

Agenda Item:

3.c

Meeting Date:

August 7, 2025

MEMORANDUM

To: City Commission

Through:

From: George Kinney

Date: 2025-07-09

Subject: First Reading of Application DR-2025-0001 - Request for Design Review Approval for the development of an affordable multifamily residential housing project called The Flats on Main Street consisting of 78 apartments on 3.34 acres of property located at 1419, 1421, 1422, 1440, 1445 Carnation Drive and 1150 Friendly Lane.

Presenter(s): George Kinney; Robert Ironsmith; Clayton Watkins

Staff Recommendation: Approval of DR-2025-0001 with conditions. Staff has determined that the application has met all of the applicable review criteria and the Local Planning Agency unanimously recommends this application for Commission approval.

Strategic Themes: Good Governance, Infrastructure, Planning and Growth

Boards & Committees: Development Review Committee (DRC)
Architectural Review Committee (ARC)
Local Planning Agency (LPA)

Budget Impact: The State of Florida is providing 9% Low Income Housing Tax Credits worth \$30 million over 10 years as equity in the project. Pinellas County Housing Authority is providing \$10 million in rental vouchers over 10 years to lower the rent for lower income individuals and families. Dunedin has committed \$610,000 toward the tax credit application to the State and is waiving half of the Public Art Fee valued at \$36,000. In summary, the city has leveraged \$40.6 million to achieve a high priority goal of producing affordable housing. Anticipated annual property tax revenue estimate is \$32,000 [$\$7.74 \text{ million} \times \text{city millage rate of } 4.1345 = \$32,000$ in annual property tax revenue to the City of Dunedin].

Past Action: June 4, 2024 - City Commission unanimously approved the Financial Commitment Letter to the Florida Housing Finance

Corporation (FHFC) for this affordable housing project in the amount of \$610,000.

January 7, 2025 - The ARC unanimously approved the design of the project, recommending that the applicant prepare a vision board for use at the public hearings and to fence or screen between the proposed clubhouse and the adjacent commercial use (Lueken's Wine & Spirits) to the south. The January 7, 2025, ARC meeting minutes are included as EXHIBIT H.

February 6, 2025 - The City Commission authorized the City Manager to pursue negotiations with the applicant relative to entering into a Development Agreement for The Flats on Main Street project.

At the conclusion of those negotiations, Ordinance 25-01 and the negotiated Development Agreement was presented to the Local Planning Agency (LPA) on April 12, 2025, for recommendation. The LPA voted unanimously to recommend approval to the City Commission on the condition that the developer holds a neighborhood meeting with surrounding residents about the project.

May 8, 2025 - The City Commission unanimously approved first reading of Ordinance 25-01.

June 5, 2025 - Ordinance 25-01 and the negotiated Development Agreement was formally adopted and enacted on second reading by the City Commission (EXHIBIT I).

July 9, 2025 - Unanimous recommendation from the LPA to approve the Design Review.

Next Action: September 4, 2025 - Second hearing by the City Commission

Attachments:

- [A. Application DR-2025-0001 - Staff Report](#)
- [B. Application DR-2025-0001](#)
- [C. Aerial, Land Use & Zoning Maps](#)
- [D. Aerial Map of Surrounding Properties & Uses](#)
- [E. 6/19/2025 ICE Review of TIA](#)
- [F. The Flats on Main Street Design Modifications and Compatibility Review](#)
- [G. 12/18/2024 DRC Meeting Notes](#)
- [H. 1/07/2025 ARC Meeting Minutes](#)
- [I. Ordinance 25-01 & Development Agreement](#)
- [J. Public Notices](#)
- [K. 07-09-25 LPA Minutes](#)

Background: Please see the Staff Report (Exhibit A).