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Town of Lake Park Town Commission

Agenda Request Form

Meeting Date:	July 16, 2	July 16, 2025		
Originating Department: Communi		ity Development (Karen Golonka)		
originating 2 that th		Ordinance No. 03-2025 - Creating Chapter 65 "Workforce Housing" -		
Agenda Title:	Town of Lake Park Code of Ordinances			
8				
Agenda Category (i.e., Consent, New Business, etc.):Public Hearings – Ordinance on Second Reading				
Approved by Town Manager:			Date:	
Cost of Item:	1)Legal display Ad: approximately \$800 2)Legal review: TBD	Funding Source:	Advertising & Legal (General Fund)	
	1)524-500-34920			
Account Number:	2)514-108-31100	Finance Signature:		
Advertised: Date:	June 7, 2025	Newspaper:	Palm Beach Post	
Attachments:	<u>A. Staff report with attachments 1, 2, and 3.</u> <u>B. Proposed Ordinance</u> C. Business Impact Estimate D. Legal Ad E. Sample Land Use Restriction			
	Agreement			
Please initial one:				
KJG	Yes I have notified everyone Palm Beach Post Ad			

Not applicable in this case

Summary Explanation/Background:

The Community Development Department is requesting the Town Commission to consider an Ordinance No. 03-2025 that would establish a new chapter - "Chapter 65 Workforce Housing" - within the Town of Lake Park's Code of Ordinances.

The "Live Local Act" (LLA), passed by the State Legislature in 2023 and amended in 2024, created a State program to encourage the construction of rental housing projects in which a minimum of 40 % of the units are "affordable". The Town's major concern with the legislation was the preemption of the local government control regarding various zoning decisions, and potential fiscal impact. Any housing project that qualifies under the LLA can locate in any district in the Town that allows industrial, commercial or mixed use. Density and height are tied to the highest allowed in the Town. Only administrative approval (not Town Commission) of the municipality is required. The Commission also expressed concerns with potential incompatibility of uses, conflicts with the Comprehensive Plan, lack of public involvement, and lack of specificity in the statute regarding the process and certain mandates.

The proposed ordinance establishes regulations for workforce housing within the Town, primarily to address the recent, new state law ["Live Local Act" (LLA) – Section 166.04151, Florida Statute]. The proposed Ordinance was presented previously to the Town Commission during a Workshop on August 7, 2024.

Following the workshop, the Commission adopted a "zoning in progress" (ZIP) in October 4, 2025 to enable the Town to develop regulations providing for workforce housing and to implement the state's LLA law. This ZIP was intended to ensure that any new language within the Town's Code regarding proposed workforce housing projects would be coordinated with anticipated changes related to the Park Avenue Downtown District (PADD). The Workforce Housing ZIP was previously extended to March 31, 2025, which has now expired.

Although the PADD text amendment changes are still being developed/considered by the Town, staff and the Town Attorney have determined that the proposed workforce housing code language is eligible to proceed ahead of any changes that may be approved related to the PADD.

Thus, a proposed new Chapter 65 within the Town's Code is being recommended and addresses housing that falls into the "Workforce Housing" category, as this is how the Town proposes to define "affordable" with respect to the LLA. If approved, the new Workforce Housing chapter would include five (5) income categories:

- Very Low Income Household Level
- Low Income Household Level
- Moderate Income Household Level
- Upper Moderate Income Household Level
- Middle Income Household Level

Additionally, this new section would establish the Town's procedure that would be required to be met to apply/be considered for as Workforce Housing project within the Town. This procedure would include, but not limited to, where such housing can be located, requirements to ensure that housing is built to standards compatible with other units in any project, other regulations to ensure the health, safety, and welfare of those who will reside in the workforce and affordable units, etc.

In addition to providing regulations for any LLA project, the proposed Ordinance would also be applicable to any workforce housing project within the Town.

Since the August 7, 2024 workshop, staff, in conjunction with the Town Attorney, has revised the proposed Workforce Housing language to reflect the Town Commission's comments and public input as well as to incorporate useful text from a University of Florida Live Local Act model/draft ordinance, that includes a focus on workforce housing. Additionally, the proposed ordinance has been revised to include language required by the new Live Local Act amendments, which are anticipated to go into effect statewide on July 1, 2025.

<u>Note</u>: To date, the Town has not received any proposed project applications nor is the Town aware of any projects under the LLA that are intended to be submitted for consideration. However, the Town has received inquiries related to the LLA. However, potential applicants may make submittals under the proposed Code and the LLA through October 2033, unless the LLA is amended by the State of Florida.

The proposed Ordinance was prepared by the Community Development Department and reviewed by the Town Attorney.

The proposed Ordinance was approved on first reading by the Town Commission (June 18, 2025 - 4 to 1 vote) and is being presented on second and final reading.

While many of the Town Commission's questions and concerns were answered during first reading of the proposed Ordinance, additional staff responses are contained below.

1. <u>Concern with whether there sufficient design standards in the ordinance.</u>

The LLA mandates that a local government must apply "development regulations for multi-family developments in areas zoned for such use". Staff has not developed separate exterior design guidelines for LLA projects but rather has proposed to utilize the design requirements of the particular districts which are being used for the multi-family regulations.

Sec. 65-5 of the proposed ordinance provides that any LLA project in a <u>mixed use district</u> will follow the regulations of that district. The Town's mixed use districts of Park Avenue Downtown (PADD), C-3 Twin Cities, Mixed Use-TND, and the Federal highway Use District Overlay (FHMUDO) all have design regulations that will be followed by any project within those districts, to insure consistency and good design.

As presented on first reading Chapter 25 required that LLA projects in Industrial or Commercial districts the C-3 District regulations. However, after review, staff is proposing the following changes to the ordinance, which have been incorporated into it for second reading:

- LLA projects in **Industrial districts** and any on church property shall follow the regulations of the "Mixed Use, Traditional Neighborhood District".
- LLA projects in **Commercial districts** shall follow the PADD regulations.

<u>Reasoning:</u> The C-3 was initially recommended as it sets out requirements by typology to follow. However, staff is recommending changes to use districts that provide more detail on façade appearance. The PADD district has very specific requirements. The Mixed Use-TND district was originally developed to "promote and control revitalization and new development in the western extension of the town". It's regulations for apartment buildings provide specifics on required building appearance, such as:

- All building facades shall have windows, sills, lintels, expression lines and a cornice.
- Architectural characteristics shall change every 30 feet for row houses and every 60 feet for large apartment buildings. Architectural characteristics may include, but not be limited to, entrances, window treatments, color, building materials, reveals, height of facade, and appurtenances.
- Building fronts are required to have at least one of the following: stoop, front porch, balcony, or bay windows extending at least 25 percent of the building facade.
- *Expression lines are required between the first and second floors along the front facade and the sides if visible from the street.*
- A vertically oriented change in the facade is required at least every 60 feet of frontage. Vertical changes may include a reveal, brought forward or receding, changes in the fenestration pattern, height of facade, or appurtenances.

2. <u>Could an LLA rental project be converted to a condominium?</u>

The LLA is focused on addressing the shortage of affordable rental units and does not include any provisions to allow such a change. The legislation states that "at least 40 percent of the residential units in a proposed multifamily development are <u>rental</u> units that, for a period of at least 30 years, are affordable as defined in <u>s. 420.0004</u>." The granting of property tax relief for the affordable units, tax credits, and any other public grants or loans would require this stipulation as well. Therefore, the Town is not empowered to allow any conversion.

3. What if the project is sold?

As explained at the Hearing, the conditions and requirements run with the land. The applicant would enter into Land Use Restriction Agreement approved by the Town Attorney. A sample agreement from the University of Florida is now included in the packet as <u>Attachment E</u>.

4. The Town needs to encourage Non- LLA workforce housing

Staff has envisioned that while the proposed Ordinance addresses workforce housing under the LLA and any other federal or state funded or incentive projects, Chapter 65 will also include future Town programs to encourage or require workforce housing.

Staff had introduced one such program at the August 24, workshop, due to concerns with redevelopment that might eliminate existing workforce housing. However, as the program incentives were linked to the PADD, it was put on hold until any changes to the PADD were finalized. The goal is to have Town programs that would be preferred by developers over the LLA so that workforce housing occurs in locations best suited for housing

5. <u>Double subsidy?</u> Could an extremely low income family (that wouldn't qualify on income) receive a voucher that would then put them into an income level to qualify?

Under the Housing Choice (section 8) voucher, the program pays the difference between 30% of the family's income and the actual rent charged by the landlord. Staff would take the position that as the Housing Choice (section 8) voucher dollars are paid from the Housing Authority directly to a landlord, this should not be considered income. Therefore, the income levels must be met.

Even if interpreted as income, a landlord must agree to participate in the program. The Housing Authority indicates that it may take up to two to seven years to be pulled from the waiting list

Conclusion

The Town currently has no regulations pertaining to workforce housing. As previously summed up by the Town Attorney, the ordinance provides regulations and guidelines that set a framework under which the Town would process and review any workforce housing project including those under the LLA. While the state has pre-empted local control of certain zoning aspects, the ordinance provides the Town some measure of authority under which to review a project and to require adherence to Comprehensive Plan policies.

Recommended Motion:

I move to approve Ordinance No. 03-2025 on second and final reading, which includes changes recommended by staff, to create a new Chapter 65 "Workforce Housing" within the Town of Lake Park's Code of Ordinances.