



**Palm Beach County**

# **Workforce and Affordable Housing Programs**

**HLC Core Group  
May 12, 2021**



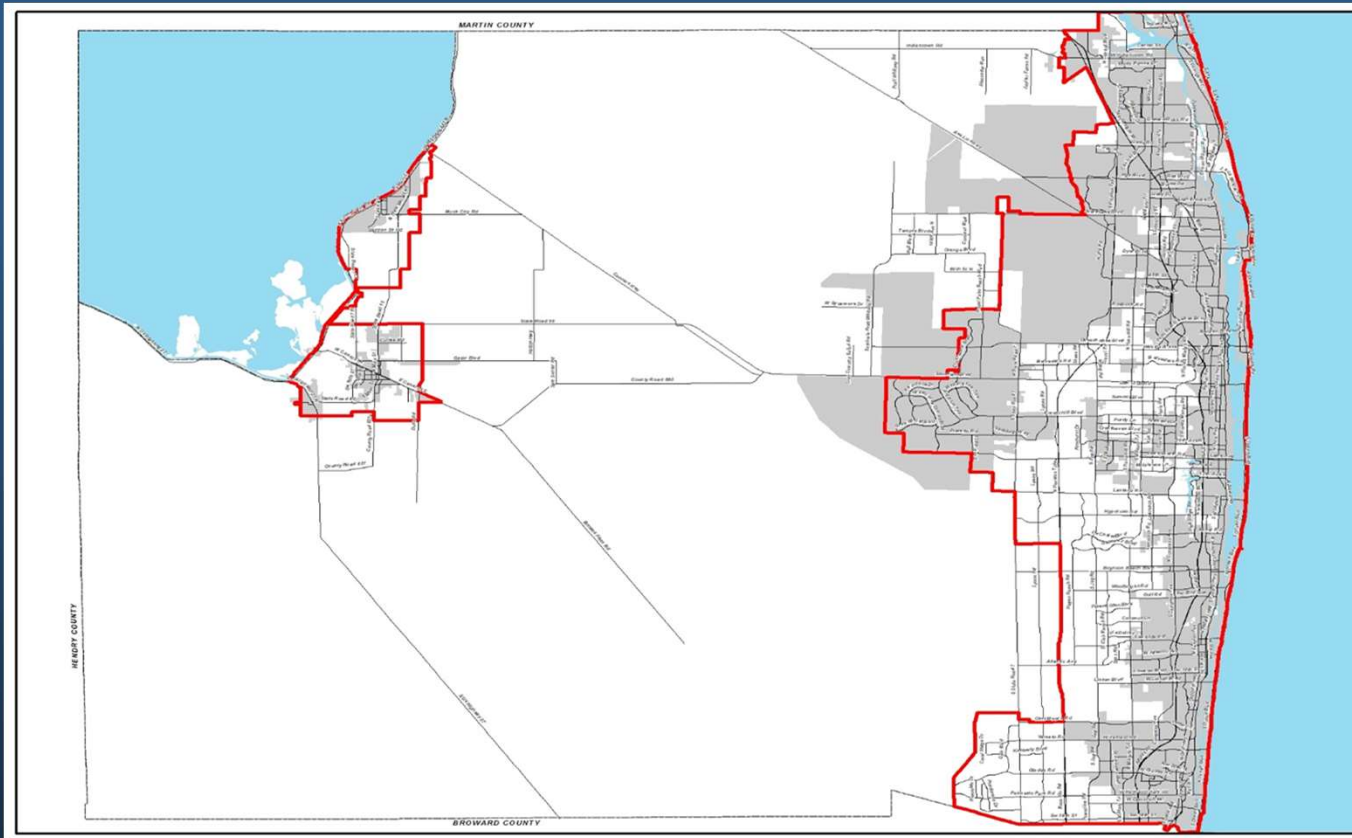
## **WHP Overview**

- Inclusionary:** Mandatory obligation for 10+ units in U/S Tier  
Voluntary density bonus in exchange for additional WH
- Options:** Limited Incentive (minimize obligation)  
Full Incentive (maximize density)
- Disposition:** On-site or off-site, exchange program, in lieu fee, purchase market rate unit, donate land,
- Restriction:** For-sale units 15 yrs, recurring; Rentals 30 yrs
- Pricing:** Households with 60% to 140% of AMI (\$79,100)



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## Urban Suburban Tier





## **Limited Incentive Option** *Minimizes Obligation*

Incentive:	Max 50% Density Bonus
WHP Required:	Approx. 2.5% to 8%
Price Categories:	Low, Mod 1



## **Full Incentive Option** *Maximizes Density*

Incentives:	Up to 100% Density Bonus Expedited Review Flexible PDRs
WHP Required :	Approx. 5% to 23%
Price Categories:	Low, Mod 1, Mod 2, Middle (Rental only)



# Density Bonus Determination

Up to 50%: streamlined process

Above 50%: enhanced review

- Point system to assess WHP approach
- Compatibility review to assess site
- County Commission approval



## **Program Incentives**

- Optional Density Bonus (Limited & Full Incentive)
- Expedited Permitting (Platting/Design Review/Permits)
- Additional Flexibility
  - flexible regulations
  - open space reduction
  - internal incompatibility buffers
  - relocation of units to civic tracts
  - TPS Mitigation (up to 30% above LOS "D")



## **Disposition Options**

- Build On-site
- Build Off-site: Same Builder or Exchange Program
- Purchase Market Rate Unit
- Donate Land
- Pay In-lieu Fee
  - \$120,000 Single Family
  - \$100,000 Townhome
  - \$75,000 Multi-family





## **WHP Exchange Program**

- Presented as an Alternative Option by Industry
- WHP Obligation Built Off-site w/Exchange Builder
- Certain Conditions Met & Exchange Fee Paid
- Exchange Fee: 80% of In-lieu Fee Paid to Exchange Builder
- Surety Required Equal to Exchange Fee
- MR is S/F Units & Exchange is Rental: 1.5x multiplier
- MR Developer is decoupled from Exchange Project
- Exchange Builder has 36 Months to Build WHP Units
- No action: PBC collects guarantee



# Affordable Housing Program

- Voluntary program established in October 2009
- Available to:
  - Projects of 10+ units, Unincorporated Urban/Suburban Tier
- Affordability period:
  - 15 years recurring For-sale, 30 years for Rentals
- Income Categories: targeting  $\leq 60\%$  of AMI
  - At least 65% of units for households with incomes  $\leq 60\%$  of AMI
  - No more than 20% for households with incomes below 30% of AMI



# Affordable Housing Program

- **Density Bonus Incentive**
  - Up to 30% density bonus for lower densities
  - Up to 100% for higher densities
- **Additional Incentives:** Expedited Permitting  
Flexible PDRs
- **All AHP units on-site, no in lieu or release of obligation**
- **Two Approved AHP Developments**
  - 52 total units approved
  - All units provided at 120% or below AMI



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**Questions?**



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# **Additional Information**



## **Workforce Housing History**

- **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%; enhance review for bonuses greater than 50%
  - Increase in-lieu fees; add new exchange builder option
- **Throughout:** Ensure return rates of 10% for-sale, 5.5% rentals



## 2020 WHP Income Ranges

Income Category	Income Range
Low (60% to 80%)	\$47,460 – 63,280
Mod 1 (>80% to 100%)	>\$63,280 - 79,100
Mod 2 (>100% to 120%)	>\$79,100 – 94,920
Middle (>120% to 140)	>\$94,920 – 110,740



# 2020 Rental Prices

Income Category		1 BR	2 BR	3 BR	4 BR	
Low	\$45,240 – 52,780	60%-70%	\$988 - 1,153	\$1,186 - 1,384	\$1,370 - 1,598	\$1,528 - 1,783
	> 52,780 - 60,320	>70%-80%	\$1,153 - 1,318	\$1,384 - 1,582	\$1,598 - 1,827	\$1,783 - 2,038
Mod 1	\$60,320 – 67,860	>80%-90%	\$1,318 - 1,483	\$1,582 - 1,780	\$1,827 - 2,056	\$2,038 - 2,293
	> 67,860 - 75,400	> 90%-100%	\$1,483 - 1,648	\$1,780 - 1,978	\$2,056 - 2,284	\$2,293 - 2,548
Mod 2	\$75,400 – 82,940	>100%-110%	\$1,648- 1,813	\$1,978 - 2,176	\$2,284 - 2,512	\$2,548 - 2,803
	>82,940 - 90,480	>110%-120%	\$1,813 - 1,977	\$2,176 - 2,373	\$2,512 - 2,740	\$2,803 - 3,057
Middle	\$90,480 – 98,020	>120%-130%	\$1,977 - 2,142	\$2,373 - 2,571	\$2,740 - 2,969	\$3,057 - 3,312
	>98,020 - 105,560	>130%-140%	\$2,142 - 2,306	\$2,571 - 2,768	\$2,969 - 3,197	\$3,312 - 3,566





## **2020 For-sale Prices**

<b>Income Category</b>	<b>Income Range</b>	<b>WHP Price</b>
<b>Low (60% to 80%)</b>	<b>\$47,460 – 63,280</b>	<b>\$166,110</b>
<b>Mod 1 (&gt;80% to 100%)</b>	<b>&gt;\$63,280 - \$79,100</b>	<b>\$213,570</b>
<b>Mod 2 (&gt;100% to 120%)</b>	<b>&gt;\$79,100 – 94,920</b>	<b>\$261,030</b>



## **WHP Units to Date**

- Nearly 92 projects subject to WHP since 2006
  - 2,536 WHP units have been required through the program.
    - 1400 (55%) are built or currently under development
    - 1136 (45%) stem from projects that have been approved but are not yet under construction
  - Of the 2536 units:
    - 1535 (61%) are identified as rentals
    - 642 (25%) are identified as for-sale units
    - 188 already sold, under contract, or actively for sale
    - In Lieu Fee: \$14,036,074 paid for 185 units in 24 developments



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