



# DEVELOPMENT SERVICES

BUILDING | HISTORIC PRESERVATION | PLANNING & ZONING

## PLANNING AND ZONING BOARD STAFF REPORT

### Sundy Village

<b>Meeting</b>	<b>File No.</b>	<b>Application Type</b>
July 20, 2026	PZ-000492-2026	Conditional Use (Outdoor Dining at Night)
<b>Applicant</b>	<b>Owner</b>	<b>Authorized Agent</b>
Covelli Design Associates	Sundy Village West, LLC	Mike Covelli, Covelli Design Associates

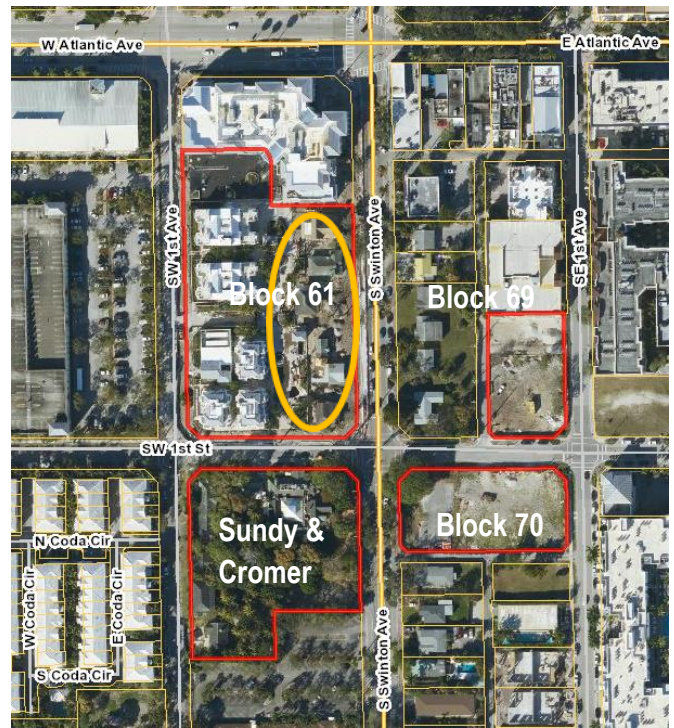
### Request

Consideration of a Conditional Use request to allow outdoor dining at night associated with five restaurants within the five existing historic structures along South Swinton Avenue (Block 61) of Sundy Village, Old School Square Historic District.

### Background Information

The subject property is known as Sundy Village, which is a unified development project containing 6.9 acres and spans four city blocks. The site includes all of Block 61, portions of Blocks 69 and 70, and a portion of the Sundy and Cromer block. The site is zoned Old School Square Historic Arts District (OSSHAD) and is located within the locally and nationally designated Old School Square Historic Districts and the Sundy House is also individually listed to the National Register of Historic Places. There are seven contributing structures within Block 61, four contributing structures within Block 70, and a contributing structure and accessory building within Block 69.

The portion of the approved Sundy Village project that fronts on West Atlantic Avenue and the parcels that front on SE 1st Avenue are subject to the development standards of the Central Business District (CBD), also commonly referred to as the "CBD Overlay." In addition to the OSSHAD uses, properties located within the CBD Overlay are also eligible to establish those uses allowed as principal or accessory within the CBD, which supports the lively traditional downtown environment of OSSHAD. The OSSHAD zoning district allows "outdoor dining areas which are accessory or supplemental to a restaurant or business use, provided the operation of the outdoor dining area is limited to daylight hours." However, "outdoor dining which operates at night, or which is the principal use or purpose of the associated restaurant" require conditional use approval, pursuant to LDR Section 4.4.24(D)(1), Old School Square Historic Arts District: Conditional uses and structures allowed.

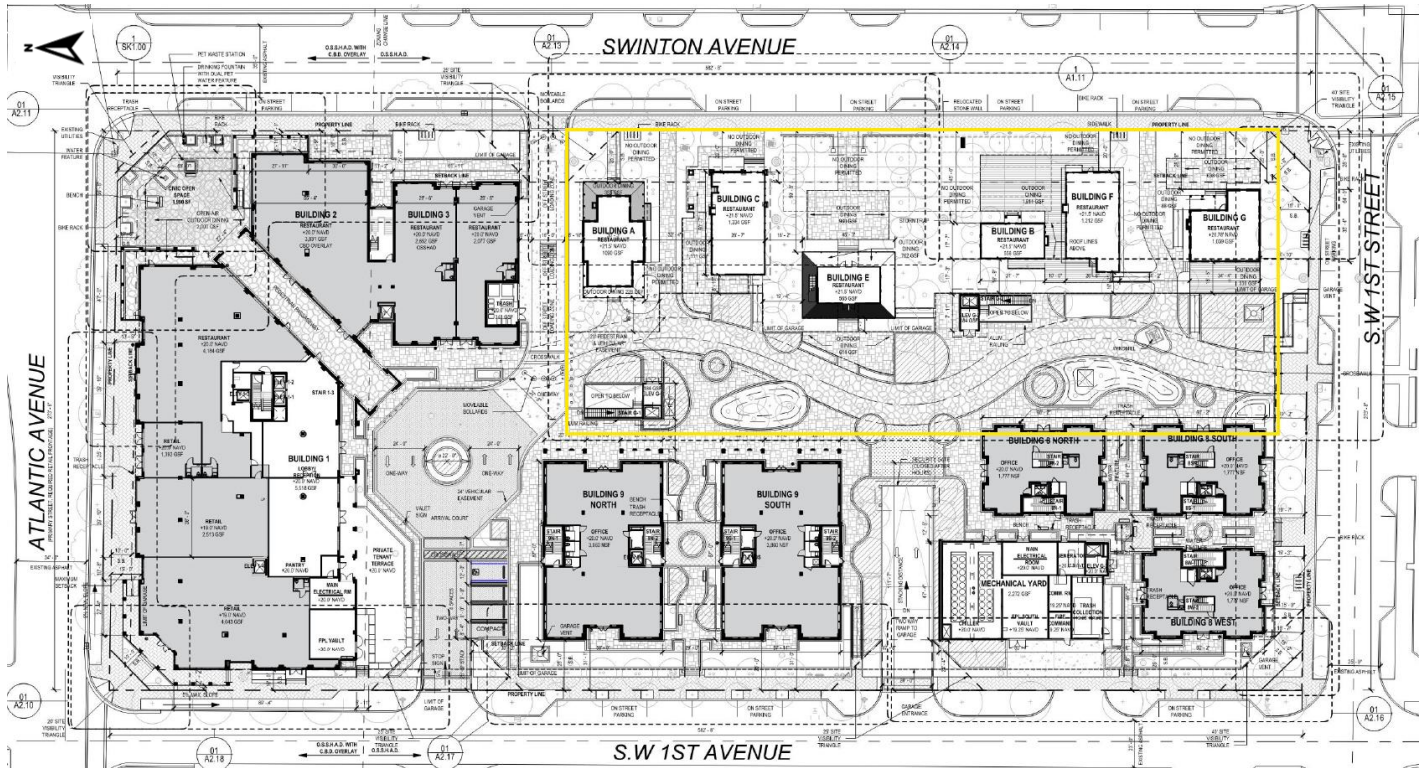


The subject conditional use request is associated with an approved mixed-use development containing commercial uses (fully project history attached). As new tenants begin to occupy the Sundy Village site, additional modifications have been necessary and may be forthcoming, in order to accommodate the new businesses. A Conditional Use request for outdoor dining at night has already been approved by the City Commission for restaurants fronting West Atlantic Avenue within Buildings 1 and 2 (Barcelona Wine Bar and Double Knot) at its February 8, 2022 meeting. The subject request is for the area encircled in yellow on the image above, and additional details are provided in the project description below.

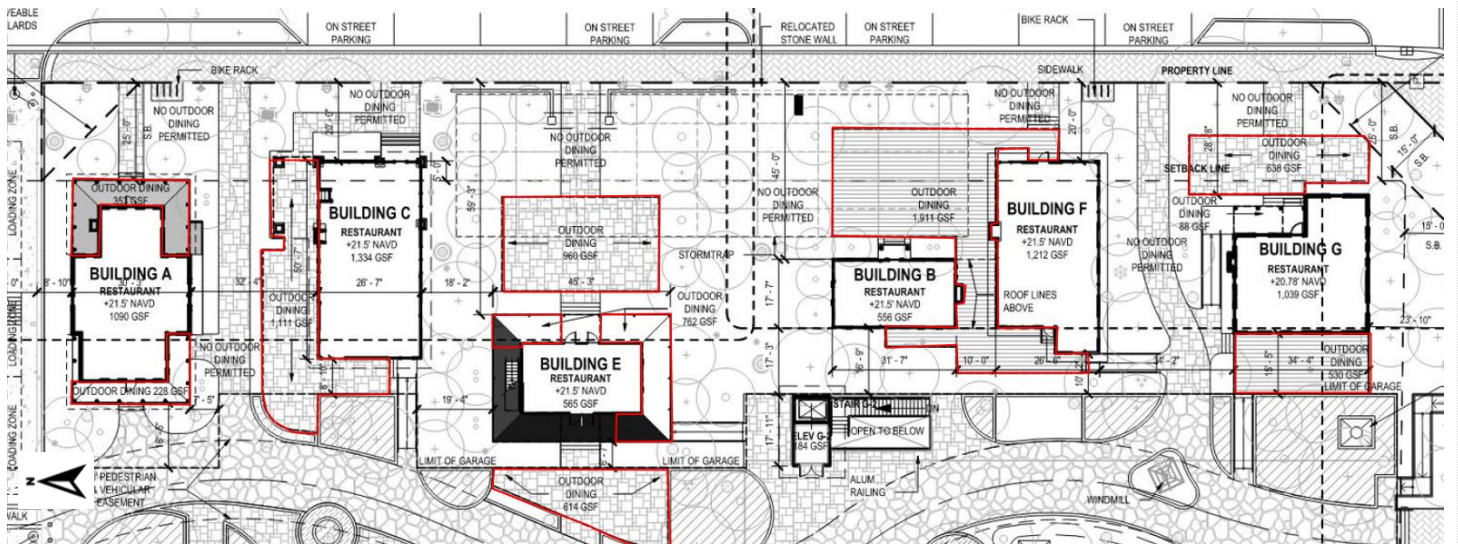
The subject conditional use request is associated with an approved mixed-use development containing commercial uses (fully project history attached). As new tenants begin to occupy the Sundy Village site, additional modifications have been necessary and may be forthcoming, in order to accommodate the new businesses. A Conditional Use request for outdoor dining at night has already been approved by the City Commission for restaurants fronting West Atlantic Avenue within Buildings 1 and 2 (Barcelona Wine Bar and Double Knot) at its February 8, 2022 meeting. The subject request is for the area encircled in yellow on the image above, and additional details are provided in the project description below.

**Project Description**

The applicant, Sundry Village West, LLC., is requesting approval for **outdoor dining until 12:00 a.m.** for the five existing historic structures with approved restaurant uses, fronting South Swinton Avenue within Block 61 of the Sundry Village project (outlined in yellow below). If the request is approved, **the approval will allow the outdoor dining areas to operate after daylight hours.**



The existing outdoor dining space, which was part of the approved site plan, equals a total of 7,195 square feet. The proposed outdoor dining at night use will be located entirely within the spaces already approved and constructed, which surround the historic buildings fronting South Swinton Avenue. The graphic and chart below show the square footage of the existing outdoor dining use areas and five historic structures associated with the request.



Historic Structure	Indoor Building Square Feet	Outdoor Dining Square Feet (Covered & Open Air)	Total Square Feet (Indoor & Outdoor)
Building A (The Rectory)	1,909 sq. ft.	581 sq. ft.	2,490 sq. ft.
Building C	1,334 sq. ft.	1,111 sq. ft.	2,445 sq. ft.
Building E (The Cathcart House)	1,143 sq. ft.	2,336 sq. ft.	3,479 sq. ft.
Buildings B & F	1,768 sq. ft.	1,911 sq. ft.	3,679 sq. ft.
Building G	1,039 sq. ft.	1,256 sq. ft.	2,295 sq. ft.
<b>TOTALS:</b>	<b>7,193 sq. ft.</b>	<b>7,195 sq. ft.</b>	<b>14,388 sq. ft.</b>

The applicant justification statement for the conditional use request is attached.

### Review and Analysis

#### LDR Section 4.4.24(E)(3), Review and approval process

*Conditional uses must be approved pursuant to Chapter 2. Prior to action by the Planning and Zoning Board, the conditional use request must be reviewed by the Historic Preservation Board with a recommendation forwarded to the Planning and Zoning Board.*

At its meeting of July 1, 2026, the HPB recommended approval to the Planning and Zoning Board for the subject request on a vote of 7 to 0.

#### LDR Section 2.4.6(A)(1), Establishment of a Conditional Use: Rule

*The City Commission, by motion, after review and recommendation for approval by the Planning and Zoning Board may approve or reject a request for a conditional use.*

A recommendation of approval by the Planning and Zoning Board is required for the item to be considered by the City Commission. Conditional use requests that do not receive a recommendation of approval by the Planning and Zoning Board do not move forward to the City Commission for consideration.

#### LDR Section 2.4.6(A)(4), Conditions may be imposed pursuant to Article 2.2.

*Limitations on the hours of operation and/or the longevity of the use may be imposed.*

The restaurant uses and associated outdoor dining areas are proposed to operate until 12:00 a.m., the applicant is not proposing a late-night or 24-hour business at this time.

#### Article 2.2, LDR Section 2.2.1(E)(3)

(3) **Approval with conditions.** *In granting approval to any development application, the granting body may impose conditions it deems necessary to ensure:*

- (a) *The compatibility of the use with nearby existing and proposed uses.*
- (b) *Consistency with the requirements of these Land Development Regulations.*
- (c) *Meeting concurrency requirements.*
- (d) *Consistency with the Comprehensive Plan.*
- (e) *The fulfillment of requirements of the Land Development Regulations that should have or could have been fulfilled prior to the approval action but were not due to conditions beyond the control of the applicant.*
- (f) *The fulfillment of requirements of the Land Development Regulations that could have been fulfilled prior to the approval action, but remain outstanding, providing that they will be completed in a later stage of processing.*

- (g) *Notwithstanding the provisions above, neither a final subdivision plat, nor an abandonment of a right-of-way or an easement shall be approved subject to conditions.*

The ability to impose conditions can be considered by the Board relative to the required findings, which are discussed below.

**LDR Section 2.4.6 (A)(5), Establishment of a Conditional Use: Findings**

*In addition to provisions of Chapter 3, the City Commission must make findings that establishing the conditional use will not:*

- a) Have a significantly detrimental effect upon the stability of the neighborhood within which it will be located;*
- b) Hinder development or redevelopment of nearby properties.*

While the overall site encompasses properties across four blocks south of East and West Atlantic Avenue, the outdoor dining component is situated on the east side of Block 61 of the Sundy Village project and face S. Swinton Avenue. Immediately north and west of the subject historic structures and outdoor dining areas are commercial uses within the boundary of the project site such as retail, restaurant, and office. The larger new construction buildings, (known as Buildings 1, 2, and 3), are located within OSSHAD zoning with CBD Overlay. The five historic/contributing structures are located within and adjacent to OSSHAD zoned properties. To the north of the overall project site is the former Doc's restaurant and Dunkin' Donuts property, and to the east is Bull Bar (stand-alone bar), Tennis, Inc. (retail), and Jimmy's Bistro (restaurant). The Delray Beach Public Library and associated parking lot, zoned Community Facilities (CF) exist to the west. The Coda Townhomes are within the immediate vicinity, southwest of the Sundy Village site, at the intersection of SW 1<sup>st</sup> Avenue and SW 1<sup>st</sup> Street.

The existing outdoor dining areas are surrounded by and immediately abutting non-residential uses along the downtown corridor of South Swinton Avenue. It is noted that the 3-story new construction portion of the Sundy Village site (known as Buildings 1, 2, and 3), which is directly north of the historic structures were approved for 2,000 sq. ft. of outdoor dining at night with a previous Conditional Use request. Those outdoor dining areas are immediately adjacent to the Atlantic Avenue and Swinton Avenue intersection. Additionally, there is also outdoor dining provided at the restaurant within the Sundy House portion of the project in Block 62 to the south, however the restaurant is not in operation.

With regard to neighboring properties, the dining area associated with the former Doc's restaurant (across the Atlantic Avenue to the north), was historically and exclusively situated outdoors (no indoor dining) and existed at this intersection for 70 years. On September 19, 2022, the historic restaurant was approved for outdoor dining at night located within the existing outdoor area. Previously, Nature's Way Café and later Subculture Coffee also contained outdoor dining components (sidewalk café) on the subject property along West Atlantic Avenue. The location of the existing outdoor dining areas for the historic structures are expected to assist in bringing additional nighttime activity west of Swinton Avenue and south of Atlantic Avenue, areas that have generally not been active nighttime use areas for many years. Nighttime outdoor dining could be considered beneficial for activating the central downtown core and the West Atlantic Avenue Neighborhoods.

The Board must consider if the nighttime dining request for the existing outdoor dining areas will have a significantly detrimental effect upon the stability of the neighborhood and the surrounding areas. The OSSHAD is the only mixed-use zoning district that also allows single-family residential and duplex uses, which is the likely basis for requiring conditional use approval for outdoor dining to continue operating into the nighttime hours. While the development provides a mix of uses, there are no single-family residences included in the Sundy Village development plan for Block 61.

If approved, the proposed outdoor dining at night surrounding the five historic/contributing structures within the Sundy Village site is not anticipated to hinder development nor redevelopment of nearby properties – particularly, since the subject request is related to a large-scale mixed-use redevelopment. The outdoor dining areas are situated on the east side of Block 61 which fronts S. Swinton Avenue. The outdoor dining areas are setback from the adjacent rights-of-way surrounding the historic/contributing structures, and are buffered by landscaping and planters, to which some of the structures also include hard-scaping elements such as wooden decking and porches with railings. The outdoor spaces surrounding the existing structures incorporate historic markers and plaques that convey the history of each building in a story map fashion. Continued utilization of these outdoor areas will provide visitors with increased opportunities to engage with the signage and learn about the history of the site's historic structures. Further, incorporation of outdoor dining areas will aid in activation of S. Swinton Avenue, which for decades was a dark, uninviting stretch of road due to the lack of active public uses,

vacant structures, and no walkable CBD streetscape to give shade in the daytime and proper lighting at nighttime. Utilization of the approved outdoor dining areas at night is expected to enhance the customer and pedestrian experience, allowing people to enjoy the outdoor environment surrounding the historic portion of the site for longer periods of time. The subject request is anticipated to provide a beneficial pedestrian connection of the east to west areas of South Swinton Avenue while supporting the adaptive reuse of the contributing structures. Overall, the proposal is expected to make the area accessible and attractive to visitors and businesses, further stimulating economic development of the downtown.

### **LDR Section 3.1.1, Required Findings**

*Prior to the approval of development applications, certain findings must be made in a form which is part of the official record. This may be achieved through information on the application, the staff report, or minutes. Findings shall be made by the body which has the authority to approve or deny the development application.*

**(A) Land Use Map.** *The resulting use of land or structures must be allowed in the zoning district within which the land is situated and said zoning must be consistent with the applicable land use designation as shown on the Land Use Map.*

The subject property is designated Historic Mixed Use (HMU) on the Land Use Map, and is zoned OSSHAD (and OSSHAD with CBD Overlay). The approved site plan and COA has ensured that the allowed density and maximum intensity for the HMU land use designation is in compliance. The overall Sundy Village project consists of commercial and residential-type inn uses. These uses are allowed within the OSSHAD and OSSHAD w/ CBD Overlay districts. The proposed outdoor dining at night use is permitted as a conditional use within the OSSHAD zoning district and is not in conflict with the intent of the HMU land use designation.

**(B) Concurrency.** *Concurrency as defined by Objective NDC 3.1 of the Neighborhoods, Districts, and Corridors Element of the adopted Comprehensive Plan must be met and a determination made that the public facility needs, including public schools, of the requested land use and/or development application will not exceed the ability of the City and The School District of Palm Beach County to fund and provide, or to require the provision of, needed capital improvements in order to maintain the Levels of Service Standards established in Table CIE-2, Level of Service Standards, of the Capital Improvements Element of the adopted Comprehensive Plan of the City of Delray Beach.*

The proposal's compliance with the concurrency items as they pertain to the outdoor dining spaces (regardless of the hours of operation), in relation to traffic, schools, utilities, parks, solid waste, and drainage are described below:

Traffic. A traffic study for the complete Sundy Village project was submitted with the previously approved Certificate of Appropriateness application for the overall development. The subject Conditional Use request does not trigger an update to the Traffic Performance Standards (TPS) letter from Palm Beach County. Further, given the project's location within the City's Traffic Concurrency Exception Area (TCEA) an update to the TPS letter is not required.

Schools. Not applicable. The proposed area of the site pertains to commercial use and there are no residential uses on-site that would be subject to school concurrency evaluation.

Water & Sewer. Adequate capacity is and will be available to adequately provide service this site, as determined in other applications.

Parks and Recreation Facilities. Not applicable; ark dedication requirements are not required for non-residential uses.

Solid Waste. The Solid Waste Authority has noted with the previous overall site approval that they have sufficient capacity to accommodate all development proposals through 2054.

**(C) Consistency.** *A finding of overall consistency may be made even though the action will be in conflict with some individual performance standards contained within Article 3.2, provided that the approving body specifically finds that the beneficial aspects of the proposed project (hence compliance with some standards) outweighs the negative impacts of identified points of conflict.*

### **LDR Section 3.2.1, Basis for determining consistency**

*The performance standards set forth in this Article either reflect a policy from the adopted Comprehensive Plan or a principle of good planning practice. The performance standards set forth in the following sections as well as compliance with items specifically listed*

*as required findings in appropriate portions of Section 2.4.11 shall be the basis upon which a finding of overall consistency [Section 3.1.1(C)] is to be made. However, exclusion from this Article shall not be a basis for not allowing consideration of other objectives and policies found in the adopted Comprehensive Plan in the making of a finding of overall consistency.*

The following Comprehensive Plan polices are applicable to the request:

### **Healthy Community Element**

Objective HCE 3.6.2 Design & Social Interaction: *Promote social cohesiveness by encouraging commercial developments to create spaces for social interaction and entertainment through design and place making.*

Inherently outdoor dining areas provide for spaces that encourage social interaction and cohesiveness. Further, the existing outdoor dining areas are situated on the east side of the Block 61 portion of the Sundy Village site and front South Swinton Avenue and adjacent to the pedestrian “via” that runs up the center of the block. The location of the existing outdoor dining areas contribute to an activated pedestrian frontage which provides public spaces that encourage social interaction and cohesiveness.

### **Historic Preservation Element**

Objective HPE 1.4.1 Historic Preservation Planning: *Continue to require that the Historic Preservation Board make findings that any land use or development application for a historic structure, site or within a historic district, is consistent with the provisions of the Secretary of the Interior’s Standards for Rehabilitation, the Land Development Regulations, and Delray Beach Historic Preservation Design Guidelines.*

The conditional use request requires HPB to provide a recommendation to the Planning and Zoning Board. The formal findings required for a conditional use application do not require the board to make findings that a proposal is consistent with the provisions of the Secretary of the Interior’s Standards for Rehabilitation nor the Delray Beach Historic Preservation Design Guidelines but does require a finding of consistency with the LDRs, in this case as it relates to the conditional use.

### **Neighborhood, Districts, & Corridors Element**

Objective NDC 1.1.14 Land Use Designation: *Continue to require that property be developed or redeveloped or accommodated, in a manner so that the use, intensity and density are appropriate in terms of soil, topographic, and other applicable physical considerations; encourage affordable goods and services; are complementary to and compatible with adjacent land uses; and fulfill remaining land use needs.*

The subject conditional use request is anticipated to be consistent with this comprehensive plan policy and, given the adaptive reuse of the contributing structures and associated outdoor dining areas, is anticipated to be complementary and compatible with adjacent land uses. The proposal provides for activation of the S. Swinton Avenue streetscape, which has been inactive for years.

Objective NDC 1.3.22 Mixed-Use Land Use Designations: *Use the Historic Mixed Use land use designation for properties within the Old School Square Historic District to encourage the preservation and adaptive reuse of historic structures and to maintain and enhance the historic, pedestrian scale and character, while providing for a mix of residential, commercial, and arts uses.*

The subject conditional use request further enhances the adaptive reuse of five historic structures and is anticipated to enhance the historic, pedestrian scale & character of the historic district and S. Swinton Avenue.

### **Economic Prosperity Element**

Objective ECP 1.5.2 Good Job Employers: *Continue economic investment in activities that incentivize business expansion and development that create livable wage jobs attainable by residents in low-income neighborhoods.*

The subject request is to allow the continued operation of an outdoor dining area during the nighttime hours. The continued use area has the potential to further support the provision of livable wage jobs that are attainable by residents in low-income neighborhoods, particularly those located within close proximity to the subject property.

Objective ECP 3.3.4 Employment Centers: *Continue to support efforts of commercial districts, streets and neighborhoods to improve their physical attributes by encouraging infill, adaptive reuse, redevelopment and other strategies.*

The subject conditional use request for outdoor restaurant dining at night is associated with an approved site development that consists of a large, multi-block, adaptive reuse and redevelopment project that is expected to have a beneficial impact upon the physical attributes of South Swinton Avenue and West Atlantic Avenue.

Policy ECP 6.3.2 *Encourage predictability and consistency in the City's Land Development Regulations, while also allowing for flexibility and creativity in the site development process.*

Objective ECP 6.5 Small Business Growth: *Support the growth and development of small businesses that enhance the vitality and quality of life in Delray Beach neighborhoods.*

The term *outdoor dining which operates at night* is somewhat deceptive, in that it implies a night-life environment rather than a traditional restaurant with later service hours. Because outdoor dining is *limited to daylight hours* in OSSHAD, without the conditional use approval, it is important to note that outdoor dining would have to stop at this location any time between approximately 6:00 and 9:00 PM, depending on the season of the year and sunset timing. This would create unpredictability for restauranteurs, locals, and visitors to Delray Beach. As a city that relies on the tourist economy in the winter season, to cut off a dining option potentially as early as 6:00 PM does not allow for a predictable and consistent venue to support the vitality of Delray Beach neighborhoods and the downtown.

**(D) Compliance with the LDRs.** *Whenever an item is identified elsewhere in these Land Development Regulations (LDRs), it shall specifically be addressed by the body taking final action on a land development application/request. Such items are found in Section 2.4.5 and in special regulation portions of individual zoning district regulations*

Pursuant to **LDR Section 4.4.24(F)**, *Development standards. The development standards as set forth, for the OSSHAD District, in Section 4.3.4 apply, except as modified below:*

- (1) *The following locations shall be subject to the development standards of the West Atlantic Neighborhood (WAN) area of the CBD Zone District:*
  - (a) *Lots 13—16, Block 60.*
  - (b) *Lots 1—4, Block 61.*

As the request is proposed within Lots 1-4 of Block 61, the development standards of the WAN are applicable.

**LDR Section 4.4.13(A)(3) West Atlantic Neighborhood Sub-district.**

*The West Atlantic Neighborhood Sub-district regulations are intended to be consistent with the Downtown Delray Beach Master Plan and the West Atlantic Master Plan. The emphasis of these regulations is on the preservation and enhancement of existing neighborhoods, while promoting a pedestrian friendly commercial area along West Atlantic Avenue that contains a mix of residential, commercial, and civic functions. Businesses that are oriented toward serving the local neighborhood, as opposed to a regional area, are encouraged.*

The subject property is situated within the WAN Sub-district and the conditional use request is anticipated to promote a pedestrian friendly commercial area along South Swinton Avenue. Restaurant uses often serve the local neighborhood and community, but may also benefit the overall regional area as well.

**LDR Section 4.4.13(B)(5) West Atlantic Neighborhood Commercial Area.**

*The location of commercial uses is limited within the West Atlantic Neighborhood Sub-district to protect established residential areas from commercial intrusion.*

The subject property is located within the West Atlantic Neighborhood Sub-district and West Atlantic Commercial Area. The proposal meets the requirements of these sections as it includes the preservation and enhancement of the area and promotes a pedestrian friendly commercial district, while continuing to protect established residential areas given the location of the outdoor dining area.

**Review By Others**

The conditional use request was reviewed by the **Historic Preservation Board** at its July 1, 2026, meeting; the recommendation was an approval to the Planning and Zoning Board on a vote of 7 to 0.

Options for Board Action

- A. Move a recommendation of **approval** to the City Commission for a Conditional Use request (HP-000492-2026) to allow outdoor dining at night associated with restaurants located along South Swinton Avenue within the existing historic structures of Sundy Village on Block 61, Old School Square Historic District, by finding that the request is consistent with the Comprehensive Plan and meets the criteria set forth in the Land Development Regulations.
- B. Move a recommendation of **approval with conditions** to the City Commission for a Conditional Use request (HP-000492-2026) to allow outdoor dining at night associated with restaurants located along South Swinton Avenue within the existing historic structures of Sundy Village on Block 61, Old School Square Historic District, by finding that the request is consistent with the Comprehensive Plan and meets the criteria set forth in the Land Development Regulations.
- C. Motion to **deny** a Conditional Use request (HP-000492-2026) to allow outdoor dining at night associated with restaurants located along South Swinton Avenue within the existing historic structures of Sundy Village on Block 61, Old School Square Historic District, by finding that the request is consistent with the Comprehensive Plan and meets the criteria set forth in the Land Development Regulations.
- D. Move to **continue with direction**.

Public and Courtesy Notices

Courtesy Notices are not applicable to this request.

Public Notice was posted at the property 7 calendar days prior to the meeting.

Public Notice was mailed to property owners within a 500' radius 10 days prior to the meeting.

Public Notice was posted to the City's website 10 calendar days prior to the meeting.

Public Notice was posted in the main lobby at City Hall 10 working days prior to the meeting.

Agenda was posted at least 5 working days prior to meeting.