



CITY OF KEY WEST

Building Permit Allocation System 2020 Annual Report

INTRODUCTION:

This annual report is written in accordance with Section 108-995 of the Building Permit Allocation System Ordinance (BPAS) (Ordinance 13-19). This section requires the City Planner charged with implementation and interpretation of the Land Development Regulations to provide an annual report to the Planning Board and the State Land Planning Agency to identify any remaining or unused allocations for the current year and the number of permits by building type that have been allocated by September 1 for each year of the BPAS..

ANALYSIS RESULTS:

The City's Building Permit Allocation System (BPAS) is a growth management mechanism developed and implemented in 1993 to ensure adequate evacuation time for residents and visitors in the event of a hurricane possibly affecting the City. The BPAS is also commonly referred to as the Rate of Growth Ordinance, or "ROGO", as the intent of the ordinance is to limit the amount and rate of new residential units approved in the City.

Building Permit Allocation System Ordinance 13-19

Ordinance 13-19 updated the existing Building Permit Allocation System regulations in response to the newly adopted Comprehensive Plan policies and the 2012 Hurricane Evacuation Model Memorandum of Understanding. The amendments established an application process for the allocation of 91 new residential units to be received from the State Department of Economic Opportunity (DEO) annually for ten years as well as necessary changes that allow for clarification, simplification, and ease of use for the residential development regulations process.

Lawful Unit Determination Process (LUD's) – Under the Ordinance 13-19, the date a homeowner must prove his/her unrecognized residential unit was in existence changed from April 1, 1990 to April 1, 2010, which is based on the most recent published US Census population data. The intent of the Building Permit Allocation System (BPAS), pursuant to City Code Section 108-987, is to implement the City's Comprehensive Plan by limiting annual permanent (non-transient) and transient residential development. All new permanent and transient residential units within the City are subject to the BPAS, except as expressly exempted in City Code Section 108-991.

Beneficial Use Criteria – Regulations codify Comprehensive Plan Policy 1-1.16.1 which required that the remaining residential BPAS units (from the original 1993 allocation) be reserved for Beneficial Use purposes only. The City has reserved enough Beneficial Use allocations to cover any potential takings claims, leaving the new unit allocations available for new development. Until June 2020, the Planning Department was accepting residential units into the Beneficial Use pool, if property owners elected to utilize the waiver and release of building permit allocation to voluntarily reduce onsite residential density in order to receive and utilize a transient license pursuant to the criteria in **Sec. 122-1339. – Transfer of transient business tax receipt.** However, the displacement of non-transient housing for residents renting in Key West all year round exacerbates the city’s workforce and affordable housing problem. Therefore, the City will no longer receive new inputs.

Total Beneficial Use Units Allocated through 2020	
Total Beneficial Use Allocation Surplus through June 30, 2019	109.55
Total Beneficial Use Allocated from July 1, 2019 through June 30, 2020	1
Total Recovered / Surrendered from July 1, 2019 through June 30, 2020	9
Total Surplus:	117.55

Source: City of Key West Planning Department 2020

Application Process - Using the framework adopted in the 2013 Comprehensive Plan, staff created an application process that ensures that the limited number of residential unit allocations is distributed in a fair and equitable manner over time and that any future residential development contributes to the sustainable future of the City of Key West.

Allocations by Residential Unit Type – Based on requirements in the Comprehensive Plan the Ordinance requires that unit types be allocated as follows:

Allocations by Residential Unit Type				
Application/ Allocation Year	Affordable Housing Units (AH)*	Market Rate Units	Transient Rental Units	Total Units
2013/2014	48 Units dedicated for Peary Court; 7 AH units available for allocation	Maximum of 36	0	91 annually
2014/2015 2015/2016	Minimum of 55 annually	Maximum of 36 annually; 72 over 2 years	0	91 annually
2016/2017 2017/2018	Minimum of 45 annually	Maximum of 46 annually; 92 over 2 years	Maximum of 10 annually (deducted from market rate)	91 annually
2018/2019 2019/2020 2020/2021 2021/2022 2022/2023	Minimum of 45 annually; 225 over 5 years	Maximum of 46; 230 over 5 years	0	91 annually; 455 over 5 yrs
Over next 10 years	480	430		910

*Per City Commission Ordinance 17-13

- 1. Application Review and Ranking** – The Building Permit Allocation application period opens to the public in July of each year until the system ends per Ordinance 13-19. Applications will be reviewed and ranked by City staff and the Final Determination of Award will be made by the Planning Board. Based on the level of proposed development, development plan approvals will be reviewed by the relevant Boards and Commissions no later than June of the award year. An application approval and allocation schedule will be published in June of each year with the specific deadlines and dates anticipated for final allocation approvals. BPAS Year 1, 2, 3, 4, 5, 6, and 7 have been allocated as follows:

BPAS Award Allocations					
Allocation Year	Total Number of Units Allocated (ESFU)				
	Market Rate	Affordable	Affordable Advanced Award	Transient	
Year 1	36	55	15.9	0	
Year 2	31	44.1	8.46	0	
Year 3	7	14.72	0	0	
Year 4	29	22	0	8.6	
Transferred Via Ordinance No. 17-13	0	104	0	0	
Year 5	46	4.78	0	0	
Year 6	9	105.56	0	0	
Year 7	7	2.34	0	0	
Subtotal	165	<u>352.50</u>	<u>24.36</u>	8.6 (deducted from market rate pool)	550.46
		376.86			
Total Allocations Remaining (through 2022/2023)	256.40	103.14	0	0	359.54

*Source: PB Resolutions 2015-06, 2015-26, 2016-16, 2017-06, 2018-17, 2019-025, and 2020-025 and Ordinance 17-13

CONCLUSION:

The Planning Department estimates that a total of 117.55 beneficial use units remain unallocated and will be reserved as a contingency for potential beneficial use claims.

Years 1, 2, 3, 4, 5, 6, and 7 of the BPAS have allocated a total of 550.46 units, of which just over 68-percent are for deed-restricted affordable rate projects.

Attachments: A: Year 1, 2, 3, 4, 5, 6, and 7 BPAS Allocations (PB Resolutions 2015-06, 2015-26, 2016-16, 2017-06, 2018-17, 2019-025, and 2020-17 and Ordinance 17-13)