



Cover Memorandum/Staff Report

File #: 25-1192

Agenda Date: 10/14/2025

Item #: 7.B.

TO: Mayor and Commissioners
FROM: Anthea Gianniotis, Development Services Director
THROUGH: Terrence Moore, ICMA-CM
DATE: October 14, 2025

RESOLUTION NO. 199-25: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, GRANTING AN IN-LIEU OF PARKING FEE REQUEST FOR THE PROJECT LOCATED AT 149 NE 2ND AVENUE, AS MORE PARTICULARLY DESCRIBED HEREIN; AUTHORIZING THE CITY MANAGER TO TAKE ANY AND ALL ACTIONS NECESSARY TO EFFECTUATE THE INTENT OF THIS RESOLUTION; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES. (QUASI-JUDICIAL HEARING)

Recommended Action:

Review and consider Resolution No. 199-25, an in-lieu of parking fee request in the amount of \$300,000 for 10 of the 11 required parking spaces associated with the development located at 149 NE 2nd Avenue.

Background:

On July 30, 2025, the City received a Level 1 Site Plan Application (File No. PZ-000069-2025) to convert an existing retail bay to a restaurant, Cru, located at 149 NE 2nd Avenue. The property consists of a three-bay building, approximately 4,750 square feet and currently provides five parking spaces. The proposed restaurant bay is 1,800 square feet with indoor seating for 46 and no outdoor seating. The conversion from retail to restaurant increases the required parking from four parking spaces to 11 parking spaces. The Applicant has requested for one of the existing parking spaces to be counted towards the restaurant requirement, with the remaining four existing spaces to be reserved for the other retail bays.

Pursuant to LDR Section 4.4.13(I)(3)(a)6., if the required parking is not or cannot be provided on-site or off-site, the applicant may request payment of an in-lieu of parking fee pursuant to LDR Section 4.6.9(G) for certain developments that advance City policy-driven goals.

On July 11, 2025, the applicant submitted a request for Parking In-lieu (File No. PZ-000028-2025) to satisfy the balance of 10 parking spaces.

The subject property is located within In-Lieu Area 1, where the established in-lieu fee amount is \$30,000 per space. Therefore, the total in-lieu of parking fee is \$300,000.

The City Commission must determine if the request meets the standards and findings outlined below.

Findings: LDR Section 2.4.11(F)(5)

(a) Public parking options, including on-street parking, public parking lots, and public parking garages are available within 1,320 feet measured along a pedestrian route to the building entrance. Parking with utilization rates higher than 80% in the 12 months preceding the request is not considered to be available. Historic properties, as defined in Section 4.6.9(G)(2)(b) are exempt from this finding.

(b) The in-lieu of parking fee request supports at least one of the following City policy driven goals:

1. Preservation of a historic structure by allowing its use, adaptive reuse, or expansion while maintaining the character of the property or historic district by avoiding excessive use of historic properties for parking; or
2. Investment in the West Atlantic Neighborhood Sub-district consistent with the West Atlantic Master Plan; or
3. Adaptive reuse or expansion of an existing building resulting in a building not more than a total of two stories in height.

(c) The in-lieu of parking fee request does not facilitate development that will demolish the following types of structures with Central Business (CBD) District or Old School Square Historic Arts District (OSSHAD) zoning:

1. An individually designated or contributing historic structure in a historic district;
2. A non-contributing structure that is at least 35 years old in a historic district, unless the Historic Preservation Board makes a finding the building should not be reclassified to contributing; or
3. Any structure that has been identified for potential designation through a resource survey

The proposal is consistent with LDR Section 2.4.11(F)(5)(b)3. as it is an adaptive reuse of an existing building that is only one story in height. The building placement and use is consistent with the Downtown Master Plan by supporting an active, walkable mixed-use environment and advancing policy goals of adaptive reuse of existing buildings not exceeding two stories in height.

The applicant's justification statement indicates the property is within walking distance of multiple public parking options, including the Arts Garage and Banker's Row Parking lot. City data from the previous season is attached and indicates availability in the garage. The impact of the new employee parking permit on the supply of parking in the Arts Garage is not yet known; however, it is important to note the request is for 10 spaces. The Bankers Lot typical occupancy averages 5-12 vehicles, rarely exceeding 15, even during weekends. Utilization trends follow the same seasonal increase seen in February and March, but the lot never approaches full capacity. Overall, it remains consistently underutilized, with surplus to available. Additionally, City Hall's parking lot is approximately 1,360 feet from the property, just beyond the five-minute walk limit, and largely available in the evening and weekend hours.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source/Financial Impact:

N/A

Timing of Request:

Approval of the In Lieu of Parking fee request is required prior to the review of the Level 1 Site Plan.