

MEMORANDUM
Planning Department



MEETING DATE: March 12, 2019

TO: Honorable Mayor and City Councilmembers

FROM: George Garrett, Planning Director

THROUGH: Chuck Lindsey, City Manager

SUBJECT: **Planning Department Update**

The Planning Department provides an update to the City Council on an occasional basis. The following is provided as an update for Planning Department activities which occurred between the beginning of 2019 and this meeting.

CRITICAL ISSUES NEEDING ATTENTION

Legislative Issues

Mooring Field Tenancy

Within the City's permitted mooring field, actions that the City has taken to modify the Administrative Code will now allow mooring field tenancies of one year.

SB 1666 could limit the stay of vessels outside of permitted mooring and anchoring areas to a maximum of 60 days. This would be fantastic.

Vacation Rental Legislation

The plethora of vacation rental bills continues in an attempt to remove home rule of this matter. Once again this will be a major issue for the City in the coming legislative session.

PERMITTING ISSUES

None. Working through permit streamlining with the Building Department.

CONDITIONAL USE PERMITS

818 51st Street Affordable Housing Project

The project developer has transferred ownership to Habitat For Humanity of the Middle Keys. Habitat has requested building permits for the four houses approved as part of the project. Construction should begin in the next several months.

Anchor Homes (64th Street) Affordable Housing Project

The Anchor Homes Conditional Use Permit lapsed, but was renewed with a new twelve (12) unit site plan recently by Habitat For Humanity of the Middle Keys. This is the number of units originally approved by the City Council before the Conditional Use Permit lapsed. Habitat has the site under contract and anticipates asking (with the City) for the Monroe County Land Authority to purchase the property in order to reduce project costs. Permitting and construction timeframes are pending.

Anchor Inn

The City Council approved a Conditional Use Permit for the re-purposing of seven (7) hotel units as affordable housing units and the development of an additional two (2) duplex units also for affordable housing. This project will likely move forward through Habitat For Humanity of the Middle Keys.

Blue Water by Marriott

The Blue Waters phase of the Courtyard Marriott is now to the point of obtaining a Certificate of Occupancy. They should be fully open for business by the end of the week.

The Blue Waters developer is currently seeking a “drive-through” component for an approved commercial retail space in front of Courtyard Marriott and the Blue Waters expansion. The request for a drive-through should come before the City Council in April

Crystal Cove Market Site (HTG Crystal Cove)

HTG Crystal Cove is now in the ownership of Crystal Cove Market Site LLC. The project has all entitlements and has approved funding through Florida Housing Finance Corporation. The combined projects of Key Vaca LLC and Crystal Cove Market Site LLC are moving forward as a joint contiguous project. Ownership of the projects will come under one entity NuRock. Development plans are in the City Building Department and we anticipate the initiation of construction in April of this year.

Keys Affordables Phase 3 (Key Vaca LLC)

Keys Affordable Phase 3 became Key Vaca LLC as the owner of the property took control of the project in 2017. The project has all entitlements and has approved funding through Florida Housing Finance Corporation. The combined projects of Key Vaca LLC and Crystal Cove Market Site LLC (formerly HTG Crystal Cove) are moving forward as a joint contiguous project. Ownership of the projects will come under one entity NuRock. Development plans are in the City Building Department and we anticipate the initiation of construction in April of this year.

Key By The Sea (Keys RV)

The City has been working on a proposed revision to the Key By The Sea Development Agreement for over a year. The gist of their request is that they be able to utilize temporary units on “permanent RV” lots until the end of their current DA extension (approximately (June 2020). We have come to a temporary impasse over whether Permanent RVs can be replaced with another Permanent RV. We hope to bring revisions forward in the coming month or two.

Holiday Inn Express Expansion

The Holiday Inn Express project site has recently been sold. All project approvals have been extended in the name of the new owner. They must initiate the building permit process by this summer to retain the project approvals for the Holiday Inn Express expansion. The HIE environmental mitigation project on Grassy Key has been vandalized recently. Site permits for the mitigation project have a minimum five (5) year life and the new owner has committed to replanting mitigation material on the mitigation site.

HJ3

The City Council approved a Conditional Use Permit for fourteen (14) residential units and a club house for property located on the ocean side of Grassy Key, Crain Subdivision. The applicant will likely return to the City Council to obtain approvals for one to two affordable housing allocations in the near future.

JoJo's / Nomad Outfitters

The JoJo's project approvals are essentially null and void, though Hurricane Irma might be utilized as mitigating circumstances for an appeal to keep the project open. Most recently, the developer has been discussing a potential sale of the site and project to then become an affordable housing project site.

There is no further information at this time.

Knight's Key Redevelopment

Knight's redevelopment is reaching completion. Certificates of Occupancy should have been issued for all major project structures and the grounds by the end of March. It is anticipated that the Isla Bella Resort project will be open by April.

Reserve At Sombrero (453 Sombrero Beach Road)

The project was approved by the City Council at its October 13, 2015 meeting and then approved as a re-plat at the July 12, 2016 Council meeting.

The project developer has begun construction of all ten (10) residential units, four duplexes and two single family residences.

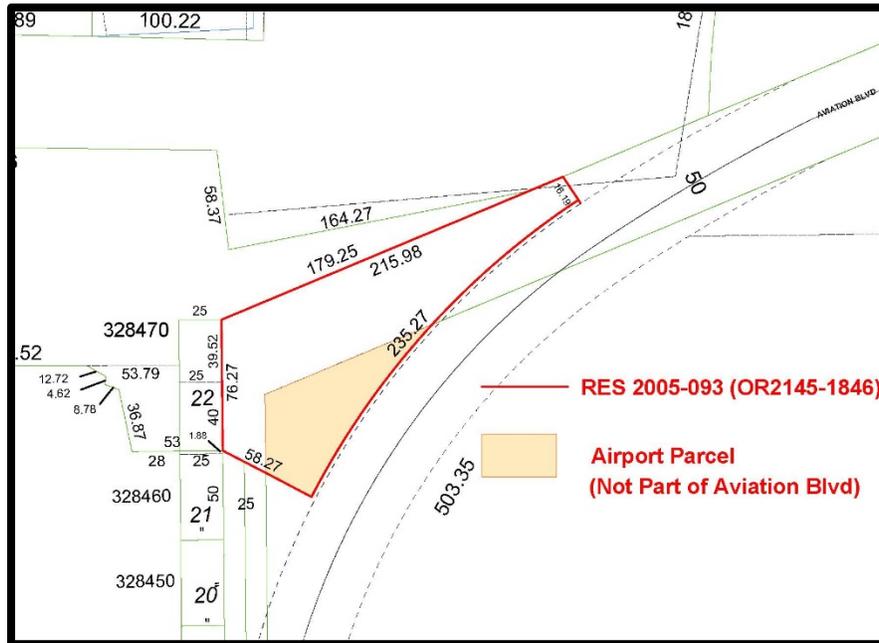
Ruggio Boat Ramp

Approved Conditional Use Permit

Sapodilla Holdings, LLC (Dodge Lake)

Sapodilla Holdings transient RV Park was approved by the City Council in January. The developer has closed the facility, is repairing docks, and completing the addition of a bathroom facility and office at the front of the property.

Remaining issues revolve around the ownership of a sliver (triangle) of property that was granted to the developer in 2005 as part of a larger abandonment of property at the time (Resolution 2005-093). The following graphic represents the property conveyed and the portion of that property which may be part of the airport property (highlighted in orange)



Conditions set on the approval of the project Conditional Use Permit require that this ownership issue is resolved prior to moving forward with the development of the project. Since the area in question is potentially County property as part of the airport, the County Attorney's office is working on this for both the City and County Commission.

Seaward Properties Redevelopment Project

The Seaward project is underway for the affordable housing component. Once developed, the market rate component of the project will begin.

The developer has provided a five (5) foot easement for potential road expansion of 86th and 88th Street Rights-of-Way. The details concerning how to accomplish the road improvements are being considered and discussed by staff with the developer.

Serenity Cove

Serenity Cove is moving forward with a request to build forty-five (45) workforce housing units, approximately 3,000 square feet of commercial retail space and a commercial boat storage element. The project proposal should come before the City Council in April.

Sombrero Country Club (Florida Key Resort and Club)

The Florida Keys Resort and Club is now connected to the development outcome of the Seaward project. Transient Residential units will be transferred from Seward to the Country Club site and a mixed residential development has been proposed and approved by the City Council for the Seaward site (10 market rate and 45 affordable units).

However, the Country Club project has yet to complete a transaction for the necessary transient units to complete the construction of the approved hotel development. In the meantime, the Country Club is moving forward with the redevelopment of the front 9 holes and in the relocation and construction of the affordable housing units to be located at the Country Club.

GEM Homes LLC

The GEM Homes LLC project received City Council approval for six (6) market rate units and nine (9) affordable in November of 2018. They have not moved forward yet to begin construction. They will require affordable allocations from the City and either the allocation or purchase of market rate units before proceeding.

Valhalla

There is no current activity on this project

Villas at Vaca Cut

The Villas at Vaca Cut project received four (4) of nine (9) and will receive the remaining five (5) allocations in this BPAS period. The developer is currently constructing approved docks. The City expects construction of the new residential units in the remaining part of 2019.

COMPREHENSIVE PLAN / LDR UPDATES

There have been three proposed FLUM/Zoning changes in the past several months, all proposing to change RL or RM FLUM/Zoned property to Mixed Use. Two have been reviewed and approved by the City Council. One will come before the Planning Commission and City Council in April and May.

Staff and the general public have proposed two revisions to the affordable housing elements of the LDRs. They will both be coming forward to the City Council in the next month. The Planning Commission has already reviewed these proposed revisions.

FEMA / CRS APPLICATION

The City received a final score of six (6) on its CRS accreditation review. This has meant a net twenty percent (20%) reduction in overall FEMA NFIP insurance rates. The City continues to do an outstanding job in bi-annual FEMA audits and are very close to obtaining a "5" rating during our next opportunity to update our standing. This would mean obtaining another five percent (5%) reduction in our policies.

FEMA mapping of the Keys continues as we expect new draft NFIP flood rate maps to become available for review in the next six (6) months, if not sooner. It is expected that there will be some significant changes to the maps, particularly in the interior areas of our islands. This can have significant potential impacts on old and recently approved and constructed residential units as we look to changes in insurance rates. The City must become a part of the serious review and potential appeal of these maps. If accurate, the City needs to insure that the immediate potential rate increase to nonconforming residential structures be in some way mitigated. If not accurate, the City needs to be prepared to potentially appeal the draft maps.

APPEALS

- The City is moving expeditiously forward with the appeal of its “300 hundred unit” ordinance. If successful in our appeal, it will still be September before the appeal is complete.
- The City is moving forward aggressively with the appeal of one of its “50 percent” rule decisions.