the front lot line at all times.
On-site amenities proposed to enhance site and planned improvements	
Open Space	No proposed change in open space.
Setbacks from adjacent properties	N/A. The exterior of the building is to remain unaltered
Screening and buffers	No changes proposed.
Landscaped berms proposed to mitigate against adverse impacts to adjacent sites	N/A. The exterior of the building is to remain unaltered
Mitigative techniques for abating smoke, odor, noise, and other noxious impacts	There is no expected excessive smoke, odor, or other noxious impacts from the proposed outdoor beverage sales. Some increase in noise is expected with patrons stopping to purchase beverages.

Section 122-62(c) *Criteria for conditional use review and approval*

CRITERIA	COMMENTS
Land use compatibility	The proposed conditional use for alcohol sales is compatible with the commercial and entertainment nature of surrounding uses. However, the proposed location and orientation of the beverage cart invites open container consumption along the public right-of-way, which is prohibited by City Code.
Sufficient site size, adequate site specifications, and infrastructure to accommodate the proposed use generation	The 13-foot width of space between the building and side lot line would accommodate the proposed beverage cart.
Proper use of mitigative techniques	As indicated previously, the proposed location and orientation of the beverage cart invites open container consumption along the public right-of-way, which is prohibited by City Code. No mitigative techniques have been proposed to discourage open container consumption.
Hazardous waste	None anticipated.
Compliance with applicable laws and ordinances	The conditional use will comply with all applicable laws and ordinances, including compliance with building codes and life safety codes.
Additional criteria applicable to specific land uses	
Land uses within a conservation area	The site is not located in a conservation area.
Residential development.	No residential development is proposed.
Commercial or mixed use development	An additional commercial use is proposed in the form of alcohol sales.

Development within or adjacent to historic district	The conditional use application is within the historic district.
Public facilities or institutional development	No public facilities or institutional development are proposed.
Commercial structures, uses and related activities within tidal waters	The site is not located within tidal waters.
Adult entertainment establishments	No adult entertainment is being proposed.

RECOMMENDATION:

Planning staff has concerns that the proposed alcohol sales from the beverage cart along Duval Street invites open container consumption within the public right-of-way, which is prohibited by City Code. The Planning Department therefore recommends that the request for the conditional use be **Denied**.

If the Planning Board elects to approve the conditional use, staff recommends the following conditions:

General conditions:

1. Beverage cart shall remain minimum 5-feet setback from front property line at all times.

Conditions prior to issuance of a Certificate of Occupancy and/or Business Tax Receipt:

2. The owner shall obtain and maintain a Conditional Approval Permit, pursuant to City Code Chapter 18, Article XII, Division 1. The City Code Compliance shall inspect the property on an annual basis upon reasonable notice to determine compliance with the above general conditions.