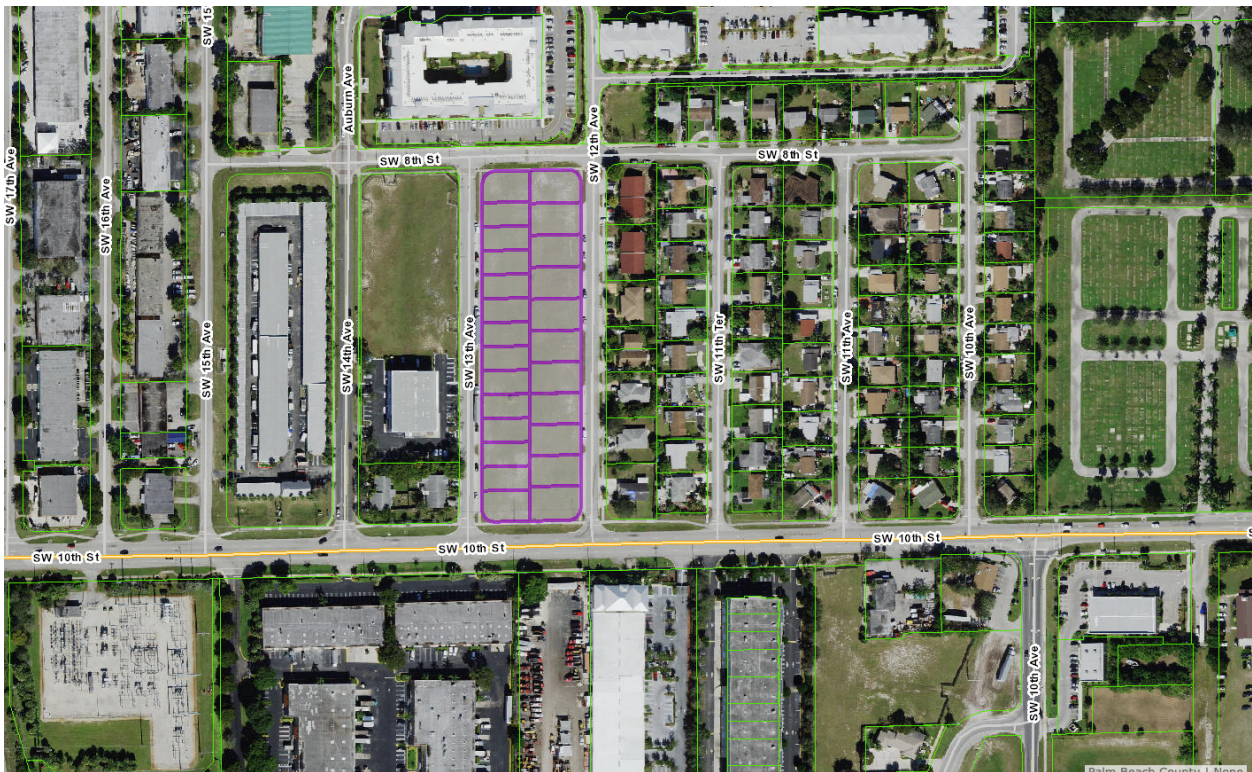




Island Cove

Conditional Use Amendment, Conditional Use, and Plat Exemption Applications Justification Statement

The Delray Beach Housing Authority and Island Cove, LLC (collectively “Applicant”) are the owner and developer of the +/- 3.0776 acre assemblage of parcels located between SW 8th Street and SW 10th Street (north and south respectively) & SW 12th Ave and SW 13th Ave (east and west respectively) (collectively known as "Subject Property") within the City of Delray Beach, Palm Beach County, Florida (“City”) and whose folio numbers are listed in Exhibit A (“Property”). The Property is designated as Transitional on the City’s Future Land Use Map, is zoned Medium Density Residential (“RM”) on the City’s Zoning Map and is also located within the Carver Estates Overlay. Presently, the Subject Property is vacant. The latest replat on the Subject Property is known as Village Square at Delray Beach (Plat Book 188, Page 122 of the public records of Palm Beach County).



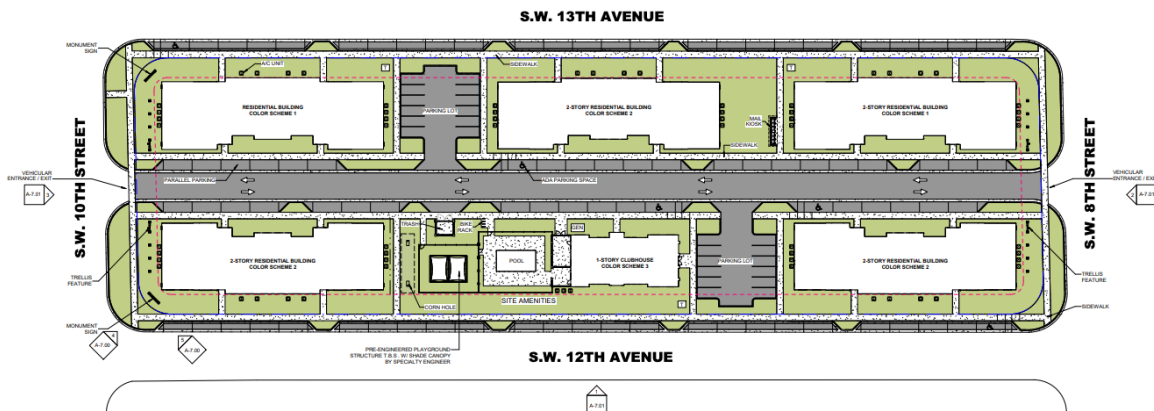


Adjacent to the Subject Property are the following land uses and zoning districts:

| | <u>Land Use Designation</u> | <u>Zoning District</u> |
|----------------------|------------------------------------|---|
| <u>North:</u> | TRN (Transitional) | RM (Multifamily Medium Density Residential) |
| <u>South:</u> | IND (Industrial) | I (Industrial) |
| <u>East:</u> | LD (Low Density) | R-1-A (Single Family Residential) |
| <u>West:</u> | IND/CMR (Industrial/Commerce) | LI (Light Industrial) |

The Subject Property has long been associated with a three-phase residential development known as Village Square and was considered Phase III. Phases I and II have been built and completed. The redesign of Phase III has been ongoing. In 2011, the City Commission approved a conditional use request to allow an increased density up to 13.91 dwelling units per acre (du/ac) in accordance with the provisions of the City’s Family/Workforce Housing land development regulations (“LDR”) Section 4.7. Phase III was approved for 11 three-bedroom, single family homes and 14 three-bedroom, duplex units available for purchase, but was never constructed. In 2019, the City approved another conditional use modification to increase density up to 15.51 du/ac. To date, the Subject Property is approved for 54 multi-family, fee simple, townhouses, but was also never constructed.

In this justification statement, the Applicant proposes to nominally increase density up to 15.84 du/ac and construct 60 multi-family rentals (“Project”). The 60 residential units will be allocated in 5 two-story buildings with 12 units per building. The unit mix consists of 40 two bedroom/two bathroom and 20 three bedroom/two bathroom.





All of the units will be classified as affordable housing. There are no market rate units proposed. Below is a breakdown of the unit mix and the corresponding income classifications:

Unit Mix & Stabilized Rental Revenue Assumptions:

| 30% AMI: | Total Units | Monthly Gross Rent per Unit | Utility Allowance | Monthly Net Rent per Unit |
|----------------------------------|--------------------|--|------------------------------|--------------------------------------|
| Two Bedroom/Two Bathroom - HAP | 6 | \$ 1,628 | \$ 71 | \$ 1,557 |
| Three Bedroom/Two Bathroom | 1 | \$ 667 | \$ 78 | \$ 589 |
| Three Bedroom/Two Bathroom - HAP | 2 | \$ 2,200 | \$ 78 | \$ 2,122 |
| Total 30% AMI Rent | 9 | \$ 1,648 | \$ 73 | \$ 1,579 |

| 60% AMI: | Total Units | Monthly Gross Rent per Unit | Utility Allowance | Monthly Net Rent per Unit |
|----------------------------|--------------------|--|------------------------------|--------------------------------------|
| Two Bedroom/Two Bathroom | 22 | \$ 1,156 | \$ 71 | \$ 1,085 |
| Three Bedroom/Two Bathroom | 11 | \$ 1,335 | \$ 78 | \$ 1,257 |
| Total 60% AMI Rent | 33 | \$ 1,216 | \$ 51 | \$ 1,154 |

| 70% AMI: | Total Units | Monthly Gross Rent per Unit | Utility Allowance | Monthly Net Rent per Unit |
|---------------------------|--------------------|--|------------------------------|--------------------------------------|
| Two Bedroom | 6 | \$ 1,349 | \$ 71 | \$ 1,278 |
| Three Bedroom | 3 | \$ 1,558 | \$ 78 | \$ 1,480 |
| Total 70% AMI Rent | 9 | \$ 1,419 | \$ 75 | \$ 1,359 |

| Market Units: 80% IA | Total Units | Monthly Gross Rent per Unit | Utility Allowance | Monthly Net Rent per Unit |
|-----------------------------|--------------------|--|------------------------------|--------------------------------------|
| Two Bedroom/Two Bathroom | 6 | \$ 1,542 | \$ 71 | \$ 1,471 |
| Three Bedroom/Two Bathroom | 3 | \$ 1,781 | \$ 78 | \$ 1,703 |
| Total 80% AMI Rent | 9 | \$ 1,622 | \$ 71 | \$ 1,564 |



| Distribution of Total Units: | Total |
|-------------------------------------|--------------|
| 30% AMI | 9 |
| 60% AMI | 33 |
| 70% AMI | 9 |
| 80% AMI | 9 |
| Total Units | 60 |

| All Units: | Total Units |
|----------------------------|--------------------|
| Two Bedroom/Two Bathroom | 40 |
| Three Bedroom/Two Bathroom | 20 |
| Total Units | 60 |

Some of the residential amenities include, but it is not limited to, security surveillance, washers/dryers for each unit, high efficiency Energy Star appliances, peninsulas, luxury vinyl tile, an outdoor courtyard, community club house, pool, gym, children's playground, outdoor cornhole game equipment, tv/lounge/media area, bicycle racks, generator, and leasing office.

The purpose of these applications are three-fold:

- (1) Conditional Use Amendment: To modify the existing conditional use approvals to remove Phase III from the three-phase residential development known as Village Square;
- (2) Conditional Use: To propose a new conditional use to increase density from 15.51 du/ac to 15.84 du/ac or 54 units to 60 units, which will be known as Island Cove; and
- (3) Plat Exemption: To submit a plat exemption request in light of the combination of parcels on the Subject Property.



The Applicant, Island Cove, LLC, is owned and operated by principals of an advisory and development firm, whose sole purpose is to provide support to nonprofit organizations and for-profit developers to plan, to implement, and to complete affordable housing projects. The principals of the firm previously worked at an affordable housing consulting firm and a major financial institution. Combined, they have over 30 years of affordable housing experience and serve markets in New York, New Jersey, Florida, Texas, Chicago, California, and Washington, D.C. In the last five years, they have developed or renovated over twenty properties in Florida and New York with LIHTC (Low-Income Housing Tax Credit) equity.



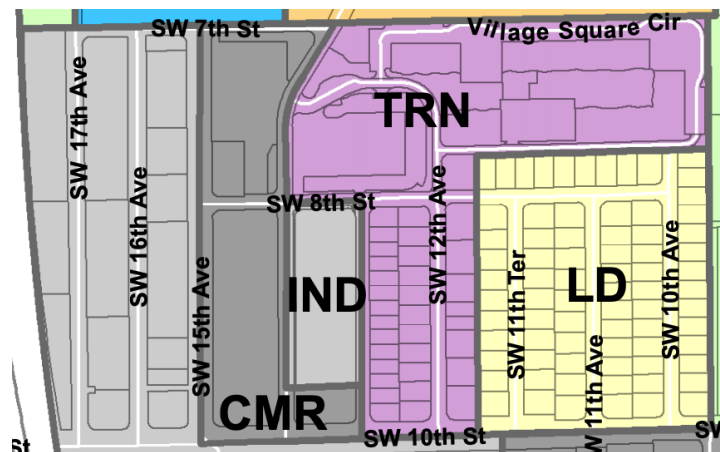
Conditional Use Amendment and Conditional Use
Justification Analysis

Required Findings

Pursuant to the City's LDR Section 3.1.1, prior to the approval of development applications, certain findings must be made in a form which is part of the official record which include:

(A) Land Use Map.

As noted above, the Subject Property has a transitional future land use designation and is zoned medium density residential. A transitional land use is any land use which functions as a transition through space by a gradual increase in development intensity and/or a transition through time by the conversion of residential uses to higher intensity residential and office uses where the character of an area has changed and the existing use is no longer an appropriate long term use. As seen from the snapshot of the City's Future Land Use Map below, a medium residential density is an appropriate transition from low density residential to the higher intensity industrial and commerce land use designations.



Multi-family residential uses are permitted in the RM zoning district. Furthermore, the Applicant's proposed density increase (19.54 units per acre) is permitted pursuant to LDR Section 4.4.6(D)(10), which permits up to a maximum of 24 units per acre within the Carver Estates Overlay. As such, the Project complies with the Future Land Use Map.



(B) Concurrency.

In 2019, the City found that the previously approved conditional use modification would not exceed the ability of the City and the School District of Palm Beach County to provide public facility needs and capital improvements required to maintain the appropriate Levels of Service. In this application, the increase in density (54 to 60 units) is so nominal that it ought not impact concurrency adversely and should be substantially similar to the previous approval. Nonetheless, a SCAD application was submitted to the School District of Palm Beach County.

Water and Sewer

Water service is available by a connection to an 8" water main located on SW 12th Avenue and a 6" water main along SW 13th Avenue. Sewer service is available by a connection to a 12" sewer main located on SW 1st Avenue and an 8" sewer main located along SW 13th Avenue. At buildout, treatment capacity is available at the City's Water Treatment Plant and South Central County Regional Waste Water Treatment Plant.

Streets and Traffic

A Traffic Performance Standards (TPS) letter is included in the submittal. The Subject Property is exempt because it is located in the City's Coastal Residential Exception Area. A traffic study is also included in the submittal. The increase in density will generate more trips, but the proposed unit mix has decreased the AM and PM Peak trips from the previous approval.

| <u>Number of Trips</u> | <u>Previous Approval (2019)</u> | <u>Proposed Conditional Use</u> |
|-------------------------------|--|--|
| Daily Trips | 359 | 439 |
| AM Peak Hour | 32 | 28 |
| PM Peak Hour | 36 | 34 |

The traffic study concluded that the Project met all of the requirements of the Palm Beach County TPS and that the projected volumes do not warrant the need for any turns at the driveway connections.

Parks and Recreation Facilities

These impact fees are assessed at \$500 per dwelling unit.



Solid Waste

The previously approved project generated a total of 168.31 tons of solid waste per year, and the Solid Waste Authority indicated that its facilities had sufficient capacity. The additional density in the proposed Project will generate a total of 149.76 tons of solid waste per year, which is a decrease in the amount of 18.55 tons of solid waste per year. Thus, the level of service for solid waste is met.

Drainage

Sufficient drainage is being provided on the Subject Property for the Project at the review and approval of the City's Engineer.

(C) Consistency.

LDR Section 3.1.1(C) provides that overall consistency may be found even if there is some conflict with the performance standards enumerated in LDR Section 3.2 as long as the benefits of the Project outweigh any negatives. LDR Section 3.2.1 provides that the basis for determining consistency is compliance with LDR Section 2.4.5(E)(5). Below is an analysis of the aforementioned standards, which ultimately show that the proposed Project's benefits substantially outweigh any negatives. Furthermore, the Project is consistent with the City's Comprehensive Plan, particularly Objectives HOU 3.1 and 3.2 because the Project provides opportunities for residential housing to meet affordable housing needs and expands the housing supply for these types of income levels. Also notable is Objective HOU 6.4 and Policies HOU 6.4.1 6.4.6. The Project is the epitome of a public and private partnership, which utilizes public funds to support affordable housing initiatives.

(D) Compliance with LDRs.

Conditional Use Findings

LDR Section 2.4.5(E)(5) enumerates the findings required for the establishment of a conditional use, which are that the conditional use must not:

(a) Have a significantly detrimental effect upon the stability of the neighborhood within which it will be located; and

The Project will not have a significant detrimental effect upon the stability of the neighborhood within which it will be located. Multiple family residential developments are a permitted use in the RM zoning district and thus inherently harmonious within this Project's neighborhood. However, a conditional use



is required to increase the density of the residential development by 6 units. The proposed density change is so nominal that there is no significant effects on the neighborhood. Moreover, the Project is not detrimental, but beneficial to the neighborhood. First, there is a demand for affordable housing in the City. Prior to the pandemic, the City already had a need for additional affordable housing developments. Post pandemic, the need for affordable housing rentals for essential workers and others impacted by the pandemic is greater than ever. Second, the Subject Property has been contemplated to be a residential development since 2011 in order to complement the completed development of Village Square's Phase I and II. For the reasons above, the approval and completion of the long awaited Phase III will be a benefit to the Subject Property's neighborhood.

(b) Hinder the development or redevelopment of nearby properties.

The Project will not hinder the development or redevelopment of nearby properties. As previously mentioned, most of the nearby properties have already been constructed, and the Project has been designed to complement the existing development. Thus, the Project will not hinder the redevelopment of any residential property to the north and east. The vacant property located to the west is in a different zoning district and nothing about the Project will impact its development in the future. Access roads are not being changed and utilities will be provided to the Project, which makes access and connection for new development even easier. Properties to the south are too remote for the Project to have any impacts to redevelopment. On the contrary, the Project may provide additional business to the commercial properties located to the south.

The LDR imposes some additional, special regulations beyond the conditional use findings:

[Special Regulations](#)

LDR Section 4.4.6(H) requires:

- (1) A minimum density of six units per acre is established for duplex and multiple family housing projects within this district. Density may exceed the base of six units per acre only after the approving body makes a finding that the project has substantially complied with performance standards as listed in 4.4.6(I). In no event shall a development's total density exceed 12 units per acre, except within the Southwest Neighborhood Overlay District, Carver**



Estates Overlay District and the Infill Workforce Housing Area, as allowed by Section 4.4.6(D)(9) and 4.4.6(D)(10). The density for a specific RM development may be further limited by a numerical suffix affixed to the designation and shown on the zoning map (i.e. RM-8 limits the density to eight units per acre). To seek a density greater than allowed by the suffix, it is necessary to rezone the property.

The Subject Property is located within the Carver Estates Overlay District. Thus, the Project complies with this requirement because the proposed increase in density to 19.54 units per acre exceeds the minimum (6 units per acre) and does not exceed the maximum density permitted (24 units per acre).

- (2) Notwithstanding the above, a duplex may be situated upon a platted lot pursuant to Section 4.3.4(I)(3)(b).**

This requirement is not applicable to this Project.

- (3) Recreational areas shall be required for all new rental apartment developments, and of owner occupied developments which have homeowner associations that must care for retention areas, private streets, or common areas. New developments must include recreational features that are designed to accommodate activities for children and youth of all age ranges. Tot lots are appropriate for toddlers; features such as a basketball court, volleyball court, and open playfields are appropriate for older children. A pool and clubhouse, unless specifically designed for children, is not considered to meet this requirement. Projects having fewer than 25 units may be exempted from this standard where it is determined by the approving body that it is not practical or feasible to comply.**

The Project proposes residential amenities and recreational features including, but it is not limited to, security surveillance, washers/dryers for each unit, high efficiency Energy Star appliances, peninsulas, luxury vinyl tile, an outdoor courtyard, community club house, pool, gym, children's playground, outdoor cornhole game equipment, tv/lounge/media area, bicycle racks, generator, and leasing office.

- (4) The height of accessory structures shall not exceed the height of the associated principal structure. Screen enclosures without a solid roof are excluded from this limit.**



No accessory structure will exceed the height of the principal structure for this Project. Thus, the Project complies with this requirement.

(5) The floor area of an accessory structure shall not exceed 40 percent of the floor area of the principal structure.

No floor area of any accessory structure will exceed 40 percent of the floor area of the principal structure for this Project. Thus, the Project complies with this requirement.

(6) Density bonuses. Density bonuses may be granted to eligible properties governed by regulations set forth in Chapter 4, "Zoning Regulations", "Family/Workforce Housing" as discussed below:

- (a) *Southwest Neighborhood and Carver Estates Overlay Districts and Infill Workforce Housing Area:*** Density bonuses above 12 units per acre may be granted as a Conditional Use to eligible properties within the Southwest Neighborhood and Carver Estates Overlay Districts, defined in Section 4.5.9 and 4.5.11, respectively, and within the Infill Workforce Housing Area, Section 4.5.12, subject to the regulations set forth in Chapter 4, "Zoning Regulations", and Article 4.7, "Family/Workforce Housing".

As previously mentioned, the Subject Property is located in the Carver Estates Overlay District. The conditional use request is a subject of this application.

- (b) *S.W. 10th Street Overlay District:*** Within the S.W. 10th Street Overlay District defined in Section 4.5.10, in addition to the performance standards listed in Section 4.4.6(I), increases to a project's density beyond six units per acre is subject to the regulations set forth in Chapter 4, "Zoning Regulations", "Family/Workforce Housing".

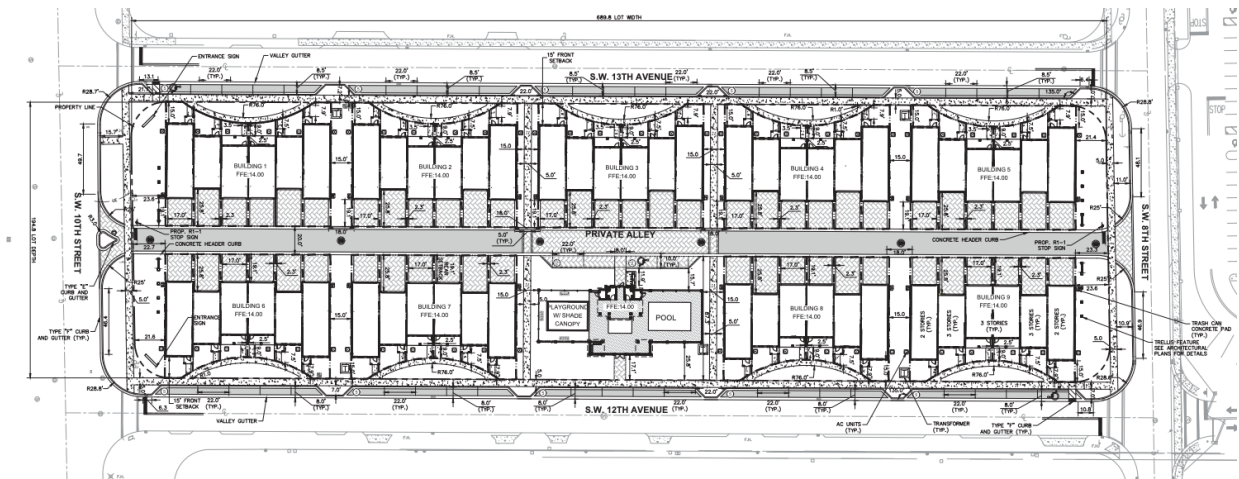
The subject Property is located in the Carver Estates Overlay District, and thus, this requirement is inapplicable.



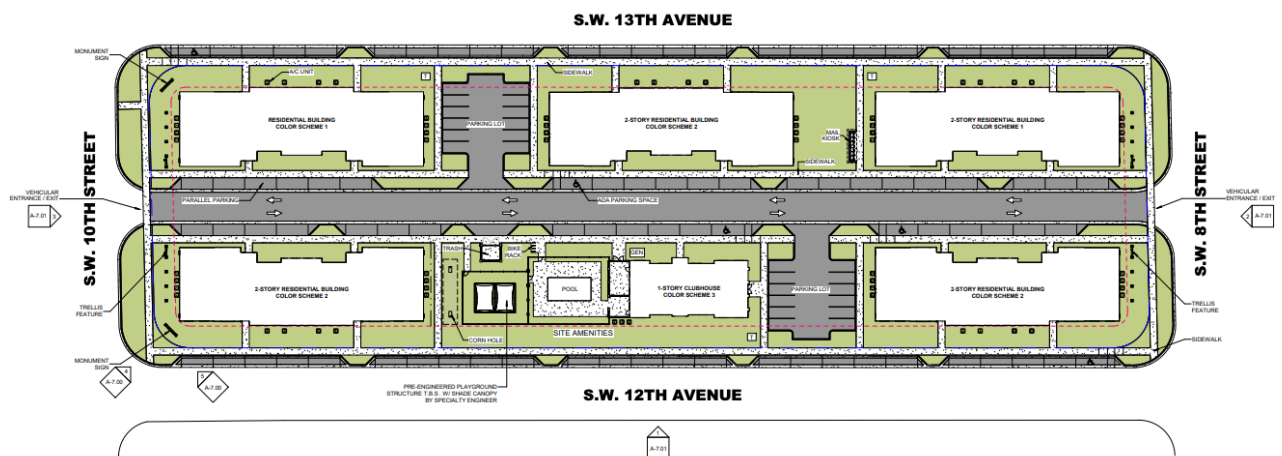
Performance Standards

LDR Section 4.4.6(I) enumerates performance standards required to exceed base density and for modifications to existing developments which involve the creation of additional residential units. Below is a screenshot comparison between the approved site plan and the proposed site plan for the Subject Property, which will be used to evaluate the performance standards.

Approved Site Plan



Proposed Site Plan





The Performance Standards are as follows:

- (a) **The traffic circulation system is designed to control speed and reduce volumes on the interior and exterior street network. This can be accomplished through the use of traffic calming devices; street networks consisting of loops and short segments; multiple entrances and exits into the development; and similar measures that are intended to minimize through traffic and keep speeds within the development at or below 20 m.p.h.**

The proposed Project provides better traffic circulation on the interior street network and reduces volumes on the exterior street network. The internal parking lots on the site allow better vehicular circulation internally, which also keeps more vehicles off of the exterior street network. The number of entrances remain the same. Thus, the Project better meets this performance standard.

- (b) **Buildings are placed throughout the development in a manner that reduces the overall massing and provides a feeling of open space.**

It is obvious from the comparison above that the proposed Project provides more open space because the building footprints have been significantly reduced. Thus, the Project better meets this performance standard.

- (c) **Where immediately adjacent to residential zoning districts having a lower density, building setbacks and landscape materials along those adjacent property lines are increased beyond the required minimums in order to provide a meaningful buffer to those lower density areas. Building setbacks are increased by at least 25 percent of the required minimum; at least one tree per 30 linear feet (or fraction thereof) is provided; trees exceed the required height at time of planting by 25 percent or more; and a hedge, wall or fence is provided as a visual buffer between the properties.**

The Subject Property is not immediately adjacent to residential zoning districts having a lower density. Thus, this standard is inapplicable.

- (d) **The development offers a varied streetscape and building design. For example, setbacks are staggered and offset, with varying roof heights (for multi-family buildings, the planes of the facades are offset to add interest and distinguish individual units). Building elevations incorporate**



diversity in window and door shapes and locations; features such as balconies, arches, porches, courtyards; and design elements such as shutters, window mullions, quoins, decorative tiles, etc.

Similar to the previously approved building design, the Project offers varied streetscape and building design. The building setbacks are staggered and offset. The planes of the building facades have varying movement and interest. The roof heights are also varied. Balconies are incorporated into the building design. However, the proposed Project incorporates six different types of window designs to add more interest. Thus, the Project better meets this performance standard.

- (e) A number of different unit types, sizes and floor plans are available within the development in order to accommodate households of various ages and sizes. Multi-family housing will at a minimum have a mix of one, two and three bedroom units with varying floor plans. Single family housing (attached and detached) will at a minimum offer a mix of three and four bedroom units with varying floor plans.**

The Project provides a unit mix consisting of 40 two bedroom/two bathroom and 20 three bedroom/two bathroom. Each type of unit has two types of floor plans. This type of mix has been provided to meet the current needs and demands for the community. Although the proposed Project does not provide any one-bedroom units, the Project substantially complies with the performance standards listed in this section, which is a sufficient finding by the approving body pursuant to LDR Section 4.4.6(I)(1).

- (f) The development is designed to preserve and enhance existing natural areas and/or water bodies. Where no such areas exist, new areas which provide open space and native habitat are created and incorporated into the project.**

No natural areas or water bodies exist on the Subject Property. The Project provides much more open space than what was previously approved. Thus, the Project better meets this performance standard.

- (g) The project provides a convenient and extensive bicycle/pedestrian network, and access to available transit**

The Project provides a more extensive bicycle/pedestrian network than previously approved. There is more internal pedestrian circulation with a



particular emphasis on the recreational amenities. Furthermore, the Project provides more open space, better vehicular circulation, and bicycle racks directly accessible from the internal sidewalks. Additionally, a bus stop is available on the south side of the property and is also directly accessible from the Project's sidewalk. Thus, the Project better meets this performance standard.

[Family/Workforce Housing](#)

LDR Section 4.7 outlines the City's regulations for the development of affordable housing. Compliance with the provisions of this section is required for the requested density increase pursuant to LDR Section 4.4.6(D)(10), and the Project complies with these regulations as follows:

- Subject to the approval of the City Attorney and all other requirements specified under LDR Sections 4.7.6(a-f), a covenant shall be recorded in the official records of Palm Beach County and all leases shall contain language and reference recorded covenants;
- Rental rates will not exceed the thresholds determined in the City's Code;
- As mentioned above, no market rate units are proposed. Thus, all code requirements regarding market rates units are inapplicable;
- Income restrictions will be strictly enforced to tenants, successors, assigns, and the like;
- A City approved deed restriction will be recorded; and
- Workforce housing rental units will be marketed continuously as workforce housing units.



Plat Exemption
Justification Analysis

As previously mentioned, the latest replat on the Subject Property is from 2014 and known as Village Square at Delray Beach (Plat Book 188, Page 122 of the public records of Palm Beach County). A copy has been included with this submittal. The proposed Project does not contemplate any further subdivision of land or changes to any street. On the contrary, the proposed Project intends to unify the lots by combing the parcels under a Unity of Title. As such, LDR Section 5.1.4(C) provides a plat exemption where the combination of portions of platted lots where no additional lots are created and the new lots conform to the development regulations for the applicable zoning district in which the properties are located. A survey of the revised lot layout shall be filed with the City Engineer, which has been included with this submittal. Below is snapshot of the lot regulations for the RM zoning district pursuant to LDR Section 4.3.4K.

| | | MINIMUM LOT SIZE (sq. ft.) | LOT WIDTH I/C (ft.) | LOT DEPTH (ft.) | LOT FRONTAGE I/C (ft.) |
|---------------------------------|---------------|-------------------------------------|------------------------------|-----------------------|---------------------------------|
| Agriculture | AG | 10 AC. (2) | 100 | 110 | 100 |
| Rural Residential | RR | 3 ACRES | | | |
| Single Family | R-1-AAA | 12,500 | 100 | 110 | 100 |
| | R-1-AAAB | 12,500 | 100 | 110 | 100 |
| | R-1-AA | 9,500 | 75/95 | 100 | 75/95 |
| | R-1-AAB | 9,000 | 90 | 100 | 90 |
| | R-1-A | 7,500 | 60/80 | 100 | 60/80 |
| | R-1-AB | 7,500 | 60/80 | 100 | 60/80 |
| Low - Medium Density | RL (5) | | | | |
| | Multi-family | 8,000 | 60 | 100 | 60 |
| | Duplex | | | | |
| | Zero Lot Line | 4,800 | | 80 | |
| Medium - Medium High Density | RM (5) | | | | |
| | Multi-family | 8,000 | 60 | 100 | 60 |
| | Duplex | | | | |
| | Zero Lot Line | 4,800 | | 80 | |

The combination of the Subject Property will result in one, single new lot that exceeds the minimum lot requirements in the RM zoning district, as shown below:

| RM Zoning District | Minimum Requirements | Proposed New Lot |
|----------------------------|-----------------------------|-------------------------|
| Minimum Lot Size (sq. ft.) | 8,000 | 134,062 |
| Lot Width (ft.) | 60 | 145.16 |
| Lot Depth (ft.) | 100 | 639.80 |
| Lot Frontage (ft.) | 60 | 145.16 |

Therefore, the Applicant respectfully requests a plat exemption for the Subject Property and for this Project.



EXHIBIT A

List of All Parcel Numbers for Subject Property

| |
|-------------------|
| 12434620810000010 |
| 12434620810000020 |
| 12434620810000030 |
| 12434620810000040 |
| 12434620810000050 |
| 12434620810000060 |
| 12434620810000070 |
| 12434620810000080 |
| 12434620810000090 |
| 12434620810000100 |
| 12434620810020030 |
| 12434620810120010 |
| 12434620810120020 |
| 12434620810130010 |
| 12434620810130020 |
| 12434620810140010 |
| 12434620810140020 |
| 12434620810150010 |
| 12434620810150020 |
| 12434620810160010 |
| 12434620810160020 |
| 12434620810170010 |
| 12434620810170020 |
| 12434620810180010 |
| 12434620810180020 |