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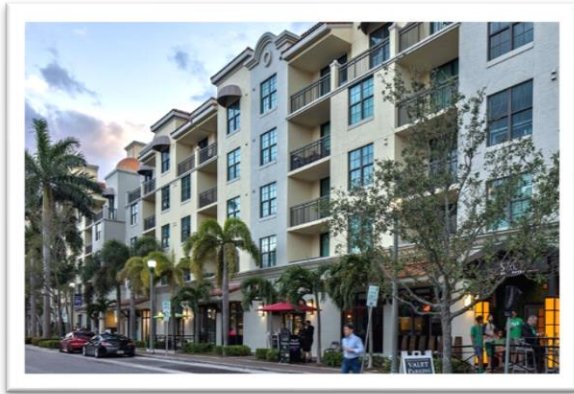
**301 SE 1st Avenue – Delray Beach
Proposed CBD-RC Text Amendment**

1st Avenue Capital 301 LLC (“Petitioner”) is the owner of the +/- 1.46 acre property located at 301 SE 1st Avenue, which is generally located at the southeast corner of SE 1st Avenue and SE 3rd Street (“Property”) in the City of Delray Beach (“City”). The Property has a land use designation of Commercial Core (“CC”) and is designated Central Business District (“CBD”) on the City’s zoning map. The Property is further located within the Railroad Corridor of the CBD (“CBD-RC”) and is more specifically located in the southern portion of the CBD-RC, which includes parcels south of SE 2nd Street. The Property is currently vacant. It is further located adjacent to the Osceola Park community, which is blighted and is in need of revitalization. Petitioner is proposing to develop the Property with an attractive new multi-family residential development with a small café and retail component (“Project”). The Project will provide a vibrant and sustainable use for the Property that will support the existing uses within this particular area of the City that is in need of revitalization.

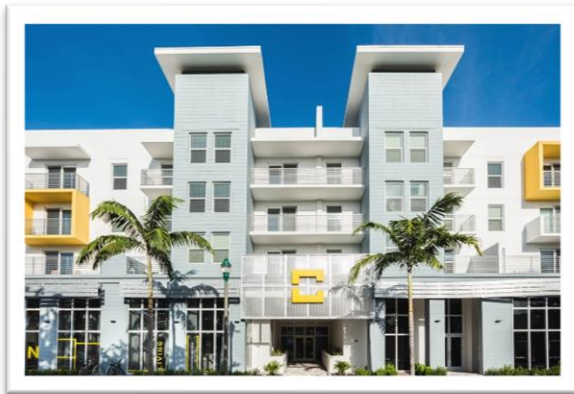
CBD-RC LDR Amendment Overview: In order to develop the Project, Petitioner is requesting a text amendment to the City’s Land Development Regulations (“LDRs”). More specifically, Petitioner is proposing to amend the LDRs in order to allow for an increase in height from four (4) floors and fifty four (54) feet to five (5) floors and fifty four (54) feet. Although an extra story is being proposed, the overall height of the permitted structures will not change, and will remain at fifty four (54) feet. Petitioner is also proposing to increase the permitted density within this subdistrict area from a maximum of thirty (30) dwelling units per acre to a maximum of seventy (70) dwelling units per acre through the provision of Workforce Housing. In accordance Section 4.4.13(H), in order to qualify for an increase in density above the base density of thirty (30) dwelling units per acre, a project will need to include workforce housing units equal to at least 20 percent of the bonus density being requested. Although the current provisions allow the applicant to provide such workforce housing units at either the low or moderate income levels, the proposed LDR amendment would require a project to provide an equal distribution of workforce housing units within the very low, low and moderate income categories for projects within the southern portion of the CBD-RC district. Lastly, as parking is a commodity within the CBD, Petitioner is proposing to expand the use of automated parking lifts to the entire CBD-RC district, rather than just those parcels located north of NE 2nd Street where such lifts are currently permitted.

Similar Existing Developments within the CBD: Several developments in the City have already been developed within the City at significantly higher densities than what the LDRs currently allow. Ordinance No. 20-15 was adopted by the City Commission in February 2015, which provided a complete rewrite of the LDRs applicable to the CBD. Prior to the adoption of Ordinance No. 20-15, certain properties within the CBD were permitted to seek an increase in height from forty eight (48) feet to sixty (60) feet through a conditional use approval process. Similarly, subject parcels were able to seek an increase in density from the base density of thirty (30) dwelling units per acre to up to one hundred (100) dwelling units per acre through a conditional use approval. As such, multiple projects within the CBD were developed at heights and densities above those which are permitted today. Examples include Worthing Place, The Strand, and SOFA.

Worthing Place – 90 du/acre, 5 stories, 60' in height



Caspian (formerly Uptown Delray) – 78 du/acre, 4-5 stories, 48' in height



SOFA Building 1: 62.2 du/acre; 48' in height



SOFA Building 2: 65 du/ac; 4 stories, 48' in height



111 First Delray: 67.6 du/ac; 5 stories, 48' in height



These projects have proven successful for the community and have helped to stabilize and revitalize previously overlooked and blighted areas within the community. There is a demand for additional housing of this type within the CBD. The CBD-RC is the most appropriate corridor for these higher density areas as it is outside of the Commercial Core and Atlantic Avenue Limited Height area, and includes a large number of parcels that face the Federal East Coast (FEC) railroad track, making it unappealing for lower density residential development.

Consistency with Always Delray 2020 Comprehensive Plan

LDR Section 2.4.5(M)(5) requires the City Commission to make a finding that “the text amendment is consistent with the Comprehensive Plan”. In January 2020, the City Commission adopted the Always Delray 2020 Comprehensive Plan, replacing the previous comprehensive plan under which many of the

above referenced projects were developed. While an increase in density through a conditional use approval process was previously removed from the City's LDRs, the Always Delray 2020 Comprehensive Plan still recognizes the value of density within the downtown commercial core and Table NDC-1 specifically allows for an increase from the base density of thirty (30) dwelling units per acre to up to one hundred (100) dwelling units per acre in the Commercial Core through a revitalization incentive. The corresponding revitalization incentive created by the City to implement increases in density through the LDRs is the residential incentive program contained within LDR Section 4.4.13(H), requiring twenty percent (20%) of the bonus units to be workforce housing units at the low or moderate income levels. As previously noted, Petitioner is proposing to include parcels within the CBD-RC district, south of SE 2nd Avenue, within the parcels that qualify for added density by use of this program. Further, Petitioner is proposing this subdistrict be required to provide an equal distribution of housing for very low, low and moderate income levels to better address the workforce housing needs within the City.

In addition, the Housing Element of the Always Delray 2020 Comprehensive Plan states "[a] wide range of high-quality housing is one of the most integral components for any City to thrive" and that "providing quality affordable housing opportunities for existing and new residents at all income levels will be of primary importance for the City of Delray Beach in fulfilling its goals regarding community and quality of life". It further states that "[s]imilar to the national trend, the average number of persons per household in Delray has declined" and that "a decline average household size creates a greater demand for additional housing units than a larger household size, as more units are needed to absorb population growth". It further states that "Delray Beach is 98% developed with few remaining large parcels available for residential development" and that "an estimated 5,471 additional housing units will be needed to accommodate the anticipated population growth". The Housing Element recognizes the potential of underutilized parcels such as the Property to meet such housing needs, stating "[p]otential options to expand the housing supply include redevelopment of underutilized parcels where the potential to obtain higher densities exist" and that "[h]igher density developments will be most beneficial to its residents and the City when located near job centers, commuter rail services, and existing and planned transit corridors". As previously noted, the CBD-RC subdistrict is located in close proximity to the downtown core, which is the City's primary job center, and also in close proximity to Federal Highway and Atlantic Avenue, which offers a variety of transportation options. The Housing Element further encourages the use of incentives for increased density, stating "[b]y offering incentives... Delray Beach can encourage superior projects that deliver numerous community benefits. These benefits can include affordable housing, great design that beautifies our City and creates lively public places". Each of these benefits will be seen as a result of the LDR Amendment, as it will allow for redevelopment of a vacant parcel that is adjacent to a blighted community. The Project will not only include affordable housing at a variety of income levels, but it will help beautify the City in an area that is struggling and in need of revitalization, and add an active use that will improve security in the area. Finally, the Housing Element states that "[d]ensity bonuses, expedited processing, fee waivers, and parking reductions are the most common [methods] to meet affordable housing requirements by the private sector." As such, density bonuses, such as that proposed by the LDR amendment, are encouraged through the Always Delray 2020 Comprehensive Plan. The list of goals and recommendations in the Housing Element also speaks to maintaining adequate sites for affordable housing to all residents by continuing and expanding the Workforce Housing Program and affordable housing initiatives and the promotion of higher density detached and attached housing with usable private yard space, which would be offered as a result of the Project.

In addition to the above, the Proposed LDR amendment is consistent with the following objectives and policies of the Always Delray 2020 Comprehensive Plan:

Housing Element

- *Policy HOU 1.1.4: Encourage walking, bicycling and transit use to benefit people of all ages, as a means to encourage social interaction and provide a sense of place in new developments and neighborhood improvements.* The LDR amendment will allow for the creation of additional residential units in close proximity to the downtown/Atlantic Avenue core which will encourage residents of all ages to walk or bicycle to the nearby commercial, restaurant and cultural uses in lieu of using their cars. The Project also proposes open areas along the street frontage that will provide a sense of place. Development of vacant parcels within this district will further help remove blight and create a safer environment for the neighboring Osceola Park community by redeveloping a vacant lot with a vibrant and active new use.
- *Objective HOU 3.2 Expansion of the Housing Supply: Expand the housing supply by allowing different unit types in a variety of locations for all income levels.* The proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units.
- *Policy HOU 3.2.1: Allow a variety of housing types to reflect the needs of all household types, including both rental and ownership opportunities for single people, couples, families, seniors, persons with disabilities, and multi-generational families.* The LDR amendment will allow for additional housing types along the underutilized railroad corridor. The proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units, allowing for new housing opportunities to a variety of individuals.
- *Policy HOU 3.2.2: Establish and regularly reassess criteria for requiring workforce housing units in new development (either on-site or through participation in a housing program) based upon proposed development density, intensity and size.* The proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units.
- *Policy HOU 6.1.2: Encourage income diversity by requiring a mix of unit types in new development.* As noted above, the proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units.

- *Policy HOU 6.1.3: Promote mixed income development in areas with access to amenities including parks, recreational and cultural facilities, transit services, employment centers and healthcare services.* As noted above, the proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density in an area of the City that is in close proximity to parks, cultural facilities, transit services and the downtown core. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units.
- *Policy HOU 6.1.4: Implement incentives in the Land Development Regulations, such as increases in density, to establish workforce housing units within targeted areas.* As noted above, the proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units. The proposed inclusion of the CBD-RC in the residential incentive program will help enhance a targeted area that has long been in need of revitalization.
- *Policy HOU 6.4.10: Encourage a shared responsibility for the private sector to address workforce housing needs by offering incentives.* As noted above, the proposed LDR amendment allows for additional density through the inclusion of a minimum 20% workforce housing units for the bonus density. The proposed amendment requires those projects utilizing the residential incentive for bonus density within the CBD-RC provide for an equal distribution of very low, low and moderate workforce housing units.

Mobility Element

- *Goal MBL 3: Accommodate future growth through projects that maintain and enhance the City's mobility system, directed toward enhancing walkability, accessibility and quality of life.* The CBD-RC district is located in close proximity to the downtown core which allows future residents to access restaurants, retail services and other commercial uses without having to travel in their vehicles.
- *Objective MBL 3.1: Improve mobility options by increasing connections among multiple transportation modes in the downtown area, nodes of higher density along major corridors, transportation hubs, transit-oriented developments, urban redevelopment and infill, and in suburban redevelopment to support the mobility system.* Again, the CBD-RC district is located in close proximity to the downtown core and the Federal Highway corridor, which allows future residents to access restaurants, retail services and other commercial uses without having to travel in their vehicles.
- *Objective MBL 3.2 Vehicular Dependency: Take measures to reduce the number of vehicular trips, reduce trip length, and reduce vehicle miles travelled through interconnectivity principles and through Transportation Demand Management principles.* The close proximity of the CBD-RC subdistrict to the downtown core and Federal Highway corridor provides amenities accessible to future residents without additional vehicle trips.

Neighborhoods, Districts & Corridors Element

- *Goal NDC 1 Neighborhoods, districts and corridors: Enhance the quality and character of the City's neighborhoods, districts and corridors to continue to provide a sustainable community in which to live, work, play and grow.* The proposed LDR Amendment will allow for revitalization of a blighted area in significant need. It will help enhance the quality and character of the Osceola Park community.
- *Policy NDC 1.1.7: ...Standards in the Land Development Regulations, including those guiding compatibility and transitions, such as setbacks, height limitations, open space criteria, etc. may limit the actual density achievable on a specific site.* As a result of must discussion with city officials, staff and residents, Petitioner has revised the proposed LDR amendment to decrease overall density from the maximum one hundred (100) dwelling units per acre permitted under the Always Delray 2020 Comprehensive Plan, to a more reasonable density that would meet the height, setback and open space criteria detailed within the City's LDRs. Although Petitioner is proposing an increase to the permitted number of stories, the overall height and massing of a proposed structure would still need to comply with the existing requirements of the LDRs and would not be impacted as a result of the proposed text amendment. Further, open space requirements and other development standards contained within the LDRs will not change as a result of this application.
- *Policy NDC 1.1.2: Provide a complementary mix of land uses, including residential, office, commercial, industrial, recreational, and community facilities, with design characteristics that provide: similar uses, intensity, height, and development patterns facing each other, especially in residential neighborhoods; uses that meet the daily needs of residents; public open spaces that are safe and attractive.* It is evident that the City's is experiencing a housing shortage, especially when it comes to affordable housing at various income levels, as evidenced by the Housing Element of the Always Delray 2020 Comprehensive Plan. The LDR amendment will allow for much needed additional housing opportunities within the City. Further, with the inclusion of affordable housing at the very low, low and moderate income levels, the resulting projects will help meet the needs of residents of various income levels and not just those with significant incomes. The LDR amendment will allow for additional housing in an area of the City that is close to the downtown core, without overshadowing the City's "Village by the Sea" character. Instead, the addition of residential units in close proximity to the downtown core will help support those local restaurants and businesses that exist within the downtown. The higher density is proposed for an area that is adjacent to the FEC railway tracks, where low density housing is not desirable. Although there are existing single family residential units to the west, much of the area is comprised of commercial and industrial uses, with similar density multi-family development to the north. Many of those residing and owning homes within the adjacent residential community of Osceola Park have expressed their support for the text amendment and the Project, as it will help revitalize this blighted area and create a safer living environment for residents that are constantly faced with crime and other unsavory activities at their doorstep. Although the LDR proposes an increase in density and number of stories, the overall height and massing will remain consistent with existing code requirements. As such, the actual scale of a permitted structure will not change from what exists today. The additional residents and activity in this area of the City will create more eyes on the street and encourage improvements to other properties in the area.

- Policy NDC 1.1.14: 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.* It is evident that the City's is experiencing a housing shortage, especially when it comes to affordable housing at various income levels. The LDR amendment will allow for additional housing in an area of the City that is close to the downtown core, without overshadowing the City's "Village by the Sea" character. The higher density is proposed for an area that is adjacent to the FEC railway tracks, where low density housing is not desirable. Although there are existing single family residential units to the west, much of the area is comprised of commercial and industrial uses, with similar density multi-family development to the north. Many of those residing and owning homes within the adjacent residential community of Osceola Park have expressed their support for the text amendment and the Project, as it will help revitalize this blighted area and create a safer living environment for residents that are constantly faced with crime and other unsavory activities at their doorstep. Although the LDR proposes an increase in density and number of stories, the overall height and massing will remain consistent with existing code requirements. As such, the actual scale of a permitted structure will not change from what exists today. The additional residents and activity in this area of the City will create more eyes on the street and encourage improvements to other properties in the area.
- Goal NDC 2 Quality of life and urban form: Provide a high quality of life for all residents, encourage a mix of building types and uses, diverse housing and transportation options, and use meaningful community engagement to transform underutilized and blighted areas into attractive and thriving neighborhoods, districts and corridors.* The proposed LDR amendment will provide a new, high quality housing project in an area of the City that is blighted and is in desperate need of revitalization. Petitioner has worked closely with the neighboring Osceola Park community and has received the support of the community, including those individuals and property owners that are located immediately adjacent to the proposed redevelopment Project.
- Objective NDC 202. Downtown and Surrounding Neighborhoods: Protect and enhance the "Village by the Sea" character of the downtown and neighborhoods located east of I-95.* The LDR amendment will help protect and enhance the "Village by the Sea" character by helping spark revitalization of the neighboring Osceola Park community, while protecting the limited height area of the downtown core. The higher density is proposed for an area that is adjacent to the FEC railway tracks, where low density housing and new commercial uses is not desirable, as evidenced by the lack of redevelopment in this area. Although there are existing single family residential units to the west, much of the area is comprised of commercial and industrial uses, with similar density multi-family development to the north. Many of those residing and owning homes within the adjacent residential community of Osceola Park have expressed their support for the text amendment and the Project, as it will help revitalize this blighted area and create a safer living environment for residents that are constantly faced with crime and other unsavory activities a their doorstep. Although the LDR proposes an increase in density and number of stories, the overall height and massing will remain consistent with existing code requirements. As such, the actual scale of a permitted structure will not change from what exists today. The LDR amendment will also be consistent and compatible with other multi-family developments existing within the downtown core that have proven to be successful, including Worthing Place, Sofa Buildings 1 &

2, the Caspian (f/k/a Uptown Delray) and the 111 First building. The additional residents and activity in this area of the City will create more eyes on the street and encourage improvements to other properties in the area, a result that was seen by the community with the construction of the Sofa buildings.

- *Policy NDC 1.3.1: Apply mixed-use land use designations to foster development patterns that support pedestrian and bicycle activity, simulate transit ridership and create a park-like environment.* The LDR amendment will allow for increased housing in an area of the City that fosters walkability and bicycle activity as it is in close proximity to the downtown core. In addition, the Project will provide open space areas along the main street frontage to create a park-like environment.
- *Policy NDC 1.3.3: Apply the density and intensity in mixed-use land use designations to encourage adaptive re-use, development and redevelopment that advances strategic, policy driven goals, such as diverse residential housing opportunities, sustainable building practices, historic preservation, public parking, civic open space, or economic development strategies.* The proposed LDR amendment will encourage development that provides diverse residential housing opportunities through the inclusion of Workforce Housing units across multiple income levels. It will further provide an economic benefit to the City through both the temporary construction and permanent jobs that will come to the City as a result of the Project, while encouraging spending at local businesses and enhancing the City's tax base.
- *Policy NDC 1.3.5: Use the Commercial Core land use designation to stimulate the vitality and economic growth of the City while simultaneously enhancing and preserving the cultural and historic downtown area.* The proposed LDR amendment will help stimulate the vitality and economic growth of the City by bringing much needed housing to an areas of the City in need of revitalization and in close proximity to locally owned businesses and restaurants within the downtown core. As the CBD-RC South district is located several blocks south of Atlantic Blvd, the proposed increase in density will still preserve the cultural and historic downtown area.
- *Policy NDC 1.3.6: Allow maximum floor area ratio of 3.0 and a maximum density of 12 dwelling units east of the Intracoastal Waterway, and a standard density of 12-30 dwelling units per acre with a revitalization/incentive density of 30-100 dwelling units per acre for the Commercial Core land use designation; specific standard in the LDR adjust density and intensity on compatibility, scale, character, adopted Redevelopment or Neighborhood Master Plan or workforce housing incentives.* The LDR amendment is proposing to utilize a revitalization/incentive to allow up to seventy (70) dwelling units per acre through the provision of workforce housing that is equally distributed between the very low, low and moderate income levels.
- *Objective NDC 2.2 Downtown and Surrounding Neighborhoods: Protect and enhance the "Village by the Sea" character of the downtown and neighborhoods located east of I-95.* The LDR amendment will allow for increased density of similar size and scale of multi-family residential projects that currently exist within the City, but in a location several blocks south of the downtown core and along the FEC Railway that is in need of revitalization. The adjacent Osceola Park community has continued to express concerns over the safety and deterioration of their community. The proposed amendment will allow for vibrant new development projects along the Railroad corridor that will help enhance this community, remove blight and enhance its safety by activating a vacant parcel with an attractive new use.

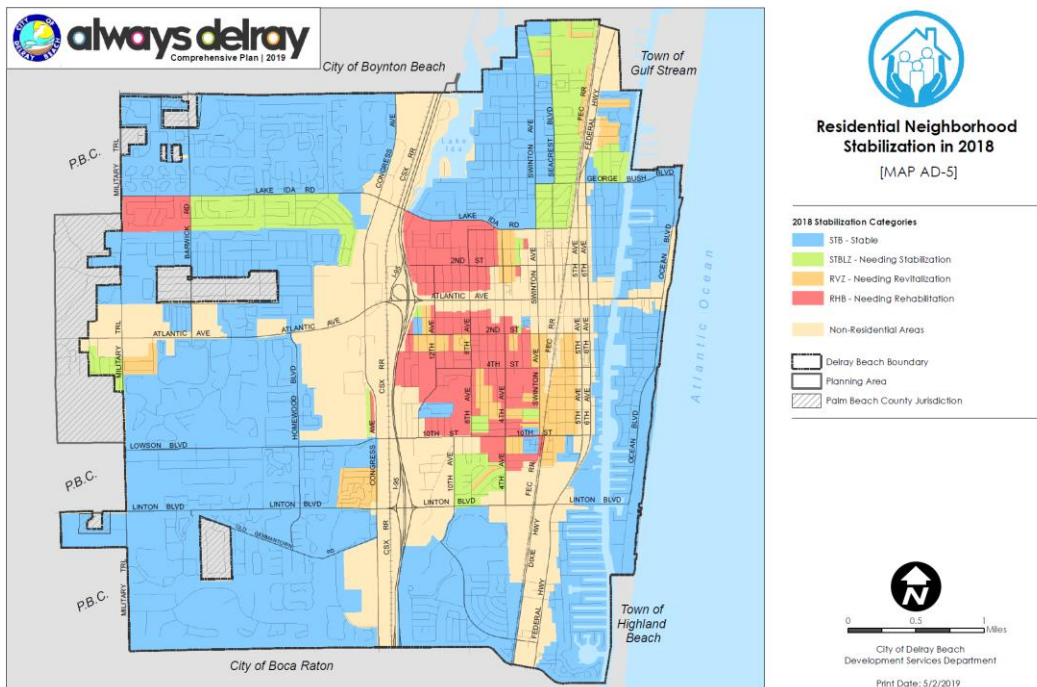
- *Policy NDC 2.2.7: Within the Commercial Core, locate and design off-street parking areas in a manner that does not detract from the character by providing standards in the LDRs, such as locating parking to the side or rear of buildings, limiting size of lots, and landscaping and façade requirements. Large fields of parking between building facades and streets are generally not desirable.* The Project proposes to incorporate structured parking into the building that will be hidden by incorporation into the building façade to create an attractive and seamless appearance between the structured parking and residential units.
- *Policy NDC 2.4.1: Establish transit-oriented development as development or redevelopment that is characterized as compact, moderate to high density and intensity, mixed-use, interconnected with surrounding land uses, bicycle and pedestrian friendly, and designed to provide easy access to transit service and a high quality of life.* The Project proposed a moderate to high density with a mix of uses in close proximity to major transportation corridors that also provide safe and pedestrian/bicycle friendly paths to the City's downtown core.
- *Policy NDC 2.4.3: Support the provision of transit-oriented workforce housing with incentives, such as increased density, smaller unit sizes, and reduced parking requirements in areas located within one-quarter mile of commuter rail stations and along main transit corridors, minimizing impacts to surrounding neighborhoods by providing compatible transitions through the application of LDRs.* The proposed LDR amendment provides for added density through the provision of workforce housing over very low, low and moderate income levels in an area that is in need of revitalization. The resulting redevelopment within the CBD-RC will have a positive impact on the neighboring Osceola Park community by removing blight and creating a safer area by redeveloping a vacant parcel with an attractive and active new use.
- *Objective NDC 2.6: Improve City Corridors – Improve the appearance and function of visually prominent or distressed corridors in Delray Beach.* The CBD-RC is located along the FEC Railway and in a distressed corridor that is in need of revitalization. The LDR amendment will encourage development of vacant and/or underutilized parcels with attractive new projects that will enhance the appearance of these corridors.
- *Policy NDC 2.6.1: Create vibrant, attractive streetscapes on commercial corridors in mixed use land use designations using standards in the LDRs that define the amount of commercial and residential uses suitable for the first story and provide hardscape, landscape and façade design criteria.* The LDR amendment will allow for redevelopment of a blighted area that is in desperate need of enhancement. Resulting development projects will help create a vibrant and attractive streetscape within this mixed-use area.
- *Policy NDC 2.6.2: Design public infrastructure improvements with appropriate materials and detailing, street trees and landscaping, streetlights, signage, furniture and sidewalks to enhance the existing or establish the desired character of the corridor and surrounding community.* The LDR amendment will encourage development of vacant parcels within an area of the City that is blighted. The resulting development projects will include new sidewalks, street streets and other landscaping that will enhance or establish the desired character of the corridor and surrounding community.
- *Policy NDC 2.6.4: Improve the appearance of Delray Beach from the FEC and CSX Railways and Interstate-95 using strategies such as, promoting public art opportunities, requiring landscaping, using the development review process to improve building facades facing the corridors and using code enforcement as needed.* The LDR amendment will allow for redevelopment along the Railway

system that will require attractive new landscaping and building facades facing the railway corridors.

- *Objective NDC 2.7 Planning of Neighborhoods, Districts and Corridors: Continue to respond to unique needs and conditions of the varied neighborhoods, districts, and corridors of Delray Beach using Neighborhood and Redevelopment Plans that determine specialized planning strategies and improvement projects to implement the vision of the plan.* The Osceola Park community has been identified as an area in desperate need of revitalization. Allowing for redevelopment of the adjacent CBD-RC south district corridor will enhance this community, improving safety by creating an active use of an otherwise vacant parcel, enhancing the appearance of corridor and encouraging revitalization and enhancement to other properties within this community.
- *Policy NDC 2.7.2: Continue to facilitate public participation through the creation of neighborhood, community and stakeholder groups to provide balanced representation and by maintaining and updating a list of stakeholder, neighborhood and homeowner association contacts to act as liaison with the City.* Petitioner has had multiple conversations with the residents of the adjacent Osceola Park community who have attended public hearings, submitted correspondence to city officials and voiced their support for the proposed LDR amendment. Based on the feedback received, it is clear the stakeholders and residents within the community that would be most impacted by the proposed LDR amendment welcome the increase in density and support the application.
- *Policy NDC 2.7.3: Prioritize the creation or update of neighborhood and redevelopment plans for neighborhoods, districts and corridors that are determined to be blighted, categorized as needing rehabilitation or in a historic district and presenting signs of deterioration or intrusion of incompatible uses or development patterns.* The Osceola Park community has been identified as an area in desperate need of revitalization on Residential Neighborhood Stabilization Map (Map AD-5) of the Always Delray 2020 Plan. Allowing for redevelopment of the adjacent CBD-RC south district corridor will enhance this community, improving safety by creating an active use of an otherwise vacant parcel, enhancing the appearance of corridor and encouraging revitalization and enhancement to other properties within this community.
- *Objective NDC 2.8 Innovative Housing Strategies: Use innovative housing planning practices to provide a wide range of housing types at price points that serve the City's diverse population.* The proposed LDR amendment includes bonus density through the provision of workforce housing, requiring projects within the CBD-RC seeking additional density to provide a minimum 20% workforce housing for the bonus units at very low, low and moderate income levels.
- *Policy NDC 2.8.3: Continue to utilize workforce housing programs and incentives, such as but not limited to, increased density and smaller lot sizes where appropriate and compatible in the LDR to encourage the provision of workforce housing in the City.* The proposed LDR amendment includes bonus density through the provision of workforce housing, requiring projects within the CBD-RC seeking additional density to provide a minimum 20% workforce housing for the bonus units at very low, low and moderate income levels.
- *Policy NDC 2.8.4: To protect the long term viability of workforce housing, include provisions in the LDRs that establish a long-term period of affordability of at least 40 years, income qualifications, maximum unit cost or rent; reassess the provisions of the LDRs within one year of the completion of new housing assessment studies.* The resulting workforce housing units will be subject to the 40 year affordability period and other requirements outlined in LDR Section 4.7.

- *Policy NDC 2.8.5: Promote the development of workforce housing units by offering incentives, such as, increased density, in specific areas identified in the LDRs. The Always Delray 2020 Comprehensive Plan specifies increased density up to 100 dwelling units per acre may be permitted within this district with revitalization/incentives. Petitioner is proposing an increase in density well under this maximum permitted density identified in the comprehensive plan through the inclusion of the zoning district in the residential incentive program requiring workforce housing.*

In addition to the goals, policies and objectives noted in the Comprehensive Plan, the Residential Neighborhood Stabilization in 2018 map (Map AD-5) of the Always Delray 2020 Comprehensive Plan notes residential neighborhoods in need of revitalization. The Osceola Park community, located immediately adjacent to the CBD-RC South sub-district has been identified as such an area needing revitalization. The CBD-RC district has been identified as non-residential area, as it is mixed-use in nature, but this too is an area that has much blight. In working with the neighboring Osceola Park community throughout this process, Petitioner has received positive feedback related to the proposed LDR amendment, as residents (including those owners of parcels immediately adjacent to the Property proposed for redevelopment) are encouraged by the addition of increased density, as they have seen positive impacts to their community from similar high density developments, including SOFA Buildings 1 and 2. These residents are seeking such redevelopment opportunities adjacent to their community as this will result in the removal of a vacant lot where unsavory, and often criminal, activity occurs and replacement with a new, vibrant and active residential community that will create more eyes on the street and eliminate much of the loitering activities. It will also security to a neglected neighborhood and create the desire to enhance overgrown or neglected lots within the community.



It is clear from the discussions and support received from residents of the Osceola Park community that they too recognize the need for revitalization of their neighborhood and support the proposed LDR amendment as a means to improve safety and spark revitalization of this community. The summary of the citizen's requests notes that residents desired

Consistency with City of Delray Beach, Downtown Delray Beach Master Plan

The Downtown Delray beach Master Plan was adopted by the City Commission on March 19, 2002. Although it may be somewhat dated, as the City has seen numerous development projects within the downtown area since its adoption, the Downtown Delray Master Plan still provides support for the added residential housing and affordable units that would result from the approval of the proposed LDR amendment. More specifically, under Residential Market Potential, the study notes that there appears to be a need for attractive, affordable housing within the study area and that, should an affordable housing development be undertaken, it should be a mixed-income development to lessen the existing divisions within the community. The Downtown Delray Master Plan recommends new residential developments provide quality products in terms of design and amenities, balancing what consumers can pay with what they want; secured convenient parking that is well designed and integrated into the community; and provide an urban experience where residents can live, work and play, and by integrating commercial uses into new housing, such as small grocery retailers or cafes. The Delray Beach Master Plan further identifies the CBD-RC as having several infill opportunities, particularly along SE 1st Avenue and SE 3rd Avenue, noting one of its challenges is that this cluster is not pedestrian friendly and that the area surrounding the railroad is currently underutilized and visually distracting. The LDR amendment will allow for further development and redevelopment opportunities within this underutilized area that has also experienced much crime and blight. By providing incentive for redevelopment of this area with the inclusion of workforce housing, not only will employees of local businesses have more affordable housing opportunities in close proximity to their place of employment, but this will also improve security by developing vacant land with active uses and encouraging enhancements to neighboring and nearby properties.

Consistency with City of Delray Beach Housing Studies

In addition to the consistency and support of the Always Delray 2020 Comprehensive Plan, the City commissioned a housing study that also supports the proposed LDR Amendment. More specifically, in 2016, Metrostudy prepared a Housing Assessment Study dated July 20, 2016, at the request of the City. The City of Delray Beach Housing Assessment Study states that “[a]s Delray Beach has become more popular, one of its biggest challenges has been new housing. Traditional large-scale residential development opportunities are extremely limited in Delray Beach, as most of the areas are significantly built out and future growth is geographically limited by City boundaries to the north, west and south, plus the Atlantic Ocean to the east”. It goes on to state that “[t]he popularity and lack of housing opportunities has driven up land costs, and therefore housing prices, particularly closer to downtown and the ocean, causing a greater disparity in income and housing values among zip codes and/or census blocks”. Further,

“[b]ased on the demographic growth and current/future housing supply, the demand for housing in Delray Beach will exceed the supply over the next 5 years. Extremely strong growth in the highest income brackets will continue to push demand for higher-end housing, raising land prices and housing prices”, making the need for more residential development, and affordable units, even more prevalent. This study recommends that creative housing solutions be implemented through the LDRs, citing innovative redevelopment of underused properties will be key, and noting rental housing will continue to play an important role and that new, safe and quality rental housing will be in demand.

In addition, Florida International University (“FIU”) prepared a Competitive Assessment Study, dated March 2019, for the City to further assess the needs of the City. The FIU study indicates a significant mismatch between the jobs located within the City, and where employed residents actually work with only 15% of employed residents actually working within the City. “[C]ontinuing this pattern, without a significant change in working locations, cannot be sustained, risks exacerbating Delray’s traffic congestion issues or negatively affecting its quality of life”. By adding new and affordable housing opportunities in close proximity to the City’s main employment center in the downtown core, additional opportunities will be created to allow employees of local businesses to reside in close proximity to their place of employment. This study further indicates “[h]igh housing prices can be one of the most significant challenges to economic growth, hurting poor families, young workers, and experienced seniors seeking to downsize. Rising housing costs may also be driving the City’s shrinking labor force participation”. This study stresses that the “[l]ocal housing market has major ramifications for the development of the City’s labor force, talent retention and talent attractions” and that “[t]he City can get ahead of this situation by aggressively pursuing an affordable housing program that delivers wider housing choices”. Again, it is clear that the City needs to expand their affordable housing program in order to provide additional housing opportunities for those working within the City. The FIU Competitive Assessment Study recommends that zoning incentives, such as density bonuses, be used as a tool offered to developers that allows for more housing units than the traditional zoning code permits, in exchange for including a certain number of affordable housing units. As such, this study strongly supports the proposed LDR amendment.

Economic & Fiscal Impacts

The proposed LDR amendment will allow for development of the vacant Property with one hundred (100) new residential dwelling units. Based on the Economic & Fiscal Impact study prepared by PFM Group Consulting LLC for the proposed development Project, the amendment will have significant positive benefits to the City. A copy of this study is included for reference. The study concludes the following:

- The construction phase of the Project will be a significant economic engine. With \$19.8 million spent locally, the economic impacts of the construction results in 290 jobs with total wages of \$16.4 million. The total economic output from the construction of the apartments is projected to be \$28.7 million.
- Household spending from the Project will result in \$7.1 million in total economic output each year for the local economy. These economic, or multiplier effects are the total goods and services produced resulting from the spending by these households on local purchases of goods and services. The household spending and retail development will also support 50 permanent local

jobs with wages of \$2.3 million per year. New spending may generate demand for additional retail, restaurants and services within the local area.

- The Project will have an estimated taxable value of \$27.9 million after buildout and will generate approximately \$191,000 in operating and debt ad valorem revenue for the City, based upon the current operating millage rates.
- The residents of the Project will generate additional revenues for and expenditures from the City. The Project is forecast to have a positive net fiscal impact on the City's operating budget each year of \$89,590.

Further Support for Increase in Maximum Allowed Density in the CBD-RC (for parcels south of SE 2nd Street)

As population rates continue to grow, American cities must find ways to keep up with the increasing demand for space. Over the last few decades, development trends favored low-density, subdivision development, which contributed to the widening area of urban sprawl across the country.¹ This widespread development has contributed to the dwindling of natural areas and is a key contributing factor to environmental concerns such as greenhouse gases, smog, and air and water pollution.² Widespread low-density development has also created a heavy reliance on personal vehicles. More personal vehicles on the road have contributed to transportation concerns such as increasingly long commutes and traffic congestion.³ A potential solution is to integrate well-designed, higher-density developments into existing communities. These higher density developments help address the growing need for housing, while also stimulating the local economy with new restaurant and commercial uses.⁴ Factors to consider include infrastructure demands, economic growth, community impacts, public transit and environmental impacts. The following will demonstrate support for amending the existing density maximums in the CBD-RC to encourage higher density development.

Infrastructure

A massive network of public infrastructure is needed to support sprawling development. Low-density building requirements drive cities to grow wider in size, instead of more efficiently using the space that is already dedicated to urban development.⁵ Larger infrastructure networks are required to service all the areas located in the municipality, which are sometimes far reaching from the center of a city's activity.⁶ Widespread demand on an infrastructure network may require the construction of additional roadways, longer water and electrical lines, larger sewer systems, and funding for public services including police and fire services.⁷ Often, local governments absorb much of the costs related to the construction and maintenance of infrastructure. According to one study, reducing the distance between homes, shops, and offices directly reduces the cost of public infrastructure.⁸ Therefore, introducing higher density maximums in areas such as the CBD-RC can help curtail widening urban sprawl and infrastructure costs.

Economic Growth

Higher density development also provides substantial opportunities for economic growth without significantly burdening existing infrastructure. One case study states, "[c]ommunities that focus on providing a high quality of life with the energy and vitality created by urban centers will be much more

likely to attract highly prized, talented, and productive workers than communities of faceless sprawl.”⁹ Furthermore, “[d]iversifying housing options and adding amenities like shops and offices close by will improve the quality of life and attract businesses and people that will strengthen the communities economic stability.”¹⁰ Other studies suggest that those attracted to a suburban downtown living would likely spend a substantial portion of their discretionary income on shopping, eating and entertainment. ¹¹

In Delray Beach, East Atlantic Avenue is already a bustling center of economic activity. Increasing the maximum allowed density in the CBD-RC, will expand the central area of economic activity to include a portion of the railroad-corridor subdistrict that is in need of revitalization. Expanding the central area of economic activity will generate additional income for the City and attract new high-quality businesses to the area. The Project will provide additional housing to support existing businesses and provide space for additional dining and shopping options to consumers with available discretionary income, many of whom are tourist who may be more likely to dine out and purchase goods.

Proximity to Brightline Track

Initially, the Project wanted to capitalize on its close proximity to the existing Florida East Coast Railway Corridor and incorporate a station to facilitate a new Brightline transit stop. The Brightline transit stop would provide even greater connectivity to other major south Florida metropolitan areas including Fort Lauderdale, Miami and West Palm Beach. This connectivity could draw workforce residents as well as leisurely visitors to Delray Beach, without the need for a personal vehicle. This type of Brightline expansion would further stimulate the economy in Delray Beach and could potentially attract larger businesses who are seeking locations for corporate headquarters. However, Brightline had significant concerns about incorporating Delray Beach as a transit stop precisely because there is not enough density. By increasing the maximum density allowances, specifically in the CBD-RC, new higher density developments can stimulate the type of density that public transit companies, like Brightline, require when evaluating potential new transit stops.

Environmental Impacts

The increasing frequency of major weather events and fire incidents across the world have initiated discussions regarding environmental concerns. Low-density sprawl into natural areas and habitats destroys ecosystems and increases air and water pollution. It also forces people to use private vehicles to travel further distances in order to complete daily tasks. Vehicle emissions contribute to smog and greenhouse gases which further pollute the air we breathe. One study states that “[p]lacing new development into already urbanized areas that are equipped with all the basic infrastructure like utility lines, police and fire protection, schools and shops eliminates the financial and environmental costs of stretching those services farther and farther out from the core community. Compact urban design reduces driving and smog and preserves the natural areas that are assets of the community.”¹² By increasing the allowed density maximums in the CBD-RC (for parcels south of SE 2nd Street), Delray Beach has the opportunity to advocate more environmentally conscious developments standards in South Florida and encourage other municipalities to do the same.

Safety

Increasing density maximums can also improve the safety of the areas surrounding higher density development. Higher density developments increase the number of people living in a particular area. This

increased presence can reduce crime because a greater number of people will have the ability to monitor activity in and around the community.¹³ Furthermore, new high-density developments can offer updated site features that can enhance community safety and provide benefits such as upgraded lighting and landscape designs.¹⁴

Visual Preferences

Higher density developments are sometimes associated with negative implications. However, higher density development does not always result in intrusive, unattractive building structures and undesirable effects on the existing community. Instead, well planned, higher density development can be seamlessly integrated into a community and introduce features such as lush landscape boulevards, fountains and showcase a unique architectural style.¹⁵ When visually compared, these high-density developments are preferred to faceless low-density developments that often evoke no sense of community attachment.¹⁶ Below are some visual examples of higher density developments that have been integrated into existing low-density areas.



Community

On a world stage, studies show that countries with a strong sense of community and urban connectivity are home to the happiest citizens.¹⁷ The low density, urban sprawl trend of the past has created a disconnect between individual homeowners and their communities, isolating residents from convenient access to local restaurants and shops. New higher density developments can revitalize the sense of community in a neighborhood and combine residential design with modern commercial conveniences to create spaces for the community to gather and draw residents back to the center of the community.¹⁸

Delray Beach has a thriving CBD district that attracts residents and visitors from around the country. The intention of the proposed higher density maximums in the CBD-RC is to expand the vibrancy of the Atlantic Avenue area into the surrounding sub-corridors. The Project will improve the CBD-RC neighborhood and serve as the central neighborhood hub that will compliment Atlantic Avenue.

¹ Richard M. Haughey et al., *Higher-Density Development: Myth and Fact*, The Urban Land Institute, 10 (2005).

² *Id.* at 22.

³ *Id.*

⁴ *Id.* at 12.

⁵ *Id.* at 10.

⁶ *Id.*

⁷ *Id.*

⁸ *Id.* at 11.

⁹ *Id.* at 12

¹⁰ *Id.*

¹¹ Will Macht, *Flexible Parking Structures as Civic Catalysts*, Urban Land Magazine, (2019).

¹² Haughey, at *supra* note 1 at 22.

¹³ *Id.* at 21

¹⁴ *Id.*

¹⁵ Haughey, at *supra* note 1 at 26.

¹⁶ *Id.*

¹⁷ Leslie Braunstein, *Parking Yields to the Sharing Economy*, Urban Land Magazine, (2013).

¹⁸ Edward W. Gosselin, *A Technical Assistance Panel Report: How to Spur Redevelopment Within and Beyond the Long Branch Community's Commercial Center*, The Urban Land Institute Washington, 7 (2005).