



Workforce Housing Report

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I. Introduction

Workforce housing aims to provide housing opportunities for middle-income workers. More specifically, workforce housing is defined as families and households with incomes typically ranging from 60 percent to 140 percent of a specific area's median income, but can be defined more stringently at 60 percent to 120 percent. This includes occupations such as entry-level professionals, teachers, healthcare workers, utility workers, contractors/construction workers, restaurant workers, and retail workers. Individuals that have these types of careers do not qualify for many federal housing programs that target households that have income below the 80 percent of the area median income (AMI). Middle-income workers are often limited in housing options available in the cities where they work as the cost of living increases.

The City has several existing policies to further workforce housing goals. Primarily, in the Future Land Use element of the City's Comprehensive Plan, Policy 1.1.3.4. (c) provides a potential density bonus of three dwelling units per acre for Planned Unit Developments with Residential High and Mixed Use land use designations. These land use designations also encourage affordable housing opportunities in the descriptions of the land uses. Policy 1.1.2.2. provides for workforce residential housing as a component of Bioscience projects. Policy 1.2.4.11 also encourages affordable and workforce housing as a component of redevelopment projects. Finally, in the Housing element, workforce housing is supported in Goal 3.2 and there are numerous policies encouraging the development and provision of workforce housing in a variety of ways, such as Policy 3.2.1.8. which encourages the development of auxiliary (or accessory) dwelling units in new residential areas and redevelopment areas.

In accordance with these policies, the City has also proactively worked with the development community to ensure a workforce housing component is incorporated in many recent projects. For example, both the Alton PCD and the Solera at City Centre multifamily project (which are both currently under construction) provided workforce units that were integrated into the design of the projects. Alton provided casita units, also known as accessory dwelling units or ADUs, that were integrated with single family homes, and Solera provided 14 out of 136 multifamily units, or 10 percent, as workforce housing units, and received a density bonus of 3 dwelling units per acre for MXD PUDs in order to provide additional market rate units as well. For other projects, financial contributions were committed in lieu of the provision of workforce housing on-site. More specifically, the Avenir PCD development, located in the western portion of the City, entered into an agreement with the City to provide a one-time payment of \$5 million toward the City's workforce housing efforts. This funding will allow the City to incorporate workforce housing in the City's urban core, rather than in the western portion of the City, where housing supportive uses and services are not as abundant. Finally, the Arcadia Gardens independent living project located within the City's urban core, committed to a one-time contribution of \$550,000.

In 2015, the City also entered into an agreement with US HUD to receive Community Development Block Grant (CDBG) funds, which were earmarked for a single-family home

rehabilitation program for low to moderate income households. Staff has completed construction on approximately 18 homes, through this program and has applications and funds to complete approximately 15 more houses, hardening the existing single-family housing stock, primarily located in the originally platted developments in the City. Finally and most recently, the City implemented an amendment to the City's Comprehensive Plan to incorporate a new Transit Oriented Development (TOD) Overlay District. As part of the new TOD objective and policies, a workforce housing density bonus of 6 dwelling units per acre was included as one of the potential density bonuses.

City staff has been assessing the need for workforce housing policies and solutions in addition to reviewing the existing provisions and accomplishments for several years. For reference, the City's median household income is \$81,508.00 (which equates to a workforce range \$48,905.00 to \$97,810.00). In 2019, staff engaged Strategic Planning Group to provide support to staff in creation of a Comprehensive Workforce Housing Plan.

The United States Department of Housing and Urban Development (US HUD) defines cost-burdened families or households as those who pay more than 30 percent of their gross income for housing costs, and therefore may have difficulty affording necessities such as food, clothing, transportation, and medical care. Based on 2017 American Community Survey data, 27 percent of the City's homeowners, with or without a mortgage, paid 30 percent or more of their income towards housing and 50 percent of the City's renters paid over 30 percent or more of their income for housing. Further, the report highlights the gap between available housing (for purchase and for rent) and median incomes. This data demonstrates the need for workforce housing in the City. Providing workforce housing in the City will reduce the amount of cost-burdened households who are spending 30 percent or more of their income towards housing costs.

Through the course of this work, various Workforce Housing strategies, methods, or "tools" have been explored and researched by staff in order to assess local needs and provide solutions. The report by Strategic Planning Group includes a variety of solutions, and staff explored some additional solutions as well, including:

Workforce Housing Solutions

1. Non-Residential Square Footage Intensity Bonus
2. Residential Density Bonus
3. Housing Trust Fund
4. Impact Fee Credits
5. Waiver of Building Permit Application Review Fee
6. Expedited Permitting
7. Accessory Dwelling Units (ADUs)
8. Community Contribution Tax Credit Program (CCTCP)
9. Down Payment Assistance & Rental Move-In Assistance
10. Single Family Rehabilitation
11. Multi Family Rehabilitation
12. Public-Private Partnerships & Corporate Grants
13. Linkage Fees

14. Inclusionary Zoning
15. Manufactured Housing
16. State Housing Initiative Program (SHIP)
17. Community Land Trusts

The solutions listed above are summarized in the next section of the report with a brief explanation on why the solution works or does not work for the City of Palm Beach Gardens. A red-outlined recommendation indicates the proposed solution is not ideal for the City; a yellow-outlined recommendation indicates that the proposed solution should be included, but is not a top priority, and a green-outlined recommendation indicates that the solution is recommended as a top priority.

II. Summary of Workforce Housing Solutions

1. Non-Residential Square Footage Intensity Bonus

- Non-Residential Intensity Bonuses allow for additional building height and/or square footage where appropriate in commercial, office, or other types of projects, in exchange for a voluntary monetary contribution toward a City housing fund.
 - A dual rational nexus study, such the study completed by Strategic Planning Group for the City, must be used as the basis for calculating the specific fee and appropriate compatible bonus intensity.
 - The City’s recent Transit-Oriented Development (TOD) Amendment in the Future Land Use element of the Comprehensive Plan provides opportunity to increase building height within the City’s new TOD District, which is a half-mile radius from the City’s proposed future train station location. The new TOD intensity bonus policy provides for additional height up to a maximum of nine-stories or 135 feet, whichever is greater.
- A Non-Residential Intensity Bonus is recommended to be included in the City’s Workforce Housing Program as it is a voluntary, incentive-based program, and provides a funding mechanism for the workforce housing solutions.

2. Residential Density Bonus

- For new residential development projects and residential redevelopment projects, density bonuses could provide additional residential units where appropriate, with the requirement of incorporating and constructing integrated workforce housing units. (see Figure 1)

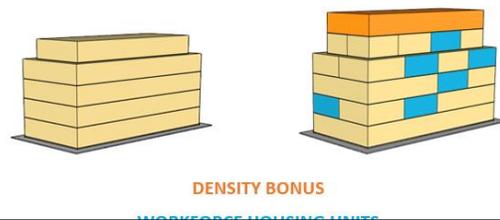


Figure 1. Illustrative Example of Density Bonus and Integration of Workforce Housing Units
 (Source: https://inclusionaryhousing.org/home/inclusionary/magenborder_0/)



Photo 2. Construction progress photo of Solera at City Centre dated October 14, 2020.

- The 136-unit Solera multifamily infill development project that is currently under construction in the City Centre PUD is a significant achievement and a local example of this practice. The project was approved utilizing the current Workforce Housing density bonus provided in the City's LDRs for Residential High zoning districts; with the

guidance and support of staff, the Applicant requested a modification to the existing bonus to apply the bonus to Mixed Use PUDs throughout the City. The project received a bonus density of 3 units per acre, and provided 10 percent of integrated workforce housing units, which equated to 14 units. A condition of approval was included in the development order requiring annual third-party monitoring for a timeframe of 20 years.

- The City's recent Transit-Oriented Development Amendment in the Future Land Use element of the Comprehensive Plan provides opportunity to increase residential density within the City's Transit Oriented Development (TOD) Area, as recommended in the City's TOD Master Plan, which was prepared by Treasure Coast Regional Planning Council. Transit-oriented development patterns are known to support workforce housing units and residents. The new TOD density bonus policy provides for a potential bonus of 6 dwelling-units per acre for the provision of ten percent of integrated workforce housing units for a minimum timeframe of 20 years.
- A policy can potentially be included for a residential project to receive a density bonus for a monetary contribution by the developer (aka "payment in lieu") toward a workforce housing fund.
- Residential density bonuses are recommended by staff to be included in the City's Workforce Housing Program. This incentive option exists currently in specific land use areas (Residential High, Mixed Use, and TOD Overlay District) and is now recommended to be included City-wide in all residential land use areas to provide additional opportunity areas for workforce housing units to be provided. Additional analysis will be required to ensure those density bonuses are still in harmony and compatible with the surrounding densities and neighborhoods.

3. Housing Trust Fund

- A Housing Trust Fund is an accounting principle/tool that is a best practice for earmarking monies collected for specific purposes. Impact fee funds and the Art in Public Places fund are examples of such accounts which are already existing for the City. A comparable fund at the State-level would be the Sadowski fund.
- The City Council should authorize the creation of a separate fund, or possibly a portfolio of funds in the future to deposit revenue from unique sources. For example, funds collected through Conditions of Approval of approved projects, or through potential future Intensity Bonus fees should be placed in the City’s Housing Trust Fund(s). This could be accomplished by adopting an ordinance with broad guidelines and minimum restrictions on how funds can and should be used.
- For example, the Town of Jupiter has a Workforce Housing Program and has established a Housing Trust Fund. Funds are collected through a linkage fee that is levied on certain new commercial and industrial construction. The fee is collected at the time of issuance of a building permit and deposited into the Town’s Housing Trust Fund.

- Establishment of a Housing Trust Fund is recommended by staff to deposit and protect funds that have been collected for the purposes of furthering the goals of workforce housing. As referenced, the City is set to receive a \$5 million contribution from the Avenir developers and \$550,000 from the Arcadia Gardens developers. The City will need a designated account for these future revenue sources when the payment is made.

4. Impact Fee Waivers or Credits

- Impact fees must be paid by developers to offset the impacts of new development on various City services, and these fees typically cannot be waived; however pursuant to recent State Statutes, impact fees may be waived for the provision of workforce housing.
- As an example, Impact Fees for a hypothetical 100-unit rental project that has two-bedroom units that are approximately 1,000 square feet can equal the following in various impact fees:

Type of Impact Fee	Amount*
City - Police	\$25,200.00
City - Fire Rescue	\$38,400.00
City - Mobility	\$383,500.00
City - Public Facilities	\$17,100.00
City - Parks and Recreation	\$304,100.00
City Total -	\$768,300.00
County – Parks	\$50,793.00
County - Libraries	\$18,576.00
County – Public Facilities	\$17,054.00
County - Schools	\$433,000.00
County Total	\$518,423.00

TOTAL	\$1,287,723.00
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*Impact fee amounts are based on actual City and County impact fee rates as of October 2020

- The City can develop a program in which some or all impact fees can be waived or funded through payment of impact fees from the City's Workforce Housing Trust Fund as an incentive for the provision of a certain percentage of integrated workforce housing units.
- Waiving or crediting impact fees is recommended in order to provide additional incentives for the provision of workforce housing. This should be done with full consultation with the Development Review Committee members to evaluate and ensure all impacts to levels of service (LOS) are appropriately addressed, and LOS standards are maintained. The City may consider incorporating a cap to the total amount of impact fees that can be waived.

5. Waiver of Building Permit Application Review Fee

- One incentive for developers who provide workforce housing units in a project is to waive building permit application review fees, or waive expedited review fees, in part or in whole.
- For example, a 100-unit rental project with each unit at approximately 1,000 square feet would equate to a 100,000 square foot building. A 100,000 square foot building would equal the following in terms of building permit fees:

Building Permit Fee Types	Cost of Development	Fee Amount*
Infrastructure	\$500,000.00	\$11,895.00
Site Lighting	\$40,000.00	\$819.00
Construction Site Phasing and Fencing,	\$40,000.00	\$819.00
Construction Trailer	\$25,000.00	\$511.88
Multi-Family Building	\$15,000,000.00	\$167,563.75
Commercial Swimming Pool	\$100,000.00	\$2,047.50
Fire Sprinkler System	\$60,000.00	\$1,228.50
Fire Alarm System	\$300,000.00	\$4,961.00
Total		\$189,845.13

*Permit fee amounts are based on actual City permit fee rates as of October 2020

- Establishment of the building permit fee waiver may not interfere with expected revenues from permit fees as the fees could be paid out of the Housing Trust Fund.
- Waiving fees is a minor administrative task that would not require significant resources for implementation. Standard Operating Procedures and policies would be required to be developed to establish criteria for eligibility.
- Waiving building permit application review fees is recommended in order to provide additional incentives for the provision of workforce housing.

6. Expedited Permitting

- Expedited permitting assists developer by accelerating project construction timelines and delivery of units by giving workforce housing projects priority in the permit review process.

- Section 78-57 of the City Land Development Regulations which current exists for TEPP provides criteria for development that can utilize expedited permitting. This section can be expanded upon to include projects providing Workforce Housing units.
- Policy 3.2.1.9. of the City Comprehensive Plan encourages expedited permitting as an incentive for providing Workforce Housing.
- Staff recommends expedited permitting as an incentive to encourage developers to include Workforce Housing in projects. This process is already existing in the Code which allows for and enables a smooth implementation.

7. Accessory Dwelling Units

- Accessory Dwelling Units (ADUs) is an ancillary or secondary unit that has a separate entrance, kitchen, bathroom, and sleeping area and may be provided within the principal structure, or as a separate structure on the same lot as the principle structure residential dwelling unit.
- ADUs are a tool for providing workforce housing by allowing the owner of the primary home to rent out one of the two units on the parcel for additional income, and also provides an additional unit that is available in the City's housing stock.
- ADUs are encouraged by the City's existing Comprehensive Plan Policy 3.2.1.8.
- Through collaboration between staff and the Developer, the Alton Planned Community Development (PCD) provides Accessory Dwelling Units within Neighborhood One, and Parcels D, E, and F.
- To allow ADUs by right would require amending the City's Land Development Regulations to permit two dwelling units on a single-family residential lot.
- ADUs could potentially be successful on large-lot developments, such as Horseshoe Acres and Steeplechase.
- Minimum design standards can be developed for landscaping, architecture, etc. so building permit review can be streamlined.
- Staff recommends ADUs with design regulations to be permitted in certain communities with larger lots to promote the provision of affordable housing, with the coordination of individual neighborhoods.

8. Community Contribution Tax Credit Program (CCTCP)

- This is a program that is administered by the State of Florida's Department of Economic Opportunity. Businesses or companies located within the City of Palm Beach Gardens can receive up to a 50 percent tax credit or sales tax refund from the State of Florida for providing contributions (monetary or in-kind) toward housing programs for low-income persons (Ex. – housing project development, down payment and closing costs for eligible applicants, etc.).
- Various types of contributions can be accepted from businesses: cash, property, goods/inventory, and other physical resources approved by DEO.
- The City would have to apply to the State as a "sponsor", but this program can be administered through a local non-profit partner, such as Neighborhood

Renaissance who can work with staff to allocate funds toward various housing projects.

- Staff recommends participating with the CCTCP program. This workforce housing tool only requires a simple application with a Resolution of support to the State, and provides an opportunity for local businesses to contribute toward Workforce Housing without significant financial burdens. A potential community partner to administer the program has already been identified with Neighborhood Renaissance, a local organization.

9. Down Payment Assistance & Rental Move-In Assistance

- Home purchase down payments, and rental home move-in costs are often very high. Where a household may be able to afford monthly costs, saving adequate funds for a down payment on a home, or for upfront moving costs of moving into a rental (which typically include first month and last month's rent, as well as a security deposit) can take a significant amount of time for a workforce household, causing a significant burden on the household.
- The City can use the funds in the Housing Trust Fund provide one-time low- or zero-percent interest loans and/or grants to workforce households to assist with a down payment for a home or initial move-in costs for an apartment.

- Down Payment Assistance and Rental Move-In Assistance is recommended by staff as a possibility, but a lower priority solution to explore establishing in the future. Program set-up and beneficiary review process would need to be developed for implementation. Resident income eligibility review would require significant time and resources. It is recommended Housing Trust Fund monies are deposited and accrue for the first phase of implementation.

10. Single-Family Rehabilitation

- One strategy to strengthen the existing housing stock in the City is to provide an assistance program to replace roofs, windows and exterior doors to provide home hardening, energy efficiency, and insurance benefits, therefore increasing affordability.
- Currently, Community Development Block Grant (CDBG) funds received by the City from US HUD are utilized to rehabilitate houses for households that have a gross annual income of less than 80 percent AMI, which is deemed low- or moderate-income per US HUD standards.
- The City could allocate funds from a Workforce Housing Trust Fund to assist households at the workforce level (80 – 120 percent AMI), and additional could be rehabilitated, increasing opportunities for strengthening the City's existing housing stock. Federal reporting requirements and administrative requirements would not be applicable to City-allocated funds.

- Single-family rehabilitation is recommended to continue through the CDBG program while funds are available from US HUD, and as potential option for expending Housing Trust Fund monies the future. This option is not recommended as a top priority as the income eligibility review and construction project management process require significant time and resources, but should be considered in the future. It is recommended Housing Trust Fund monies are deposited and accrue for the first phase of implementation.

11. Multifamily Rehabilitation

- Communities along the main corridors in the core of the City, such as Military Trail and Burns Road, could benefit from rehabilitation of multifamily buildings, such as reroofing, replacement of windows and/or doors, and other improvements to bring units and structures to compliance with current Florida Building Codes. Trails End Villas Condominiums, Gardens Villas, Sandalwood, and Sabal Ridge are examples of older communities in the City that could benefit from this type of solution.
- Fees collected in the City's Housing Trust Fund could be utilized in rehabilitating, renovating, or otherwise improving existing older and aging multifamily buildings and/or units within the City.
- Rehabilitation of existing multifamily is recommended by staff as it serves to enhance and extend the useful life of the City's existing housing stock, however, administration and implementation of this type of program requires significant resources in terms of income verification of multiple tenants/owners, coordination with residents, and construction project management, and therefore is not recommended at this time to be a top-priority solution but should be reviewed in the future. It is recommended Housing Trust Fund monies are deposited and accrue for the first phase of implementation.

12. Public-Private Partnerships (P3) & Corporate Grants

- A public private partnership is when a public entity, such as the City, partners with a private entity or corporation to develop housing projects. Other community partners may also provide assistance.
- For example, in Pinellas County, Florida, the Pinellas County Housing Authority, Pinellas County, the Housing Finance Authority of Pinellas County, and Pinellas County's Land Assembly Program partnered with US AmeriBank to construct the Palms of Pinellas project. A 92-unit mixed income community, this development provides housing that is affordable to households that earn between 50-percent and 150-percent of area median income (AMI). Nineteen of the apartments will have income restrictions of 50 percent AMI and another ten percent will be restricted to 80 percent AMI. The remaining units will be market rate for individuals and families earning up to 150 percent of AMI.
- Another example of a project using a corporate grant is Partnerships for Raising Opportunity in Neighborhoods, known as PRO Neighborhoods. This is a program of JPMorgan Chase & Co. to provide funds to community

development financial institutions (CDFIs) that collaborate to help revitalize low- and moderate-income communities. In 2014, JPMorgan Chase started the pilot program that became PRO Neighborhoods. In January of that year, JPMorgan Chase announced awards of \$33 million over a three-year period to seven groups made up of 26 CDFIs with less than \$75 million in net assets. The initial success of this effort led JPMorgan Chase to issue subsequent rounds of awards to collaborating CDFIs in each of the following two years.

- Public-Private Partnerships (P3) & Corporate Grants are recommended by staff; however availability and opportunity for participation is dependent on private sector program offerings. It is recommended that this solution be available, potentially utilizing funds in the Housing Trust Fund.

13. Linkage Fees

- Linkage fees are mandatory fees collected from developers by the City, similar to an impact fee, to support the construction or provision of workforce housing.
- Linkage fees are collected from market-rate residential and non-residential development and stored in a completely separate fund. The money in the fund can be used provide for the construction, acquisition, and/or maintenance of workforce housing units.
- Assessment of Linkage Fees requires the completion of a dual rational-nexus study to provide the statistical support for fee calculation, and is typically calculated on a square-footage basis. This study has been completed by Strategic Planning Group as part of the City's Workforce Housing Program Study and is attached.
- Strategic Planning Group's Workforce Housing Program Study provides recommended residential and non-residential linkage fees on a square footage basis for consideration; for the purposes of this study and analysis, workforce housing was defined as households that fall between 60 and 120 percent of the local AMI.

- A mandatory linkage fee is not recommended by staff, as placing additional mandatory fees on all residential and non-residential development and redevelopment will only increase the rising costs of development. This may detract the provision of non-residential development in the City which is critical to maintaining a low and stable tax rate and high levels of service. It is overall not consistent with the business-friendly development climate that the City strives to maintain.

14. Inclusionary Zoning

- Inclusionary Zoning is a common housing policy that requires developers to provide a set minimum percentage of units in new residential development projects as affordable or workforce housing units.
- Florida legislation (HB 7103), adopted July 1, 2019, and recent House Bill 1339, allow local municipalities to require developers to provide or set aside a percentage of the of new construction residential projects as Workforce

Housing, as long as incentives are granted to the developer to fully offset costs of the workforce housing units. Incentives can be waiving of fees, providing density bonuses, and lower parking requirements, etc.

- Inclusionary zoning ordinances nationwide have been criticized for disincentivizing developers from pursuing housing projects, limiting the overall supply of housing, and not adequately addressing the needs of low- or workforce-income level people.
- Further, maintenance costs, Property Owner's Association dues, and other associated costs of homeownership can be counter-productive based on this mandatory market integration for certain projects, and can be challenging for residents to meet.
- A required inclusionary zoning ordinance would require staff to calculate and understand all development costs of the project to fully offset the cost of providing the unit as required by recent State Statutes.
- Staff does not recommend Inclusionary Zoning as a solution. An Ordinance requiring a percentage of units to be set aside for workforce housing can potentially discourage future new construction of residential projects which ultimately does not further the goal of providing housing units in the City.

15. Manufactured Housing

- A manufactured house or home is a dwelling that is built offsite, in an indoor factory setting. Modular homes start as sections, or modules, that have been built in a factory environment and are then transported to the building site and assembled.
- Manufactured housing, also known as modular or prefabricated homes, can provide a lower-cost residential unit option for middle-income families.
- Design Criteria for these types of units could be created to ensure a higher quality aesthetic design.



- Manufactured housing is not recommended by staff. This housing choice poses challenges in the South Florida environment and climate due to the possibility of damage, high risk lack of safety from wind events, such as hurricanes, and potential overall lack of quality and long-term durability.

16. State Housing Initiative Program (SHIP)

- The SHIP program, also known as the Sadowski Trust Fund, was established in 1992 to help ease the burden of housing costs using money collected from a document stamp tax on all state real-estate transactions.
- Through this program, the State of Florida provides assistance toward housing programs. Examples of eligible activities include: emergency repairs, new construction, rehabilitation, down payment and closing cost assistance, impact

- fees, construction and gap financing, mortgage buy-downs, acquisition of property for affordable housing, matching dollars for federal housing grants and programs.
- Participation in the program requires submittal of an application to the State, creation of a 12-member board, creating and maintaining certain planning documents, as well as routine reporting.
 - There are many specific “set-aside” requirements:
 - a minimum of 65 percent of the funds must be spent on eligible homeownership activities
 - a minimum of 75 percent of funds must be spent on eligible construction activities
 - at least 30 percent of the funds must be reserved for very-low income households (up to 50 percent of the area median income or AMI)
 - an additional 30 percent must be reserved for low income households (up to 80 percent of AMI)
 - the remaining funds may be reserved for households up to 140 percent of AMI
 - no more than 10 percent of SHIP funds may be used for administrative expenses.
 - Participation in SHIP is not recommended by staff, as the program has several specific requirements that require **significant** administration resources and coordination which are unavailable to be provided by the City at this time. Based on the City’s current demographic data, it is unlikely that the City would be able to meet the program standards.

17. Community Land Trusts

- A Community Land Trust (CLT) is a non-profit organization that acquires lands and develops housing which is sold below typical market rates. The CLT owns the land in perpetuity, and the CLT resident owns the home structure with use of the land granted through a 99-year ground lease.
- Removing the cost of the land from the transaction makes the home more affordable for the initial buyer. Resale restrictions in the ground lease ensures the home structure will remain affordable for future buyers.
- Policy 3.2.1.3 of the City Comprehensive Plan encourages the City to coordinate with public-private partnerships like Community Land Trusts to provide affordable and workforce housing.
- The City’s role would include financial administrative support during the planning and startup phase, future contributions for development, and possibly to finance projects. Available resources would need to be evaluated to determine the full extent of the City’s role.

- Establishment of a City-specific Community Land Trust is not recommended at this time as it is a housing tool that is typically utilized in larger cities or on a County-level. There is an existing organization called Community Land Trust of Palm Beach County, and at this time a City CLT would be an unnecessary duplication of efforts. It is an option that could be explored in the future in consideration with future City growth.

III. Coronavirus and the CARES Act

As the final report and proposed housing solutions were being finalized by staff in early spring of 2020, the COVID-19 global pandemic occurred causing staff to analyze the proposed solutions to evaluate housing-needs related to the pandemic. The State of Florida, along with the United States and many countries across the world, experienced significant economic and societal impacts from the pandemic, spanning alternative education, lack of childcare resources/assistance, unemployment or reduced opportunities for employment, and housing/food insecurity. Staff recognizes that workforce housing cannot be addressed in current global climate without addressing the impacts of the 2020 coronavirus pandemic.

The City Council of the City of Palm Beach Gardens acted swiftly to approve Resolution 37, 2020, dedicating \$1.3 million to the Economic Recovery Act, which included two City programs: one aimed at small business relief, one aimed at direct food-assistance to residents. The small business relief fund was executed as a partnership with the PGA Corridor Association and provided \$988,895 in relief to 69 businesses within the community. Through the Resident Relief program, 1,244 grocery gift cards of \$250.00 were distributed directly to residents, totaling \$311,000 worth of much needed assistance. Both programs were well-received and very successful.

The City was also notified that it is the recipient of \$482,975 of federal Coronavirus Aid, Relief, and Economic Security (CARES) Act funding as a result of participation of the Community Development Block Grant (CDBG) program, from US HUD. The City conducted a needs assessment survey in September of 2020 to receive community input and assess community needs with regard to the coronavirus pandemic. A significant number (281) of responses were received, and indicated that 63 percent of survey respondents indicated that their employment had been significantly impacted by the coronavirus pandemic, and only 25 percent of respondents indicated they felt extremely confident that they would be able to pay next month's mortgage on time, and 60 percent with various responses such as somewhat confident, not at all confident, or not current for their next month's rent or mortgage payment. From these survey results, staff identified a critical need for direct housing payment assistance, which is an eligible cost under the CDBG-CV CARES act funding. Based on the responses received from the survey, and staff's assessment of the previous types of assistance previously provided by the City, City staff recommends developing a mortgage and rent assistance program, to address housing needs as a result of the coronavirus pandemic.

Palm Beach County announced and is currently operating both a mortgage assistance grant program and a rental assistance grant program. Both programs suspended acceptance of applications on September 1, 2020 to allow sufficient time to process a backlog of applications currently in the queue, but since that time have reopened. As of September 1, 2020, 1,289 Mortgage Assistance Applications had been received by Palm Beach County, and the average award per mortgage holder was \$6,338. This program reopened on October 9, 2020. As of Friday, October 9, 2020, 7,677 rental assistance applications were received by the County, and 2,700 rent/utility assistance checks were issued totaling \$4,605,682.83, further demonstrating that there is still significant need County-wide, and that need is expected to continue to grow as people are out of work for a longer period of time and depleting any financial savings.

Due to the significant time and resources required to verify income eligibility, City staff plans to hire a consultant utilizing the administrative fees allowance that is provided for with use of CDBG funds (up to 20 percent of the total allocation). Some basic parameters for eligibility in the assistance program would include such as proof of loss of income, reduction in hours, or unemployment, and proof of most recent mortgage statement or rental documentation indicating delinquency, as well as other requirements and documentation. All payments would be made directly to the landlord or mortgage holder. Staff is exploring both an online application portal similar to the County, as well as a paper application system, and anticipates being able to assist 40 households with either rent or mortgage assistance. The City anticipates receiving the funds approximately 15 days after submission of the application to the US HUD Miami Field Office. A maximum assistance/award amount of \$10,000 is anticipated. Utility assistance could also be incorporated into the program.

As the Workforce Housing report and proposed solutions are finalized and presented to the City Council, the City's CARES Act funds will also simultaneously be addressed, in order to address all current housing needs in the City.

IV. Conclusion

As demonstrated in the final report produced by Strategic Planning Group, there is clearly a need in our community to provide workforce housing solutions based on the housing need identified in the report. The preceding summary of solutions or tools are broad concepts and ideas, in addition to the City's efforts with CDBG CARES Act funding work in harmony to address a variety of pressing needs in the area of workforce housing. A summary of the solutions explored, and staff's proposed recommendations follows:

Workforce Housing Solutions

1. Non-Residential Square Footage Intensity Bonus – **Recommended**
2. Residential Density Bonus – **Recommended**
3. Housing Trust Fund – **Recommended**
4. Impact Fee Credits – **Recommended**
5. Waiver of Building Permit Application Review Fee – **Recommended**
6. Expedited Permitting – **Recommended**

7. Accessory Dwelling Units (ADUs) – **Recommended**
8. Community Contribution Tax Credit Program (CCTCP) – **Recommended**
9. Down Payment Assistance & Rental Move-In Assistance – **Recommended but not as immediate priority**
10. Single Family Rehabilitation – **Recommended but not as immediate priority**
11. Multi Family Rehabilitation – **Recommended but not as immediate priority**
12. Public-Private Partnerships & Corporate Grants – **Recommended but not as immediate priority**
13. Linkage Fees – **Not Recommended**
14. Inclusionary Zoning - **Not Recommended**
15. Manufactured Housing - **Not Recommended**
16. State Housing Initiative Program (SHIP) - **Not Recommended**
17. Community Land Trusts - **Not Recommended**

Staff recommends that upon adoption of this report, the City Council direct staff to proceed with the necessary recommended solutions, Comprehensive Plan Text Amendments, Land Development Regulations Text Amendments, and/or Standard Operating Procedures, depending on the unique solution, outlining specific parameters and processes in order to move forward with the implementation.