# TOWN ADDRESS OF TAKE PARK.

## TOWN OF LAKE PARK

PLANNING & ZONING BOARD MEETING AGENDA OCTOBER 7, 2019 6:30 P.M.

# 535 PARK AVENUE LAKE PARK, FLORIDA

PLEASE TAKE NOTICE AND BE ADVISED: If any interested person desires to appeal any decision of the Planning & Zoning Board with respect to any matter considered at the Meeting, such interested person will need a record of the proceedings, and for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. <u>Persons with disabilities requiring accommodations in order to participate in the Meeting should contact the Town Clerk's Office by calling (561) 881-3311 at least 48 hours in advance to request accommodations.</u>

#### **CALL TO ORDER**

#### PLEDGE OF ALLEGIANCE

#### **ROLL CALL**

Judith Thomas, Chair	
Martin Schneider, Vice-Chair	
Lawrence Malanga, Regular Member	
Charlemagne Metayer, Regular Member	
Joseph Rice, Regular Member	
Vacant, Alternate Member	

#### APPROVAL OF AGENDA

#### APPROVAL OF MINUTES

PLANNING & ZONING BOARD MEETING; AUGUST 5, 2019

#### **PUBLIC COMMENTS**

Any person wishing to speak on an agenda item is asked to complete a Public Comment Card located on either side of the Commission Chambers, and provide it to the Recording Secretary. Cards must be submitted before the agenda item is discussed.

#### **ORDER OF BUSINESS**

The normal order of business for Hearings on agenda items is as follows:

- Staff presentation
- Applicant presentation (when applicable)
- Board Member questions of Staff and Applicant
- Public Comments 3 minute limit per speaker
- Rebuttal or closing arguments for quasi-judicial items
- Motion on floor
- Vote of Board

#### **NEW BUSINESS**

PZ-19-009: CONTINUED FROM AUGUST 5, 2019 – TOWN CODE TEXT AMENDMENT CREATING SECTION 78-84 K.3. RELATED TO HEIGHT AND STORIES EXEMPTIONS FOR PARKING GARAGES WITHIN THE FEDERAL HIGHWAY MIXED-USE DISTRICT OVERLAY (FHMUDO) AND AMENDING TOWN CODE SECTION 78-83, APPENDIX A, FIGURE 1 "TOWER BUILDING TYPE" TO ELIMINATE THE INTERIOR SIDE SETBACK REQUIREMENT FOR BUILDINGS WHEN 80% BLOCK CONSOLIDATION IS ACHIEVED FOR A DEVELOPMENT PLAN.

PZ-19-011: PROPOSED AMENDMENT TO THE ZONING CODE TO CREATE A NEW ZONING DISTRICT ENTITLED "C-1B NEIGHBOROOD COMMERCIAL DISTRICT" IN SECTION 78-69 OF THE TOWN CODE OF ORDINANCES.

PZ-19-012: (CONTINUED TO NOVEMBER 4, 2019): AMENDING THE LAND DEVELOPMENT REGULATIONS ASSOCIATED WITH THE CLIC-1 CAMPUS LIGHT INDUSTRIAL/COMMERCIAL DISTRICT AND ASSOCIATED USES PURSUANT TO TOWN CODE SECTION 78-75

PROJECT UPDATES FROM THE COMMUNITY DEVELOPMENT DIRECTOR

PLANNING & ZONING BOARD MEMBER COMMENTS

COMMUNITY DEVELOPMENT DIRECTOR COMMENTS

**ADJOURNMENT** 

**FUTURE MEETINGS** 

NOVEMBER 4, 2019 @ 6:30 P.M. – PLANNING & ZONING BOARD MEETING

DECEMBER 2, 2019 @ 6:30 P.M. - PLANNING & ZONING BOARD MEETING



# Town of Lake Park, Florida Planning & Zoning Board Meeting Minutes August 5, 2019, 6:30 p.m.

535 Park Avenue, Lake Park, Florida 33403

#### **CALL TO ORDER**

The meeting was called to order at 6:31 p.m.

#### PLEDGE OF ALLEGIANCE

Chair Thomas lead the Pledge of Allegiance and a moment of silence in reembrace of the victims over the past 32 hours.

#### ROLL CALL

Judith Thomas, Chair Present
Martin Schneider, Vice-Chair Present
Lawrence Malanga Present

Charlemagne Metayer Excused Absence

Joseph Rice Present

Also in attendance were Community Development Director Nadia DiTommaso, Planner Karen Golonka, Assistant Town Attorney Jamie Gavigan, and Assistant to the Community Development Director Kimberly Rowley.

#### APPROVAL OF AGENDA

Motion: Vice-Chair Schneider moved to approve the agenda; Board Member Rice seconded the motion.

#### Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Malanga	X		
Board Member Metayer			Absent
Board Member Rice	X		
Vice-Chair Schneider	X		
Chair Thomas	X		

Motion passed 4-0.

#### APPROVAL OF MINUTES

• Planning & Zoning Board Meeting minutes of June 3, 2019.

Motion: Vice-Chair Schneider moved to approve the Planning & Zoning Board Meeting minutes of June 3, 2019; Board Member Rice seconded the motion.

#### Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Malanga	X		
Board Member Metayer			Absent
Board Member Rice	X		
Vice-Chair Schneider	X		
Chair Thomas	X		

Motion passed 4-0.

#### **Public Comment**

Chair Thomas explained the Public Comment procedure.

#### **ORDER OF BUSINESS**

The normal order of business for Hearings on agenda items are as follows:

- Staff presentation
- Applicant presentation (when applicable)
- Board Member questions of staff and applicant
- Public Comments limited to 3 minutes per speaker
- Rebuttal or closing arguments for quasi-judicial items
- Motion on floor
- Vote of Board

#### **NEW BUSINESS – SITE PLAN APPLICATIONS:**

# 1. PZ-19-009 STAFF INITIATED TOWN CODE TEXT AMENDMENT CREATING SECTION 78-84 K.3. RELATED TO EXEMPTIONS FOR PARKING SURFACES.

Community Development Director Nadia DiTommaso explained the item (see Exhibit "A"). Chair Thomas asked if a developer would be presenting this evening. Community Development Director DiTommaso explained that the developer was present, but that the Text Amendment was staff initiated. The developer would have a site plan presentation in the future. Board Member Rice clarified that the presented language was incorporated in the developer's site plan because they have met with staff prior to this meeting.

Vice-Chair Schneider asked for the height restrictions placed on this particular area. Community Development Director DiTommaso explained that 15 stories structures were permissible by right with an additional three (3) stories, should the applicant bring forward the additional improvements that are necessary. This would equal 190 feet structure with the bonus. She explained that the Town Code allows for a 10 percent administrative change, which would total 209 feet. Vice-Chair Schneider asked if the developer was looking to increase to 255 feet. Community Development Director

DiTommaso stated that she did not want to speak too much about the developer site plan, but explained that they have five levels of parking based on the required number of parking spaces. Vice-Chair Schneider recapped that this amendment would allow for a total of an 18-story building with an additional five levels of parking, which would not count in the overall height of the structure. The total would be 255 feet, which the previous language would only allow for 209 feet, or 46 feet taller than the current Code.

Vice-Chair Schneider asked how was the public notified for this meeting. Community Development Director DiTommaso explained that the public would be notified before it is brought before the Commission because it was an Ordinance. She further explained that notifications were not sent for this meeting. Vice-Chair Schneider asked what the notification would be for the Commission meeting. Community Development Director DiTommaso explained that the requirement would be to place an advertisement in the newspaper. Vice-Chair Schneider asked if other municipalities' waiver the parking structures as part of the overall height. Community Development Director DiTommaso explained that the internal message was to be as open and flexible as possible with the development along the US1 Corridor, so we have not explored looking at what other municipalities' Code state. Vice-Chair Schneider asked if she had reviewed the development plan. She nodded. Vice-Chair Schneider asked if the development plan meets all the other specified criteria. Community Development Director DiTommaso stated that she had not completed a full review of the development plan because it arrived several days ago. She stated that for the most part they meet the design requirements. Vice-Chair Schneider asked if the boat trailer parking issue had been resolved with Palm Beach County. Community Development Director DiTommaso stated that boat trailer parking areas are Town owned and would be a separate stand-alone project. The Town Commission has scheduled a second Marina Visioning Workshop and depending on the direction of the Commission at that meeting, Staff may develop a solicitation package for possibly a P3 (Public, Private, Partnership). She explained public redevelopment was different from the private redevelopment. She explained that the Town owned public property would develop separately.

Board Member Malanga asked for clarification regarding the 10 percent administrative change mentioned earlier. Community Development Director DiTommaso explained that the 10 percent was beyond the requirement for parking. Board Member Malanga asked what the requirement was. Community Development Director DiTommaso stated that they are using the general parking Code, which are calculated depending on the purposed use. Board Member Malanga asked what the specific benefit to the public would be. Community Development Director DiTommaso explained that the exemption would allow a certain amount of parking spaces free of charge to the general public.

Chair Thomas asked what "active use liner" meant. Community Development Director DiTommaso explained that "active use liner" means that if a structure has access to main streets, in this example Lake Shore Drive and Federal Highway, then access to the structure must be active from those streets. They are not permitted to have a faux type façade area to the structure from those streets. She provided a few examples of what "active use liner", such as retail, office space or restaurant and if the structure has five levels, then it was required to have active use along all five levels, as opposed to just the ground floor, if the structure faces a main street. Chair Thomas asked how it would be

identified for public free of charge spaces. She asked who would monitor the parking spaces. Community Development Director DiTommaso stated that it would need to be properly designated and conditioned as part of the project so that the spaces are identified. Chair Thomas expressed many concerns with the parking lot and the overall size of the structure. She expressed concern that no notice would be given to the property owners until the Ordinance on second reading public hearing phase due to the impact this Text Amendment would have on those that live within 300 feet of the property.

Board Member Rice expressed concern that the Text Amendment focused on specific development, the parking levels not being included in the overall height of the structure, and having no limits. He asked that the language be very clear.

Vice-Chair Schneider recapped the history of the project of the US-1 Corridor and the resident engagement that took place to create the original Text Amendment. He expressed concern that the Text Amendment changes are significant and there was no resident engagement. He suggested a workshop to notify the public of this Text Amendment. He was not comfortable moving forward with the proposed language.

Board Member Malanga expressed concern with how open ended the Text Amendment language was. He stated that staff should rewrite the Text Amendment and take into consideration the current language.

Community Development Director DiTommaso stated that if no action were taken this evening that would provide staff the opportunity to review the language and bring it back before the Board in the future. The Text Amendment would not be taken to the Town Commission due to the position of the Board.

Board Member Rice suggested including the residents in the process of making the changes to the Text Amendment for this particular area of US-1 Corridor.

Chair Thomas suggested that a courtesy notice be sent to the City of Rivera Beach because the Text Amendment would affect that community along Silver Beach Road. She suggested reviewing what the incentive of podium parking really means to the Town. She stated if the original language for this particular area was for a total of an 18-story structure then we should not be increasing the height.

Vice-Chair Schneider suggested adding height restrictions to the podium parking. His suggestion was to allow only three (3) levels. He stated that they could build a five (5) story level, but it should be included as part of the overall height. He suggested emailing all those that participated in the workshops and placing a public notice on the Town's website.

Public Comment open:

None

Public Comment closed:

Motion: Vice-Chair Schneider moved to continue item PZ19-009 to include the comments discussed by the Board; Board Member Rice seconded the motion.

#### Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Malanga	X		
Board Member Metayer			Absent
Board Member Rice	X		
Vice-Chair Schneider	X		
Chair Thomas	X		

Motion passed 4-0.

The Board took a three (3) minute recess. The meeting resumed at 7:12 p.m.

# 2. PZ-19-010: REZONING THE R-3 RESIDENCE DISTRICT TO THE C-1 BUSINESS DISTRICT FOR CONFORMANCE WITH THE EXISTING FUTURE LAND USE DESIGNATION OF 'COMMERCIAL'.

Chair Thomas asked to have the specific area that would be rezoned as part of the title so that the Ordinance would be clear. The area was Prosperity Farms Road.

Planner Karen Golonka explained the item (see Exhibit "B"). She explained the advertisement and notices that were sent to the property owners. She stated that some property owners reached out in support of the zoning change.

Vice-Chair Schneider asked if the residential property owners behind the property were notified. Planner Golonka stated that it was not a requirement of the Town Code to notify those property owners. Community Development Director DiTommaso explained that the existing uses are commercial since 2009 and the State Statute does not require notice of 300-feet. She stated that what this language does was place this zoning into compliance with the land use that has been in place since 2009. Vice-Chair Schneider asked if notice was required when rezoning a property. Community Development Director DiTommaso explained the State Statute language pertaining to zoning. Vice-Chair Schneider was confused with the proposed definition because it did not include Residential and there are many residents directly behind the area discussed.

Chair Thomas asked if the Town had a less intense zoning district than the C-1, such as a Neighborhood Commercial District. Community Development Director DiTommaso explained that the Town does not have a less intense zoning district, which was the reason, the properties along Northlake Blvd. back up to residential properties. Chair Thomas suggested creating a zoning district that called Neighborhood Commercial, which would maintain a low dense zoning district for commercial property. She expressed some of her concerns.

Community Development Director recapped that the Board was asking instead of rezoning to C-1 keep the R-3 Zoning but label it differently. Chair Thomas felt that it could be done since there are no residents. Vice-Chair Schneider agreed with renaming the district. Staff and the Board discussed options for language and zoning of the area. An aerial map was displayed to point out the specific area being discussed. Community Development Director DiTommaso recapped that the Board would like to keep the

existing uses in the R-3 District and simply allow those commercial uses in a redefined R-3 District. Chair Thomas agreed. Community Development Director DiTommaso explained that staff would rewrite the R-3 District, bring that back as a text amendment, and then proceed with the rezoning. Chair Thomas agreed.

#### Public Comment open:

Rob Francis -302 Daley Drive, Jupiter, Florida owns the property on  $10^{th}$  Street and spoke to the difficulties of renting out the space using the current zoning language. He would appreciate the consideration of changing the zoning.

#### Public Comment closed:

Chair Thomas explained that the Board was trying to change the language to include more uses in the area.

Motion: Vice-Chair Schneider moved to continue the item to give staff time change a zoning text amendment to the R-3 District to make it a Neighborhood Commercial District and look at different uses that would be appropriate; Board Member Malanga seconded the motion.

#### Vote on Motion:

Board Member	Aye	Nay	Other
Board Member Malanga	X		
Board Member Metayer			Absent
Board Member Rice	X		
Vice-Chair Schneider	X		
Chair Thomas	X		

Motion passed 4-0.

#### PROJECT UPDATES FROM THE COMMUNITY DEVELOPMENT DIRECTOR

Community Development Director DiTommaso explained that at one of the last Board Meetings the Board considered three (3) text amendments. The Park Avenue Downton District (PADD) for live, work, units on the ground floor. That text amendment has been placed on hold because the One Park Place property did not sell, with the owner deciding to fill the unit themselves. The owner was working with a leasing company to rent the units. Phase II would be to focus on the commercial space on the ground floor.

Staff was working on the text amendment to the Campus Light Industrial Commercial (CLIC) zoning district before moving it forward to the Board for review.

The Text Amendment pertaining to the flexibility to the height of buildings as it relates to the architectural features – accessory architectural features in the Downtown area, elevator shafts, etc. was approved by the Town Commission on August 3, 2019.

The 754 Park Avenue project was moving forward with the demolition permit. We anticipate seeing something within the next month or so.

#### **Planning & Zoning Board Member Comments**

Vice-Chair Schneider suggested that a courtesy notice be provided to residents when zoning changes would affect adjacent properties even though the Code does not require a notice. Chair Thomas explained that the majority of the residents do not know what is going on in the Town. She suggested that staff reach out through either courtesy notices or certified mail to let residents know what development or zoning changes are taking place around them even when the Town Code does not require such notice. She explained that through her profession, she knows what was happening around Town, but many others in the Town do not know. She stated that the website or newsletter are not always viewed, but a letter to the home is read.

Chair Thomas apologized because her phone rang several times during the meeting. She announced that her daughter was selected for the National Swim Team for Trinidad and Tobago and therefore she was training with the National Team for the Good Will Games that would take place August 16-18, 2019 in Paramaribo-Suriname. She asked for everyone support because they would love to go to the Olympics.

There being no further business to come before the Planning & Zoning Board and by

#### **Community Development Director Comments**

#### **ADJOURNMENT**

unanimous vote, the me	eting adjourned at 7:48 p	.m.	
, Ch	air		
Town of Lake Park Plar	nning & Zoning Board		
Town Clerk, Vivian Me	ndez, MMC		
Town Seal			
10wii Beai			
Approved on this	of	, 2019	



Montion to Continue Exhibit "A"

**TOWN LAKE OF PARK** 

**PLANNING & ZONING BOARD** 

Meeting Date: August 5, 2019

Agenda Item # PZ19-009

# **STAFF REPORT**

<u>DESCRIPTION</u> – TOWN CODE TEXT AMENDMENT CREATING SECTION 78-84 K.3. RELATED TO EXEMPTIONS FOR INTERNALIZED PARKING STRUCTURES WITHIN THE FEDERAL HIGHWAY MIXED-USE DISTRICT OVERLAY (FHMUDO)

Staff Recommendation: Approval.

#### **PROPOSAL**

After several months of discussion and with a mixed-use project submittal on the horizon, this is a Staff initiated application for a text amendment that is required in order to encourage and allow market-feasible development along the US-1 corridor. While Staff has been working with one developer in particular, normally this occurs when newly developed land development regulations are put to the test within existing market conditions. In light of this, Staff is proposing the following:

#### **TOWN CODE SECTION:**

(NEW) 78-84 K. 3.: (language may be modified by the Town Attorney prior to final adoption)

For development parcels in the Core Sub-Area, if podium structured parking (i.e. internalized structured parking) is provided, the height of the parking podium shall not count against the number of stories, or overall building height limitation (in feet) contained in Section 78-84, as per the regulating plan, provided that: (1) the developer contributes to the Federal Highway Mixed-Use District Public Improvement Fund in accordance with Section 78-84(L) for the stories proposed above those permitted by right; and (2) a minimum of 10% of the total number of parking spaces in the parking structure podium is required above the required number of parking spaces and must be designated for exclusive public use and available to the public free of charge; and (3) the parking podium shall be wrapped with an active use liner on the Federal Highway and Lake Shore Drive frontages and accompanied by market studies that identify the need for the additional liner uses to ensure their success.



## **PLANNING & ZONING BOARD**

Meeting Date: August 5, 2019

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#### **PLANNING & ZONING BOARD**

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Given Staff's working relationship with several individuals associated with the redevelopment area adjacent to our Marina, based on their expertise and experience, Staff requested that they (the property owner and developer's team) prepare justifications related to why this text amendment is required. This is important since typically, developers face similar challenges and we want to ensure that the land development regulations encourage feasible and successful site development, not only within the imminent land area adjacent to our Marina, but elsewhere within the Federal Highway Mixed-Use District Overlay (FHMUDO). Naturally, Code provisions should always benefit the community as well and be geared towards the public's health, safety and general welfare therefore, in addition to the extensive public benefit a large mixed-use project will bring to the community as it relates to the ability to introduce increased services (at a minimum), additional requirements are also being folded into the text amendment per the proposal hereinabove. In requesting the justifications from the developer, Staff received the following information:

(While the following justification is project specific, it is extremely important and relevant not only for this "imminent" project, but also for the future redevelopment viability of the entire corridor. All projects are subject to their individual public hearing process therefore, there will be ample opportunity to review and comment on any site plan specific details that are presented in the future)

# START OF ZABIK & ASSOCIATES (AGENT FOR NAUTILUS 211) JUSTIFICATION

NOTE: The following information is from Zabik & Associates (verbatim) and some responses are repetitive:

# 1. PROJECT FEASIBILITY (if the text amendment were not enacted)

If the text amendment is not adopted, the Nautilus 211 project is not feasible. The risks associated with a \$350 million project require that the development team have full confidence in governmental approvals. The Nautilus 211 project will be developed based on one of the underlying assumptions in the new Lake Park code. That assumption being the ability to consolidate a full block, or the better part a block, in order to successfully



#### **PLANNING & ZONING BOARD**

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develop a project that makes the most economical sense. Full review of the original design plan for the Nautilus 211 project found that it would not be feasible to build without acquisition of the condominium lot as the original configuration would be limited to parcels along the western side of the block. The one developer-owned parcel on the eastern side of the block would not support the proposed development due to code-required setbacks and restrictions. Due to this reason, the development team acquired the condominium parcel located at the northeast corner of the block further pursuing the Vision Lake Park goal of block consolidation and re-development.

The proposed configuration is designed to maximize the development potential currently allowed by code. This design could be considered inconsistent with some provisions of the Lake Park zoning code. The proposed text amendment provides an umbrella clarification to allow the development to move forward. The proposed text amendment provides clear language as to developer requirements for contributions to Lake Park. The proposed text amendment also provides clear guidance as to overall building height and numbers of stories.

This text amendment only has an upside for the Town of Lake Park. It clearly defines the public benefit and reduces any risk to the Town of Lake Park due to a public challenge. The clarification in this text Amendment allows the approval of Nautilus 211 to be the standard by which all projects will be judged. It sets a precedent that defines the public benefits for the Town of Lake Park. In addition, it clarifies the requirements for active use liners, retail and commercial space.

# 2. MARKET NEEDS (requiring the text amendment specifically)

The development will not be feasible without the adoption of the proposed text amendment. This text amendment only has an upside for the Town of Lake Park. It clearly defines the public benefit and reduces any risk to the Town of Lake Park due to a public challenge. The clarification in this text amendment allows the approval of Nautilus 211 to be the standard by which all products will be judged. It sets a precedent



#### **PLANNING & ZONING BOARD**

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that is for the benefit of the Town of Lake Park. In addition, it clarifies the requirements for active use liners, retail and restaurant space.

A full summary, of the current market conditions based on two targeted specific market studies, and a third overall economic review of Palm Beach County, fully supports the development of Nautilus 211. The development of high-rise condominiums includes a significant "fixed-cost component" due to the required density and infrastructure required to support high-rise development. There are significant economies of scale as recognized by the Town of Lake Park code the Nautilus 211 project. In order to be successful, this project needs to be able to take full advantage of these economies of scale.

Analysis of the high-rise condominium market shows that for developments to be successful, there needs to be sufficient units and enough height to make them economically feasible. The lack of mid-rise condominiums in the market is a clear indication of the significant fixed costs associated with the development and construction of condominiums in today's market. Investors and lenders are looking for developments that minimize risk and have attractive rates of return. Significantly increasing the projected income from projects of this nature is directly tied to the level of quality and in the elevation of the units. The higher the unit, the better the view and thus the higher price per square foot. These higher prices per square foot are necessary to offset the significant fixed cost portions of the project.

In summary, the economics of Palm Beach County, along with continued and strong population growth, support the development of additional housing. Housing at this price-point is in strong demand. A review of market analyses indicates minimal competition for this product in the north Palm Beach County area. The project site location adjacent to the Lake Park Marina offers a unique location. In all real estate the number 1 rule is: location, location, location.



#### **PLANNING & ZONING BOARD**

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#### 3. PROJECT SUCCESS (if the text amendment were not enacted)

The Nautilus 211 project, as outlined above, would not be feasible without the adoption of the proposed text amendment. The economics of this project require the clarifications of this text amendment in order to proceed. The text amendment provides clear guidance with respect to the number of stories, height of the building and Town benefits.

We recognize that a project of this size requires a willing partner on the part of the local government. The Nautilus 211 team has moved forward based on the new Lake Park zoning code providing a vision for upscale development along the US1 corridor in Lake Park.

This development was conceived based on the Vision Lake Park program. While we recognize we are the "test case" for the detailed specifics of the zoning code, the proposed text amendment provides clear guidance allowing the project to move forward. The project, being the first under the new zoning code, will set a positive precedent for subsequent projects and guarantee additional public benefit. While the proposed text amendment is essential to the Nautilus 211 project, the clarification it provides will also be essential to future development to realize the goals of Vision Lake Park.

The property in which the Nautilus 211 project is located is currently underutilized. The proposed development of Nautilus 211 took into account the Town of Lake Park's new zoning code and the Town of Lake Park's requirements to develop based upon climate change and sea level increases through 2060. The substantial increase in property taxes, public parking benefit and enhancement of Lake Park amenities will be of great long-term benefit to the Town of Lake Park.

We are proposing that you move forward with the text amendment in order to prevent any third-party challenges that could jeopardize future Town developments or the Town's code.



# **PLANNING & ZONING BOARD**

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**4.** Renderings Illustrating Potential Visual Impact (as an example only – will be treated on a case by case basis and each project will be subject to its own public hearing process).

Full size version enclosed.





EAST ELEVATION - BUILDING HEIGHT 255 FEET

EAST ELEVATION - BUILDING HEIGHT 209 FEET

# **END OF ZABIK & ASSOCIATES JUSTIFICATION**



#### **PLANNING & ZONING BOARD**

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#### **SUMMARY AND CONCLUSION**

While specific quantitative data is not available, the Town Manager and Community Development Staff have met on several occasions with the team representing the very first mixed-use project within the FHMUDO. Their design team spent months designing the site with the Town's desired vision of proposing the best and most attractive development for their site area. For the most part, their team has indicated that the recently adopted land development regulations are workable however, interior parking structures (podium structured parking) would need to be considered as it relates to the overall (permissible) stories and height in feet. The number of residential units proposed in a mixed use building is generally market-driven and pro-forma driven to meet a desirable return on investment that encourages a developer to move forward and ultimately renders a project successful not only for the developer, but for the final built product. While the Town's responsibility is to focus on the built environment and the community as a whole, we have an equal responsibility to ensure our redevelopment plans and provisions are delivered in a feasible manner. Being the first development often means taking on the most risk and discovering items within the provisions that need to be amended. For these reasons, the text amendment is being proposed.

STAFF RECOMMENDATION

APPROVAL OF THE NEW TOWN CODE SECTION 78-84 K. 3.









EAST ELEVATION - BUILDING HEIGHT 255 FEET

EAST ELEVATION - BUILDING HEIGHT 209 FEET

Exhibit "B"





TOWN LAKE OF PARK PLANNING & ZONING BOARD Meeting Date: August 5, 2019

Agenda Item # PZ19-010

**DESCRIPTION:** 

TOWN INITIATED REQUEST TO REZONE EIGHT (8) PARCELS LOCATED ON PROSPERITY FARMS ROAD, TOTALING 2.367 ACRES, FROM THE R-3 RESIDENCE DISTRICT TO THE C-1 BUSINESS DISTRICT, CONSISTENT WITH THE FUTURE LAND USE DESIGNATION OF COMMERCIAL.

**REQUEST:** This is a staff initiated application of Lake Park proposing the rezoning of eight (8) parcels, located on Prosperity Farms Road, from the R-3 Residence District to the C-1 Business District. Total land area is 2.367 acres, with seven (7) lots developed and one (1) vacant. The rezoning will bring the properties into conformance with their adopted Comprehensive Plan Land Use designation of Commercial. Exhibit 1 identifies the parcels, and Exhibits 2 and 3, the zoning and land use, respectively. Exhibit 4 identifies the uses permitted in the existing and proposed zoning districts.

STAFF RECOMMENDATION: APPROVAL

# **BACKGROUND INFORMATION:**

Applicant(s):	Town of Lake Park	
Parcel Information Owner:	See Exhibit 5	
Address:	1509, 1511,1525,1535,1541,1547, and 1605 Prosperity Farms Rd., plus one vacant parcel mid- block	
Lot Sizes:	See Exhibit 5	
Parcel Control Numbers:	See Exhibit 5 for parcel control numbers for each parcel	
Existing Zoning: Proposed Zoning	R-3 Multiple Family District C-1 Business District	
Existing Land Use: Current existing uses:	Commercial Primarily office	
Adjacent Zoning North:	C-1 Business/Northlake Boulevard Overlay	
South: East: West:	Zoning(NBOZ) C-1 Business R-1 Residence District C-1 Business	
Adjacent Land Uses North: South: East: West:	Commercial Commercial Single Family Residential Commercial	

# **ANALYSIS**

# 1. CONSISTENCY WITH STATE STATUTE

The proposed rezoning is consistent with State Statute.

Florida Statute 163.3194 (1) (b) requires that "All land development regulations enacted or amended shall be consistent with the adopted comprehensive plan, or element or portion thereof, and any land development regulations existing at the time of adoption which are not consistent with the adopted comprehensive plan, or element or portion thereof, shall be amended so as to be consistent."

These eight (8) lots need to be brought into conformance with the Comprehensive Plan land use designation, as required by the above statute. The rezoning to a commercial district had always been intended, but had not occurred. Further, these are also the only remaining parcels in the R-3 District in the Town.

# 2. CONSISTENCY WITH THE COMPREHENSIVE PLAN

A) The proposed rezoning is consistent with Policy 1.1 of the Future Land Use Element of the Town's Comprehensive Plan, which reads (in part):

**Policy 1.1:** Land Development Regulations shall be amended as necessary to contain specific and detailed provisions required to implement the adopted Comprehensive Plan and which as a minimum:

- b. Regulate the use and intensity of land development consistent with this element to ensure the compatibility of adjacent land uses.
- k. Eliminate and/or reduce use of land inconsistent with the Future Land Use Map and the community's character.

Rezoning the subject parcels from R-3 Residence District to C-1 Business District would bring them into conformance with their adopted Future Land Use designation of Commercial, as shown on the Future Land Use Map of the Town's Comprehensive Plan. (Exhibit 3)

Despite having a residential designation, there are no dwelling units on the parcels. There is a mix of one story commercial and office uses. Thus, these existing uses are consistent with the Comprehensive Plan's definition of commercial which reads:

<u>Commercial</u> – Lands and structures devoted primarily to the delivery, sale or otherwise transfer of goods or services on a retail basis, with a maximum F.A.R. of 2.0. This category also includes personal and professional services. Public schools are a permitted use within this land use designation.

# B) The proposed rezoning is consistent with Policy 1.5 of the Future Land Use Element of the Town's Comprehensive Plan which reads:

<u>Policy 1.5</u> The Town shall encourage development and redevelopment activities which will substantially increase the tax base while minimizing negative impacts on natural and historic resources, existing neighborhoods and development and adopted Level of Service Standards.

The inconsistency between the zoning and land use has become problematic, as properties are sold and new uses requested. The limited commercial uses allowed in R-3 often make it difficult for owners to find tenants. Thus, some buildings are vacant and non-productive. While, by state statute, the underlying Land Use of commercial prevails, without a specific commercial zoning district to implement the designation, there is uncertainty as to permitted uses, which zoning development standards to apply etc. The rezoning will resolve this problem.

# C) The proposed rezoning is consistent with Objective 5 of the Future Land Use Element of the Town's Comprehensive Plan, which reads:

<u>Objective 5.</u> As a substantially built-out community in an urbanized area, the Town shall promote redevelopment and infill development in a manner that is considerate to existing neighborhoods and uses, the built and natural environments, and neighboring jurisdictions.

The C-1 zoning would be compatible and consistent with the surrounding C-1 commercial district, which is located across the street from the parcels. (Exhibit 2), and generally compatible with the adjacent R-1 residential district.

Lake Park has three commercial zoning districts which could implement the Commercial land use designation: C-1, C-2, and C-3. The C-1 zoning would be the most appropriate to select, given the surrounding land uses and zoning. C-3 is described as a regional business district, and C-2 is slightly more intense than C-1. Within the Town of Lake Park, C-1 is the commercial district that typically abuts residential areas.

Other than one, the parcels are built out and not likely to be redeveloped in the immediate future. The C-1 zoning will allow the existing uses, primarily office, which have not been a problem to the residences, to continue. It will also allow for a greater variety of uses, such as beauty shops and other personal services. While the C-1 district allows some intense commercial uses, the small lot sizes and the existing limited parking would tend to preclude any intense uses.

# **STAFF RECOMMENDATION:**

The C-1 Business District is compatible and consistent with the area and existing uses and is the most compatible with the adjacent R-1 residential district,

STAFF RECOMMENDS APPROVAL OF THE REZONING FROM R-3 TO C-1 FOR THE EIGHT (8) PARCELS ALONG PROSPERITY FARMS ROAD

# EXHIBIT 1

# LOCATION MAP OF THE 8 PROPERTIES VIEW OF SOME OF THE PROPERTIES-EXISTING OFFICE USES



Exhibit 2

TOWN OF LAKE PARK ZONING MAP: Existing Zoning of Parcels R-3

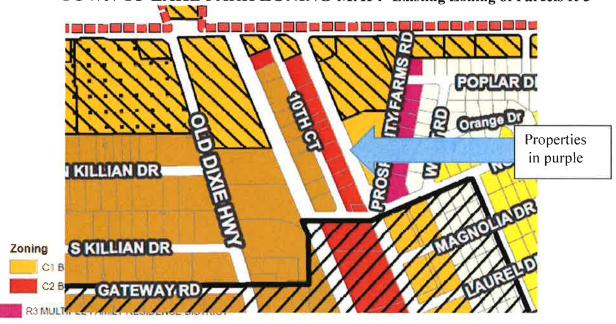


Exhibit 3
TOWN OF LAKE PARK FUTURE LAND USE MAP

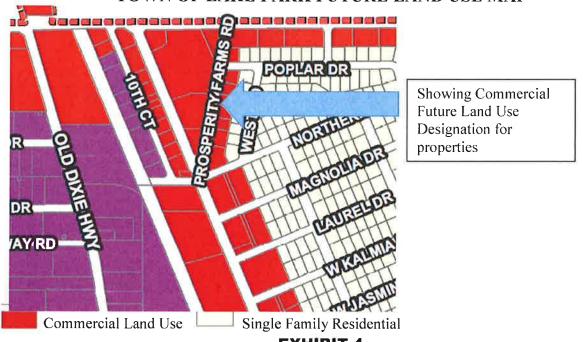


EXHIBIT 4
ZONING DISTRICT REGULATIONS

## Sec. 78-67. - R-3 residence district

Within R-3 residence districts, the following regulations shall apply:

- (1) *Uses permitted*. Within any R-3 residence district, no building, structure or land shall be used and no building shall be erected, structurally altered or enlarged unless otherwise permitted by these regulations, except for the following uses:
- a. Accessory buildings must comply with the requirements of this Code and the Florida Building Code as amended. Accessory uses must be located on the same lot or parcel of land as the principal structure and the accessory use must be customarily incidental to the principal use. Permissible accessory uses for commercial and other permitted uses shall be determined in the site planning process or administratively on a case-by-case basis and subject to these standards.
  - 1. A private garage for use by occupants of the principal building shall be considered an accessory use.
- b. Schools, except correctional institutions.
- c. Playgrounds operated in conjunction with schools or owned and operated by the town.
- d. Civic buildings, libraries.
- e. Nursing or convalescent homes.
- f. Nursery schools or kindergartens.
- g. Physicians or dentists, subject to the following provisions:
  - 1. Physicians or dentists may operate an office in conjunction with a home so long as the front of such office shall be kept as a home.
  - 2. No more than 35 percent of the ground floor area shall be used as an office.
  - 3. Not more than one physician or dentist may practice, and there shall not be more than three persons employed.
  - 4. Office hours shall be limited to daylight hours.
- h. Banks, office buildings, medical clinics, dental offices.
- i. No living quarters shall be permitted in any professional or commercial structure or upon a lot or parcel upon which a professional or commercial structure is situated.
- j. Group home is a permitted use provided that any group home is not located within a radius of 1,000 feet of another existing group home.
- (2) Building height limit. For residences, no building or structure shall exceed two stories or 30 feet in height. For all other uses permitted in R-3 residence districts, no building or structure shall exceed two stories or 30 feet in height and the minimum height shall not be less than 13 feet.
- (3) Building site area. The minimum width and depth of any professional or commercial building shall be 25 feet.
- (4) Minimum floor area.
- a. The minimum required first floor area of a single-family dwelling structure shall be 1,000 square feet, exclusive of carport, garage, unenclosed terraces and porches. Where a carport or garage is attached to the structure, the required first floor area may be reduced to 900 square feet. The minimum required first floor area of a two-family dwelling structure (duplex) shall be 1,400 square feet, exclusive of carports, garages, unenclosed terraces and porches, with each unit comprising 700 square feet. A one-bedroom unit of not less than 580 square feet may be built together with a second unit of not less than 820 square feet.
- b. Where a utility or storage room is constructed and finished in a like manner and type of construction as the balance of the living quarters and has direct entrance and access to the living quarters, such utility room may be considered a part of the living quarters.

- c. For structures of more than two dwelling units, the minimum required floor area shall have an additional 580 square feet for each dwelling unit in excess of two, added to the base of 1,400 square feet.
- (5) Yard regulations.
- a. Front yard. There shall be a front yard of not less than 25 feet measured from the street or highway or highway right-of-way line to the front wall of the building or structure.
- b. *Side yard.* There shall be a side yard on each side of the principal building having a width of not less than ten feet. On a corner lot, there shall be a side yard of not less than 15 feet from the property line of the intersecting street.
- c. Rear yard. There shall be a rear yard of not less than seven feet measured from the rear lot line to the rear wall of the building, or to a permanent part of the building which projects from or over the rear wall of the building, if such projection occurs.

# Sec. 78-71. - C-1 business district.

Within the C-1 business district, the following regulations shall apply:

- (1) *Uses permitted*. Within the C-1 business districts, no building, structure or land shall be used and no building shall be erected, structurally altered or enlarged, unless otherwise permitted by these regulations, except for the following uses:
- a. Animal day care establishment;
- b. Animal grooming establishment;
- c. Animal indoor training center;
- d. Appliance stores, including radio and television services;
- e. Bakeries the products of which are sold at retail but not produced on the premises;
- f. Banks:
- g. Barbershops, beauty shops, chiropodists, masseurs;
- h. Fertilizer, stored and sold at retail only;
- i. Laundry pickup stations;
- j. Offices, business and professional;
- k. Outdoor miniature golf courses, all objects limited to eight feet in height and such building or premises is located not less than 500 feet from the premises of an existing nursery school, elementary school or high school;
- I. Pet shop;
- m. Restaurants;
- n. Shops, including shops for making articles without use of machinery, to be sold, at retail on the premises;
- o. Indoor theatres;
- p. Instructional studios; including but not limited to, studios for the instruction of the martial arts, dance, voice, drama, speech, gymnastics, yoga, exercise, painting, photography, music, and other similar instructional studio uses which are deemed appropriate by the town's community development director; or
- q. Transient residential use.
- (2) Building height limit. No building or structure shall exceed two stories or 30 feet in height and the minimum external height shall not be less than 13 feet. The minimum internal height from floor to ceiling shall be eight feet.

#### Special exception uses permitted pursuant to section 78-184:

- a. Animal service establishment;
- b. Automotive service station;
- c. Funeral home:
- d. Hospital, sanitarium or medical clinic;

#### e. Motel/hotel;

- f. Vehicle sales and rentals, including accessory sales of parts and components and accessory repair shops on property on which a permanent building is erected and which building is used solely in connection with the use provided that:
  - 1. No vehicles, boats or wave runners are tested or repaired outside of a building designed for such purposes; and
  - 2. The parking requirements for the use are met over and above any areas provided for vehicles, boats or waverunners, which are part of the specific business.
  - 3. Motor vehicle sales on property on which a permanent building is erected, shall mean the area where buildings are used in connection with the sale or lease of motor vehicles and the areas where motor vehicles are displayed for lease or sale.
- (3) Building site area. The minimum width and length of any store building shall be 25 feet.
- (4) Minimum floor area. The minimum required first floor area of a business or commercial structure shall be 1,200 square feet and in no event less than 25 feet in depth.
- (5) Yard regulations.
- a. Front yard. There should be a front yard of not less than 25 feet measured from the street or highway or highway right-of-way line to the front wall of the building or structure. On through lots having frontages on two streets, the required front yard setbacks shall be provided on both streets.
- b. *Side yard.* On a corner lot, there shall be a side yard of not less than 15 feet from the property line of the intersecting streets.
- c. Rear yard. There shall be a rear yard of not less than 15 feet, except where there is an existing dedicated alleyway adjacent to the rear lot line, the rear yard shall be not less than five feet. However, there shall be a rear yard of not less than five feet on all property lying east of the Florida East Coast Railroad right-of-way and west of 10th Court between North Lake Boulevard and Northern Drive.

#### **PROPERTIES TO BE REZONED**

**Location 1509 PROSPERITY FARMS RD** 

Parcel size: 0.5121 ACRES

Parcel No. 36434220031290090

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 26975

Page 218

Owner: LABORATORY SUITES LLC

Mailing Address

1509 PROSPERITY FARMS RD

LAKE PARK FL 33403 2025

Use Type 1900 - PROF OFFICES

Square Feet Building: 3977

**Location 1511 PROSPERITY FARMS RD 100** 

Parcel size: 0.3526 ACRES

Parcel No. 36434220031290101

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 30139

Page 703

Owner: 1511 PROSPERITY LLC

1511 PROSPERITY FARMS RD # 400

Mailing Address

LAKE PARK FL 33403

Use Type 1700 - OFFICE ONE STORY

Building Square Feet 3996

**Location 1525 PROSPERITY FARMS RD** 

Parcel size 0.2480 ACRES

Parcel No. 36434220031290120

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 11992

Page 905

Owner YAJALAJUA CORP

1525 A PROSPERITY FARMS RD

Mailing Address LAKE PARK FL 33403 2029

Use Type 1700 - OFFICE ONE STORY

Building Square Feet 2100

Parcel size: 0.2480 ACRES

Parcel No. 36434220031290130

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 15775

Page 1976

Owner YAJALAJUA CORP

1525 PROSPERITY FARMS RD # A

Mailing Address

WEST PALM BEACH FL 33403 2029

Use Type 1000 - VACANT COMMERCIAL

Building Square Feet -

## **Location 1535 PROSPERITY FARMS RD**

Parcel size 0.2480 ACRES

Parcel No. 36434220031290140

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 26483

Page **508** 

Owner DJ&G REALTY HOLDING COMPANY LLC

Mailing Address

1535 PROSPERITY FARMS RD

LAKE PARK FL 33403 2025

Use Type 1900 - PROF OFFICES

Building Square Feet 2560

#### Location 1541 PROSPERITY FARMS RD

Parcel size .02480 ACRES

Parcel No. 36434220031290150

Subdivision LAKE PARK ADD NO 1 IN PB 25 PG\$ 222 & 223

Book 22133

Page 1762

Owner MCFARLIN USRY DC PA

Mailing Address

1541 PROSPERITY FARMS RD

LAKE PARK FL 33403 2025

Use Type 1900 - PROF OFFICES

Building Square Feet 2584

#### Location 1547 PROSPERITY FARMS RD

Parcel size 0.2695 ACRES

Parcel No. 36434220031290160

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 27043

Page 144

Owner DAC FOOD INCORPORATED

Mailing Address 1547 PROSPERITY FARMS RD

## LAKE PARK FL 33403 2025

Use Type 7200 - PRV SCHL/COLL

Building Square Feet 2120

Location 1605 PROSPERITY FARMS RD

Parcel size 01.2409 ACRES

Parcel No. 36434220031300150

Subdivision LAKE PARK ADD NO 1 IN PB 25 PGS 222 & 223

Book 22958 Page 1907

Owner SF PROPERTIES INC

5551 CENTER ST Mailing Address

JUPITER FL 33458 3941

Use Type 1100 - STORES

Total Square Feet 3291



# TOWN OF LAKE PARK PUBLIC COMMENT CARD

MEETING DATE: 8/5/

Cards must be submitted before the item is discussed!!

Name: Kors from S. Are the Address: 302 Date from information through Email, please provide your E-mail address:

I would like to make comments on the following Agenda Item:

R-3 74

I would like to make comments on the following Non-Agenda Item(s):

nstructions: Please complete this card, including your name and address; once the card has been completed, give it to the Town Clerk. The Mayor will call your name when it is time for you to speak. Comments are limited to three (3) minutes per individual.





Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

# **STAFF REPORT**

<u>DESCRIPTION</u> – TOWN CODE TEXT AMENDMENT CREATING SECTION 78-84 K.3. RELATED TO HEIGHT AND STORIES EXEMPTIONS FOR PARKING GARAGES WITHIN THE FEDERAL HIGHWAY MIXED-USE DISTRICT OVERLAY (FHMUDO) AND AMENDING TOWN CODE SECTION 78-83, APPENDIX A, FIGURE 1 "TOWER BUILDING TYPE" TO ELIMINATE THE INTERIOR SIDE SETBACK REQUIREMENT FOR BUILDINGS WHEN 80% BLOCK CONSOLIDATION IS ACHIEVED FOR A DEVELOPMENT PLAN.

Staff Recommendation: Approval.

## **INITIAL PLANNING AND ZONING BOARD MEETING – AUGUST 5, 2019**

The Planning and Zoning Board considered the application for a text amendment that would create Section 78-84 K.3. at their August 5, 2019 public meeting. The text amendment proposes to introduce additional flexibility in overall building height (in feet) and stories for the "Core" area identified in the Federal Highway Mixed Use District Overlay (FHMUDO). This flexibility is important since sometimes land development regulations, as adopted, do not take into account the various design elements that are needed and required in order to make a development successful. The Board expressed the following concerns (summarized) which ultimately led them to "continue" the item:

(1) The text amendment is catered to one developer specifically.

**STAFF RESPONSE**: The reality is that typically, when code regulations are created, they are only put to the test when the first developer submits their plans therefore, while it may seem this is being proposed for one developer, it is actually being proposed for the first developer, as well as any developer that entrusts the Town with their multi-million dollar proposal moving forward. In the end, the first developer takes on the most risk.

(2) Additional flexibility in height alters the vision that was created for the corridor and everyone who was originally involved in creating the regulations, including those properties within the FHMUDO should be notified and involved in this text amendment.

**STAFF RESPONSE**: The *Vision Lake Park* created (feasible) mixed-use redevelopment options on the east and west sides of the US-1 corridor. A developer who is proposing bringing forward an almost





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Agenda Item # PZ-19-009 (continued from August 5, 2019)

(100%) code-compliant project with a mixed-use concept that incorporates the necessary open space, pedestrian and streetscape elements that the Code requires, ultimately meets the original and adopted intent of the *Vision Lake Park*. An individuals' 'ground level' experience will not be altered by a 255 foot versus a 210 foot, or a 190 foot versus a 160 foot (for example) overall building height since the intent of the corridor has always been to introduce more intense mixed-use development. The more immediate reality is that from an economic development perspective, we need to introduce the best possible development that is successful in the long run and if granting some additional height is needed, this is minimal in comparison to the overall "vision" that will ultimately be achieved and that is, in reality, desired not only by Staff and the developer, but by those in the surrounding areas as well since they see the value in introducing this type of development in the Town.

Regarding the noticing, the actual site plan application, which is the "development application", is required to be noticed by certified mail to everyone within 300 feet and this will be satisfied. An Ordinance proposing to create an architectural-related exemption in the Code is a text amendment that is approved by Ordinance and required to be advertised once it moves forward to the Town Commission (10 days prior to adoption).

(3) Since design is flexible, there should be a "cap" on how many stories of parking should actually be exempt and not leave it open-ended.

**STAFF RESPONSE**: A "cap" has been inserted into the proposed Section. It is also being limited to the east side of Federal Highway (for now). *See revised proposal*.

(4) The addition of public parking will be very difficult, if not impossible, to monitor and enforce.

**STAFF RESPONSE**: While this is true, this is like any other public parking area. Certain mechanisms such as signage, camera surveillance and fine impositions for enforcement purposes can be installed onsite to allow for the proper use of the parking spaces (some additional language has been included in the proposed Section – *see revised proposal*). In the end, requiring additional public parking, for public use, that is free of charge, is an added benefit to the existing operation and future viability of the Marina, special events, and overall area.





Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

(5) A 200 foot (or more) structure is a big deal for the Town and we cannot focus solely on revenue, but rather on the community and our character as well.

**STAFF RESPONSE**: The *Vision Lake Park* process already established the ability to introduce a 200+ foot structure in the Core Sub-Area adjacent to the Marina. The text amendment would simply introduce some additional flexibility as it relates to the required private parking and additional public parking, in an attempt to maximize the value and viability of the development project. A cap has been incorporated to limit the additional flexibility.

In conclusion, Staff revised the proposal to incorporate the "cap" recommended by the Board and added some additional terminology related to the public parking space(s) enforcement. A reference to limiting the exemption to the east side of Federal Highway (for now) has also been incorporated. The revised proposal is for the following: <u>NEW Chapter 78, Article III. Section 78-84 K.3.</u>

(3) Structures with parking garages within identified development parcels in the Core Sub-Area of the Federal Highway Mixed Use District Overlay, east of Federal Highway, are entitled to an exception to the maximum height established for the Core Sub-Area to accommodate the parking of vehicles within the structure. The parking garage shall not be considered as part of the measurement of the total height of a building, provided that: (a) the developer contributes funds to the Federal Highway Mixed-Use District Public Improvement Fund in accordance with Section 78-84(L) proportionate to the overall construction value; and (b) at least 10% of the total number of required parking spaces in the parking garage are designated as free public parking. The free public parking spaces shall be identified as free public parking by signage. The parking garage shall be equipped with camera surveillance of the public parking areas; (c) the parking garage shall be developed with an active use liner on the Federal Highway and Lake Shore Drive frontages of the building.





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Agenda Item # PZ-19-009 (continued from August 5, 2019)

(4) Structures within identified development parcels in the Core Sub-Area of the Federal Highway Mixed Use District Overlay, south of Cypress Drive, are entitled to an exemption of up to 5 stories, or 55 feet.

(5) Structures within the development parcels in the other Core Sub-Areas of the Federal Highway Mixed Use District Overlay, south of Cypress Drive are entitled to an exemption cap of 3 stories, or 33 feet.

#### **ONE-ON-ONE MEETINGS WITH BOARD MEMBERS**

Since the Board meeting of August 5, one-on-one meetings with Board Members, staff and the developer's team, were also held to discuss what has been explained above, in response to the Board's discussion at the August 5 meeting. These meeting were positive and Staff believes the Board now has a better understanding of what we are trying to achieve. In addition, after reviewing the general development plan with the Board Members at these one-on-one meetings, given the proposed design and the Board Members' understanding that the original vision for the corridor was to allow for block consolidation and minimize the potential impacts to single-family homes on the west side of the corridor, the following additional recommendation was made by Staff and acknowledged by some of the Board Members at these one-on-one meetings. This additional amendment is necessary since, ultimately if a developer has consolidated at least 80% of any given block, the impacts of development to any remaining lots will not be lessened by an interior setback and ultimately the Town must weigh the ultimate redevelopment vision against any remaining lots that will still be impacted by development:

Amending Section 78-83, Appendix A, Figure 1 related to Tower Building Types to eliminate the interior side setback requirement when 80% block consolidation is achieved for a development plan (see next page):





Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

LOT STANDARDS:	MIN.	MAX.	
a. Lot Width	200'	375'	
b. Lot Depth	150'	N/A	
c. Lot Area	N/A	N/A	
d. Impervious Area	N/A	90% (I)	
e. Pervious Area	10%	N/A (I)	
f. Interior Side Setback	0' (2)	N/A	
g. Rear Setback	0' (2)	N/A	

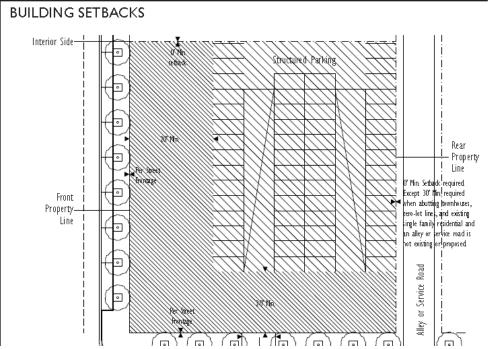
#### **BUILDING CONFIGURATION** Maximum building height is regulated by the Building Heights Regulating Plan. Tower Min. Stepback from Rodium O' Min. Setback required. Except 30 Min required when abutting townhouses, zero-lot lines, and existing single family residential and an alley or service road is not existing or proposed. Structure of Parking See Notes for idditional details.

#### NOTES:

- LAt grade
- 2. Except 30' minimum when abutting townhouse, zero lot lines and existing single family residential and an alley or service road is not existing or proposed., unless full block consolidation or at least 80% block consolidation is attained.

#### **OPEN SPACE STANDARDS:**

All multi-family residential, live-work units and mixed use developments with residential dwellings shall reserve a minimum of 10% of the site for common, private open space.



# **FINAL PROPOSAL**

In conclusion, after several months of discussion and with a mixed-use project submittal on the horizon, this is a Staff initiated application for two text amendments that are required in order to encourage and allow market-feasible development along the US-1 corridor. While

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# **PLANNING & ZONING BOARD**

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Staff has been working with one developer in particular, normally this occurs when newly developed land development regulations are put to the test within existing market conditions.

# **FOR REFERENCE ONLY:**







Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

# FROM PREVIOUS STAFF REPORT:

Given Staff's working relationship with several individuals associated with the redevelopment area adjacent to our Marina, based on their expertise and experience, Staff requested that they (the property owner and developer's team) prepare justifications related to why this text amendment is required. This is important since typically, developers face similar challenges and we want to ensure that the land development regulations encourage feasible and successful site development, not only within the imminent land area adjacent to our Marina, but elsewhere within the Federal Highway Mixed-Use District Overlay (FHMUDO). Naturally, Code provisions should always benefit the community as well and be geared towards the public's health, safety and general welfare therefore, in addition to the extensive public benefit a large mixed-use project will bring to the community as it relates to the ability to introduce increased services (at a minimum), additional requirements are also being folded into the text amendment per the proposal hereinabove. In requesting the justifications from the developer, Staff received the following information:

(While the following justification is project specific, it is extremely important and relevant not only for this "imminent" project, but also for the future redevelopment viability of the entire corridor. All projects are subject to their individual public hearing process therefore, there will be ample opportunity to review and comment on any site plan specific details that are presented in the future)

# START OF ZABIK & ASSOCIATES (AGENT FOR NAUTILUS 211) JUSTIFICATION

NOTE: The following information is from Zabik & Associates (verbatim) and some responses are repetitive:

# 1. PROJECT FEASIBILITY (if the text amendment were not enacted)

If the text amendment is not adopted, the Nautilus 211 project is not feasible. The risks associated with a \$350 million project require that the development team have full



#### **TOWN LAKE OF PARK**

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confidence in governmental approvals. The Nautilus 211 project will be developed based on one of the underlying assumptions in the new Lake Park code. That assumption being the ability to consolidate a full block, or the better part a block, in order to successfully develop a project that makes the most economical sense. Full review of the original design plan for the Nautilus 211 project found that it would not be feasible to build without acquisition of the condominium lot as the original configuration would be limited to parcels along the western side of the block. The one developer-owned parcel on the eastern side of the block would not support the proposed development due to code-required setbacks and restrictions. Due to this reason, the development team acquired the condominium parcel located at the northeast corner of the block further pursuing the Vision Lake Park goal of block consolidation and re-development.

The proposed configuration is designed to maximize the development potential currently allowed by code. This design could be considered inconsistent with some provisions of the Lake Park zoning code. The proposed text amendment provides an umbrella clarification to allow the development to move forward. The proposed text amendment provides clear language as to developer requirements for contributions to Lake Park. The proposed text amendment also provides clear guidance as to overall building height and numbers of stories.

This text amendment only has an upside for the Town of Lake Park. It clearly defines the public benefit and reduces any risk to the Town of Lake Park due to a public challenge. The clarification in this text Amendment allows the approval of Nautilus 211 to be the standard by which all projects will be judged. It sets a precedent that defines the public benefits for the Town of Lake Park. In addition, it clarifies the requirements for active use liners, retail and commercial space.





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# 2. MARKET NEEDS (requiring the text amendment specifically)

The development will not be feasible without the adoption of the proposed text amendment. This text amendment only has an upside for the Town of Lake Park. It clearly defines the public benefit and reduces any risk to the Town of Lake Park due to a public challenge. The clarification in this text amendment allows the approval of Nautilus 211 to be the standard by which all products will be judged. It sets a precedent that is for the benefit of the Town of Lake Park. In addition, it clarifies the requirements for active use liners, retail and restaurant space.

A full summary, of the current market conditions based on two targeted specific market studies, and a third overall economic review of Palm Beach County, fully supports the development of Nautilus 211. The development of high-rise condominiums includes a significant "fixed-cost component" due to the required density and infrastructure required to support high-rise development. There are significant economies of scale as recognized by the Town of Lake Park code the Nautilus 211 project. In order to be successful, this project needs to be able to take full advantage of these economies of scale.

Analysis of the high-rise condominium market shows that for developments to be successful, there needs to be sufficient units and enough height to make them economically feasible. The lack of mid-rise condominiums in the market is a clear indication of the significant fixed costs associated with the development and construction of condominiums in today's market. Investors and lenders are looking for developments that minimize risk and have attractive rates of return. Significantly increasing the projected income from projects of this nature is directly tied to the level of quality and in the elevation of the units. The higher the unit, the better the view and thus the higher price per square foot. These higher prices per square foot are necessary to offset the significant fixed cost portions of the project.

#### **TOWN LAKE OF PARK**



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In summary, the economics of Palm Beach County, along with continued and strong population growth, support the development of additional housing. Housing at this price-point is in strong demand. A review of market analyses indicates minimal competition for this product in the north Palm Beach County area. The project site location adjacent to the Lake Park Marina offers a unique location. In all real estate the number 1 rule is: location, location, location.

# 3. PROJECT SUCCESS (if the text amendment were not enacted)

The Nautilus 211 project, as outlined above, would not be feasible without the adoption of the proposed text amendment. The economics of this project require the clarifications of this text amendment in order to proceed. The text amendment provides clear guidance with respect to the number of stories, height of the building and Town benefits.

We recognize that a project of this size requires a willing partner on the part of the local government. The Nautilus 211 team has moved forward based on the new Lake Park zoning code providing a vision for upscale development along the US1 corridor in Lake Park.

This development was conceived based on the Vision Lake Park program. While we recognize we are the "test case" for the detailed specifics of the zoning code, the proposed text amendment provides clear guidance allowing the project to move forward. The project, being the first under the new zoning code, will set a positive precedent for subsequent projects and guarantee additional public benefit. While the proposed text amendment is essential to the Nautilus 211 project, the clarification it provides will also be essential to future development to realize the goals of Vision Lake Park.

The property in which the Nautilus 211 project is located is currently underutilized. The proposed development of Nautilus 211 took into account the Town of Lake Park's new zoning code and the Town of Lake Park's requirements to develop based upon climate change and sea level increases through 2060. The substantial increase in property taxes,





Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

public parking benefit and enhancement of Lake Park amenities will be of great longterm benefit to the Town of Lake Park.

We are proposing that you move forward with the text amendment in order to prevent any third-party challenges that could jeopardize future Town developments or the Town's code.

**4.** Renderings Illustrating Potential Visual Impact (as an example only – will be treated on a case by case basis and each project will be subject to its own public hearing process).

Full size version enclosed.





EAST ELEVATION - BUILDING HEIGHT 255 FEET

EAST ELEVATION - BUILDING HEIGHT 209 FEET

# **END OF ZABIK & ASSOCIATES JUSTIFICATION**





Meeting Date: October 7, 2019

Agenda Item # PZ-19-009 (continued from August 5, 2019)

# **SUMMARY AND CONCLUSION**

The Town Manager and Community Development Staff have met on several occasions with the team representing the very first mixed-use project within the FHMUDO. development team submitted a copy of their "Assessment of Financial Viability" (enclosed). Their design team has spent months designing the site with the Town's desired vision of proposing the best and most attractive development. For the most part, their team has indicated that the recently adopted land development regulations are workable however, interior parking structures (parking garages) would need to be considered as it relates to the overall (permissible) stories and height in feet. The number of residential units proposed in a mixed use building is generally market-driven and pro-forma driven to meet a desirable return on investment that encourages a developer to move forward and ultimately renders a project successful not only for the developer, but for the final built product. A secondary text amendment is also being proposed for the interior side setback to single-family residential properties for the "Tower Building Type Design", only when the original "block consolidation" intent is met in order to limit impacts to neighboring properties. While the Town's responsibility is to focus on the built environment and the community as a whole, we have an equal responsibility to ensure our redevelopment plans and provisions are delivered in a feasible manner. Being the first development often means taking on the most risk and discovering items within the provisions that need to be amended. For these reasons, the text amendments are being proposed.

# STAFF RECOMMENDATION

APPROVAL OF THE NEW TOWN CODE SECTION 78-84 K. 3 AND AMENDMENT TO TOWN CODE SECTION 78-83, APPENDIX A, FIGURE 1 "TOWER BUILDING TYPE".





#### Memorandum

**To:** Forest Development, LLC **From:** THE CONCORD GROUP

**Date:** August 30, 2019

Re: Assessment of Financial Viability Relative to Select Programming Scenarios for the Nautilus 211

Condominium Project in Lake Park, Florida

#### BACKGROUND AND OBJECTIVE

Forest Development, LLC ("Forest Development") is refining its programming and pricing strategy for a two-tower condominium development along the intercoastal waterfront of Lake Park, Florida ("the Project"). The Project is well located at the southwest corner of Lake Shore and Cypress Drive, adjacent to the city's marina. Two development scenarios are considered for the site, each differentiated by building elevation. Scenario 1 considers the development of 271 condominiums, in two 17-story towers, each 209 feet in height. Scenario 2 plans the development of 332 units in two 23-story towers, with a building elevation of 255 feet.

In support of project financing, Forest Development required a market assessment of the financial viability of each scenario. To meet management's objective, The Concord Group ("TCG") completed the following work scope:

- 1. Visited the Project site and evaluated its marketability for the development of upscale condominium units;
- 2. Identified relevant condominium competition in the north Palm Beach County coastal marketplace, and surveyed for unit pricing, elevation and view premiums and absorption;
- 3. Recommended a pricing strategy for the Project and recommended condominium prices, including elevation and view premiums, for each development scenario;
- 4. Evaluated construction cost estimates provided by Forest Development;
- 5. Developed a cash flow model for the Project, and concluded to developer / equity return (IRR and equity multiple) for each scenario;
- 6. Based on the results of Step 5, concluded to the financial viability of each development scenario.

The following is a brief summary of our findings and conclusions generated by the market update.

#### PRICING POTENTIAL

The Project site represents a rare, water-fronting residential development opportunity in the greater Palm Beach County marketplace. The nearest "like" project to the site is the three-building Water Club highrise project located approximately four-miles to the north in North Palm Beach. Developed by Kolter, the Water Club is planned for nearly 200 units at build-out, with nearly every unit possessing unobscured, intercoastal views. TCG recommends pricing the Project units at 15% to 20% discount to North Palm Beach, owing to Water Club's superior proximity to upscale dining and entertainment options.

Base pricing (lower level units) at Water Club ranges from the mid-\$700,000s to high \$900,000s for units ranging in size from 1,600 to 2,000 square feet (note: Water Club possesses larger unit sizes, but the larger units are located on upper floors). TCG recommends base pricing in the mid- to high \$700,000s, with Scenario 2 base pricing of \$770,000 (1,895 SF unit) and Scenario 1 at \$790,000 (1,970 SF).

Typical Water Club elevation / view premiums average approximately \$30,000. Penthouse units achieve an even greater premium, with top floor premium revenue of \$250,000. Scenario 2 garners more premium revenue compared to Scenario 1 due to its higher elevation, with an additional four floors of units possessing dramatic intercoastal and ocean views.

Based on the above, TCG projects a per unit average price of \$1.055M for Scenario 1 (average premium of \$265,000 per unit, or \$535 PSF) and \$1.093M for Scenario 2 (\$577 PSF, average premium of \$323,000).

#### **DEVELOPER / EQUITY RETURN**

TCG modeled the development cash flow of each building scenario, under the following market driven assumptions:

- Vertical costs of \$375 PSF (\$300 hard cost, \$75 soft);
- Debt Financing 75% of costs, assuming 6.5% APR and 2.0% loan fee;
- Broker Commissions 3.0% of sale price;
- Sales Pace 100 sales per year.

#### Scenario 1 – 209' Option

Scenario 1 generates an IRR of 14.9% and multiple of 1.7.

#### Scenario 2 – 255' Option

Scenario 2 generates an IRR of 19.1% and multiple of 2.1.

#### **CONCLUSIONS**

Condominium development carries many risks, not limited to potential cost over-runs, construction defect litigation and downward trending market forces slowing sales pace and lowering sale prices. Active developer / equity partners and providers price these risks at a minimum 20% return (IRR) and / or 2.0 plus investment multiple. Based on these minimum threshold requirements, TCG concludes that Scenario 1 is not financeable. Scenario 1 neither achieves a 20% IRR nor 2.0+ multiple. Scenario 2 is considered financially viable, with additional elevation and view premium revenue enhancing returns, with an IRR close to 20% and a multiple in excess of 2.0.

\* \* \*

The above assignment was completed by Hunter Holliday and Michael Reynolds. Should you have any questions regarding the data or conclusions generated by the analysis, feel free to contact us at (949) 717-6450.

# TOWN OF LAKE PARK PLANNING & ZONING BOARD

Meeting Date: October 7, 2019 Agenda Item PZ-19-011

DESCRIPTION: PROPOSED AMENDMENT TO THE ZONING CODE TO

CREATE A NEW ZONING DISTRICT ENTITLED "C- 1B

NEIGHBORHOOD COMMERCIAL DISTRICT" IN

**SECTION 78-69 OF THE TOWN CODE OF ORDINANCES** 

**REQUEST:** At the request of the Planning and Zoning Board, Staff is proposing a new commercial zoning district – the "Neighborhood Commercial District". The purpose of this district is to allow small scale commercial uses that 1) serve the immediate area and 2) have minimal impacts on the adjacent residential area.

The zoning code will be amended by repealing the existing zoning code section 78-69 entitled "C-1B Business District" and creating a new section 78-69 entitled "C-1B - Neighborhood Commercial District".

STAFF REOMMENDATION: APPROVAL, WITH ANY CHANGES BY THE BOARD

# **BACKGROUND**

The proposed amendment is being brought forward in response to the Planning and Zoning Board's request to develop a "neighborhood commercial type" zoning district to apply to the parcels on Prosperity Farms Road that are currently zoned R-3 Residence. Those parcels are shown on the map in <u>Exhibit A</u>

At the August 5, 2019 Planning and Zoning Board meeting the Board did not take action on the staff initiated request to rezone the 8 lots on Prosperity Farms Road from R-3 Residence District to the C-1 Business District to bring the zoning into conformity with the adopted Land Use category of Commercial. The Board acknowledged that the current R-3 District zoning was internally inconsistent and limited in the uses allowed. However, valid concerns were raised regarding the variety and potential intensity of some of the uses in the C-1 Business District.

The Board requested that staff develop a "neighborhood commercial type" category to address the concerns raised. The consensus was to look at uses in both the R-3 and C-1 zoning districts, and select those that would be most compatible with an adjacent residential area. The Board did not want the district to be a "mixed use" district that allowed residential. Further, residential uses are not identified as permissible uses in the Commercial Land Use category.

Based on the above comments, staff has prepared draft regulations for the Board's review and comment. The current <u>78-69 C-1B Business District</u>, which is no longer used, would be repealed and replaced by the new <u>78-69 C-1B Neighborhood</u> <u>Commercial District</u>. The text of the proposed new C1-B Neighborhoods Commercial District is shown in <u>Exhibit B</u> of this report.

#### **ANALYSIS**

In creating the new district, the staff considered the following factors:

- The district, at least in the foreseeable future, would only be applicable to the section of Prosperity Farms Road which is currently zoned R-3. Therefore, the intent was not to create a new theoretical neighborhood district, but one that recognizes existing realities.
- New regulations should not create substantial nonconformities for the existing structures. Thus the overall site plans and existing setbacks were reviewed for all developed lots.
- Uses should be compatible with adjacent residential, with minimal impacts
- Regulations should limit large-scale commercial redevelopment.

A maximum lot size is of one-half acre is proposed, to prevent the major consolidation of lots which was of concern to the Board. Of the lots currently zoned R-3, the majority are 0.2480 acre, or 18,803 sq. ft. Therefore, no more than two of these could be combined for redevelopment.

Staff has proposed modifications to the rear setback regulations of the R-3, to better protect adjacent residential uses. As proposed, the rear yard setback would be increased from seven (7) feet to fifteen (15) feet. Of the eight lots currently zoned R-3, the proposed setback will cause only one lot to go from conforming to non-conforming. (Another lot, at 1605 Prosperity Farms Road is currently nonconforming, with a .5 foot rear setback.)

The proposed C-1B regulations follow this report, in <u>Exhibit B</u>. The format is set up for review purposes, and will be reformatted in final ordinance form. In order to clearly see where each use is derived from, uses are listed by their origin of R-3 or C-1. We have also added additional uses that would be appropriate. **Existing text from either R-3 or C-1 is shown in black. New text is shown in** *red italics*.

While the Board directive was to develop uses from the R-3 and C-1 districts, staff also reviewed neighborhood commercial districts from other municipalities, including Delray Beach, Jupiter, North Palm Beach, Lake Worth Beach and Palm Springs.

Following Planning and Zoning Board approval, staff will prepare an ordinance for Town Commission approval. If the new C-1B District is adopted by the Town Commission, Town staff will bring to the Board a request to rezone the Prosperity Farms Road properties to C-1B, Neighborhood Commercial, at which point all affected properties would be notified. In addition, per Board request, at that time we will send courtesy notices to the adjacent residential properties that back up to the lots as well, assuming this is still the desire of the Board. Additionally, a recommendation to this effect should be made to the Town Commission since this is above and beyond the required policy set by the Town Commission in the Town Code.

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APPROVAL, WITH ANY CHANGES PER BOARD INPUT.

# EXHIBIT A – For Reference Only – Prosperity Farms Road Parcels currently zoned R-3



# **EXHIBIT B**

# PROPOSED NEW C-1B NEIGHBORHOOD COMMERCIAL ZONING DISTRICT

# Key

Uses identified as being from either the R-3 or C-1 zoning districts.

**Red** = new text, not in either district

Subsections (3) through (7) are taken from the R-3 zoning district, and modified.

# Section 78-69 C-1B Neighborhood Commercial District

Purpose. To allow small scale commercial uses that serve the immediate area and have minimal impacts on the adjacent residential area. Uses shall be pedestrian oriented and scaled accordingly.

# Within the C-1B district the following regulations shall apply:

(1) Uses permitted: Within the C-1B district, no building, structure, land or use shall be permitted and no building shall be erected, structurally altered or enlarged, except for the following uses:

# (from C-1)

- a. Animal grooming establishments;
- b. Bakeries, the products of which are sold but are not produced on site;
- c. Personal Services such as barbershops, beauty shops, nail salons, estheticians, and beauty spas. Massage and tattoo parlors shall not be permitted;.
- d. Offices business and professional;
- e. Retail Shops;
- f. Instructional studios, including but not limited to *tutoring*, yoga, exercise, painting, photography, voice, martial arts and other similar instructional studio uses which are deemed appropriate by the Community Development Director.

# (from R-3)

- g. Nursery or kindergarten placed as special exception, below
- h. Banks;
- i. Medical or Dental clinics or offices, or lab;

#### (New proposed uses)

- j. Repair of small appliances, electronic or business equipment;
- k. Ice cream store, neighborhood café, or deli;

# (2) Uses by special exception

- a. Nursery, kindergarten or daycare'
- b. Uses similar to above permitted uses, but not explicitly listed, if so determined by the Community Development Director.to be compatible with the district and surrounding areas.
- (3) Building height limit. No building or structure shall exceed 2 stories or 30 feet in height and minimum height shall not be less than 13 feet.
- (4) Maximum lot size shall not exceed one-half ( .5 ) acre

# (5) Setback regulations

Front yard. There shall be a front yard *setback* of not less than 25 feet measured from the highway right-of-way line /property line to the front wall of the building or structure.

Side yard. There shall be a side yard *setback* of not less than ten feet, *unless abutting a residential district which shall require 15 feet.* On a corner lot, there shall be a side yard of not less than 15 feet from the property line of the intersecting street.

Rear Yard. There shall be a rear yard *setback* of not less than *seven fifteen* feet measured from the rear lot line to the rear wall of the building. *This setback shall also apply to any active outdoor uses such as playgrounds or play areas associated with the primary business.* 

# (6) Special Regulations

- a. All uses shall be operated entirely within enclosed buildings
- b. No outdoor storage allowed
- c. Hours of operation are limited to 6am to 11am.
- (7) Off-street parking. See section 78-142 for parking requirements