

**Central Region Subcommittee
Final Report
June 14, 2018**

The Central Region Subcommittee held ten (10) meetings from December 2017 through May 2018 for the purpose of developing a tailored Housing Plan for the Central Region comprised of the following communities: Atlantis, Briny Breezes, Cloud Lake, Village of Golf, Glen Ridge, Greenacres, Haverhill, Lake Clarke Shores, Lake Worth, Lantana, Ocean Ridge, Palm Beach, Palm Springs, South Palm Beach and West Palm Beach.

Community Engagement

A survey was sent to each municipality requesting the following information about their current state of housing:

- Planned/approved housing developments & new workforce units
- Existing workforce housing stock
- Greatest housing concern
- Efforts to address identified housing concerns
- Code amendments, expedited permitting, zoning restrictions
- Requested focus for subcommittee's housing plan

In addition to the survey, committee members gathered regional input through various outreach efforts including a January 24 meeting for central elected officials that followed the League of Cities regularly scheduled meeting. On March 6 a Workforce Housing Charrette was also held and was hosted by Greenacres with invitations sent to the central region League of Cities members, CRA representatives, municipal staff and local officials as well as other stakeholders. In addition, committee members met individually with officials from the City of West Palm Beach and the West Palm Beach CRA, Greenacres, Palm Springs, Lake Worth, Lake Clarke Shores and the Westgate CRA.

Summary of Findings

Of the twelve (12) municipalities that responded, eight (8) communities indicated that their residential property values are already consistent with those outlined by the County for workforce housing. West Palm Beach, Lake Worth and Palm Springs also indicated additional affordable and/or workforce units being added through their development pipeline. Other affordable housing efforts include the use of the County's CDBG program to upgrade infrastructure in low to moderate-income neighborhoods by the City of Greenacres, creation of the Lake Clarke Shores CRA that requires workforce housing, and Lake Worth's efforts to encourage more diverse housing types. West Palm Beach, a HUD/SHIP entitlement city, adopted incentives for affordable and workforce housing that include: fee waivers/reductions, parking reductions, expedited permitting, density incentives, micro units (350 – 549 sq. ft.) and limited financial subsidies. They also made available surplus land to nonprofit affordable housing developers. Survey responses are included in the Appendix.

The central cities are essentially built out with very limited land available for new workforce housing production. While there is some opportunity for infill and redevelopment, the lack of basic infrastructure like sanitary sewer and drainage is preventing redevelopment along some portions of the commercial corridors such as Congress Ave. However, the acquisition and rehabilitation of both single-family houses and multi-family rentals presents an opportunity to reclaim, renovate and preserve affordable homes.

A common thread among the central cities is their concern for the age and poor condition of their existing affordable housing stock as well as inadequate infrastructure including water, sewer and transit. **Their number one requested focus area is for the subcommittee to identify potential County resources and partners that can help to renovate and preserve the stock of existing affordable homes while improving the quality life.**

Recommendations

1. Implement a Palm Beach County led **Model Block Initiative** with government participation through a public/private partnership to upgrade and preserve as affordable the supply of existing housing stock and to improve the quality of life through comprehensive neighborhood improvements. In addition to the affordability of homes, the Model Block concept focuses on basic quality of life aspects such as infrastructure, transportation and neighborhood-serving uses and amenities to create a suitable living environment. The Model Block concept was presented on May 17, 2018 to the Intergovernmental Plan Amendment Review Committee (IPARC) and was well received. Program goals and objectives include:
 - a. Increase quality home ownership opportunities that are attainable for the workforce through the purchase of newly renovated homes.
 - b. Reclaim and preserve affordable rental homes through reinvestment and sound property management.
 - c. Maximize housing investment with comprehensive neighborhood improvements.
 - d. Target program investment to a defined geographical area to achieve maximum impact.
 - e. Achieve economy of scale through a consortium of private lenders, affordable housing developers and local governments.
 - f. Grow the residential tax base.
 - g. Focus efforts creating comprehensive roadway corridors and make improvements to enhance basic infrastructure for walking/biking/transit use within the target areas to provide accessible and safe alternate modes of transportation.
 - h. Plan for and encourage the development, renovation and redevelopment of neighborhood serving commercial uses in the area through basic infrastructure improvements as a key to supporting the community needs of the area.
 - i. Generate a perpetual Model Block funding mechanism.

The perpetual funding model (see Appendix) was applied to an example Model Block area within a municipality. It calculated a tax revenue increase of \$185,000 after year one. In year two, an

additional \$80,000 per year is generated over and above the initial revenue increase of \$185,000 with added revenue growth each year thereafter. Base assumptions in the model are as follow:

- 66% of homes are homesteaded
- No commercial property values used
- The assessed values of the homes range from \$78,00-124,000
- The area of influence is 3,000 homes
- Assessed value increases by 10% after the first year and by 3% per year thereafter
- Only operating revenue for city & county is applied

Examples of potential Model Block Target Areas for the Cities of Greenacres Lake and West Palm Beach are included in the Appendix.

2. Include the **Exchange Program** as an option for production builders to meet their workforce housing requirements, and modify the “like for like” requirement to allow flexibility for the substantial renovation and preservation of an existing affordable single or multi-family home. Providing an alternative approach to allow a developer to acquire existing housing units and utilize their workforce housing contribution to renovate aging/ rundown units within the County would benefit the existing housing stock in the County and meet the goal of sustaining existing affordable and workforce housing stock.
3. Consider additional **Dedicated Funding Sources** in addition to the Workforce Housing Program and County federal/state housing entitlement programs, which are not sufficient to address the affordable housing crisis. Other possible mechanisms:
 - a. Linkage fees and/or hotel taxes from businesses that are directly creating workforce housing demand.
 - b. Percentage of ad valorem revenue.
 - c. General Revenue – Broward County made a three-year commitment of \$5 million per year from their General Fund for affordable housing.
 - d. Tax Increment Obligations – Broward County has committed that as municipal CRA districts expire in the next three (3) years, they will allocate the additional freed-up funds for affordable housing.
 - e. General Obligation/Housing Bond – Miami voters chose to tax themselves in order to fund \$400 million to help storm drain upgrades, quell flooding and to fund affordable housing (\$100,000 million).
 - f. Community Redevelopment Agencies (CRA) should be encouraged to amend their plans to include affordable housing. A minimum of 20% of all new housing in a CRA should be affordable based upon local needs along with a minimum of 20% of every CRA’s budget dedicated to affordable housing.
 - g. Allow new CRA districts as a mechanism to leverage additional funding for future Model Block infrastructure improvements and the rehabilitation and preservation of affordable homes.
4. Encourage government to look at their Land Development Regulations and build in accommodations to allow for **Higher Densities** in appropriate areas such as vacant land along

commercial thoroughfares that could be used for mixed-use and multi-family developments. When additional density is granted, a majority of the added units should be affordable. Increased density can also be achieved by **Reduced Parking** requirements for affordable housing where appropriate. Many low-income families have one car or use public transit. Shared parking should be looked at as an option for mixed-use development.

5. Expand the **Diversity of Housing Types** and facilitate the use of lower-cost housing by revising zoning policies. There is potential to increase the supply of rental homes in existing neighborhoods by updating zoning codes to allow innovative practices such as smaller lot sizes, townhouses, micro-units, and tiny houses. Encourage owners of single-family homes to add accessory dwelling units to include garage apartments or backyard cottages that can be inhabited by extended family or renters.
6. **Expedite and Streamline Permitting** for affordable housing projects. Government needs to recognize the cost impact of unnecessary conditions and delays placed upon the construction of affordable homes. Creating a more predictable and less burdensome process remains an issue for affordable housing developers. Establishing a “single window” clearance (consolidating approvals from multiple agencies into one clear interface) and “fast track” (a dedicated planner expediter and ombudsman) are good starting points.
7. **Defer Impact Fee Payments** until Certificate of Occupancy to allow affordable housing projects to use the PBC Impact Fee Program. Often funding cycles do not match the timing of building permit issuance and the affordable housing project must assume the cost burden, which makes the home less affordable to the end user.
8. Dedicate **Surplus Property** for affordable housing. Palm Beach County, municipalities, CRAs, and the School District own property that could be dedicated for housing development. Land owned by public agencies should be used for the public good, which includes affordable housing. Government including CRAs should be required to provide an inventory of all surplus property and where appropriate, these governmental entities can dedicate unused public land for housing development. Together they should set an annual target for affordable housing production on public land. Other public agencies such as the School Board should be encouraged to use their property holdings to support affordable housing development. An example of public/private partnership for Palm Beach County’s former Tax Collector Site is included in the Appendix.
9. Encourage the development of **Vacant and Underused Retail Sites**. An opportunity exists to add affordable homes by converting underused commercial sites into multifamily residential buildings.
10. Facilitate **Nonprofit Affordable Housing Developer Capacity** through donation or discounts of public land and predevelopment/acquisition revolving loans to help with the needed financial structuring of creating affordable homes. Non-profits should be provided with right

of first refusal on publicly subsidized affordable housing properties that have expiring affordability requirements. Make surplus land available to nonprofit housing developers.

11. Engage **Major Employers** and **Anchor Institutions** to address affordable housing for their workforces, including the School Board and hospitals. Government should strongly encourage these companies and institutions to provide employee housing assistance and/or participate in the development of affordable housing.

Appendix

- Central Region Subcommittee Member List
- Municipal Survey Results
- Model Block Perpetual Funding Model
- Examples of Model Block Target Areas
- PBC Surplus Tax Collector Site – Affordable Site Plan Options

Central Region Subcommittee Members & Participants:

Terri Murray, Chair	Neighborhood Renaissance, Inc. Not for Profit
Sammy Alzofon, Co-Chair	League of Women Voters
Marylou Bedford	Central Palm Beach County Chamber of Commerce Steering Committee Appointment
Ryan Bridge	Hedrick Brothers Gold Coast Builders
Suzanne Cabrera	Housing Leadership Council
Armando Fana	City of West Palm Beach
Kara Ferris	Planning & Engineering Director City of Greenacres
Joel Flores	Mayor City of Greenacres League of Cities
Leon Fooksman	Digital Story Line Leadership Palm Beach County
Dorina Jenkins-Gaskins	Palm Beach County
David Kanarek	Steering Committee Liaison
Andrew Maxey	Pulte Group Gold Coast Builders
Leo Nobel	Steering Committee Appointment
Rick Reikenis	Steering Committee Liaison
Laurel Robinson	West Palm Beach Housing Authority Steering Committee Appointment
Ken Tuma	Urban Design Kilday Studios Economic Development Council

SEED MONEY

Renovation

Infrastructure

Seed Money in Existing Areas

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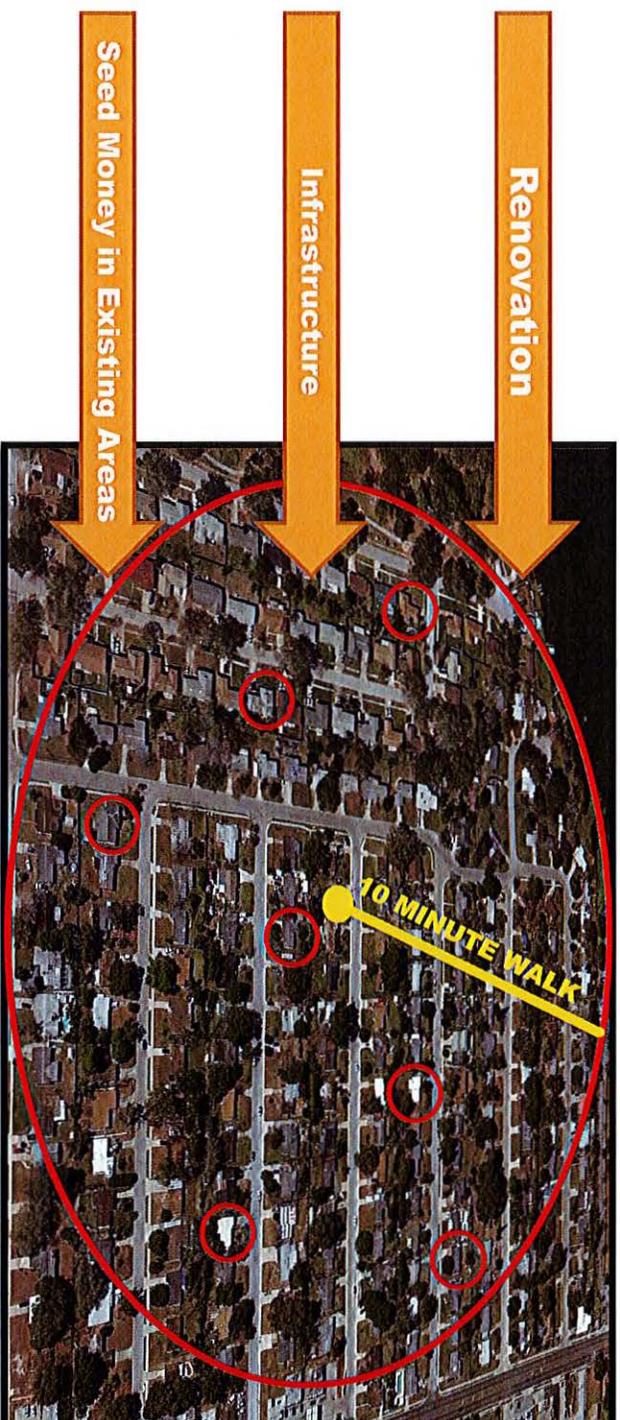


BASE NEIGHBORHOOD TO BE FUNDED

SEED MONEY

- COUNTY INVESTS IN RENOVATION (4-10 homes)

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BASE NEIGHBORHOOD TO BE FUNDED

COUNTY INVESTS IN QUALIFIED BUYERS (TEACHERS, POLICE, FIRE)

- **Buyers purchase home**
- **County Invests in Renovation Fund (50-75k per unit)**
- **Recurring Deed Restriction**
- **7 years**



BASE NEIGHBORHOOD TO BE FUNDED

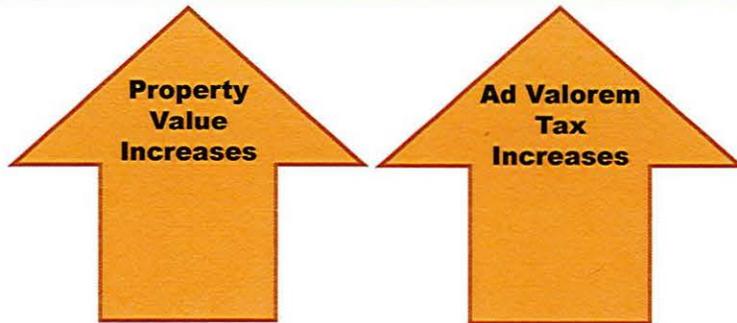
PUBLIC SERVICE RESIDENTS

- **Stabilizing Neighborhood**
- **Police, Fire and Teachers move in**
- **Buyer pride from sweat equity**
- **Private businesses create industry of revamping homes for future investment**



7 YEAR PERIOD

7 YEAR PERIOD (DEED RESTRICTION)



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- Highlighted units can be sold after 7 years
- Collective value added to area

PERPETUAL MOVEMENT

- **Ad Valorem/Property Increase from base neighborhood goes to next.**
- **Another 4-10 houses chosen in 1 mile buffer**
- **Municipalities/County COMMIT to reinvest the Ad Valorem increase into other areas**



PERPETUAL MOVEMENT

- **Process begins again with houses chosen**
- **Process continues after value added here is directed to another target area.**



THE CYCLE



- **Developer Money from Buy-Out goes to county**
- **County allocates some to WFH eligible buyers**



- **WFH buyers renovate homes and infrastructure with stipend up to 50K per home**
- **Incentive to improve house for cheap, at the exchange of a 7 year deed restriction**



- **Property Value and Tax increase from improved blighted area captured**
- **Reallocated to next blighted area to restart process.**



Original Section Model Block

CITY OF GREENACRES



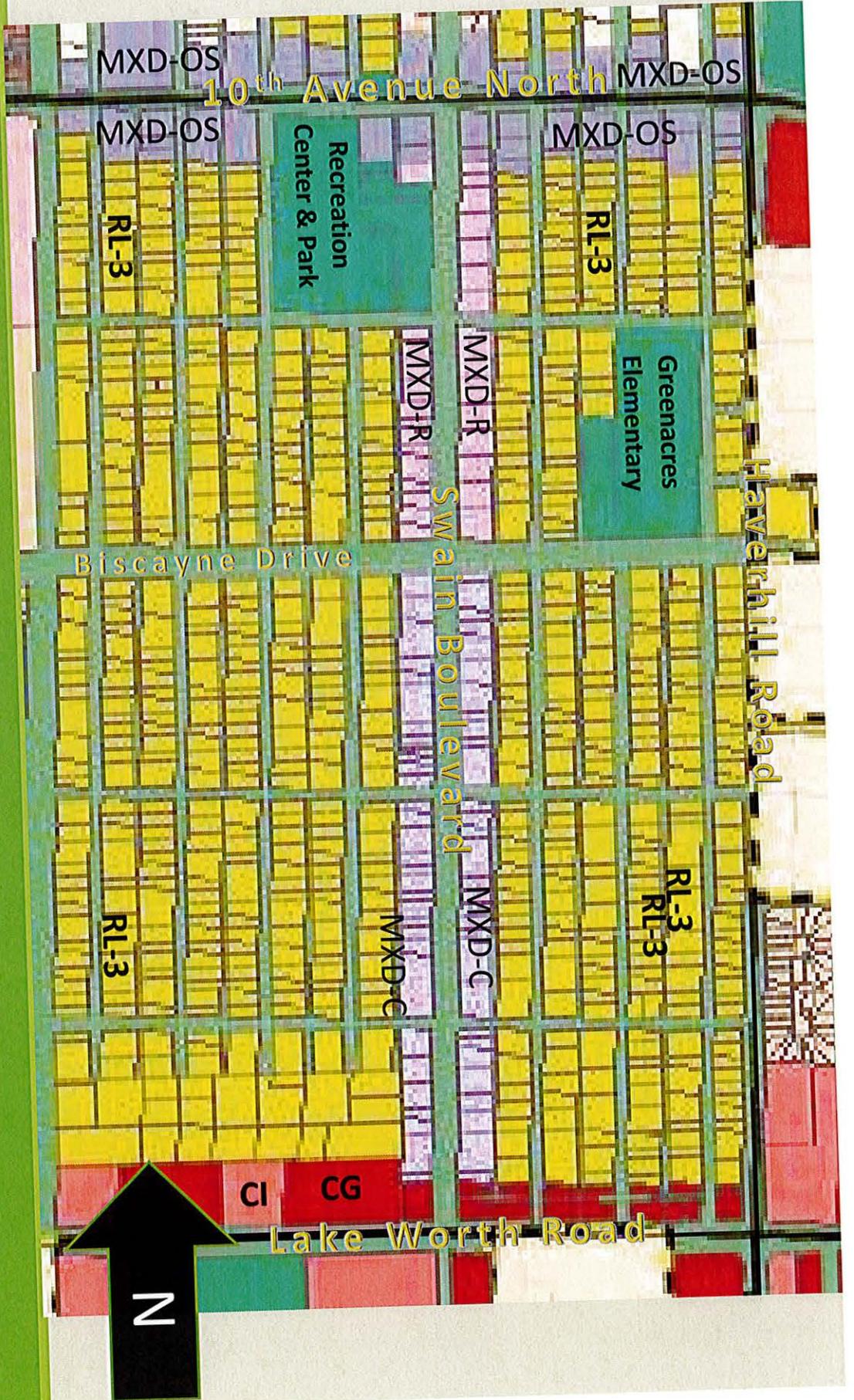


Community Character

Original Section

- ◆ Meets Federal requirements for low to moderate income neighborhood- designated CDBG area
- ◆ Grid street system
- ◆ 20' ROW drainage alleys in the rears of homes
- ◆ 278 acres
- ◆ 1,598 units
- ◆ Includes a range housing types (mostly SF, some duplex and triplex units)
- ◆ commercial and institutional uses
- ◆ Local elementary school
- ◆ Large Recreation and Community Facility with outdoor sports facilities
- ◆ Water lines installed
- ◆ Development of non-residential uses requires extension of sewer facilities in community

Original Section Neighborhood Zoning



Model Block Program Goals & Objectives

- ✓ Maximize housing investment with comprehensive neighborhood improvements.
- ✓ Focus efforts creating comprehensive roadway corridors and make improvements to enhance basic infrastructure for walking / biking / transit use within the target areas to provide accessible and safe alternate modes of transportation.
 - ACTION: Utilize CDBG grants funds for area wide drainage improvements, including piping, alley swale improvements, and canal pipe capacity.
 - ACTION: Utilize CDBG, SFWMD, Hazard Mitigation grants to plan for and complete sewer improvements.
 - ACTION: Incorporate “Complete Streets” design along North-South roadways, starting with Swain Boulevard (Main Street). Apply for TPA grants funds; TA and LI.
 - ACTION: Provide traffic analysis for best traffic management practices to maximize pedestrian safety.
 - ACTION: Coordinate with FDOT on edge road, Lake Worth Road, to redesign to community context.

Model Block Program Goals & Objectives

- ✓ Reclaim and preserve affordable rental homes through reinvestment and sound property management.
- ✓ Target program investment to a defined geographical area to achieve impact.
 - ACTION: Use CDBG “Rehabilitation” funds to encourage home improvements for homeowners that live in area.
 - ACTION: Purchase vacant lots to partner with non-profit affordable housing developers to develop and maintain as affordable housing stock
 - ACTION: Coordinate training in the neighborhood with Home Depot for teaching home improvement.
 - ACTION: Coordinate with SWA paint program to paint homes in the neighborhood.
 - ACTION: Develop Code Enforcement process for coordination with non-for profits and institutions in area to help address Code issues collaboratively.

Model Block Program Goals & Objectives

- ✓ Increase quality home ownership opportunities that are attainable for the workforce through the purchase of newly renovated homes.
- ✓ Achieve economy of scale through a consortium of private lenders, affordable housing developers and local governments.
 - ACTION: Allow for “Exchange Program” that permits the development of new homes in community that meet affordable housing requirement for PBC development projects.
 - ACTION: Use grant funds to purchase vacant or Condemned properties for Dedication to affordable housing suppliers.
 - ACTION: Set up public home ownership/budgeting classes at local community center For local residents in community. Provide information about available funding sources and the process.



Model Block Program Goals & Objectives

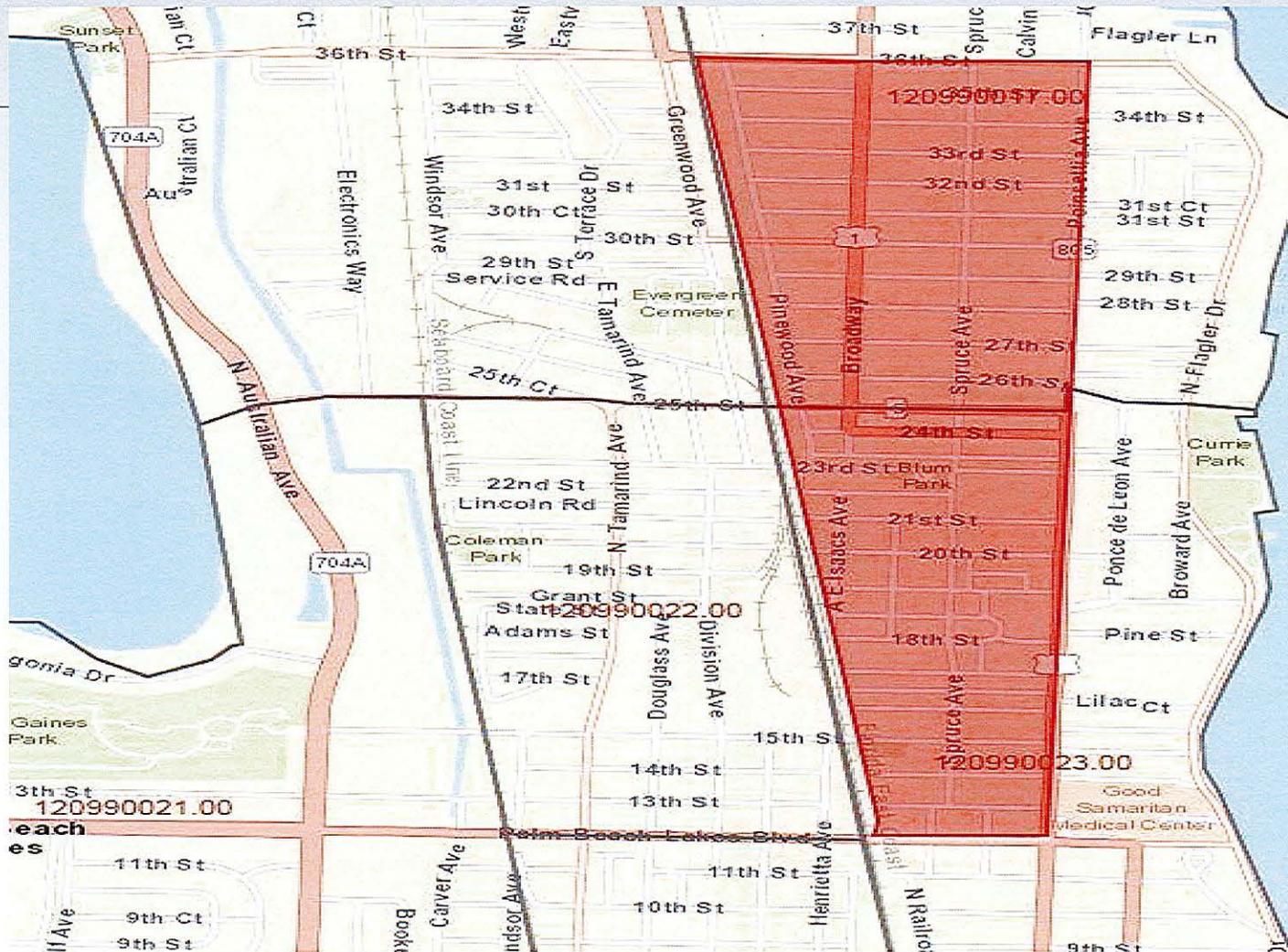
- ✓ Plan for and encourage the development, renovation and redevelopment of neighborhood serving commercial uses in the area through basic infrastructure improvements as a key to supporting the community needs of the area.
 - ACTION: Pursue CDBG funds for installation of sewer to encourage the non-residential development to support community
 - ACTION: Budget for the purchase of vacant lots in each quadrant of the Original Section Neighborhood.
 - ACTION: Develop vacant lots into neighborhood parks.
 - ACTION: Provide bicycle and pedestrian paths throughout community.
 - ACTION: Provide a skate/bicycle park in area.

Target Area Model

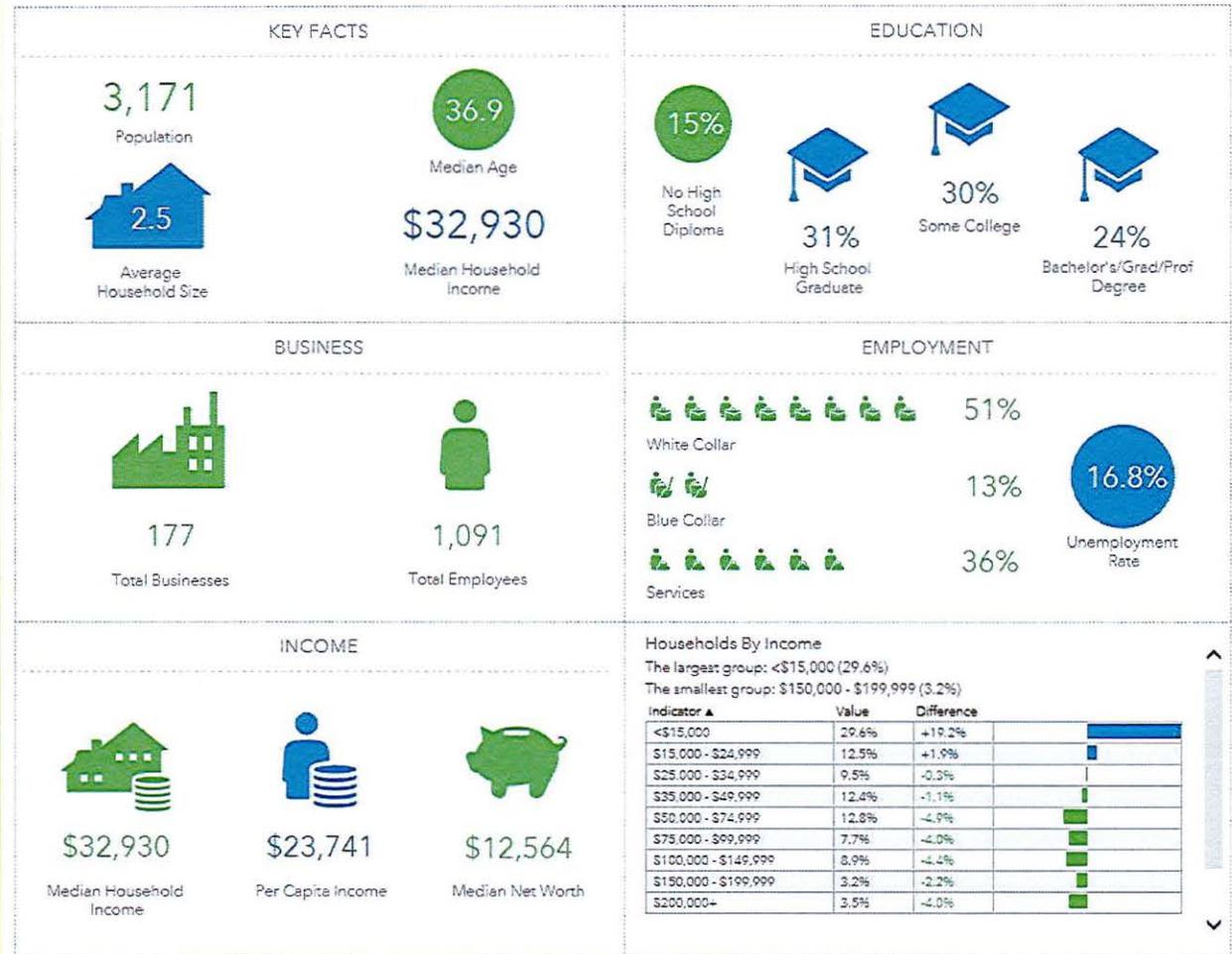
CITY OF WEST PALM BEACH



Target Area Model within the West Palm Beach neighborhoods of Pleasant City, Northwood Village and Pinewood Park which makes up part of census tracts 17.00 and 23.00 and spans .46 square miles



Community Characteristics



Diverse area that includes distinct historic neighborhoods, eclectic shopping and dining options, homelessness problems and pockets of wealth surrounded by poverty. With the intracoastal views two blocks to the east and a western side bordered by the FEC rail line

Target Area Model Goals & Objectives

- ✓ Leverage planned projects including:
 - Single family housing construction through Neighborhood Renaissance, Inc and Habitat for Humanity
 - Merry Place homeownership phase adding up to 48 new single family and townhomes
 - Planned workforce housing on Broadway between 27th and 28th St
 - “Anchor site” development at end of Northwood Rd
 - Planned rezoning of Broadway corridor
- Promote use of Opportunity Zone designation
- Target CDBG and CRA funding for infrastructure improvements

Target Area Model Goals & Objectives

- ✓ Support development of Dr. Alice Moore Supportive Housing project.
- ✓ Target program investment to a defined geographical area to achieve impact.
 - ACTION: Use CDBG and SHIP funds for housing rehabilitation to encourage home improvements for low and moderate homeowners that live within target area.
 - ACTION: Partner with private sector entities like Rybovich Marina to explore employer housing options
 - ACTION: Use CDBG to target historic preservation projects that will beautify area
 - ACTION: Use HOME, SHIP and CRA funds to provide down payment assistance programs to stimulate an increase in owner occupied housing within target area.

Site of former Palm Beach County Tax Collector Office

Palm Beach County owns two lots in an unincorporated area separated by Clements Street. The addresses and pertinent information is as follows:

Lot 1 - 3551 S. Military Trail, Lake Worth, FL 33463 - 0.6506 acres (roughly 28,340 sq. ft.) – zoned CG (General Commercial)

Lot 2 - 4521 Clemens Street, Lake Worth, FL 33463 – 0.6818 acres (roughly 29,699 sq. ft.) – zoned CG (General Commercial)

Both lots total roughly 1.3324 acres or 58,039 sq. ft.

County staff proposed developing approximately **20 small lot single-family** transitional housing units on the two parcels.

Another option to consider that would maximize the site is to develop 4 buildings of 2 stories containing a total of **32 multi-family units**, which would net an additional 12 homes. There may also be per unit cost savings for the construction of multi-family rather than single-family.

Option 2 provides 1.25 parking spaces per unit and would require parking relief; however, low-income families typically do not own more than one car and many rely on public transportation. In addition, the site is located on S. Military, a major commercial thoroughfare making it appropriate for a higher density multi-family use.

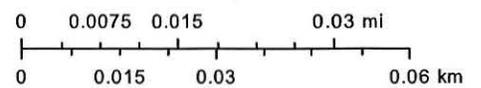
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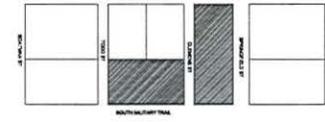
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April 4, 2018

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VICINITY MAP
SCALE: 1" = 40'

LEGAL DESCRIPTION
GREENLAND PL. LOTS 1 THRU 7 & LOTS 8 THRU 11 (LESS E 3 FT
MILITARY TRAIL RW) BLK 1

CLEMENS STREET
CLEMENS STREET
LAKE WORTH FLORIDA

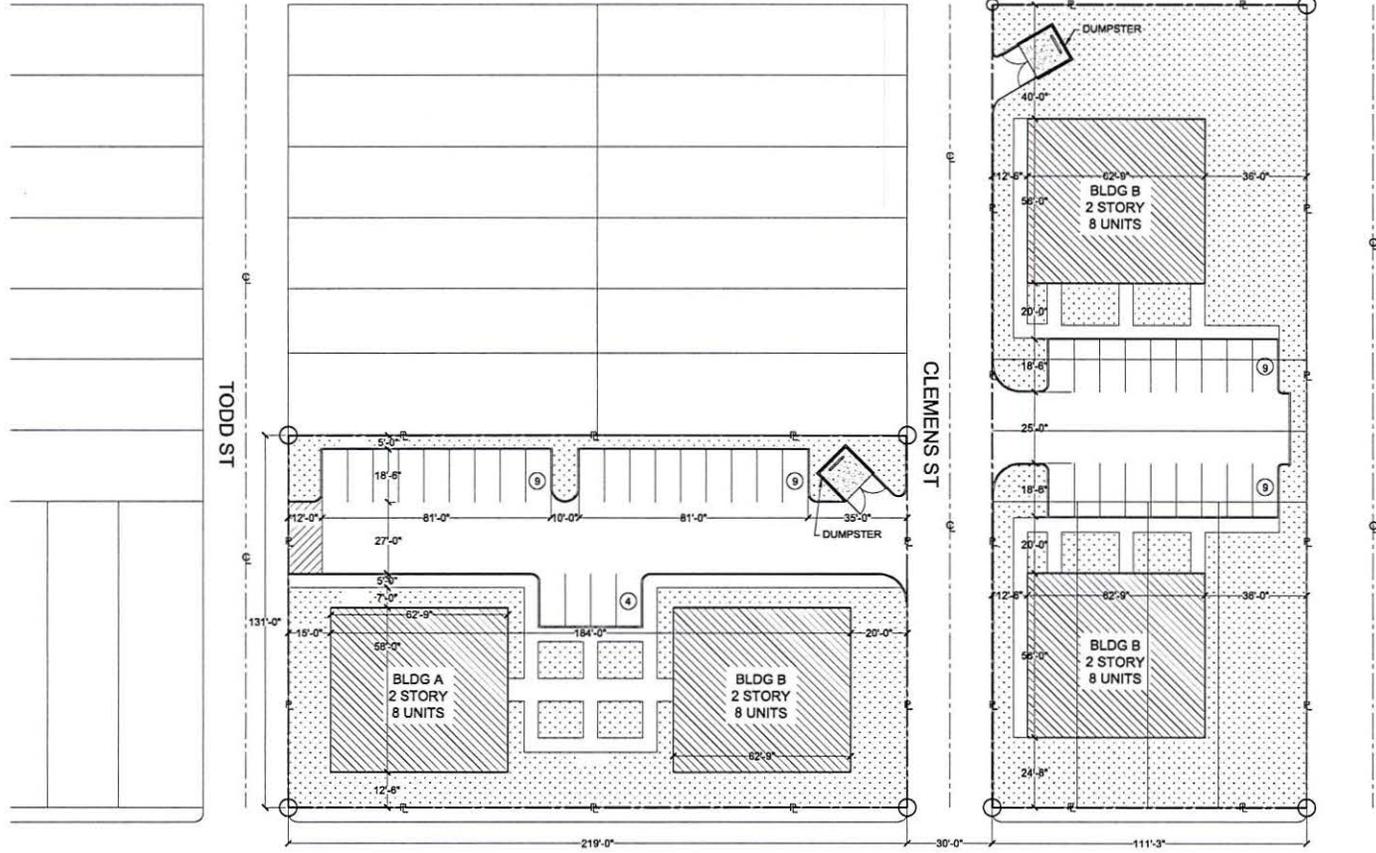


SITE PLAN

SCALE:	1" = 40'
DATE:	04/2018
DRAWN:	J.M.
CHECKED:	J.M.
PLOT:	XXXX
DRAWING NO.:	

No.	Revisions/Comments	DATE

PSP-1

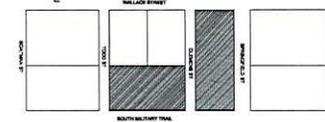


- LEGEND**
- NEW FIRE HYDRANT
 - FIRE DEPT. CONNECT.
 - DOUBLE DET. VALVE
 - 20'-0" LIGHT POLE
 - 15'-0" LIGHT POLE
 - 10'-0" LIGHT POLE
 - PROPOSED BUILDING
 - AC UNIT
 - MAIL BOX EACH BLDG.

SOUTH MILITARY TRAIL

PRELIMINARY SITE PLAN

SCALE: 1" = 50'



VICINITY MAP
SCALE: 1" = 100'

LEGAL DESCRIPTION
GREENLAND PL. 1 LOTS 1 THRU 7 & LOTS 8 THRU 11 (LESS E 3 FT MILITARY TRL RW) BLK 1

CLEMENS STREET
CLEMENS STREET
LAKE WORTH FLORIDA

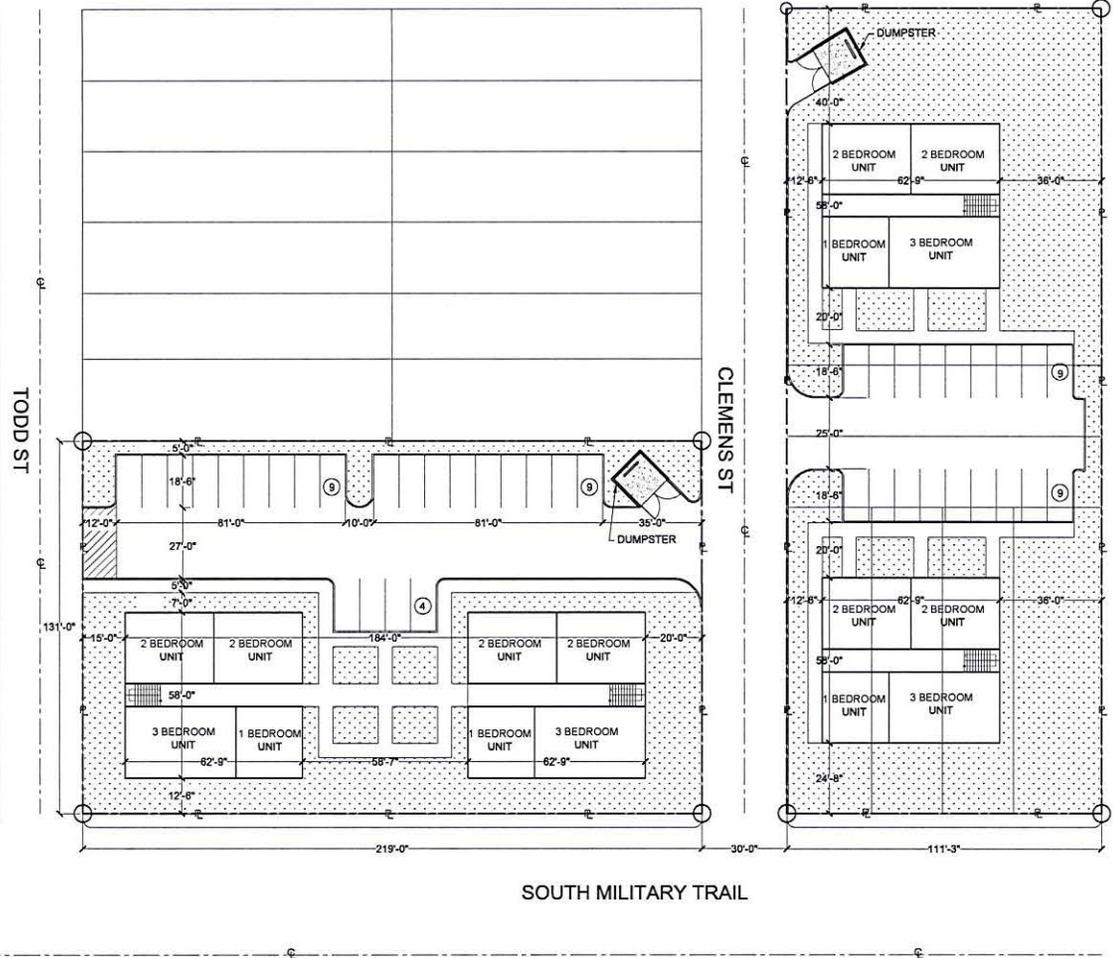


SITE PLAN

SCALE:	1" = 40'
DATE:	06/20/18
DRAWN:	J.M.
CHECKED:	J.M.
FILE NO.:	2018-04
DRAWING NO.:	

No.	Revisions/Comments	DATE

PSP-1



SOUTH MILITARY TRAIL

SPRINGFIELD ST

- LEGEND**
- NEW FIRE HYDRANT
 - FIRE DEPT. CONNECT.
 - DOUBLE DET. VALVE
 - 25'-0" LIGHT POLE
 - 15'-0" LIGHT POLE
 - 25'-0" LIGHT POLE
 - PROPOSED BUILDING
 - AC UNIT
 - MAIL BOX EACH BLDG.

Former Tax Collector Site - S. Military Trail & Clemens Street

Parking Analysis

	Required	Provided	
Parcel A	16 Units @ 2.25 spaces per unit	36	22
Parcel B	16 Units @ 2.25 spaces per unit	36	18
Total		72	40

2 spaces per unit and 1 guest space for every 4 units.

PRELIMINARY SITE PLAN

SCALE: 1" = 50'