

Section 3 - Justification Statement / Rezoning:

This request is for the rezoning of a portion of the project site from MU-E to DT. The existing DT zoning is along Lake Avenue and to the east of South M Street. The rezoning would extend the DT zoning south of the alley parallel with Lake Avenue to 1st Avenue South for the entire block with the exception of the parcel where the condominium units are located at the southeast corner of the block, and includes the Cultural Council site at 11 S. L Street and the CRA receiving site at 30 S. K Street. The following Justification Statement addresses those items required for rezoning on the “Rezoning of Land and Future Land Use Checklist”:

LDR Section 23.2-36, Review Criteria.

Consistency. Whether the proposed rezoning amendment would be consistent with the purpose and intent of the applicable comprehensive plan policies, redevelopment plans, and land development regulations. Approvals of a request to rezone to a planned zoning district may include limitations or requirements imposed on the master plan in order to maintain such consistency

Reply: The proposed rezoning requests a change from MU-E to DT for the Museum Residential site, the Cultural Council Site and the CRA Receiving Site and includes the Mixed-Use Urban Planned Development (MUUPD). The City of Lake Worth Beach Comprehensive Plan designation for this entire area is Downtown Mixed-Use (DMU), and as noted in Table 1 of the Future Land Use Element, the DT district is one of the zoning districts is one of the “implementing zoning districts” of the DMU land use designation.

In addition, the project is consistent with the following comprehensive plan policies through the proposed uses in the MUUPD, the proposed parking strategy, and by the proposed “Art Walk” which will be an enhancement to the alleyway:

Objective 1.2.1: To promote the location of high-quality retail, office and mixed-use projects in the Downtown Mixed Use (DMU) and Mixed-Use East (MU-E) designations as the prime retail and commercial areas of the City.

Policy 1.2.1.4: Development and redevelopment opportunities in the Downtown area will be enhanced through modification or reduction of parking space requirements, in recognition of public parking opportunities in the downtown area.

Policy 1.2.1.5: The pedestrian character of the downtown commercial area shall be enhanced through continuation of pedestrian access programs to ensure that development in the DMU is easily accessible to residents and visitors.

Land use pattern. Whether the proposed rezoning amendment would be contrary to the established land use pattern, or would create an isolated zoning district unrelated to adjacent and

nearby classifications, or would constitute a grant of special privilege to an individual property owner as contrasted with the protection of the public welfare. This factor is not intended to exclude rezoning that would result in more desirable and sustainable growth for the community

Reply: The proposed rezoning is consistent with the established land use pattern with the proposed museum to be located with frontage on Lake Avenue and the proposed residential located to the south of the alleyway and extending to 1st Avenue South . With respect to the future phases the proposed residential at the Cultural Council parcels along L Street and the CRA parcels along K Street and 1st Avenue South are also consistent with the established land use pattern.

Sustainability. Whether the proposed rezoning would support the integration of a mix of land uses consistent with smart growth or sustainability initiatives, with an emphasis on 1) complementary land uses; 2) access to alternative modes of transportation; and 3) interconnectivity within the project and between adjacent properties

Reply: The proposed rezoning will support this proposed mixed use urban development that includes both residential and cultural/institutional uses which complement the existing land use pattern. With frontage on Lake Avenue, there is access to Route 62 of Palm Tran which runs east/west and provides additional connections to other bus routes as well as to Tri-county Commuter Rail. The project design will provide interconnections to other properties via the sidewalk network that currently exists as well as the proposed Art Walk enhancements to the alleyway.

Availability of public services/infrastructure. Requests for rezoning to planned zoning districts shall be subject to review pursuant to section 23.5-2

Reply: Section 23.5-2 includes the platting and replatting requirements of the city including extension and access to utilities and other public improvements. The subject project will include the recombination of existing lots and portions of alleyways via unity of title, and the area is fully served by all infrastructure including water, sewer, storm drainage, and other utilities.

Compatibility. The application shall consider the following compatibility factors:

Whether the proposed rezoning would be compatible with the current and future use of adjacent and nearby properties, or would negatively affect the property values of adjacent and nearby properties.

Whether the proposed rezoning is of a scale which is reasonably related to the needs of the neighborhood and the city as a whole.

Reply: The rezoning will facilitate the proposed development which will positively affect area property values and is compatible with nearby commercial and residential

development, and is consistent with the placement of DT zoning on blocks to the east of the subject site as well as blocks to the west along South J Street.

Direct community sustainability and economic development benefits. For rezoning involving rezoning to a planned zoning district, the review shall consider the economic benefits of the proposed amendment, specifically, whether the proposal would:

1. Further implementation of the city's economic development (CED) program;

Reply: The rezoning will further implement the CED by bringing additional residents to the downtown, expanding the tax base, and providing additional cultural resources to the area thereby adding to the market strength. The private investment associated with the WMODA project will bring significant short term employment boosting the local economy as well as long term visitation which will add jobs to the downtown area. See Economic Impact Report for details.

2. Contribute to the enhancement and diversification of the city's tax base;

Reply: The development will be an addition to the city's tax base for both the Residential Complex and the Museum. Both the Museum Parcel and the residential will remain privately held by Sunshine Lake Worth Development and as such, the entire parcel will be subject to the payment of Ad valorem taxes annually. See Economic Impact Report for 10 year estimated tax revenue by taxing authority.

3. Respond to the current market demand or community needs or provide services or retail choices not locally available;

Reply: The rezoning will help meet the demand for additional housing, and bring an attraction to the area that will help to enhance existing businesses while expanding the type of uses in the area.

4. Create new employment opportunities for the residents, with pay at or above the county average hourly wage;

Reply: The rezoning will result in increase long term employment at the museum and the residential site t, and will have a direct positive impact short term on construction jobs during development .

5. Represent innovative methods/technologies, especially those promoting sustainability;

Reply: The museum and residential project will include elements of affordability, art education for all ages, multimodal transportation and easy

connections to local transit and energy efficiency, all reinforcing the project sustainability.

6. Support more efficient and sustainable use of land resources in furtherance of overall community health, safety and general welfare;

Reply: The project is designed with more urban building heights, smaller residential units, shared and subterranean parking, and greater density and intensity of the land use enhancing the energy and land use efficiency of the property overall.

7. Be complementary to existing uses, thus fostering synergy effects; and

Reply: With the museum proposed along Lake Avenue and residential in the block to the south, the proposed development is compatible with and complementary to the existing commercial, retail, and public spaces along Lake Avenue and with the residential uses located to the south.

8. Alleviate blight/economic obsolescence of the subject area.

Reply: The proposed new construction of the museum along Lake Avenue and residential units in the block to the south, this project will redevelop some underutilized and vacant properties, and enhance the character of others through a unified development under single ownership and management.

Master plan and site plan compliance with land development regulations. When master plan and site plan review are required pursuant to section 2.D.1.e. above, both shall comply with the requirements of the respective zoning district regulations of article III and the site development standards of section 23.2-32.

Reply: The architectural site plans along with floor plans and elevations, and the civil engineering and landscaping plans comply with the requirements in Section 23.2-32 for site plan submittal requirements and qualitative information.

CONSISTENCY WITH THE CITY'S STRATEGIC PLAN

The WMODA Mixed-Use Cultural Arts Campus is specifically aligned with the City's Strategic Planning Goals in the areas of housing, crime reduction, infrastructure investment, preservation of character and historic resources, increased leisure opportunities, culturally enriching educational opportunities, tourism, stability of tax base, and expansion of jobs. The following provides detailed examples of the WMODA Mixed-Use Cultural Arts Campus Development's alignment with City's Strategic and Comprehensive Plans.

HOUSING

- **Lake Worth Beach Strategic Plan - Pillar Two (A):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” - Diversify Housing Options
- **Lake Worth Beach Comprehensive Plan, Housing and Neighborhoods Element**

Goal 3.1: To achieve a supply of housing that offers a variety of residential unit types and prices for current and anticipated homeowners and renters in all household income levels by the *creation and/or preservation of a full range of quality housing units.*

Objective 3: 1.1: *To upgrade the quality of existing housing and assure that new construction is of the highest possible quality while supporting the position that the city’s housing supply will be principally provided by the private sector.*

The residential portion of the WMODA Mixed-Use Cultural Arts Campus will add 110 new residential apartment units to the downtown area. These new residential units will be located in a highly amenitized residential building that includes an ample terrace space, outdoor pool deck, fitness center, structured parking, and community art space.

Objective 3.1.8: *Encourage construction of workforce housing units and market- rate housing to alleviate the excessive concentration of affordable units in the City* and to contribute to the Goal of providing a full range of quality residential unit types and prices for current and anticipated homeowners and renters in all household income levels.

The WMODA Cultural Arts Campus will be a mixed income development in the heart of Downtown Lake Worth Beach. WMODA team believes that a mixed-income housing in this location will fosters economic diversity, social inclusion, and neighborhood stability by integrating residents of varying income levels within the same community. Additionally, mixed-income developments contribute to reducing concentrated poverty, enhancing public safety, and promoting access to quality amenities .

The residential component will have 102 market rate studio, one- and two-bedroom units, of which 8 units will be affordable workforce artist lofts priced at the 80-120% of AMI level. The affordable artist lofts will be located on the ground floor of the development and each unit will feature an artist workspace. The addition of an artistic workspace within the unit presents added value and supports the local arts community by providing the needed workspace in addition to affordable housing. By providing a range of affordable and market-rate housing options, the downtown area will become more resilient, dynamic, and attractive for both residents and investors.

Goal 3.2: To assure that all citizens have decent, safe and sanitary housing in neighborhood environments that are attractive, secure and free from urban blight.

Objective 3.2.3: To promote the elimination of blighting influences on residential areas and improvement of substandard housing conditions.

The Development of this parcel includes the elimination of blighted conditions, through the addition of 110 new residential apartment units, 33,000 SQ FT museum on the corner of Lake Avenue and M Street , the development of a pedestrian friendly, safe, and well-lit Arts Alley which will serve as a connection between the development and the downtown, and the relocation of three historic structures, which in partnership with the city will be redeveloped in other locations in the Downtown.

Objective 3.2.4: To encourage *architectural design that complement the city's appearance* and considers the objectives of all facilities and services provided by the City.

The Design of the WMODA Mixed Use Cultural Campus embraces the Mid Century Modern Architectural style and takes great care to successfully integrate a new building into a historic context.

Goal 3.4: Provide protection and awareness of historic, archeological and cultural resources in the City of Lake Worth.

Objective 3.4.5: To support *redevelopment plans which recognize and respect the historic urban character of Downtown Lake Worth* and the surrounding neighborhoods.

The architects have taken the concept of “separate but connected” party walls, a concept that was prevalent in the Old Town historic district between 1912 and 1949 and applied it to the proposed residential structure. This primary façade is essentially broken into five separate bays, paying homage to the historic character and how the Old Town Historic District initially developed.

In accordance with the Lake Worth Historic Preservation Guidelines, the Mid-Century style is heavily represented in the Downtown and is also represented in the style of the WMODA residential building. This building has been designed with attention to detail, functionality, and an intent to represent a the Mid Century Modern style, that is embraced by the City's Historic Preservation Guidelines.

CRIME REDUCTION

- **Lake Worth Beach Strategic Plan – Pillar Two (B):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” – Crime Reduction and prevention in achieving, safe livable and friendly community.

Currently the L and M Parcels are comprised of government buildings that are not activated at night, abandoned buildings, vacant lots, and deteriorating infrastructure which can often become hotspots for criminal activity. The WMODA project will revitalize these spaces, replacing decay with new cultural arts facility, housing, and public amenities. The project will incorporate well-lit pathways, clear sightlines, active storefronts, and public spaces with high visibility. The WMODA project will increase natural surveillance, which will discourage criminal activities and attract new residents and businesses, fostering a sense of ownership and security.

INFRASTRUCTURE INVESTMENT

- **Lake Worth Beach Strategic Plan – Pillar Two (C):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” – Sustain infrastructure investments.

As a part of the development agreement with the city of Lake Worth Beach and the Lake Worth Beach CRA, the WMODA Project will improve the Electric Utility delivery in the Downtown and surrounding residential area by undergrounding the electric service within the limits of work. The removal of the above ground poles, which are susceptible to damage from weather events, is expected to enhance the infrastructure and service in the area.

The rerouting of the water and sewer lines in and around the site is also expected to enhance and improve upon the existing facilities. The proposed design is anticipated to provide increased longevity and sustainability of the water and sewer lines for the project and those in the immediate area.

PRESERVATION OF CHARACTER AND HISTORIC RESOURCES

- **Lake Worth Beach Strategic Plan – Pillar Two (D):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” –Preserve the character and protect historic resources.

In addition to WMODA projects efforts to align with the Historic Preservation Guidelines, the development includes the relocation of three contributing strictures to new locations specified by the City. The relocation of these structures ensures preservation of these buildings for adaptive reuse within the context of the existing historic district.

INCREASED LEISURE OPPORTUNITIES

- **Lake Worth Beach Strategic Plan – Pillar Two (E):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” – Deliver Sustainable indoor-outdoor leisure opportunities.
- **Lake Worth Beach Comprehensive Plan, Recreation and Open Space Element**

Goal 7.1: The City of Lake Worth’s open space and recreation system shall provide sustainable indoor-outdoor leisure opportunities, to meet the physical, social, recreational and cultural needs of current and future demands of all population segments with access to a variety of passive and active recreation programs through the use of both public and private resources.

Objective 7.1.5: The City shall continue encouraging cultural programs supporting its diverse population in coordination with other public and private entities.

Museums like WMODA are embraced nationwide as a component of indoor leisure activities, providing the public with educational, cultural, and recreational experiences in a structured indoor environment. They serve as spaces for learning, entertainment, and social engagement. As indoor attractions, WMODA will cater to a wide audience, including families, tourists, and residents, contributing to the city's cultural vibrancy and leisure economy.

CULTURALLY ENRICHING EDUCATIONAL OPPORTUNITIES

- **Lake Worth Beach Strategic Plan – Pillar Two (F):** Strengthening Lake Worth Beach as a “Community of Neighborhoods” – Collaborate with schools to foster, diverse and culturally enriching educational opportunities for all.

The main mission of WMODA since its inception has been to expand access to the arts, especially for children. The Museum has a long history of partnering with local schools and youth programs to provide exposure to ceramic making, glass blowing, textiles, and the history of the fired arts. In this proposed development, the new WMODA museum will include classroom and community collaboration space that will allow for the expansion of programming at this purpose-built location.

TOURISM

- **Lake Worth Beach Strategic Plan – Pillar Three (C):** Celebrating the Unique, Historical, Coastal and Cultural Diversity of the City – Encourage tourism by increasing options for visitors to stay and experience the city.

WMODA will be 33,000 square feet of space designed to be a sustainable, community-centric building.

- The museum will be designed to provide areas for revenue generating event space accommodating social events (wedding, birthday, cocktail), corporate (meetings), and the arts industry (classes, lectures, exhibitions);
- The museum is preliminarily forecast to attract 50,000 annual visitors and generate approximately \$750,000 to \$1 million in annual gross revenue from attendance and event functions by its 5th year of operations.

The impact from visitors will significantly benefit surrounding businesses and properties and create vast opportunities to promote the City arts scene, the LuLa Arts District, and the many local galleries, and artist collectives in the City.

EXPANSION OF JOBS

- **Lake Worth Beach Strategic Plan – Pillar Four (D):** Navigating Towards A Sustainable Community –Influence the supply and expansion of jobs.

The WMODA Economic Impact Study estimated that long term, the onsite employment, building operations, Museum operations, guest spending and a spending of on-site residents will generate approximately 21 – full time jobs, \$2.2 million in annual salaries and wages, and \$5.1 million in annual business revenue that will flow through the downtown Business Area.

When looking at the short-term impact of construction:

STABILITY OF TAX BASE

- **Lake Worth Beach Strategic Plan – Pillar Four (A):** Navigating Towards A Sustainable Community – Achieve economic and financial sustainability through a versatile and stable tax base.

The development of the WMODA site takes a former non-revenue generating parcel of land and turns it into an income generating development. The Economic Impact Analysis shows that:

Impact During Construction Period

The anticipated construction period of the proposed WMODA Mixed-Use Cultural Arts Campus project will generate the following:

\$48 MILLION
of revenue

\$53,000
annual wage for FTE's

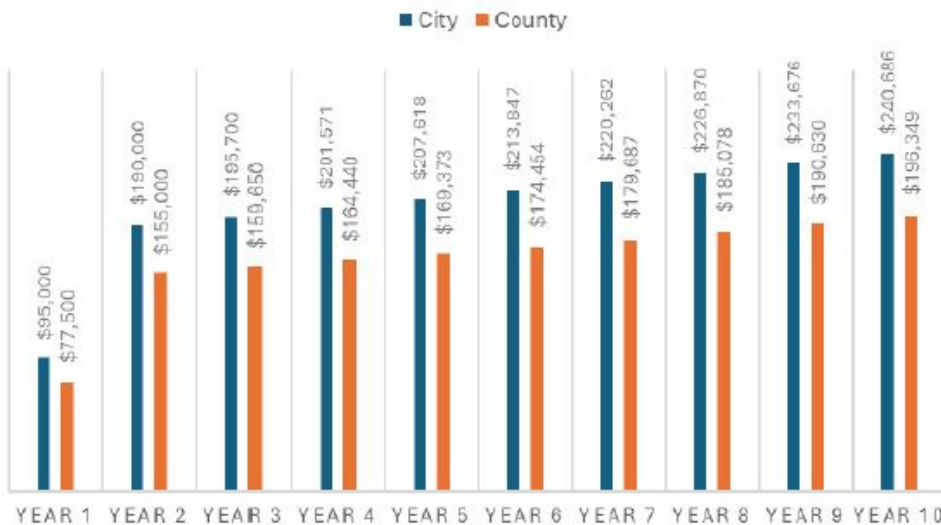
522 JOBS
created over 2-years

\$27 MILLION
labor income added
to economy

\$56 MILLION
in total output (GDP)

By 2028, the proposed development will provide benefits to the City and County by way of real property and personal property (ad valorem) taxes.

The tax amount is based upon the County Tax Collector's (2023) millage rate of 22.2472 (per thousand dollars of value). Ad valorem taxes for the development based on the estimated total development evaluation (including land) of approximately \$42 million, and all of which is net new increment since the property is City/CRA owned with no taxable value. Upon stabilization, the proposed mixed-use development itself will generate approximately \$768,000.



ACROSS 10 YEARS

\$2,025,000
to City (Operating)

\$1,650,000
to Palm Beach (Operating)

\$2,400,000
to County School Board