



City of Riviera Beach
Planning and Zoning Board Meeting
February 24, 2022

PROPOSED AMENDMENT TO THE CODE OF ORDINANCES

CHAPTER 26 MINORITY EMPLOYMENT AND AFFORDABLE HOUSING OPPORTUNITY PLAN

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF RIVIERA BEACH, PALM BEACH COUNTY, FLORIDA, AMENDING CHAPTER 26 OF THE CITY'S CODE OF ORDINANCES ENTITLED, "MINORITY EMPLOYMENT AND AFFORDABLE HOUSING OPPORTUNITY PLAN" BY ADDING THE IHC-PUD AND PROVIDING A MECHANISM FOR A HEIGHT BONUS; BY UPDATING DEFINITIONS AND CLARIFYING THE PURPOSE OF THE HOUSING TRUST FUND; BY PROVIDING A MECHANISM FOR THE POST CONSTRUCTION CONVERSION OF RESORT HOTEL UNITS TO YEAR ROUND RESIDENTIAL UNITS; BY INCREASING THE PER UNIT IN LIEU OF CONTRIBUTION RATE; PROVIDING FOR SEVERABILITY AND CONFLICTS; PROVIDING FOR CODIFICATION; AND PROVIDING FOR AN EFFECTIVE DATE.

Purpose of MEAHOP

1) Decrease unemployment by encouraging the hiring of minorities in the construction industry, including minority businesses, skilled and nonskilled labor and professionals.

(2) Provide a means of increasing the supply of affordable housing in this city.

(3) Encourage revitalization of the downtown, particularly mixed use development.

(4) Accomplish the objectives of this section through the use of a voluntary program utilizing zoning-related incentives, in various zoning districts throughout the city.

Purpose of this Ordinance Revision

- This proposed amendment to the code of ordinances is being brought forward for general updates and to address emergent needs. This is an existing section of the code and what is being proposed is not a full revision of the section.
- The Changes can be categorized as follows:
 - Revisions to definitions and language regarding the housing trust fund;
 - Adjustment to the fee in lieu of construction;
 - Insertion of the IHC-PUD to this section of the code so these development projects are eligible for bonuses, and revision to the tables accordingly to provide a mechanism for an additional 5 stories of height;
 - Insertion of a mechanism for a post construction conversion of resort hotel suites to year round housing units.

Revisions to definitions and language regarding the housing trust fund

- The definition for affordable housing was revised.
- The definitions for attainable, workforce, and market rate housing were added to the definitions section of this code.
- The in-lieu of construction monetary contribution is deposited into the housing trust fund per the existing code. We have added a statement clarifying the purpose of the housing trust fund as follows: **to provide funds for the City to use to build, preserve, rehabilitate or otherwise create affordable/attainable/workforce housing, and to support the provision of affordable/attainable/workforce housing opportunities to income eligible residents. Land acquisition for the construction of affordable/attainable/workforce units shall be deemed an eligible expense of housing trust fund monies. Expenditures from the housing trust fund must be for these purposes.**

BACKGROUND ON AFFORDABILITY OF HOUSING IN THE CITY OF RIVIERA BEACH

Income and Rent Overburden in Riviera Beach

- The median gross income for households in Riviera Beach is \$40,675 a year, or \$3,390 a month. The median rent for the city is \$1,035 a month.
- Households who pay more than thirty percent of their gross income are considered to be Rent Overburdened. In Riviera Beach, a household making less than \$3,450 a month would be considered overburdened when renting an apartment at or above the median rent. 62.07% of households who rent are overburdened in Riviera Beach.

Area Median Income In Riviera Beach

- Affordable housing program eligibility is always determined by one's income. Each household's income is compared to the incomes of all other households in the area. This is accomplished through a statistic established by the government called the Area Median Income, most often referred to as AMI. The AMI is calculated and published each year by HUD.
- HUD often uses an area larger than a city to determine the AMI because HUD anticipates those searching for housing will look beyond individual cities during their housing search. For Riviera Beach, the AMI is calculated from all households within [Palm Beach County](#).
- In Riviera Beach, HUD calculates the 2021 Area Median Income for a family of four as \$80,200.

Adjustment to the fee in lieu of construction

- To secure development bonuses (typically density) applicants can participate in this program and choose employment or housing requirements to qualify for the bonus. Under the housing requirements a developer can construct affordable units, or, pay a “fee in lieu of construction” for the units.
- The current fees were set in 2006 and have not been adjusted since that time. Given the changes in the market and economy since that time as well as the need for affordable, attainable workforce housing, and because this section of the code is being revised for other purposes already, our recommendation is to adjust the fees now.
- Our existing code has the per unit contribution set at a percentage of the sale price value per unit and then specifies a minimum per unit contribution (currently \$30,000).

Sampling of in-lieu of contributions

City/County	Townhome/Ownership	Rental Unit
Jupiter	\$200,000	\$150,000
Delray Beach	\$160,000	-
Palm Beach County	\$105,300	\$78,975
Proposed Riviera Beach	\$105,000	\$78,000
Boynton Beach	\$82,986	\$36,760

We have recommended to increase our minimum in lieu of contribution requirements to correspond with the current Palm Beach County requirements.

Insertion of the IHC-PUD to this section of the code

- The PZB recently reviewed and approved revisions to the PUD and Downtown Districts regulations to allow new IHC-PUDs as a mechanism for higher density mixed use development in the CRA. That allowed a maximum building height of 20 stories, in line with several other zoning districts in the City.
- It was brought to staff's attention that there is interest in the development community and the administration to be able to consider projects up to 25 stories in height.
- For this reason this code has been revised to enable applicants to apply for a height (density) bonus of an additional five stories in height by participating in MEAHOP and constructing affordable units or contributing to the housing trust fund.
- The revisions are to include IHC-PUDs in Table II, Table III and Table IV to provide a mechanism for a density bonus (increased building height) to mixed use projects developed as a IHC-PUD.

Insertion of a mechanism for a post construction conversion of resort hotel suites to year round housing units

- There are developments that were approved under the Resort Hotel (RH) zoning code that have a mix of year-round units as well as resort hotel suites.
- The City has 7 properties zoned RH.
- One development has expressed interest in converting their resort hotel suites to year round residences to enable owners to qualify for homestead provisions and financing, and to eliminate the conflicts between residents and vacationers.
- Staff is aware that some lenders are struggling with how to finance these resort hotel suites as they don't fit the parameters of a year round residence.

Insertion of a mechanism for a post construction conversion of resort hotel suites to year round housing units

- Understanding that we have other projects permitted with the same zoning code and that the markets are always changing, staff is proposing a revision to this section that provides a mechanism for post construction conversion of resort hotel rooms to year-round residences up to a maximum residential density of 28 units/acre.
- Once converted the owners would then be able to qualify for a homestead exemption and would also be able to secure financing more readily. These conversions would also only be allowed when the required parking per unit was available on site.
- We feel this supplemental bonus is supportive of existing developments and provides a benefit to the City.



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