

# STAFF REPORT REGULAR MEETING

**AGENDA DATE:** May 21, 2024

**DEPARTMENT:** Community Sustainability

**TITLE:**

Request from the Developer of the Residences of Lake Worth Beach to Waive the Required Sustainable Bonus Incentive Program Fee to the City

**SUMMARY:**

A formal request from the Richman Lake Worth LIHTC, LLC, the developer of the proposed Residences of Lake Worth Beach on Second Avenue North, to waive the required Sustainable Bonus Incentive Program fee of \$444,195 in recognition of the entire 195 residential unit development being constructed as affordable/workforce housing with an associated covenant.

**BACKGROUND AND JUSTIFICATION:**

On April 4, 2023, the City Commission approved Ordinance No. 022-17 allowing for the construction of the Residences of Lake Worth Beach as a residential only urban planned development, which included a Sustainable Bonus Incentive Program element to allow for the construction of 3 mid-rise, five story residential buildings including 195 units. The required payment to the City for the sustainable bonus was \$444,195.

At the time the project was approved, only 31 of the units (15%) were required to be income restricted under the City's Affordable/Workforce Housing Program. Now the developer is proposing that the remaining 182 units all be income restricted, either as affordable or workforce. 156 of those 182 units will be incentivized by the County's Workforce Housing program. The remaining 6 units of the project have an incentivized value of \$678,000 under the City's Affordable/Workforce Housing Program. This value of \$678,000 is being offered as a justification to request the waiver of the \$444,195 in a required sustainable bonus fee.

Since the \$444,195 is a payment due to the City, the City does not have to pay out any funds from either the General Fund or Sustainable Bonus Incentive Program Trust fund.

**MOTION:**

Move to approve/disapprove waiver of the required Sustainable Bonus Incentive Program fee of \$444,195

**ATTACHMENT(S):**

Fiscal Impact Analysis – N/A

Residences of Lake Worth fee waiver request letter

Residences of Lake Worth Affordable Housing Program spreadsheet

City of Lake Worth Beach Affordable/Workforce Housing Program brochure

2024 Income and Rent Limits