



City of Sanibel

City Council

Planning Department Agenda Memorandum

City Council Meeting Date: March 31, 2026

To: City Council

From: Paula N. C. McMichael, AICP, Planning Director

Date: March 10, 2026 **REVISED March 24, 2026**

TITLE: Conditional Use Permit for Increased-Density Below Market Rate Housing (PL20260002) and Variances for Below Market Rate Housing (PL20260007)

REVIEW TIMELINE

Date	Meeting Type	Summary
02/24/2026	Planning Commission	Resolution 26-04, recommending authorization of increased density BMRH, and Resolution 26-05, recommending authorization of variances, both approved by 5-1 vote
03/17/2026	City Council	Discussion and First Reading
03/31/2023	City Council	Second Reading of Ordinances 26-04 and 26-05

PROPOSAL

The applicant, Rachel Bielert, RLBCM LLC, on behalf of Sanibel 1523 INC and Sanibel 1531 INC (the property owners), proposes increased-density for Below Market Rate Housing use (+30 dwelling units) at 1523 Periwinkle Way to develop a 39-unit multifamily residential building.

Community Housing & Resources is potentially receiving a grant award of \$9.75M from U.S. Housing and Urban Development (HUD) Community Development Block Grant – Disaster Recovery (CDBG-DR) program to fund construction and land acquisition for development of this project.

BACKGROUND

The Sanibel Plan describes circumstances under which residential density could be increased by City Council for a specific site if mitigating considerations are found to exist that would outweigh potential drawbacks and work toward achieving other objectives of the Sanibel plan, including, “where opportunities are provided for below market rate housing.”

Plan for Housing, Policy 3.4	Maintain the provision of the Land Development Code allowing conditional use increased density (additional bonus units) for BMRH units.
Plan for Development Intensity, Provision #2	By such implementing development regulations, the City Council may also permit residential densities in excess of those shown on the Development Intensity Map as incentives to the provision of below market rate housing.

Procedures to authorize increased density for Below Market Rate Housing, as a conditional use, are described in the Land Development Code and reiterated by City Charter Section 3.10.2. Actions to increase the residential development intensity established by the Sanibel Plan require a supermajority vote of council (four-fifths of the full membership or unanimous where less than full membership is voting) per LDC Section 82-32.

Planning Commission voted to recommend approval of both petitions by a 5-1 vote with Vice Chair Steiner recused due to bias in favor of the project. Commissioner Schopp voted against the proposals, citing Sanibel Plan Section 3.6.1, Policy 3.7, “Ensure that BMRH units continue to be developed and maintained in a manner that is compatible with the character of the community.”

ADDITIONAL INFORMATION POST MARCH 17, 2026, CITY COUNCIL MEETING

City Council discussed the proposal at the special meeting of March 17 and approving the ordinances for second reading on March 31. Additional analysis is provided, below, based on concerns raised.

- 1. Require trees within the front buffer to be larger at time of installation than otherwise required by code.**

The following condition was added to the ordinance after discussion:

Condition 10: [insert at end] “The large trees in the front buffer shall be a minimum of 15 feet in height at time of installation.”

- 2. Require vegetation be planted within the northern/commercial portion of the site until such time as a commercial building is constructed.**

The following condition was added to the ordinance after discussion:

Condition 11. Until developed, the area within the Applicant’s plans where the proposed commercial building is depicted shall be planted and maintained in accordance with the buffer standards detailed in Sec. 122-73, except the minimum required plantings of such area is only required to meet 50% of the number of planting requirements per type and variety.

- 3. Require any subdivision of the property to receive approval from City Council.**

The following condition was added to the ordinance after discussion:

Condition 12. Any proposed minor or major subdivision of the subject property is required to come before City Council for final approval.

4. Compliance with Sec. 86-43 – Appearance of structures, size and mass of structures.

A statement was made that the applicant's 86-43 analysis was not complete because they did not provide the following analysis, which was marked with a check on the "Checklist of Conformance to Sec. 86-43" form the applicant submitted:

Building elevations depicting angle-of-light with adjacent properties. Show the proposed development in context and to scale with other improvements in the general vicinity. At a minimum, the drawing must show the full height, scale, and articulation of each structure immediately adjacent to the property.

The form does not require this analysis, rather, it requires that at least two of the listed items be provided as part of the form. The applicant provided three of the listed items – the landscaping planting plan, color photographs of typical development nearby, and the building materials and components list – as well as building elevations. It was incorrect to state that the applicant did not provide what was required. I will also note that Sec. 86-43 provides that the planning department makes the determination of compliance, and in the case where the applicant and planning department do not agree as to conformance, the application can be referred to the planning commission for review. The planning commission determined by its vote of 5-1 for approval that they found the building to be in conformance with Sec. 86-43.

5. Three habitable stories

An objection was raised related to the variance requested from Sec. 86-164 which prohibits more than two dwelling units, vertically, at any point in a multifamily building except within the resort housing district, stating that the approval of such a variance, by itself, would violate the Sanibel Plan. Staff disagrees with this analysis. Placing a three-story multifamily residential building outside of the resort housing district – specifically, to house below market rate housing units – is fully supported by the vision of Sanibel as a "small town community" that "cherishes its culture, social, ecological, and economic diversity."

Staff does not find that three habitable stories creates overdevelopment of the site or a building that is incompatible with the commercial corridor on Periwinkle Way. The building has been designed to conform with the maximum height limitation of 45 feet and no variance from the height limitation has been requested. The building complies with setbacks and limitations on developed area and impermeable coverage. The building complies with angle of light considerations for a multifamily building. The adjacent property to the east is being developed by CHR with a 15-unit below market rate housing project with similar style and massing, including three habitable stories.

The applicant provided a traffic analysis that demonstrated the proposed development of the site with 39 dwelling units and a roughly 2,000 SF commercial building would generate less traffic than the former use of the site as a 5,000 SF restaurant.

The objection focused on the view from Periwinkle Way. The applicant will present a rendering to demonstrate the view of the project from that roadway to the traveling public.

6. Compliance with Architectural Standards

There were concerns raised regarding whether the multifamily building conforms to the architectural guidelines of the code, stating that the building is monolithic with no articulation. “Monolithic” in the code means “unadorned walls and roof planes lacking in articulation.” Staff found and Planning Commission agreed that the building does comply with the architectural standards, providing railings, balconies, and horizontal and vertical elements to break up the plane of the building and a pitched roof of varying sizes. However, to respond to council concerns, the applicant has developed an alternative design that they will present alongside the original design at the meeting on the 31st.

7. Avoid Undue Concentration for Very Low, Low, and Moderate Income Housing

Concern was expressed that the placement of Riverview II adjacent to the under construction Riverview I (Harkey House) could result in an “undue concentration” of BMRH units. Staff finds that the placement of two below market rate housing developments adjacent to one another does not create an “undue concentration,” and instead results in a cohesive design between the two developments with an internally consistent “island” architectural style, beneficial internal circulation between the sites, and shared landscaping. The development as proposed maintains the high level of design and aesthetic quality expected from CHR and follows the guidance from the plan that BMRH developments be “constructed and landscaped to be virtually indistinguishable from the rest of the community.” Staff does not find that these two developments represent an “undue concentration of very low, low, and moderate income housing.”

8. Overall Sanibel Plan Compliance

The Sanibel Plan and Vision Statement support the provision of below market rate housing to support the small town community, its economic diversity, and long-term economic viability by supporting a local workforce. Staff notes these additional provisions and policies in support of the application (also included in the staff report to the planning commission and the PowerPoint presentation).

Section 3.6.1 Housing, Objective 3	Increase the total number of housing (dwelling) units that are available to persons of very low, low, and moderate income in addition to providing essential services workforce housing based on needs.
Plan for Commercial Development, Provision #7	Continue to seek alternatives to commercial development on Periwinkle Way by monitoring the feasibility of incentives contained within the development regulations.
Policy 3.6.1 Housing, Policy 3.8	Evaluate opportunities for mixed commercial and residential developments in the commercial sector to provide housing opportunities for the Island workforce.

BENEFITS: Application no. PL20260002 proposes development of thirty-nine (39) dwelling units dedicated to the Below Market Rate Housing (BMRH) program. The increase of density for BMRH use achieves housing goals of the Sanibel Plan to increase housing for very low-, low- and moderate-income households and essential

services workforce housing. The variances (application no. PL20260007) are necessary to accommodate the below market rate housing development.

FUNDING SOURCE: N/A

PUBLIC COMMENT: As of March 25, 2026, 43 emails in support of the project, 1 opposed, and 1 general comment have been received.

RECOMMENDED ACTION: Approve Ordinances 26-04 and 26-05.