



PLANNING & DEVELOPMENT DEPARTMENT COMMUNITY DEVELOPMENT BOARD STAFF REPORT

MEETING DATE: April 18, 2023

AGENDA ITEM: E.2

CASE: TA2023-01001

ORDINANCE NO.: 9664-23

REQUEST: To amend the Community Development Code Appendix C Downtown District and Development Standards to revise the Public Amenities Incentive Pool allocation process and other limited changes.

INITIATED BY: City of Clearwater, Planning and Development Department

BACKGROUND:

The city established the Public Amenities Incentive Pool (Pool) in 2004 as part of a major update to the Clearwater Downtown Redevelopment Plan (Downtown Plan). At the time, various constraints affecting redevelopment had been identified, and the Pool was one means of supporting the private sector in their efforts to redevelop Downtown which concurrently provided public benefits.

The Downtown Plan establishes the Pool, the allocation process, and qualifying amenities, while the Community Development Code references the Pool and is the implementing tool. Units and square feet of floor area within the Pool may be allocated for additional development potential in Downtown until the Pool is depleted. Developers may request increases in density and/or intensity in excess of the established maximum development potential, based on the provision of and/or payment of fees in-lieu of certain public amenities through a negotiated process approved by the Community Development Board. Currently there are 2,079 dwelling units and 2,095,667 square feet of floor area available for allocation from the Public Amenities Incentive Pool which may be requested for projects anywhere within in the Downtown District.

The Downtown Plan also establishes that those projects wanting to utilize the Pool may also request a limited increase in height of up to 20% when a major public amenity is provided. This is the only mechanism in place through which maximum height can be exceeded.

No changes have been made to the Pool or how it is implemented through the Code since it was established. In 2021, City Council directed Planning and Development Department staff to explore ways to incentivize higher density/intensity development in the Downtown Core in accordance with increases authorized by Forward Pinellas in 2019. After meeting with Forward Pinellas to discuss options, it was determined that increasing maximum density and intensity beyond what is currently established would be challenging and premature based on certain identified gaps in transportation planning and funding commitments to transportation/multi-modal projects that would support additional development potential in Downtown.

Staff presented a two-tier approach to allocation of units from the Pool within the Downtown Core to City Council at its April 17, 2021 Work Session for feedback. The proposal would streamline the pool allocation process while also providing more structure to the Pool. As conceptualized, certain “bonuses” would be identified in the Code which the Community Development Coordinator would be authorized to approve through the Development Review Committee (DRC) process (“Tier 1”). Requests that propose other public amenities or which do not meet the thresholds established would continue to require approval by the Community Development Board (“Tier 2”).

Staff has since completed additional research and has developed a formula-based bonus structure focused on uses and improvements staff identified as key to Downtown redevelopment. Additionally, staff is recommending that certain bonuses be available to projects in other Downtown Character Districts, instead of only being made available to projects in the Downtown Core. However, and importantly, the overall objective of incentivizing the use of the Pool to meet the Plan’s goals and provide amenities that broadly benefit the public as well is met through this proposed amendment.

To implement these changes, amendments are required to both the Downtown Plan and the Code, which are being processed concurrently. Because the Plan establishes the allocation process, it must be amended to allow for such a change (see companion Ordinance No. 9663-23), while proposed Ordinance No. 9664-23 amends Appendix C. Downtown District and Development Standards to establish the bonus process and parameters.

ANALYSIS:

Proposed Ordinance No. 9643-23 restructures the Public Amenities Incentive Pool allocation process established in the Downtown District and Development Standards. In addition, a limited number of amendments to other sections of the Downtown District are also proposed, where incomplete or incorrect information has been identified. The following analysis will focus on the changes to the Pool allocation process, which is the primary component of the proposed ordinance.

Tier 1 – Streamlined Allocation Process (New)

The primary objective of creating a two-tiered allocation process is to establish parameters for projects requesting an allocation from the Pool which, if met, would allow for approval by the Community Development Coordinator (staff) instead of requiring a public hearing by the Community Development Board. A new Table 1. Tier 1 Public Amenities Incentive Pool Criteria (Table 1) is proposed which includes the following:

1. Requirement (Public Benefit): This is the type of amenity required (i.e., what a project is incorporating or providing that would qualify them for additional development potential). Several options stipulate that a certain percentage of the project must include a certain use, with some including a specified payment in-lieu of provision for projects. The requirements are summarized below:
 - Incorporate rental residential units into project (applies to market rate and affordable/workforce housing).
 - Provide residential units (other options, would not include short-term rentals; applies to market rate and affordable/workforce housing).
 - Include Class A Office space in project.
 - Construct hotel use with public function spaces.
 - Achieve LEED Gold certification or equivalent.
 - Provide public parking within parking structure or pay into parking fund.
 - Build streetscape on all frontages that meets city's standards.
 - Include both EV-Ready and Level 2 charging parking spaces.
 - Provide public art or pay into public art fund.
2. Type of Bonus: Applicants may request additional residential units, hotel units, or floor area currently through the Pool. Table 1 is organized to clearly delineate which type(s) of additional development potential may be requested when a certain requirement is met. Certain amenities may only qualify for only one type of bonus (e.g., a hotel project would not be eligible for residential density).
3. Location in which Bonus is Available (by Character District): Not every bonus is proposed to be available in or the same for each Character District. Those differences are intentional and articulated within the Table. The bonus is proposed as a percent increase in development potential so that it scales depending on where it is permitted and the base potential for that District.

The Downtown Plan establishes unique visions for each Character District and sets forth the desired pattern for development, allowable intensity, density and height, and policies. Table 1 proposes meaningful bonuses for development that generate activity and draw more people, including residents, to Downtown as well as to help meet capital improvement needs in Downtown.

The Table provides clear structure to developers who may need or want additional development potential but do not want to negotiate which amenity or amenities to incorporate and wait for a public hearing to confirm the allocation is approved. A developer will know if they provide, for example, a certain amount of publicly available parking within their parking garage, they will receive a bonus of either 35% density, 20% hotel density, or 20% FAR (as currently proposed) through the DRC process.

As noted above, the density bonus is proposed to be a percent increase instead of a flat rate. Staff evaluated both approaches, and there are merits to each. However, utilizing the proposed approach maintains a proportionality to the increase across the Character Districts in which it is permitted. For example, a 40% density increase would permit 30 additional units per acre in the Downtown Core, 20 additional units per acre in Prospect Lake, and 14 additional units per acre in South Gateway, Old Bay, and Downtown Gateway. In comparison, a 30 unit per acre bonus would be a 60% increase in density in Prospect Lake and an 86% increase in the other Districts.

City Council recently approved amendments to the Downtown District & Development Standards requiring all applicants for projects in the District to attend a pre-application meeting. Additionally, vertical mixed-use projects are permitted to “stack” their development potential, meaning they can use all density and floor area entitlements. This would also apply to any bonus allocated through the Pool, and applicants can propose to provide multiple amenities to achieve greater development potential, provided the project meets the goals, objectives and policies of the Downtown Plan and is consistent with the vision of the applicable Character District.

Tier 2 – Public Hearing Allocation Process (Renamed/Revised)

It is important to note that proposed Ordinance No. 9643-23 does not eliminate the ability for a project to request an allocation from the Pool by providing a different type or scale of public amenity. There are a variety of public amenities provided in the Downtown Plan which would qualify for some level of allocation from the Pool. It is not feasible or effective to try to create defined bonuses for every variation of amenity and scale of project. Additionally, there would be less incentive to provide the types of projects that are most desired or meaningful in Downtown (those proposed in Table 1). The Community Development Board continues to be authorized to allocate units or floor area from the Pool for any project that doesn’t qualify for a Tier 1 allocation process.

The required pre-application meeting will be used to discuss requests for development potential for projects utilizing the Tier 2 allocation process and vet any proposed public amenities to provide feedback.

Tier 1 Bonus Allocations & Sample Units

Proposed bonuses range from: 10% to 40% residential density; 5% to 25% hotel density; and 5% to 25% FAR. The following tables illustrate what that means for each bonus type and Character District.

		Total Units Per Acre (Bonus as Percent of Base Density)			
Character District	Residential Density	10% (public art)	15% (EV charging)	35% (LEED, public parking, streetscape)	40% (rental residential)
Downtown Core	75	82	86	101	105
Prospect Lake	50	55	57	67	70
South Gateway, Old Bay & Downtown Gateway	35	38	40	47	49

		Total Overnight Accommodation Units Per Acre (Bonus as Percent of Base Density)			
Character District	Hotel Density	5% (public art)	10% (EV charging)	20% (LEED, public parking, streetscape)	25% (public function space)
Downtown Core	95	99	104	114	118
Prospect Lake	40	42	44	48	50
Downtown Gateway	50	52	55	60	62
Old Bay ¹ & Downtown Gateway	0	0	0	0	0

1. Only parcel with hotel density recently developed with attached dwelling use

		Total FAR (Bonus as Percent of Base Intensity)			
Character District	Floor Area (Intensity)	5% (public art)	10% (EV charging)	20% (Class A Office - Prospect Lake, LEED, public parking, streetscape)	25% (Class A Office - Downtown Core)
Downtown Core	4.00	4.20	4.40	4.80	5.00
Prospect Lake: Fronting Myrtle Ave.	2.50	2.62	2.75	3.00	3.12
Prospect Lake: Remainder	1.50	1.57	1.65	1.80	1.87
South Gateway	1.50	1.57	1.65	1.80	1.87
Downtown Gateway: Along Cleveland St.	1.50	1.57	1.65	1.80	1.87
Downtown Gateway: Remainder	0.55	0.57	0.60	0.66	0.68
Old Bay: Ft. Harrison & west	1.50	1.57	1.65	1.80	1.87
Old Bay: Remainder	0.50	0.52	0.55	0.60	0.62

A sample mixed-use project is provided below to illustrate the various bonuses that can be utilized and those public amenities that would be provided or required. Note, although parking is not required for most non-residential uses in Downtown, this presumed some would be incorporated into the project for the office use.

Mixed-Use Building in Downtown Core (75% Residential Rental, 25% Class A Office)

Parcel Size (acres):	2.0
Max. Dwelling Units:	150
Max. Square Feet (Nonresidential):	348,480
Min. Required Parking (1 per res. unit):	150
Parking Provided for Office (4/1,000 SF):	1,394
Aggregate Job Value:	\$ 50,000,000.00

Bonus Options Available:	Bonus Units or Sq. Ft	Total Units or Sq. Ft.	Public Amenity Provided
Rental Residential (+ 40% density)	60	210	Depends on final size of building; 25% GFA rental if mixed-use or all units if rental residential only
Class A Office (+ 25% FAR)	87,120	435,600	Depends on final size of building; 25% of rentable floor area required for Class A office
LEED Gold (Residential) (+ 35% density)	53	203	Must achieve LEED Gold certification
LEED Gold (Floor Area) (+ 20% FAR)	69,696	418,176	Must achieve LEED Gold certification
Public Parking (Residential) (+ 35% units)	52	202	20 reserved spaces or \$625,000 paid into parking fund
Public Parking (Floor Area) (+ 20% FAR)	69,696	418,176	20 reserved spaces or \$625,000 paid into parking fund
Streetscape (Residential) (+ 35% units)	52	202	Meet streetscape standards for all frontages
Streetscape (Floor Area) (+ 20% FAR)	69,696	418,176	Meet streetscape standards for all frontages
EV Parking (Residential) (+ 15% units)	23	173	169 spaces EV Ready & 35 spaces EVSE Installed
EV Parking (Floor Area) (+ 10% FAR)	34,848	383,328	169 spaces EV Ready & 35 spaces EVSE Installed
Public Art Bonus (Res. Units) (+ 10% units)	15	165	\$350,000 of art provided on site or \$375,000 paid into public art fund
Public Art Bonus (FAR) (+ 5% FAR)	17,424	365,904	\$350,000 of art provided on site or \$600,000 paid into fund

As illustrated through this hypothetical scenario, there are many options for this project to increase residential density and/or floor area without the need of a public hearing. And because of that, this example is not precise – aggregate job value would increase with the addition of units, floor area, and the required public amenities.

The proposed amendments support several principles that guided the development of the Clearwater Downtown Redevelopment Plan and are set forth below (Vision & Guiding Principles, page 44-45 of the Downtown Plan):

- **Integrated Variety:** The Downtown will be a community with an integrated mix of retail, residential, office and recreation uses. The development of a variety of residential projects will support individuals and families with diverse social and economic backgrounds and encourage the resurgence of residences to Downtown.
- **Economic Center:** Downtown is a major center of activity, business and governments. The location of the Pinellas County seat within Downtown Clearwater is a point of civic pride and economic development opportunities. Downtown will continue to attract an array of innovative businesses, including the technology sector, by creating a welcoming business environment, by expanding the major retail core, and with its rich human capital and unique sense of place.
- **Park Once:** A park once management strategy will be developed by efficiently managing supply and demand for Downtown parking as a collective whole and encouraging an integrated transportation system throughout Downtown.
- **Environment:** Downtown Clearwater will be competitive, vibrant, and green. The Downtown is interconnected and diverse and will promote sustainability by balancing the environment, economy and community. To achieve environmental stewardship and community vibrancy redevelopment should utilize green building practices including Low Impact Development (LID), Leadership in Energy and Environmental Design (LEED), and Florida Green Building Coalition (FGBC).

The proposed amendments also support Goals, Objectives, and Policies found in the Clearwater Downtown Redevelopment Plan (pages 46-50) including:

- **People Objective 1G:** Continue to utilize a variety of incentives to encourage the construction of new residential uses to locate Downtown.
- **Accessibility Objective 2C:** Continue to implement the Master Streetscape and Wayfinding Plan to support pedestrian and bicycle activity.
- **Accessibility Objective 2M:** Create parking as infrastructure through a park once strategy that utilizes consolidated parking to serve all of Downtown and reduces the requirement for use-by-use on-site parking.
- **Amenity Objective 3F:** Promote the visual and performing arts.
- **Urban Design Objective 4A:** Encourage redevelopment that contains a variety of building forms and styles.

- Policy 19: The City shall maintain the Public Amenities Incentive Pool, established in 2004, that provides density and intensity increases for projects in excess of the allowable maximum development potential. The Pool is allotted based on a provision of selected public amenities.

Additional Proposed Amendments

Proposed Ordinance 9664-23 includes several additional amendments, most of which are unrelated to the Public Amenities Incentive Pool. These were identified after the most recently adopted Ordinance had been presented to the Community Development Board.

- Amends Section 3-302 to rename this section, clarify applicability of step backs and transitions, and incorporate additional descriptions to improve usability.
- Incorporates a footnote under Figure 8 to provide notice that properties identified on this map as requiring height transitions are not eligible for an additional height bonus.
- Corrects Table 4, as renumbered, to show that parking would be permitted to the rear and side of parcels utilizing the Urban Residential 2 frontage.
- Establishes that properties utilizing the Workshop/Flex and Urban Residential 2 frontages may need greater setbacks to enable wider sidewalks consistent with the Downtown Plan's Master Streetscape Plan.

CRITERIA FOR TEXT AMENDMENTS:

CDC Section 4-601 sets forth the procedures and criteria for reviewing text amendments. All text amendments must comply with the following:

1. The proposed amendment is consistent with and furthers the goals, policies, and objectives of the Comprehensive Plan.

A review of the Clearwater Comprehensive Plan identified the following goals, objectives and policies which will be furthered by the proposed Code amendments:

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|-----------------|---|
| Policy A.5.5.5 | Update Beach by Design: A Preliminary Design for Clearwater Beach and Design Guidelines, and the Clearwater Downtown Redevelopment Plan, as needed. |
| Goal A.6 | The City of Clearwater shall utilize innovative and flexible planning and engineering practices, and urban design standards in order to protect historic resources, ensure neighborhood preservation, redevelop blighted areas, and encourage infill development. |
| Objective A.6.1 | The redevelopment of blighted, substandard, inefficient and/or obsolete areas shall be a high priority and promoted through the implementation of redevelopment and special area plans, the construction of catalytic private |

projects, city investment, and continued emphasis on property maintenance standards.

- Policy A.6.1.7 Downtown Clearwater is designated as a Regional Activity Center suitable for increased threshold intensity for development consistent with the boundaries of the Central Business District as identified by the Tampa Bay Regional Planning Council's Strategic Regional Policy Plan and as indicated in the Clearwater Downtown Redevelopment Plan approved in 2004.
- Policy A.6.1.8 The City shall continue to support and implement approved community redevelopment area plans, such as the Clearwater Downtown Redevelopment Plan adopted in 2004 and Beach by Design adopted in 2001.
- Policy A.6.1.10 Clearwater will continue to support the tax increment financing program and redevelopment efforts of the downtown area through activities of the economic development office and actions of the City Council as the Community Redevelopment Agency.
- Policy A.6.6.1 The City supports and encourages the continued development and redevelopment of overnight accommodation uses.
- Objective A.6.8 Identify those areas of the City that are appropriate for redevelopment as livable communities and require that specific sustainable elements be used in the redevelopment of these areas.
- Objective C.1.1 Assure an adequate supply of housing in Clearwater by providing for additional new dwelling units in a variety of types, costs, and locations to meet the needs of the residents of the City of Clearwater.
- Objective C.1.10 Recognizing that sustainable building techniques contribute to keeping housing units affordable over the long term by reducing energy consumption, lowering utility bills and decreasing maintenance costs, the City of Clearwater will promote the use of green housing construction and renovation and rehabilitation techniques.

Proposed Ordinance No. 9664-23 is consistent with the Clearwater Comprehensive Plan as evidenced by the objectives and policies identified above. Amending the Public Amenities Incentive Pool allocation process to allow the Community Development Coordinator to approve allocations supports Downtown redevelopment efforts by bringing greater consistency to and streamlining of the process which will encourage greater use of the Pool and thus redevelopment of properties overall. Table 1 establishes bonuses for additional residential, hotel and nonresidential uses in Downtown, an area appropriate for higher densities and intensities as it is already an established Activity Center. Several options are included to incentive the construction of residential uses, including affordable housing. Providing sustainable options furthers the city's desire for livable communities as Downtown redevelops and promotes the use of green development techniques.

2. The proposed amendments furthers the purposes of the Community Development Code and other City ordinances and actions designed to implement the Plan.

The proposed text amendment will further the purposes of the CDC in that it will be consistent with the following purposes set forth in CDC Section 1-103:


- It is the purpose of this Development Code to implement the Comprehensive Plan of the city; to promote the health, safety, general welfare and quality of life in the city; to guide the orderly growth and development of the city; to establish rules of procedure for land development approvals; to enhance the character of the city and the preservation of neighborhoods; and to enhance the quality of life of all residents and property owners of the city (*Section 1-103.A., CDC*).
- It is the purpose of the Community Development Code to create value for the citizens of the City of Clearwater by allowing property owners to enhance the value of their property through innovative and creative redevelopment (*Section 1-103.B.1., CDC*).
- It is the further purpose of this Development Code to coordinate the provisions of this Development code with corollary provisions related to parking, fences and walls, signs, minimum habitable area and like supplementary requirements designed to establish an integrated and complete regulatory framework for the use of land and water within the city. (*Section 1-103.E.12, CDC*)
- Enumerate density, area, width, height, setback, coverage and like requirements for each district, and make appropriate distinctions between categories of use within districts, based on the general purposes of this article, the Comprehensive Plan, and existing and desired community characteristics. (*Section 1-103.E.11, CDC*)

The amendments proposed by this Ordinance will further the above referenced purposes of the Community Development Code. Providing a streamlined option to receive allocations from the Public Amenities Pool while incentivizing amenities that help meet the capital improvement needs in Downtown and generate activity improves the quality of life for all in the city. As stated in the vision for Downtown, Downtown is the urban core and heart of the city, and center of business and government. Revitalization is achieved through the continued creation of a high quality public realm, and a dense and livable pattern which will strengthen the overall health of the city. The proposed bonuses provide options for property owners, should they want to do something different with their property, while the focused nature of the bonuses provides a level of certainty for others. Utilizing the percent increase model for the bonus, and varying certain bonuses by Character District continues to distinguish between these unique areas which, as previously stated, have individual visions and patterns of development. As such, proposed Ordinance No. 9643-23 furthers the purposes in the CDC.

SUMMARY AND RECOMMENDATION:

The proposed amendment to the Community Development Code is consistent with and will further the goals of the Clearwater Comprehensive Plan and the purposes of the Community Development Code.

Based upon the above, the Planning and Development Department recommends **APPROVAL** of Ordinance No. 9664-23 that amends the Community Development Code.



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ATTACHMENTS: Ordinance No. 9664-23
Resume