

# STAFF REPORT REGULAR MEETING

**AGENDA DATE:** May 16, 2023

**DEPARTMENT:** City Attorney

**TITLE:**

Professional Services Agreement with Florida Atlantic University (FAU) for Housing Emergency Study and Policy Response Analysis

**SUMMARY:**

This Professional Services Agreement with FAU generally provides for FAU's analysis of the housing crisis in the City of Lake Worth Beach and its underlying causes, the effects such crisis has had on the City and its residents and neighborhoods, and recommendations for improving housing and addressing new housing laws.

**BACKGROUND AND JUSTIFICATION:**

The City issued Request for Proposal No. 23-200 for Housing Emergency Study and Rent Control Ordinance Analysis ("RFP"). Subsequent to the City's receipt of the FAU proposal received in response to the RFP, the Legislature adopted Senate Bill 102, also known as the "Live Local Act," which, effective July 1, 2023, prohibits local rent control ordinances ("Act"). During the City's continued negotiations with FAU regarding the terms and conditions of the Agreement and based upon the adoption of the Act, the Consultant submitted a revised scope of services which removed the rent control ordinance analysis and included additional services related to the Act and policy recommendations regarding short-term vacation rentals and accessory dwelling units. The revised scope of services includes the following research questions:

Question 1: Is there a housing emergency in the City of Lake Worth Beach? If so, what is its extent, scope, and nature? Consultant shall collect the data for housing costs relative to historical norms; relationship between housing costs and residents' economic means; incidence and level of cost-burden; incidence of eviction and payment delinquency; ability of support agencies to satisfy demand for housing services; incidence of substandard and/or dangerous housing and public perception of emergency.

Question 2: What effects have rising housing costs had on the health, safety, and welfare of Lake Worth Beach residents? Consultant shall collect the data on effects on residents' economic vitality and overall well-being; effects on neighborhood stability (displacement, gentrification, loss of community character); effects on community stability (labor shortages, school performance, public safety); incidence of detrimental housing outcomes (overcrowding, eviction, homelessness); incidence of exploitative and abusive landlord practices (illegal eviction, extraneous fees, price gouging, extortion).

Question 3: What are the underlying causes of housing unaffordability and distress in the City of Lake Worth Beach? Consultants shall analyze: population growth; real estate speculation; short-term vacation rentals; seasonal migration; growth management policies and land development regulations; county-level economic development and housing policy, rising insurance rates and macro-level factors (federal housing policy, supply chains, interest rates, etc.). Based on the findings, Consultant shall provide recommendations on policies related to short-term vacation rentals and accessory dwelling units.

Question 4: What measures would most improve housing conditions in the City of Lake Worth Beach? What housing policies would best protect the health, safety, and welfare of residents? Consultant shall analyze policy options and recommendations; anticipated impacts of policies and timelines for relief;

sequencing suggestions and recommended resources for affordable housing development and preservation.

Question 5: Consultant will analyze how bills drafted during the 2023 Florida Legislative Session will impact local housing conditions, develop recommendations for how the City can secure and utilize newly created resources for affordable housing development, and provide guidance on how the City can implement and comply with new state-level housing policies.

Milestones and timelines for the scope of services are continuing to be negotiated. FAU also submitted a revised budget which increased the \$5,000 contingency for translation services costs to include FAU's 31% indirect cost rate for a total of \$6,550.00. In addition to the contingency amount, the budget totals \$57,034.18. The parties are continuing to negotiate the final terms and conditions and will provide the final negotiated Agreement and its exhibits to the Commission prior to its meeting.

**MOTION:**

Move to approve/disapprove the Professional Services Agreement with FAU for Housing Emergency Study and Policy Response Analysis.

**ATTACHMENT(S):**

Fiscal Impact Analysis

Professional Services Agreement – To be provided

Exhibit A "Scope of Services" – To be provided

Exhibit B "Budget" – To be provided

## FISCAL IMPACT ANALYSIS

### Five Year Summary of Fiscal Impact:

<b>Fiscal Years</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>
Inflows					
Current Appropriation	0	0	0	0	0
Program Income	0	0	0	0	0
Grants	0	0	0	0	0
In Kind	0	0	0	0	0
Outflows					
Operating	\$64,586	0	0	0	0
Capital	0	0	0	0	0
Net Fiscal Impact	0	0	0	0	0
No. of Addn'l Full-Time Employee Positions	0	0	0	0	0

Contract Award - Existing Appropriation	
	Expenditure
Department	Legislative
Division	City Commission
GL Description	Contractual Services
GL Account Number	001-1010-511.34-50
Project Number	
Requested Funds	\$31,793.00

Contract Award - Existing Appropriation	
	Expenditure
Department	Legislative
Division	City Manager
GL Description	Contractual Services
GL Account Number	001-1020-512.34-50
Project Number	
Requested Funds	\$31,793.00