



City of  
**Lake Worth  
Beach**  
FLORIDA™

LAKE WORTH BEACH  
**Affordable/  
Workforce  
Housing Program**



[lakeworthbeachfl.gov](http://lakeworthbeachfl.gov)

## ABOUT THE PROGRAM

The City of Lake Worth Beach is committed to providing sound, high-quality, attractive housing options to all segments of its population as well as to encourage new residents.

As housing has become more scarce and more expensive, the City has adopted an official affordable/workforce housing program to address the significant housing shortages in Palm Beach County. The program is an inclusionary means of requiring developers to provide attainable housing in all projects requesting density, intensity and/or height bonuses under its Sustainable Bonus Incentive Program, Transfer Development Rights Program or Affordable Housing Bonus Program.

### What are the incentives for developers?

**Tier One Incentives:** applies to all development projects consistent with these provisions:

- (a) Up to a fifteen percent (15%) increase in overall project density;
- (b) Up to a fifteen percent (15%) reduction in the gross area requirements based on unit type;
- (c) Up to a twenty five percent (25%) reduction in required parking, provided that each residential dwelling unit is provided at least one (1) parking space. This reduction may not be combined with other parking reduction provisions of the Land Development Regulations;
- (d) Any additional density and/or other benefits provided under this tier shall require that those units benefiting from the provisions be restricted as affordable/workforce housing meeting the requirements of the program through a restrictive covenant.

- (e) Additional financial incentives may be considered on a case by case basis during the review by the applicable decision-making entity, if the project provides more affordable/workforce units than the minimum required.

**Tier Two Incentives:** applies to all projects utilizing other city incentive and/or bonus program(s):

- (a) For all projects utilizing any other city incentive or bonus program(s), fifteen percent (15%) of the total number of dwelling units within the project must be restricted as affordable/workforce dwelling units meeting the requirements of this section through a restrictive covenant.
- (b) Any combination of Tier One incentives with other city incentive and/or bonus program(s) related to density, intensity and/or height shall require that all units benefiting from these increases and/or incentives be restricted as affordable/workforce dwelling units meeting the requirements of the program through a restrictive covenant.

### What are the Incentives to Provide Additional Affordable Units?

The following financial incentive values are based on unit type and to ensure that more than the required fifteen percent (15%) of the deed restricted units remain affordable for a guaranteed period of twenty-five (25) years through a restrictive covenant. These incentive values also apply for the extension of affordability in increments of twenty-five (25) years.

1. For a studio dwelling unit, a one-time payment of \$40,000 or 50% percent of the area median income, whichever is greater;
2. For a one-bedroom dwelling unit, a one-time payment of \$60,000 or 75% percent of the area median income, whichever is greater;
3. For a two-bedroom dwelling unit, a one-time payment of \$80,000 or 100% percent of the area median income, whichever is greater;
4. For a three-bedroom dwelling unit, a one-time payment of \$100,000 or 125% percent of the area median income, whichever is greater;
5. For a four or more-bedroom dwelling unit, a one-time payment of \$120,000 or 150% percent of the area median income, whichever is greater.
6. For a fee simple ownership dwelling unit, an additional one-time payment of \$25,000 may be provided; and
7. Payments shall be made at time of dwelling units receiving a final certificate of occupancy or certificate of completion.



In addition, the City has the option to negotiate an additional buy down of the required units so that they are affordable to a lower household income range than provided here. The incentive, buydown value will be based on the type of unit and gross household income.

## Options for Payment of Financial Incentive Values

Values may be paid through the following:

- Utilization of Sustainable Bonus Incentive Values,
- Transfer Development Right Values,
- Cash payments from the City's Affordable/Workforce Housing Program Trust Fund, Sustainable Bonus Incentive Trust Account or the Transfer Development Rights Trust Account.
- And/Or through other legally approved funding source(s).

## In Lieu Payment Provisions

In some instances, projects including Density, Intensity and/or Height Bonuses may not be appropriate for participation in the Program. In these cases, the project may pay an in lieu of payment based on the following:

1. The fee shall be calculated on fifteen percent (15%) of the gross area of the bonuses requested for the project.
2. The fee shall be a one-time payment of \$50 or 0.0625% of the area median income, whichever is greater, per gross square foot.
3. Projects eligible for an in lieu of payment may include the following:
  - i. Single or multiple use projects that do not include a residential use;
  - ii. Mixed use projects that include residential and fewer than 25 residential units;
  - iii. Residential only projects that include fewer than 15 residential units;
  - iv. Any project that includes a residential use(s) and all of the dwelling units are for sale, home ownership such as condominiums, townhouses and/or single-family residences of which none are deed restricted as affordable/workforce housing.
4. Fee payment shall be due prior to issuance of any building permits related to the project.



## How will the City evaluate a developer's application?

The award of bonus density, height and/or intensity under the Affordable/Workforce Housing Program is based on the following criteria:

- 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;
- b. Do the proposed income restrictions meet the intent of the Affordable/Workforce Housing Program;
- c. Do the proposed annual rents and/or mortgage costs meet the intent of the Affordable/Workforce Housing Program; and
- d. Do the proposed restrictive covenants to maintain affordability meet the intent of the Affordable/Workforce Housing Program?



## What is required in a development application?

To participate in the program and to obtain increases in density, intensity and/or height, an application must include all of the following:

- A project fact sheet with building specifications including the number of additional units, unit types and unit sizes proposed.
- The affordability criteria for each unit proposed to be included in the project.
- The City's version of restrictive covenants or draft restrictive covenants should the City's version not be submitted.
- Any other additional information required by city staff to ensure that the requirements of the Affordable/Workforce Housing Program are being met.

## Additional Regulations

- Twenty-five year restrictive covenant
- Annual performance report/Audit
- Penalty for non-compliance
- City option to extend affordability in twenty five-year increments
- City to create Affordable/Workforce Housing Trust Fund
- The affordable/workforce units provided in a project must represent the same unit type and mix as the project as a whole

## How will a household or family qualify for housing under this program?

The qualifying income restrictions under the program are based on the unit type/size, the area median income for a family of four and the number of residents in the unit as follows:

- For a studio unit, the annual gross household income shall not exceed forty five percent (45%) of area median income and minimum household size of one (1) person, not to exceed two (2) people.
- For a one-bedroom unit, the annual gross household income shall not exceed sixty five percent (65%) of the area median income and minimum household size of one (1) person, not to exceed two (2) people.



- For a two-bedroom unit, the annual gross household income shall not exceed eighty five percent (85%) of the area median income and minimum household size of two (2) people, not to exceed two (2) people per bedroom.
- For a three-bedroom unit, the annual gross household income shall not exceed one hundred and five percent (105%) of the area median income and minimum household size of three (3) people, not to exceed two (2) people per bedroom.
- For a four or more-bedroom unit, the annual gross household income shall not exceed one hundred and twenty five percent (125%) of the area median income and minimum household size of four (4) people, not to exceed two (2) people per bedroom.
- For fee simple ownership, the limits provided above may be increased by fifteen percent (15%) based on unit type and shall include the overall housing expense.
- Alternatively, the income restrictions may adhere to the following guidelines singularly or in combination.
  - a. "Affordable Housing Eligible Households" means a household with an annual gross household income at or less than eighty percent (80%) of the Area Median Income, calculated as percentages of the Median Family Income for Palm Beach County, as published annually by the US Department of Housing and Urban Development.
  - b. "Workforce Housing Eligible Households" means a household with an annual gross household income within the following income categories: Moderate (80%-100%) and Middle (101%-140%) of the Area Median Income, calculated as percentages of the Median Family Income for Palm Beach County, as published annually by the US Department of Housing and Urban Development.

For more information regarding the program,  
please contact the Lake Worth Beach Community  
Sustainability Department at **561.586.1687**  
or [pzoning@lakeworthbeachfl.gov](mailto:pzoning@lakeworthbeachfl.gov).



**CITY OF LAKE WORTH BEACH**  
**Department for Community Sustainability**  
*Division of Planning, Zoning & Historic Preservation*

1900 2nd Avenue North,  
Lake Worth Beach, FL 33461

**P: 561.586.1687**

**[lakeworthbeachfl.gov/community-sustainability](http://lakeworthbeachfl.gov/community-sustainability)**