



## PLANNING AND ZONING BOARD REPORT

**PZB Project Number 25-00000004:** A request for Affordable/Workforce Housing Program incentives to authorize a third dwelling unit with a unit size reduction at 614 North E Street. The subject site is zoned Single-Family and Two-Family Residential (SF-TF-14) and has a future land use designation of Medium Density Residential (MDR).

**Meeting Date:** March 5, 2025

**Property Owner/Applicant:** Timothy Stergiou-Allen – Hlios K Amos, LLC

**Address:** 614 North E Street

**PCNs:** 38-43-44-21-15-188-0070

**Size:** 0.155 acre lot /  $\pm$  1,596 square feet of existing structure

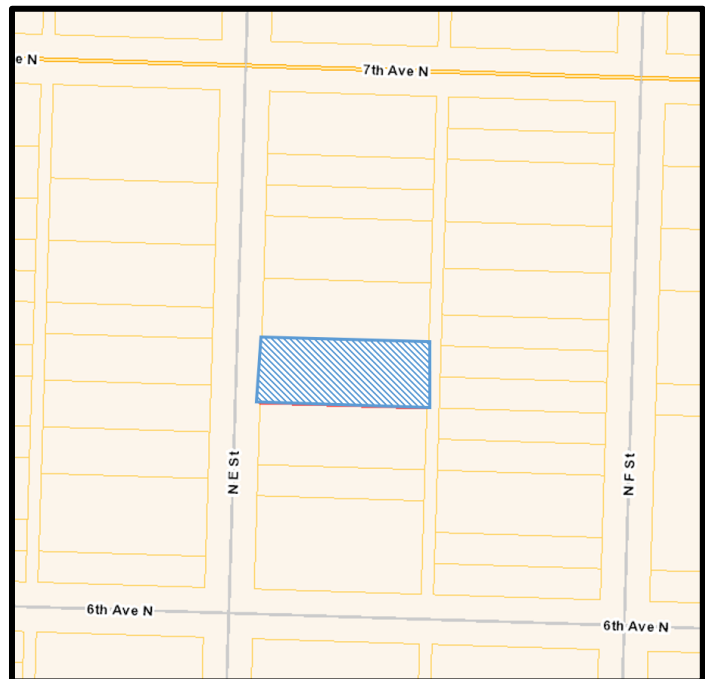
**General Location:** East side of North E Street between 6<sup>th</sup> Avenue North and 7<sup>th</sup> Avenue North

**Existing Land Use:** Duplex

**Current Future Land Use Designation:** Medium Density Residential (MDR)

**Zoning District:** Single-Family and Two-Family Residential (SF-TF-14)

**Location Map**



## RECOMMENDATION

The documentation and materials provided with the application request were reviewed for compliance with the applicable guidelines and standards found in the City of Lake Worth Beach Land Development Regulations (LDRs). The proposed Affordable/Workforce Housing Program request is consistent with the LDRs, as conditioned, and, therefore, a **recommendation of approval with conditions** is provided to the Planning and Zoning Board. The conditions are located on pages 3-4 of this report.

## PROJECT DESCRIPTION

The applicant, Timothy Stergiou-Allen, is requesting approval of the following for the property at 614 North E Street:

- **Affordable/Workforce Housing Program** for additional density, reduction in the gross area of dwelling units, and reduction of the required parking.

## COMMUNITY OUTREACH

Staff has not received any letters of support or opposition for this application.

## BACKGROUND

Below is a summary of the property based on Palm Beach Property Appraiser's records and City records:

**Construction:** A ±1,400 square foot duplex was constructed on the property in 1951. A carport and utility/storage area were constructed in 1960; the carport was demolished in 2002. A Florida room was added onto the rear of the structure in 1965. Per the applicant, part of the rear duplex unit was converted to an additional dwelling unit prior to their purchase of the property in 2024.

**Use:** The property's use is residential. There are currently a total of three (3) residential dwelling units on the site; the applicant has indicated that the third dwelling unit was created prior to their purchase of the property in August 2024. The property previously had business licenses to rent two (2) dwelling units.

**Code Compliance:** There is one active code case on the subject property, which was initiated on August 20, 2024. Most of the violations are now in compliance; open violations include obtaining a City business license, passing the use and occupancy inspection, and obtaining building permits for alterations to the existing structure. Staff has included a condition of approval to require that all outstanding code enforcement violations are resolved within one year of this approval.

## ANALYSIS

### Affordable/Workforce Housing Program

Per LDR Section 23.2-29(b), projects using Tier One of the City's Affordable/Workforce Housing Program may obtain an additional affordable/workforce dwelling unit and up to a 15 percent reduction in gross area requirements based on unit type. The applicant is requesting one (1) bonus affordable/workforce dwelling unit. The applicant is also requesting a reduction of the studio unit size from 400 square feet to 346 square feet, which is within the program's allowable area reduction. The bonus unit will be income restricted according to the affordability criteria established in 23.2-29(f). The applicant has opted to use the City's standard restrictive covenant for the affordable unit; staff has included a condition of approval to require the restrictive covenant to be completed and recorded prior to the final building permit inspection for the unit.

Development Standard	Base Zoning (SF-TF-14)	Affordable/Workforce Housing Program
Density (max)	14 du/ac x 0.155 ac = 2 units	(14 du/ac x 0.155 ac) + 1 bonus unit = <b>3 units</b>
Living Area (min)	Studio = 400 sf	Studio + 15% reduction in size = <b>340 sf</b>

Pursuant to LDR Section 23.2-39(c), the PZB shall make decisions on the awarding of incentives through the Affordable/Workforce Housing Program. The awarding of the incentive(s) shall be based on the criteria listed below; staff has listed each criterion and provided responses.

- a. Is the award calculated correctly, consistent with the density and unit size reduction(s) that are allowed under the affordable/workforce housing program, including that the affordable/workforce housing unit type mix be reflective of the overall unit type mix for the entire project;

**Analysis:** The density and unit size reduction calculations provided by the applicant are calculated correctly per the requirements in LDR Section 23.2-39. The unit type mix requirement was intended for larger residential projects. Although the proposed affordable unit for the subject property (studio) does not reflect the unit type of the two existing market-rate units (one-bedroom units), the proposal meets the broader intent to encourage the inclusion of affordable and workforce housing units within residential projects.

- b. Do the proposed income restrictions meet the intent of the affordable/workforce housing program;

**Analysis:** The proposed income restrictions for the bonus unit do meet the intent of the Affordable/Workforce Housing Program. The annual gross income for a household in the bonus unit will not exceed 45 percent of Area Median Income, and the overall housing expense will not exceed 30 percent of the income limit for the unit. Compliance with the income restrictions will be enforced through the restrictive covenant and annual project report.

- c. Do the proposed annual rents and/or mortgage costs meet the intent of the affordable/workforce housing program;

**Analysis:** The proposed annual rent of \$14,040 (\$1,170 per month) meets the intent of the Affordable/Workforce Housing Program. Compliance with the rent requirements will be enforced through the restrictive covenant and annual project report.

- d. Do the proposed restrictive covenants to maintain affordability meet the intent of the affordable/workforce housing program?

**Analysis:** The proposed restrictive covenant meets the intent of the Affordable/Workforce Housing Program.

**Site & Landscape Requirements, Refuse, Signage, and Parking:** Compliance with City regulations for site design, landscape, refuse, and parking will be addressed in a Minor Site Plan following PZB approval of the bonus unit.

## CONCLUSION AND CONDITIONS

Based on the data and analysis in this report and the supporting materials provided by the applicant, the proposed Affordable/Workforce Housing Program incentives for one (1) bonus dwelling unit and a reduction in unit size requirements are consistent with the City's LDR requirements. Therefore, a recommendation of approval is provided to the PZB with the following conditions:

### Conditions of Approval:

1. Authorization for the third dwelling unit at 614 North E Street is contingent upon site plan approval and after-the-fact building permit approval. Should the property not receive site plan and building permit approval within one (1) year of this AWFH approval, this approval (25-0000004) shall be null and void.
2. An approved Minor Site Plan shall be required prior to the issuance of after-the-fact permits for the third dwelling unit.
3. The third unit shall be restricted for affordable/workforce housing in accordance with the City's Affordable/Workforce Housing Program (or an alternative program as restrictive or more). The required restrictive covenant shall be completed and recorded prior to the building permit final inspection for the third unit.

4. Any code cases associated with the subject properties shall be resolved and any fines shall be paid within one (1) year of this approval.
5. An address application for the third unit shall be required to be submitted prior to application for a business license.

#### BOARD POTENTIAL MOTION:

I move to **approve with conditions** PZB Project Number 25-00000004 for Affordable/Workforce Housing Program incentives to authorize a third dwelling unit with a unit size reduction at 614 North E Street, based on upon the competent and substantial evidence provided in the staff report and in the testimony at the public hearing.

I move to **disapprove** PZB Project Number 25-00000004 for Affordable/Workforce Housing Program incentives to authorize a third dwelling unit with a unit size reduction at 614 North E Street. The project does not meet the Affordable/Workforce Housing Program criteria for the following reasons [Board member please state reasons.].

***Consequent Action:*** *The Planning & Zoning Board's decision will be final decision for the Affordable/Workforce Housing Program request. The Applicant may appeal the Board's decision to the City Commission.*

#### ATTACHMENTS

- A. Application Package (survey, floor plan, affordable/workforce worksheet, & supporting documents)