

MINUTES OF THE REGULAR MEETING OF THE CITY OF LOCAL PLANNING AGENCY/PLANNING ADVISORY BOARD HELD IN CITY HALL, 121 SOUTHWEST FLAGLER AVENUE, STUART, FLORIDA ON THURSDAY, JULY 10, 2008.

Those present: Li Roberts
Michael Herbach
William Mathers
Ryan Strom
Larry Massing

Those absent: Dr. Edward Geary, Chairman
Xavier Blatch

Also present: Paul Nicoletti, City Attorney
Terry O'Neill, Consultant for the City of Stuart

I. CALL TO ORDER: Chairman

Vice Chair Roberts called the meeting to order at 6:34PM

II. ROLL CALL: Secretary

Those answering roll call and others present are referenced above.

III. APPROVAL OF MINUTES: June 19, 2008

MOTION:

SECOND:

Motion carried

Minutes will be brought back to the next meeting

Public Comments: None

Board Comments: None

1. Proposed amendments to the City's Comprehensive Plan and Land Development Code pertaining to environmental protection standards.

Presentation: Terry O'Neill, Consultant for the City of Stuart
Mark Brandenburg, Miller Legg

Public Comments:

Toby Overdorf with Crossroads Environmental on behalf of the Economic Council, Stuart/Martin County Chamber and a couple of mitigation banks. His concerns are: Item #1 he understood the terminations with the caveat that if the City requests that they evaluate based on avoidance and minimization standards that the City defines those standards. On Item #2 the City provided the Watershed Basin Map which is a drainage basin map not a watershed map. He said they did an analysis of the mitigation banks that service the City and found five banks and an area that does not have any service from a bank. He said the current plan is somewhat confusing as how to set the priorities for mitigation. He requested the City re-examine the map provided and provide a watershed map instead of a basin map. On Item #3 he understood the intent but this is a City and clustering is normally found in non-urban areas. He said Items #4 and #5 needed definitions on efficacy study and asked what it is to contain. He thought they needed a different word. On Item #7 he asked that they redefine what a superior wetland is versus a non-superior wetland. Also on #7 the comp plan says a mean width is allowed in a buffer instead of 75 or 50 feet and asked why he didn't just quote the comp plan. He asked why a 75 foot buffer is better than a 50 foot buffer. He asked why they went to Martin County 10 foot setback standards. He asked that they look at the tree list because they are protecting a variety of flowering trees that are exotics and other exotics that they would need to provide mitigation for.

Linda Hake with Gunster Yoakley said she was concerned with wetland mitigation where under the current process you knew exactly how it worked and how much it would cost and she said there are no mitigation banks within this watershed and said it states "in this watershed or another watershed basin identified by this plan" but there are no other watershed basins identified by the ordinance and she said they are looking for predictability. She said the minimization standards are very vague. She suggested the standards be re-designated as guidelines. She stated that in the matrix on the transfer of density where the City currently allows on-site density transfer from environmentally sensitive areas of the property to the not so environmentally sensitive areas and cap it at 150%, to her is more than sufficient and it states that Martin County permits on-site transfers capped at 50% which is not entirely accurate. They allow 50% transfer of density from wetlands and allow 100% from uplands. She said that the addition of 1/10th of an acre upland preserve for every transferred unit will make it difficult and onerous for development of residential properties.

Mike Stetson asked about the wetland map and said there were three parcels south of the Roosevelt Bridge which were annexed into the City from the County because the City allowed off-site mitigation and said the same goes for the watershed. He thought there was some confusion as to on-site mitigation and asked exactly what that was. He is confused about the language, said it was very objective.

Ernie Ojito asked for the definition of superior wetlands on item #7 and on #8 asked why they include the five foot setback for secondary structures.

Mark Brandenburg said the State looks at functional value.

Mark Mathes with Lucido and Associates said that you need guidance and criteria on the wetland mitigation and agreed with the comments regarding mitigation in

watershed that there needs to be a figure. On Item #3 he said the change relates to one allowing greater mitigation and asked why non-residential projects are not deserving of mitigating wetland but residential projects are. On Item #7 (page 20, item C1) he said that from a citizen's perspective he doesn't believe that is so, that they are weakening it and should go back and take a look at that because it's taking the benefit away from the City. He said on the construction setback, it should not be implemented in the very strict way that the County does.

Board Comments:

Bill Mathers said the ten foot setback needs to be reviewed and allow what you are going to allow and prohibit what you are going to prohibit and mitigation banks are virtually full now so that needs to be looked at.

Larry Massing questioned the practicality of inside whatever the determined watershed is. He asked if there is an inventory of that and if it's practical to expect that you have ground available for this.

Terry O'Neill replied there are some environmental parcels that are undeveloped and there are some properties that were going to be development but due to the economy are not and they could be looked at. He said in the draft where it says watersheds needs to say watershed basin.

Ryan Strom said he couldn't find where guidance is given to the Development Director on avoidance and minimization questions.

Terry O'Neill replied that this takes you intellectually through a lot of things that you presume may happen at the front end of the design, but they may not. He said what they are proposing ought to dovetail with what the state agencies are trying to accomplish in their regulations.

Mark Brandenburg said when it comes to SFWM and the Army Corp of Engineers for avoidance and minimization of impacts, the criteria in state and federal regulations are even vaguer and said you don't want to have a strict absolute, these are guidelines.

Paul Nicoletti said the courts are used to determining what is reasonable.

Bill Mathers asked that they take a look at the landscape codes as they are confusing as to what counts as preserve, open space etc...

Li Roberts said she is troubled by the language that the applicant must first demonstrate to the Development Director that the proposed site plan meets environmental impact avoidance and minimization standards to the greatest extent possible and said greatest extent possible is an arbitrary term. She said she would expect more than 18 questions and more than a page of definitions to say what they are looking for.

Terry O'Neill stated it uses practicable not possible and a definition of what that means is provided.

Li Roberts asked if there was a reason on #3 that they are not dealing with commercial properties and it should somehow be addressed.

Terry O'Neill said when they looked at the practical applications of taking a wetland and upland buffer area and trying to speculate what kind of density and intensity of commercial development would correspond with that and translate it to an intensity that you could transfer was very difficult.

Li Roberts asked then if commercial wetlands would be dealt with under a PUD.

Terry O'Neill replied that if he was asked to come up with some quantifiable method he could try to do that.

Bill Mathers said density transfer has always made sense for residential but in commercial/office it's purely square feet and the only thing you could do to help commercial is give them a little more flexibility in their wetland mitigation to relocate wetlands into a configuration that maximizes their remaining buildable property after preserve area and wetlands working together allow them a net increase in square footage of what exists under the current code.

Li Roberts questioned "requiring a habitat efficacy study" then asked what they would do with it from there and said to define superior wetland.

Terry O'Neill said it needs to be developed further with more of a description.

Li Roberts asked what the Burt Harris Act is.

Paul Nicoletti replied that there have been takings in Florida where someone would say the government has usurped the use of my property and approximately twenty years ago the legislature enacted the Burt Harris Act which defines minimal takings and what it constitutes and what you can do if you have been impacted by it.

Mike Herbach said he looked at the drainage basin/wetlands many different ways and doesn't believe that is what we have here, he doesn't think of them as drainage basins. A watershed sheds water and he doesn't think we have that here but we do have basins.

Larry Massing said he thought taking control over the wetland and taking a more proactive approach is long overdue. He said he didn't think that they needed to go over the ordinance page by page and based on what he's heard thought it's important that they are sure that it's a level playing field for everybody and everybody understands what the definitions are and what the City's expectation is, which is documented clearly and that he was prepared to vote in favor of this.

Li Roberts wanted to go over the ordinance page by page and the following items were mentioned:

Page 3 Instead of "encouraging" use "requiring" for the removal of non-native exotics and invasive vegetation and base it on the Florida Exotic Pest Control Council's list of exotic trees and vegetation and address flowering plants that are exotics.

Page 4 On storm water grab the new information South Florida is coming out with such as a point system for nitrates and phosphates because it is going to be a standard.

Page 5 Correct Florida Fish Game & Wildlife, same with page 9.

Page 8 Explore the intensity transfer and see if it can be quantified.

Page 10 Look beyond the basin standard.

Page 16 Look at “practicable” and “reasonably significant means” definitions

Page 20 Meet with Mr. Mathes on those items.

Page 21 Item 4 change from five to ten

Page 23 Same changes proposed in the Comp Plan where they would add a fourth item and add the word basins

Page 24 Look at 25% on preserve area and buffers

Page 25 What is viability based on and have environmental assessment

Page 28 A5 Make signs more official

Page 31 Look at tree list

Page 32 Update trees as non-natives are listed and need to be eliminated

Page 41 Fix map and change language on average and mean

Page 42 & 43 Address intensity transfer standard

MOTION: Larry Massing moved to approve the proposed amendments to the City’s Comprehensive Plan and Land Development Code pertaining to environmental protection standards.

SECOND: Ryan Strom

Motion carried 5/0

2. Text amendment to section 3.01.06 of the City’s Land Development Regulations and to Chapters II, VI, X and XI where appropriate pertaining to Urban Code Exception Requirements in order to incorporate a procedure for a Determination of Alternative Compliance.

Presentation: Paul Nicoletti

Public Comments:

Mike Gorman said the Urban Code impacts them as residents and individuals. His conclusion is to request that the Urban Code be tabled and returned to Staff until they can have a workshop with the residents. He said there were people on vacation that couldn't be here who have hired an attorney to represent them. He said as a landowner he was against these changes. He said the Code of 2002 was the result of over 30 years of charettes and professional planners like Duany and many meetings. He said the powers that be seem unwilling to talk to the residents. He stated that the code if passed, would reduce development rights which will reduce their land value and it was basically orchestrated to eliminate the possibility of four story buildings. He gave out a Report of Findings Stakeholder/Real Estate Forum dated April 4, 2008 and asked that the board review it and asked that it be included in the minutes (*document attached at the end*).

Mike Braid said as a member of Stuart Mainstreet they discussed the possibility of the board extending them some time to review the amendments and thought all of the residents should be able to review this and participate in a workshop. He stated Steven Vitale felt the same way but was unable to stay until the item was heard.

Raul Ocampo also a member of Stuart Mainstreet echoed the sentiments of Mike Braid and Mike Gorman and asked that it be brought to Stuart Mainstreet and asked that someone from staff aid or direct them and said they could take one of the stakeholders properties in town and walk them through the process to see how well it works.

Mark Mathes of Lucido and Associates said page 18 expresses an expiration of the approval in 12 months and page 16 it says it an approval will run with the land unless otherwise stated in the resolution and he didn't know which one overrode the other. On page 16 there is a reference to sub-criteria and the purpose of this was to reduce some of the subjectivity and bring more objectivity to the process and you have references to the code that have a lot of subjective items. He said in some of the meat in the actual ordinance he didn't see historic properties addressed or any special allowances for historic properties. Page 10 on the 25% he would like to see data and analysis which demonstrates that it needs to be a policy position of the City to mandate smaller unit sizes in the CRA. He also questioned wedding caking.

Board Comments:

Li Roberts said when you go to Table 2.1 on historic properties, how many criteria would apply and what percentage should be included as a method of alternative compliance. She said if she has an existing historic building she doesn't get as many as they get. She can't come up with twelve.

Ryan Strom asked if Urban Center and Urban Neighborhood were the only two areas this applies to. He said both of those have a maximum three story height and asked if that would eliminate a fourth story.

Larry Massing said according to Mr. Gorman's data there hasn't been much development, but there are all of these exceptions and asked which it was and what the exceptions were for.

Paul Nicoletti responded some were parking under buildings and a few were for setbacks.

Mike Herbach asked why they couldn't tell the Commission that they want to leave it as is.

Li Roberts asked if someone couldn't do Alternative Compliance, could they still ask for a Special Exception.

Paul Nicoletti said in effect this takes the Special Exception process away.

Li Roberts said she thought this was a major problem and thought that this was just an option not that it would completely get rid of exceptions. She said she thought they still needed another presentation that would include public comment and thought a spreadsheet would help.

Ryan Strom said he didn't want to be responsible for telling someone how much criteria they needed when it hasn't been tested. He said perhaps you should have Alternative Compliance go before the CRB and if turned down can go to Commission for an Urban Exception.

MOTION: Mike Herbach moved to table the item

SECOND: Bill Mathers

Motion carried 5/0

V. NEXT LPA MEETING: August 21, 2008

VI. ADJOURN:

MOTION: Ryan Strom

SECOND: Mike Herbach

Motion carried 5/0

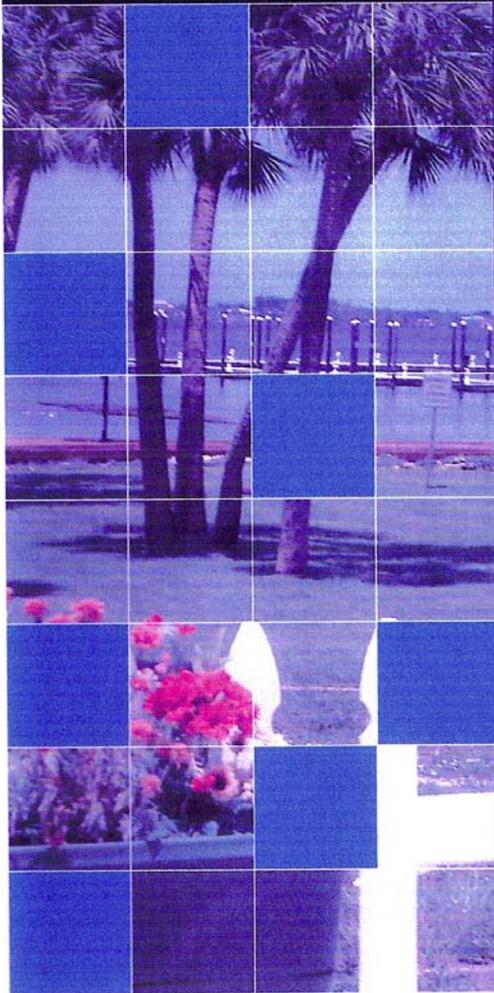
Vice Chair Roberts, there being no further business before the Board the meeting is adjourned at 9:42PM.

APPROVED

RESPECTFULLY SUBMITTED

Dr. Edward Geary, Chairman

Michelle Vicat, Board Secretary



REPORT OF FINDINGS STAKEHOLDER/REAL ESTATE FORUM

APRIL 4, 2008

RFP 2007-55

MSCW No. 07-0188

PREPARED FOR:
CITY OF STUART CRA

PREPARED BY:
MSCW, INC.

MAY 1, 2008

*We create lasting communities.*SM

While the Forum sought a good representation of various segments of the community, its acknowledged target audience was the stakeholder with expertise and interests in real estate, development and redevelopment opportunities. A wider audience of public participation is intended to be entertained during the ongoing evaluation of the CRA Plan.

Though certain geographic areas of the CRA, and some segments of the local economy were possibly under-represented at the Forum, from MSCW's experience the number and range of stakeholders who attended were adequate to yield useful results. Examples of under-represented areas include the Haney Creek area and East Stuart neighborhood, and lending institutions. MSCW will make an effort to include these areas during the upcoming interviews and while its research for the CRA Plan Preliminary Evaluation Report proceeds.

Several documents and maps were on display at the Forum for reference and to stimulate discussion. These included project objectives, description of project tasks, and an aerial map of the CRA boundary (see Attachment D). In addition, selected projects and areas of interest were called out, as follows:

1. East Stuart Land Assembly/ East Stuart Main Street
2. Courthouse/Utility Plant relocation or reconstruction
3. Esplanade
4. Civitas
5. Historic Downtown and Osceola Place
6. Downtown Parking facility
7. Triangle
8. Southpoint Anchorage (marina & restaurant)
9. North Bridge Marine Center
10. Harborage
11. Avonlea
12. Hampton Inn
13. Haney Creek

Discussion with Forum Participants

The market demand for various sectors for both the City of Stuart and the CRA area appears to be relatively strong, particularly residential, hospitality and restaurants. However, this market demand is subdued by the community's desire to limit growth in general and the intensity of development in particular. Opinions expressed at the real estate forum acknowledged that the City's height ordinance, which technically allows four stories, is difficult to achieve because of associated setback requirements, the development review process and difficulty in gaining final approvals. Further, the proposed revisions to the Urban Code may effectively limit building heights to two stories, which could further constrain developers who are interested in financially viable projects. Four stories does not appear to be overly intense or out of scale for the CRA (from an urban design perspective). However, the direction of the proposed code revisions is anticipated to make it more difficult to develop projects over two stories in height.

through the City's codes,

- o Bold new vision or strong leadership may be needed to induce desirable private investment and to adopt a visionary plan. Is Ft. Pierce or Port St. Lucie possibly a model for this? The City is sincere about wanting to see constructive change, but it is hard to find a good project.

Additional perspectives from participants on strengths, weaknesses, opportunities and threats concerning the development environment in Stuart, and in many cases Martin County, included the following:

▪ Development Market and Climate

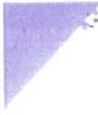
Weaknesses/Threats:

A general policy of slow growth limited to larger, single-family residences;

- * ○ An overall message to developers that Stuart is a very difficult place for investment;
- Lenders – tough to obtain local loans on vertical mix development – this is a local issue because mixed-use is becoming much more accepted;
- Fierce competition among banks and lenders limits commercial investment loans from local banks. Since commercial loans are now offered at such low rates, most lenders rely on builders', land owners', master developers' or other developers' lines of credit to provide financing;
- * * ○ Reforms to the CRA plan and discussions about future development directions must involve wider public participation in Stuart. Respectable ideas in the past sometimes have been defeated at the 11th hour by sometimes silent majority; *silence of the majority*
- Discouragement of increasing intensity of virtually any type of development;
- Lack of interest in leveraging investment of publicly-owned real estate in the downtown area along the waterfront on the south and north sides of Roosevelt Bridge;
- While some perceive parking is not a problem, others perceive that the existing supply of parking is not adequate to accommodate a significant mixed-use project;
- The City's recent adoption of required referendum for waterfront land development, sale, or lease decisions is viewed as very constraining for future development potential. How land swaps would be treated by the referendum should be further investigated.

Strengths/Opportunities:

- Undisputed community assets include exceptional public schools and strong neighborhood identity;
- The market opportunity for Stuart area is clearly family oriented development and recreational opportunities;
- Historic structures and "granny flats" could be better promoted and defined through the City's code;



- **Historic Downtown**

Weaknesses/Threats:

- In the Historic Downtown area, property owners have raised rents to a point that tenants are struggling to pay;
- The initial CRA investment in the Historic Downtown has been successful and has been a catalyst for reviving the area, but signs of business decline are increasingly evident;
- While some perceive parking is not a problem, others acknowledge that the existing supply of parking is not adequate to accommodate a significant mixed-use project;
- Residents are moving out of downtown and offices are moving out of downtown to flex space.

Strengths/Opportunities:

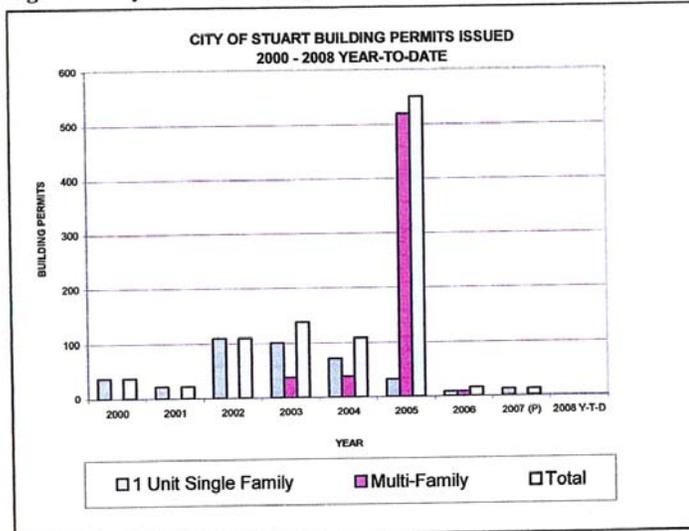
- Main Street is 700 feet and may need to be somewhat longer/larger to be sustainable. A proposed new proto-type town center project can have 1200 feet with anchors on both ends;
- The Downtown area should strive to balance tourist-oriented attractions versus local flavor, and should diversify the type of retail and services provided to continue attracting local residents;
- More events should be hosted in the Historic Downtown;
- Flagler Avenue could become more pedestrian friendly. The Historic Downtown character of this area should be rejuvenated.

Overview of Local Development Market Data and Conditions

While a more expansive market examination will be provided in the CRA Plan Preliminary Evaluation Report, the following data and discussion may suggest some trends useful in making CRA Plan policy decisions. One of the objectives of the Real Estate Forum was to obtain available and localized market data from the participants. General market information provided at the Forum identified specific market studies and data that the project team is continuing to pursue by contacting selected stakeholders.

Figure 1, following, which presents the total building permits issued by year from 2000-2008, supports the observation that building activity in Stuart is not robust. Building activity for single and multi-family structures hovered at or below 100 permits per year from 2000-2004, showed a dramatic increase in 2005, and then slowed to minimal volume after 2005. From available data, no building permits have been issued in 2008. A possible explanation for the steep increase in 2005 is rebuilding after the hurricanes, while the flat growth following 2005 probably demonstrates the slump in the real estate market in recent years. These hypotheses will be further investigated in the course of MSCW's CRA Plan Evaluation Report.

Figure 1 – City of Stuart Building Permits Issued, 2000-2008



SOURCE: U.S. Bureau of the Census. NOTE: (P) = Preliminary (final annual building permit data has not been released).

Land Use Comparisons

A review of readily available data yielded three main findings: The area’s buildings are relatively old and aging, a smaller than expected percentage of restaurant space is in the CRA, and there is a small volume of new construction.

First, a review of the data from the Martin County Property Appraiser year 2007 final tax roll, with data reflecting structures year built through 2006, shows that over 90 percent of the structures within the CRA were built prior to 1990.

** 18 yrs ago*

Second, an examination of land uses as presented in Figure 2 and Table 1 shows the comparative allocations of the various land uses within the CRA boundary. As one would expect, the majority of square footage within the selected land uses are office at 50 percent and retail at 31.3 percent. Restaurant square footage as reflected in Florida Department of Revenue (“FDOR”) land use codes is 2.2 percent or 25,979 square feet. This appears to be a low number for what is arguably the area’s Central Business District. With longer hours of operation and a dedicated customer base that comes from greater distances, restaurants tend to be “destination drivers” that are important to the overall downtown consumer environment.

Third, as indicated in the following Figure 3, the data suggest an extremely low growth rate of new construction. Less than 8 percent of the total square footage within the CRA has

been built since 2000 during one the strongest urban development periods in Florida's history.

8915

Table 1 - Building Types in CRA, Square Footage by Year Built

CITY OF STUART CRA SELECTED LAND USES SQUARE FOOTAGE BY YEAR BUILT											
TIME PERIOD	BANKS/ INSUR.	HOTEL- MOTEL	INDUS.	MF <10 UNITS	MF 10 UNITS>	NIGHT CLUB	OFFICE	REST.	RETAIL	THEATER	TOTAL SQUARE FEET
<1990											
Sub-Total	50,305	14,856	15,346	63,393	20,973	8,206	495,022	25,979	361,764	13,023	1,068,867
% of Total	100.0%	100.0%	100.0%	87.3%	100.0%	100.0%	83.6%	100.0%	97.7%	100.0%	90.3%
1990 - 1999											
Sub-Total	0	0	0	1,748	0	0	22,308	0	5,028	0	29,084
% of Total	0.0%	0.0%	0.0%	2.4%	0.0%	0.0%	3.8%	0.0%	1.4%	0.0%	2.5%
2000 - 2006											
Sub-Total	0	0	0	7,460	0	0	75,108	0	3,588	0	86,156
% of Total	0.0%	0.0%	0.0%	10.3%	0.0%	0.0%	12.7%	0.0%	1.0%	0.0%	7.3%
Total SF	50,305	14,856	15,346	72,601	20,973	8,206	592,438	25,979	370,380	13,023	1,184,107
CITY OF STUART AND CRA COMPARISON OF SQUARE FEET SELECTED LAND USES											
	BANKS/ INSURANCE	HOTEL- MOTEL	INDUS.	MF <10 UNITS	MF 10 UNITS>	NIGHT CLUB	OFFICE	REST.	RETAIL	THEATER	TOTAL SF
City of Stuart	116,186	57,989	421,059	114,572	92,525	10,646	1,460,503	110,696	2,266,331	17,595	4,668,102
% of Total	2.3%	1.2%	9.0%	2.3%	2.0%	0.2%	31.3%	2.4%	48.5%	0.4%	100.0%
CRA	50,305	14,856	15,346	72,601	20,973	8,206	592,438	25,979	370,380	13,023	1,184,107
% of Total	4.2%	1.3%	1.3%	6.7%	1.8%	0.7%	50.0%	2.2%	31.3%	1.1%	100.0%
SELECTED LAND USES PERCENT SQUARE FEET WITHIN CRA											
	BANKS/ INSURANCE	HOTEL- MOTEL	INDUS.	MF <10 UNITS	MF 10 UNITS>	NIGHT CLUB	OFFICE	REST.	RETAIL	THEATER	TOTAL SF
City of Stuart	116,186	57,989	421,059	114,572	92,525	10,646	1,460,503	110,696	2,266,331	17,595	4,668,102
CRA	50,305	14,856	15,346	72,601	20,973	8,206	592,438	25,979	370,380	13,023	1,184,107
% SF Within CRA	43.3%	25.6%	3.6%	63.4%	22.7%	77.1%	40.6%	23.5%	16.3%	74.0%	25.4%

SOURCE: Martin County Property Appraiser 2007 Final Tax Roll; Real Estate Research Consultants, Inc., 2008