



**PLANNING & ZONING BOARD AGENDA MEMORANDUM  
JANUARY 10, 2022 AGENDA**

**TO:** The Members of the Planning & Zoning Board

**FROM:** Stewart Cruz, City Planner

**PREPARED BY:** Stewart Cruz, City Planner

**SUBJECT:** Ordinance 2022-04: Treasure Island Development Agreement - 2025 S. Atlantic Avenue, Fraile St/Armstrong Ave, etc.

**SYNOPSIS:**

Ordinance 2022-04, if adopted, would approve a Development Agreement ("Agreement") between the City of Daytona Beach Shores and 2025 South Atlantic Avenue, LLC to permit the redevelopment of the Treasure Island properties (Exhibit A) and the demolition of the existing structure at the 2025 S. Atlantic Avenue property pursuant to the 2025 South Atlantic Avenue, LLC – City of Daytona Beach Shores Stipulated Settlement Agreement approved by the City Council on August 17, 2021 (Exhibit B).

The Agreement is a land use contract that would, among other things, effectuate Treasure Island Redevelopment Comprehensive Plan policies and the Stipulated Agreement land use entitlements and incentives providing for the land use and development flexibility that would foster the redevelopment of the Treasure Island properties. The existing Development Agreement approved in 2014 (Exhibit C) would be replaced and superseded by the proposed Agreement if approved.

The proposed Agreement provides two timeline scenarios for redevelopment, i.e. duration of the Agreement: (a) five (5) years to acquire a certificate of occupancy for a singular hotel/multifamily residential development on the combined Treasure Island and Sunny Shores parcels OR (b) five (5) years to acquire a certificate of occupancy for a hotel development on the Treasure Island parcel AND fifteen (15) years to acquire a certificate of occupancy for a multifamily residential development on the Sunny Shores parcel. In addition, the Agreement proposes restoration and maintenance standards to ensure the property is safe and aesthetic subsequent to demolition.

**As of the writing of this synopsis, the owner of the property has NOT agreed to either the proposed duration or restoration/maintenance provisions of the proposed Agreement. Staff has agendized this item in an effort to initiate the 120 day demolition clock, which will start subsequent to the approval of the Agreement. If the owner and City fail to agree to the terms of an approved Agreement, then the matter of the unsafe building at 2025 S. Atlantic Avenue will return before the Special Magistrate.**

The Agreement provides for a development containing 300 hotel units and 200 multifamily residential

units. However, the development criteria in the Agreement provides a general development framework and as such, the final development product may vary from the development concepts attached in the Agreement. If the ordinance is adopted and Agreement approved, the applicant will subsequently submit detailed site development plans to the City for review. These site development plans will require public hearings for a recommendation and approval by the Planning and Zoning Board and the City Council, respectively.

## **FISCAL IMPACT STATEMENT:**

## **BACKGROUND:**

### **I. SUMMARY BACKGROUND**

Ordinance 2022-04, if adopted, would approve a Development Agreement ("Agreement") between the City of Daytona Beach Shores and 2025 South Atlantic Avenue, LLC to permit the redevelopment of the Treasure Island properties (Exhibit A) and the demolition of the existing structure at the 2025 S. Atlantic Avenue property pursuant to the 2025 South Atlantic Avenue, LLC – City of Daytona Beach Shores Stipulated Settlement Agreement approved by the City Council on August 17, 2021 (Exhibit B). This will enable the owner/developer to redevelop the Treasure Island and Sunny Shores parcels with a development containing 300 hotel units and 200 residential units.

### **II. PROPERTY DESCRIPTION**

The Treasure Island properties contain nine (9) parcels located on the east and west sides of the 2000 block of S. Atlantic Avenue and the corners of Fraile and Armstrong streets. The 2025 S. Atlantic Avenue parcel is currently occupied by an 11-storey abandoned shell structure, which formerly hosted the Treasure Island Hotel. All other properties are vacant but were once developed with tourism-related structures. Combined, the Treasure Island properties total approximately 4.89 upland acres and 1.58 acres east of the bulkheadline.

### **III. PROPOSED AMMENDMENT**

The highlights of the proposed Agreement (Exhibit D) are:

1. Agreement Duration: Two scenario options: (a) five (5) years to acquire a certificate of occupancy for a singular hotel/multifamily residential development on the combined Treasure Island and Sunny Shores parcels OR (b) five (5) years to acquire a certificate of occupancy for a hotel development on the Treasure Island parcel AND fifteen (15) years to acquire a certificate of occupancy for a multifamily residential development on the Sunny Shores parcel.
2. Property Preparation and Maintenance: The site will have to be adequately restored and maintained subsequent to demolition in order to ensure the property is safe and aesthetic.
3. Effective Date of Entitlements and Incentives: Entitlements and incentives articulated in the Agreement will inure to the benefit of the owner subsequent to demolition and restoration of the site.
4. Development Permitted: the Agreement provides a general development framework that would facilitate the redevelopment of the east side parcels with 300 hotel units and 200 multifamily residential units. The final site plan and development may vary provided they remain in substantial compliance with the framework. Any substantial changes will require City Council approval.
5. Deviations Granted: To realize number 4 above, several deviations from the City's Land Development Code are granted.

#### **IV. DUE PUBLIC NOTICE**

Evidence of due public notice has been submitted to the City Clerk.

#### **LEGAL REVIEW:**

For review and recommendation.

#### **RECOMMENDATION:**

Staff recommends approval of Ordinance 2022-04 as presented.

#### **SUGGESTED MOTION:**

A Planning and Zoning Board member may motion as follows:

1. "I move to recommend approval of Ordinance 2022-04 as presented."

OR

2. "I move to recommend approval of Ordinance 2022-04, with the following amendments..."

OR

3. "I move to recommend denial of Ordinance 2022-04 on the basis of the following..."

#### **ATTACHMENT:**

1. Ordinance 2022-04 TI DA
2. EXHIBIT A-Location Map
3. EXHIBIT B-Stipulated Agreement
4. EXHIBIT C-Existing Development Agreement
5. Exhibit D-Amended and Restated Development Agreement - Treasure Island- JC 1-5 -SC-1-5-22 Clean
6. EXHIBIT D-Proposed Development Agreement Exhibits