



Palm Beach County Workforce Housing Program Industry Stakeholders' Forum



August 14, 2024

Agenda

Today

- Introduction
- Presentation of 13 topics
- Questions and Comments

Next Steps:

- Comment through Survey
 - Available through September 13
- October/November BCC Workshop/Direction
 - Posting of Report (comments received; staff recommendations)



Workforce Housing Program

- August 2006 - BCC adopted a mandatory WHP
- January 2010 - Revised due to economic conditions
 - Reduced required percentages, affordability periods
- August 2019 - WHP revised to:
 - Incentivize SF, for-sale, on site WHP
 - Streamline density bonus up to 50%
 - Increase in lieu fees; add new exchange builder option
- October 2023 – WHP revised to:
Improve compliance monitoring, address fees charged
June
- June 2024– Board Workshop and Direction for Industry Input

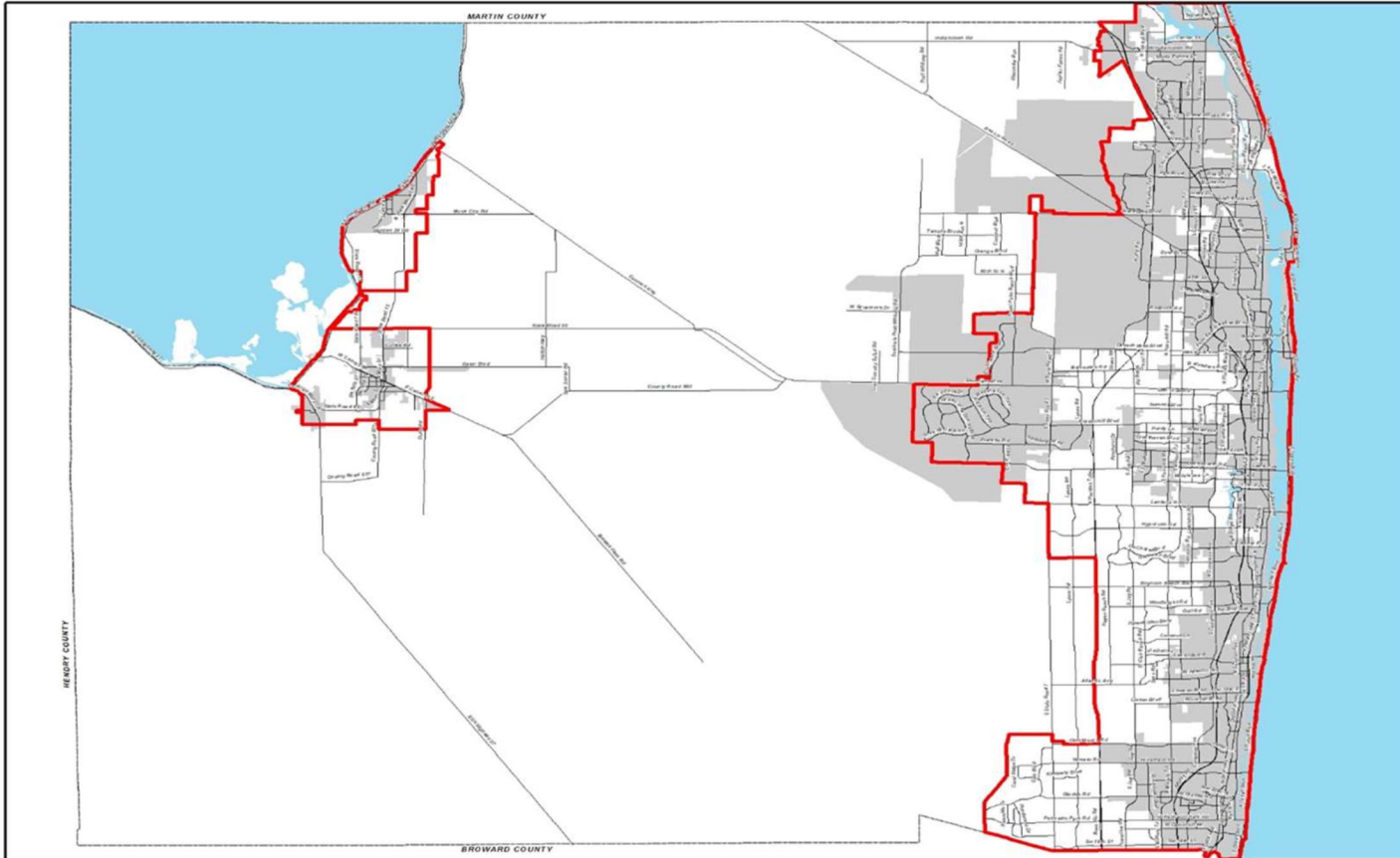


Workforce Housing Program

- Inclusionary: Mandatory obligation for 10+ units in U/S Tier
Voluntary density bonus in exchange for additional WH
Total obligation range: 2.5% to >26%
- Disposition: On or off-site, in lieu fee, restrict existing unit, donate land, exchange
- Restriction: For-sale units 15 yrs, recurring; rentals 30 yrs
- Eligibility: Low (60 to 80% of AMI)
Moderate 1 (>80 to 100%)
Moderate 2 (>100 to 120%)
Middle Income (>120 to 140%, rentals only)
- To date: 1700+ units built (85% rentals); 1300 in pipeline; 326 in lieu (\$28M)



Urban Suburban Tier



2024 WHP Income Ranges

Based on 2024 Area Median Income of \$104,000, published annually for Palm Beach County by U.S. Dept. of Housing and Urban Development

WHP Income Categories and Ranges		
Low	60 -80% of MFI	\$62,400 - \$83,200
Moderate 1	>80 -100% of MFI	>\$83,200 - \$104,000
Moderate 2	>100 -120% of MFI	>\$104,000 - \$124,800
Middle	>120 -140% of MFI	>\$124,800 - \$145,600



2024 Rental Prices

WHP Income Category			Studio	1 BR	2 BR	3BR	4BR
Low	60-80% of MFI	\$62,400 - \$83,200	\$1,125 - 1,500	\$1,205 - 1,607	\$1,446 - 1,928	\$1,671 - 2,228	\$1,864 - 2,486
Moderate 1	>80-100% of MFI	>\$83,200 - \$104,000	\$1,500 - 1,875	\$1,607 - 2,009	\$1,928 - 2,410	\$2,228 - 2,785	\$2,486 - 3,108
Moderate 2	>100-120% of MFI	\$104,000 - \$124,800	\$1,875 - 2,250	\$2,009 - 2,410	\$2,410 - 2,892	\$2,785 - 3,342	\$3,108 - 3,729
Middle	>120-140% of MFI	>\$124,800 - \$145,600	\$2,250 - 2,625	\$2,410 - 2,812	\$2,892 - 3,374	\$3,342 - 3,899	\$3,729 - 4,350



Based on ranges published annually by Florida Housing Finance Corporation Multifamily Rental Programs

2024 For-sale Prices

WHP Income Category			2024 (WHP) Sales Prices
Low	60 -80% of MFI	\$62,400 - \$83,200	\$218,400
Moderate 1	>80 -100% of MFI	>\$83,200 - \$104,000	\$280,800
Moderate 2	>100 -120% of MFI	>\$104,000 - \$124,800	\$343,200
Middle	>120 -140% of MFI	>\$124,800 - \$145,600	\$405,600*

*Applies to project approved under WHP in effect prior to August 2019

Sales prices based on the 2024 Area Median Income of \$104,000, published annually for Palm Beach County by U.S. Dept. of Housing and Urban Development, and adjusted to the midpoint of each income category.



The background image shows a large, multi-story residential building with a red-tiled roof and a fountain in the foreground. The building has a light-colored facade and several windows. The fountain is on the left side of the image, and there are palm trees and other greenery in front of the building. The sky is blue with some clouds.

Workforce Housing Program Potential Changes

WHP Topic: Tier Applicability

Topic: Tier Applicability

Current Program:

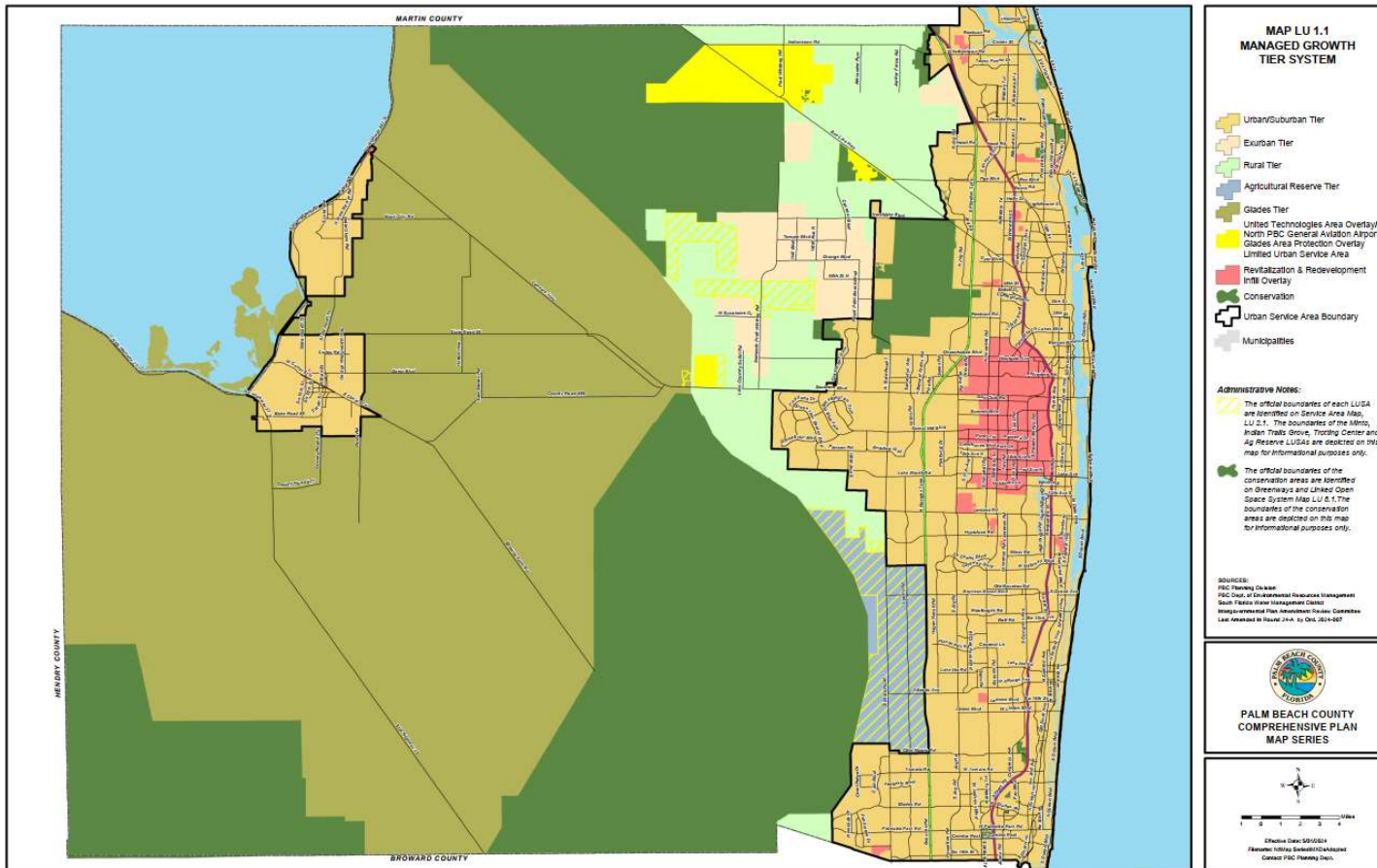
- Applies in Urban/Suburban Tier only
- Workforce Housing required in other tiers by Board of County Commissioners' (BCC) conditions of approval; Essential Housing option available in Ag Reserve

Potential Change(s):

- Extend program to Exurban, Rural and Ag Reserve Tiers



WHP Topic: Tier Applicability



WHP Topic: Voluntary Participation

Topic: Voluntary Participation for Projects < 10 units

Current Program:

NA (Projects with <10 units not subject to WHP, and cannot obtain WHP density bonus)

Potential Change(s):

- Allow projects with <10 units to participate



WHP Topic: Affordability Period

Topic: Affordability Periods

Current Program:

Rentals: 30 years

For-sale: 15 year, recurring if sold in the 15 year period

Potential Change(s):

- Per recommendations of the Florida Housing Finance Corporation:
 - Extend to 50 years for new rental projects
 - Restrict in perpetuity on County-owned land
- Extend to 30 years for for-sale units



WHP Topic: Annual Tenant Eligibility Determination

Topic: Annual Rental Tenant Eligibility Determination

Current Program:

Tenant eligibility certification required only at initial lease;
recertification at lease renewal is at property manager's discretion

Potential Change(s):

- Require annual income verification/eligibility determination at lease renewal, to make available units to other households when household income has exceeded income limits; provide for tenant transition/grace period



WHP Topic: In Lieu Fee Option

Topic: In Lieu Fees

Current Program: (fee indexed to CPI)

\$142,633 for single-family

\$118,860 for townhouses

\$89,145 for multi-family units.

Potential Change(s):

- Eliminate In Lieu Fee option, OR
- Revise In Lieu Fee structure to base on other measure, such as differential between median market price and WHP sales price, square footage, etc.



WHP Topic: Limited Incentive Option

Topic: Limited Incentive Option

Current Program:

Option available to developer-- reduces WHP obligation by 50%, if project does not exceed a 50% density bonus and provides all WH units in lowest 2 income categories

Potential Change(s):

- Eliminate Limited Incentive option, so all projects contribute same base percentage



WHP Topic: Exchange Option

Topic: Exchange Option

Current Program:

Exchange option allows developers to pay another builder to provide WH units off-site. An “uncommitted” sub-option was included that offers extra time for developers with no exchange agreement in place by 1st building permit.

Potential Change(s):

- Eliminate the uncommitted exchange sub-option, so that the exchange is fully vetted before this option is selected for disposition of the WH obligation.



WHP Topic: Default On-site Disposition

Topic: Default Disposition of WH Units

Current Program:

Developer declares selected disposition at project approval; any changes require approval through same process

Potential Change(s):

Set default disposition as “on site;” require BCC waiver to use other options



WHP Topic: On-site, For-sale Units

Topic: On-site, For-Sale WH Units

Current Program:

- Discounted WH obligation for projects that provide WH units as on site, for-sale, SF or TH
- 1.5x multiplier (For-sale to off-site rental WH units)

Potential Change(s):

- Require “Like for Like” , OR
- Increase discount on obligation for providing WH units as for-sale, on-site.
- Require WH units located on civic sites to be Single Family, For-sale



WHP Topic: Pricing by Unit Type

Topic: Separate MF/TH/SF For-Sale Pricing

Current Program:

Single for-sale price schedule

Potential Change(s):

- Create new WH for-sale price schedule, to include separate prices for for-sale MF, TH and SF units



WHP Topic: Pricing Schedules

Topic: WH Rent/For-Sale Pricing Schedules

Current Program:

- For-sale prices based on annual median income, for Low (70%), Mod 1 (90%) and Mod 2 (110%); no 120-140% AMI
- Rental rates based on FHFC (HUD derived) Multi-family Rental Program price schedule; includes Middle income category for rentals at 120-140% of AMI

Potential Change(s):

- Identify different source, or use percentage of prices from current schedule
- Include a lower bracket 40-60%
- Shift obligation distribution to require more units at lower end; eliminate “Middle” (highest) rent category; reinstitute as a for-sale category



WHP Topic: Reduced Development Costs

Topic: Reduced Development Costs and Obstacles

Current Program:

- 2022 Housing Bond
- Impact Fee Credit Program

Potential Change(s):

- Use some In Lieu Fee proceeds to assist with development costs
- Reduce land/development costs
 - Offer county-owned civic or other sites
 - Provide Land Development Regulation relief
 - Allow for other construction methods, provide ready plans



WHP Topic: Reduced Parking

Topic: Reduced Parking Requirements

Current Program: NA

Potential Change(s):

- Reduce Parking Requirements for WH projects or units



WHP Topic: Others?

Comments and Suggestions:

- Audience
- Zoom-Raised Hands
- Zoom-Chat



WHP Topic: Next Steps

Survey: open until September 13

BCC Workshop: October/November



Workforce Housing Program

Thank you!

