

**BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: December 19, 2007

Division: Housing & Community Development

Bulk Item: Yes No

Department: Housing & Community Development

Staff Contact Person: Lisa Tennyson/292-4462

AGENDA ITEM WORDING: Presentations by 1) Gorman and Company, Inc. and 2) Habitat for Humanity of the Upper Keys, responding developers for Affordable/Workforce Housing Development RFP 2007-01H for Key Largo Parcel (RE# 00554720) on First Avenue, MM 98, Oceanside; Award of Project based on documents submitted, recommendation of staff and respondents' presentations; and direction to staff to negotiate 99 year lease for project parcel

ITEM BACKGROUND: On October 19, 2005, the Board authorized staff to advertise a Request for Qualifications for contractors to build workforce rental units at US 1 and Burton Drive in Tavernier, approximately MM 92; between US 1 and Lafitte Drive, Cudjoe Key, approximately MM 22; corner of Emerald Drive, Sapphire Drive and US 1, Big Coppitt Key, approximately MM 10; and the Mandalay property, on First Avenue, Key Largo, near MM 98, Oceanside. On April 19, 2006, Board granted approval to negotiate a contract with Carlisle Development Group, LLC to develop affordable and employee workforce housing at the four (4) locations; however, notice was received on November 2, 2006, of Carlisle's withdrawal from the proposed public-private partnership for the Community Workforce Housing Innovation Pilot Program (CWHIP). Subsequently, the RFQ document was revised and re-advertised. The responses to the RFQ were opened on May 2, 2007, and then on July 18, 2007, the Board qualified seven (7) developers to provide housing development services and to be included on Monroe County's list of Approved Housing Development Service Providers for future affordable/workforce housing projects. A Request for Proposals was issued to the Approved Housing Development Services Providers on September 5, 2007. There were two (2) respondents for the Key Largo parcel. Please see attached Staff Report regarding Key Largo Parcel RE: #00554720.

PREVIOUS RELEVANT BOCC ACTION: See Item Background

CONTRACT/AGREEMENT CHANGES: This is not a contract.

STAFF RECOMMENDATIONS: Award of project parcel to highest scoring respondent, Gorman and Company, Inc., and direction to staff to negotiate 99-year ground lease.

TOTAL COST: N/A

BUDGETED: Yes No

COST TO COUNTY: _____

SOURCE OF FUNDS: _____

REVENUE PRODUCING: Yes No **AMOUNT PER MONTH** _____ **Year** _____

APPROVED BY: County Atty N/A OMB/Purchasing N/A Risk Management N/A

DOCUMENTATION: Included Not Required _____

DISPOSITION: _____

AGENDA ITEM # _____



Division of Housing and Community Development

Staff Report

TO: Board of County Commissioners

FROM: Lisa Tennyson, Affordable Housing Coordinator

THROUGH: James "Reggie" Paros, Director, Housing and Community Development

DATE: November 27, 2007

SUBJECT: **Developer Responses to Affordable/Workforce Housing Development RFP 2007-01H and Consideration of Award of Parcel to Developer**
Re: Key Largo Parcel RE: #00554720

I. Summary

On August 31, 2007 HCD issued an RFP to approved developers to build affordable/workforce housing on four county-owned parcels in Monroe County. On October 12, 2007, the request closed.

This report is a discussion of the responses received for the parcel in Key Largo (RE # 00554720) on First Avenue, near MM 98, Oceanside. The parcel is zoned Urban Residential; it is approximately 0.7 acres. Current density will permit 14 units to be built.

HCD received proposals from two respondents for this parcel: (1) Gorman and Company, Inc. and (2) Habitat for Humanity of the Upper Keys.

On October 25th, November 15th, and November 30th, the Evaluation Committee, consisting of a team of county employees that included the County Attorney, Division Directors of HCD and Growth Management, Affordable Housing Coordinator, and Executive Director of Land Authority, along with outside legal counsel, met to discuss and assess all responses to the RFP. The RFP specified five evaluation criteria: aesthetics and design quality; performance schedule and capacity; project financing; housing model; and estimated unit prices. Team members scored each of the responses in each of five evaluation criteria in order to make recommendations and to assist the BOCC in its own review and analysis.

A side by side evaluation by the committee of the two proposals is included here, along with the committee's score for each proposal in the five evaluation criteria. Additionally, before making a recommendation, the committee considered the input of the staff of the Planning Department, which assessed the site plan of the highest scoring respondent as feasible and generally consistent with the county's land development regulations. This report is also included.

Each respondent has been invited to make a presentation to the BOCC at the December 19th Board Meeting, after which the BOCC may select a respondent, and award the parcel.

II. RFP 2007-01H Evaluation of Responses for Development of Key Largo Parcel

Evaluation Criteria	Max Pts.	Gorman and Company, Inc. <i>Key Largo</i>	Habitat for Humanity of the Upper Keys <i>Key Largo</i>
<p>Aesthetics and Quality of Design --including design characteristics, adherence to community character, degree of green and open space, amenities, materials used, etc. RFP asked for site plans, floor plans, illustrations, color schemes.</p> <p>Average Score</p>	20	<p>Cottages. 14 units. Ten 2-BR Two 1-BR, and Two 4 -BR units, all between 820-1240 S.F. Attached, interlocking single story units reflecting Key West-style Architecture; Extensive site plans and floor plans provided. Units look like independent, single family homes. Each has its own front porch and front yards or courtyard.</p> <p>18.2</p>	<p>Modular Attached Town Homes. 14 units. 12 2-BR and two 3-BR, from 1000-1200 S.F. Rendering of units does not match narrative description (illustration shows homes on ground but narrative discusses parking underneath units); no discussion of materials used, aesthetics, or landscaping; does include common area/playground.</p> <p>14.4</p>
<p>Performance Schedule --including the extent to which a developer exhibits capacity and commitment to complete the project in timely manner; RFP asked for construction schedule and discussion of capacity to manage development projects and complete them in timely fashion.</p> <p>Average Score</p>	20	<p>Completion, lease up, and occupancy by Summer 2009. Construction schedule is discussed but not detailed. Construction to take 6 months. At time of lease execution, they will provide elaborate project development and management checklists and timelines (will also be web-based and real time so county can continuously monitor progress. Project management will be done via a partnership with FL-based Gonzalez (former CEO of Carlisle) and Centrust.</p> <p>18.6</p>	<p>Completion December 2009. Detailed project schedule provided. 12 months total for review and construction; construction to start Aug 08 and be completed Dec 08. Concern about realism of timeframe. Capacity to implement and complete entails a project manager Board Construction Committee and Directors with project development experience. No prior experience with multiple unit project. No discussion of capacity to do this in addition to their planned 5-plex project simultaneously.</p> <p>15.4</p>
<p>Project Financing --RFP asked developer to discuss ability to provide sufficient financing for the project; the developer's ability to secure necessary financing; and to provide evidence of the developer's ability to fund the project until completion.)</p> <p>Average Score</p>	20	<p>Detailed financing information provided; Seeks 2008 Low Income Housing Tax Credits (LIHTC) funding and State Apartment Incentive Loan Program (SAIL) loan; has provided evidence of interest from equity investor. Principals or tax credit purchasers will provide pre-development and bridge loans.</p> <p>Total Project Cost: \$4.1M Per unit cost: \$295K</p> <p>18</p>	<p>Minimal discussion-will use SHIP funds, Community Contribution Tax Credit (CCTC) program; short term conventional bridge loan; local fund-raising. Provided a breakdown of costs/expenses.</p> <p>Total Project Cost: \$2.3M Per unit cost: \$161K</p> <p>12.6</p>

Housing Development Model Proposed--RFQ and RFP stated preference for designs that provide rental or a mix of rental and home ownership units.	20	Mixed-income Rental; Has provided a property management plan. Will select a property management firm with County's input.	Home Ownership
Average Score		18	10
Estimated Unit Prices – RFP asked developer to provide sales prices for homes for purchase; rental rates for rental units.	20	Serving 80% at 60% Area Median Income (AMI) (Low-income); 10% at 30% AMI (very-low income) and 10% at 120% AMI. 2 BR@30%= \$401 4 BR@30%=\$517 2BR@60%= \$801 4BR@60%= \$1,000 2BR@120%=\$1,500 4BR@120%=\$1,620	\$161K per unit (no mention if price is different for 2 and 3 bedroom); No interest mortgages.
Average Score		19	15
Total Average Score	100	91.8	67.4

III. Recommended Action

Staff recommends award to the highest scoring respondent, Gorman and Company, Inc.



MEMORANDUM

MONROE COUNTY PLANNING & ENVIRONMENTAL RESOURCES DEPARTMENT

We strive to be caring, professional and fair

To: Andrew O. Trivette, Director of Growth Management
From: Joseph Haberman, Planner
Date: November 28, 2007
Subject: *Comments on a proposed development by Gorman & Company, Inc / Duany Plater-Zyberk & Company in Mandalay Subdivision on Key Largo*

I. Proposal

Gorman & Company, Inc and Duany Plater-Zyberk & Company have proposed to construct fourteen (14) affordable housing units, composed of two (2) one-bedroom/one-bath units, ten (10) two bedrooms/two baths units and two (2) four-bedrooms/two baths units, on a parcel of land to the South of the intersection of East First Street and First Avenue on Key Largo.

A site plan for the layout of the fourteen (14) affordable housing units was provided. In the design scheme, all of the units would be attached “carpet cottages.”

II. Subject Property Description

The subject property consists of two (2) parcels. The parcels are legally described as Part Square 3, Mandalay Subdivision, Key Largo, PB1-94 and are identified as Real Estate Numbers 00554720.000000 & 00554720.000100.

According to the Property Appraiser’s records, the site consists of 31,250 ft² (0.72 acres) of total land area. However, no boundary survey providing a total amount of upland area was provided to confirm this total.



The property has a Land Use District designation of Urban Residential (UR), a Future Land Use Map (FLUM) designation of Residential High (RH) and a Tier designation of Tier III. The Land Use District designation was amended from Urban Residential Mobile Home (URM) to Urban Residential (UR) in 2000 per Ordinance 033-2000.

III. Brief Review of the Site Plan

The development of affordable housing is consistent with the purposes of the UR District (MCC Sec. 9.5-204) and the RH future land use category (Policy 101.4.4). The purpose of the UR District is to provide areas appropriate for high-density residential uses designed and intended for occupancy by persons gainfully employed in the Florida Keys and to create areas to provide for vacation rental use of detached dwellings, duplexes, and multifamily dwellings.

In the UR District, attached residential dwelling units may be permitted with minor conditional use approval provided that a) sufficient common areas for recreation are provided to serve the number of dwelling units proposed to be developed; b) all entryways are designed and lighted to allow safe and secure access to all structures from walks and parking areas; and c) access to US 1 is by way of an existing curb cut, a signalized intersection or a curb cut that is separated from any other curb cut on the same side of US 1 by at least 400 feet (MCC Sec. 9.5-233). The site plan does not provide a common area as required by MCC Sec. 9.5-233. Staff requests that sufficient common areas for recreation and interaction are incorporated into the design.

The development of 14 attached residential units on the site would require minor conditional use approval. Conditional uses are those uses which are generally compatible with the other land uses permitted, but require individual review of their location, design and configuration and the imposition of conditions in order to ensure the appropriateness of the use at a particular location.

The owner of a parcel of land shall be entitled to develop affordable housing on parcels of land classified as UR at an intensity up to a maximum net residential density of 25 dwelling units per acre (MCC Sec. 9.5-266(a)). Furthermore, for affordable and employee housing, the maximum net residential density allowed per district shall not require transferable development rights (TDR's). Therefore, under the residential density regulations, the site could accommodate up to 14 affordable housing units on the site:

Development Potential

Land Use	Max Net Density	Size of Site ¹	Max Allowed	Amount Proposed	Percentage of Use
Affordable Housing	25 units per buildable acre	0.72 acres (0.58 buildable acres)	14 units	14 units	100.0%

- i. The land area totals used in the above calculations are based on the Property Appraiser's records. The total amount of upland must be confirmed with a sealed boundary survey.

There is a required open space ratio of 0.20 or 20 percent in the UR District. Therefore, at least 6,250 ft² of the 31,250 ft² of total land area must remain open space. The proposed site layout appears to be compliance with this regulation.

The required non-shoreline setbacks in the UR District are as follows: Front yard – 15 feet; Rear yard – 10 feet; and Side yard – 10/15 feet (where 10 feet is the required side yard for one side and 15 feet is the minimum combined total of both side yards). The proposed affordable housing units appear to be compliance with this regulation. However, the alley and parking area along the southwestern border of the site is within the required rear yard setback and would require variance approval.

The development would require 21 off-street parking spaces, or 1.5 spaces per each affordable housing unit. The parking area would provide 22 off-street parking spaces.

A complete landscape plan was not provided for review; however, parking lot landscaping and treescaping along the bordering roadways are shown on the proposed site plan. Since the off-street parking area would contain more than six spaces, a class C parking lot landscape standard is required. In addition, there are adjoining Sub Urban (SC) and Urban Residential Mobile Home (URM) Districts. Therefore, district boundary buffers may be required.

IV. Brief Review of the Proposed Housing Units

The site is designated within an AE – EL 8, 9 & 10 flood zones on FEMA’s flood insurance rate maps. All new structures must be built to standards that meet or exceed those for flood protection. The elevations indicate that the structures would be elevated.

No building shall be developed that exceeds a maximum height of 35 feet (MCC Sec. 9.5-283). The elevations indicate that the structures would be in compliance with this regulation.

The size of an affordable or employee housing dwelling unit is limited to a maximum of 1,300 ft² for a period of at least 50 years (MCC Sec. 9.5-266(a)(6)d). The affordable housing units would range in size from 820 ft² to 1,240 ft².

In order for an applicant to be entitled to the incentives for affordable housing outlined in MCC Sec. 9.5-266, the owner must ensure that all of the provisions and standards set forth in MCC Sec. 9.5-266(a)(6) are met. No information was provided that would indicate whether or not the units would be in compliance with these regulations.

V. Conclusion

In conclusion, the proposed affordable housing development would be in compliance with the purpose, use and residential density requirements of the land development regulations.

The utilization of “Carpet Cottage” style architecture would significantly contribute to the architectural quality of the area. The style is similar to the traditional Key West vernacular and is built to the human scale. This style provides visual interest and the variations in façade elements would reduce the apparent mass of the attached residential units. In addition, the proposed units would be constructed using several energy conservation features such as the provision and shading and natural light. These features would help the residential

units conserve energy and therefore be more environmental friendly than conventional construction.