

# STAFF REPORT REGULAR MEETING

**AGENDA DATE:** August 15, 2023

**DEPARTMENT:** Community Sustainability

**TITLE:**

Ordinance 2023-16 - First Reading - Consideration of a Mixed Use Urban Planned Development (Residential Only), Development of Significant Impact, Major Site Plan, Conditional Use, Right-Of-Way Abandonment, Sustainable Bonus Incentive Program, Affordable/Workforce Housing Program, and Transfer of Development Rights for the project commonly referred to as "Madison Terrace"

**SUMMARY:**

The applicant, Madison Terrace, LLC, is requesting approval of the following for the project commonly referred to as "Madison Terrace":

- Mixed Use Urban Planned Development (Residential Only) to construct two (2), six (6)-story buildings with 176 dwelling units total.
- Development of Significant Impact to construct a residential development with more than 100 dwelling units.
- Major Site Plan to construct a residential development with more than 7,500 square feet.
- Conditional Use to establish a multi-family residential use greater than 7,500 square feet.
- Right-Of-Way Abandonment to vacate the 20-foot wide north half of 9th Avenue South and the abutting north-south alleyway bisecting the project location.
- Sustainable Bonus Program Incentive Program for additional density, intensity and height.
- Affordable/Workforce Housing Program for additional density, reduction in the gross area of dwelling units, and reduction of the required parking.
- Transfer of Development Rights for additional density and height.

According to the applicant's justification statement, the project will be financed with low-income housing tax credits provided by the federal government. The project will be required to remain affordable housing for a period of at least 50 years. The rental rates are based on 80% of the Area Median Income (AMI). At least 10% of the units have "Extremely Low Income" ELI rental rates based on a maximum of 30% of the AMI. The average rental rate for all apartment units cannot exceed 60% of AMI.

The site is configured with two (2), six (6)-story buildings with pedestrian entrances fronting South Dixie Highway. Parking is proposed on surface parking lots and on the ground floor of both buildings with vehicular ingress and egress from South H Street. The proposed building design is contemporary with art deco inspired detailing. The exterior finishes include corrugated metal panels, smooth and scored stucco, vertically-oriented windows, and art deco decorative parapet elements. Both buildings feature a flat roof and identical building designs. Overall, the building design is contemporary while honoring the art deco design which is one of Lake Worth Beach's prevailing architectural styles.

**BACKGROUND AND JUSTIFICATION:**

On June 28, 2023, the applicant held a meeting with neighborhood residents at 1121 Lucerne Avenue. Notices were mailed to all property owners within 400 ft of the project on June 9, 2023, and signs were placed on the property on June 9, 2023. There were twelve (12) attendees at the meeting. Residents asked questions about the project's security features, site design, parking, the sustainable features of the

project, and general questions about the units and how the property will be managed. The applicant also created a project webpage: <http://www.madisonterraceseniors.com/>

The **Planning and Zoning Board (PZB)** unanimously recommended approval to the City Commission of the proposed project at their August 2, 2023 meeting. The PZB also recommended to modify the conditions of approval to clarify the required improvements to the Phase II area of the project, if the construction of Phase I is completed prior to the issuance of a building permit for Phase II.

As outlined in the staff report, the proposed planned development meets all standards and requirements as outlined in the City's Land Development Regulations (LDRs) and Comprehensive Plan. Staff is seeking guidance from the City Commission with regard to the parking reduction request by the applicant. A total of 197 parking spaces are required with the 25% reduction from the Affordable/Workforce Housing Program. However, the applicant is requesting to reduce the total parking spaces to 123 parking spaces.

The Affordable/Workforce Housing Program also allows a reduction of unit size area of up to 15%. One-bedroom units are proposed with 576 square feet which represents a 4% reduction from the required 600 square feet.

Through the Sustainable Bonus Incentive Program, a planned development may obtain a 25% bonus on density, intensity (FAR), and height over the base line as outlined in Table 1 of the Comprehensive Plan. The Applicant is asking for a bonus height up to 26.25' (above the 30' base zoning district height maximum, up to 56.25' with 5 stories), a density of +/-75 units per acre (64 bonus units), and a floor area ratio (FAR) of 1.7. The floor area ratio requested is less than the maximum allowance permitted through as a planned development in the TOD-E zoning district. The total SBIP square footage of bonus area above the second floor is +/- 86,846.14 of which 36,014.55 has a bonus for both density and height. Therefore, the value of required improvements for the SBIP bonus areas are \$381,236.96 (50,831.59 sf X \$7.50 per sf), plus an additional \$540,218.18 (36,014.55 sf X \$15 per square foot). The total combined value of required improvements both areas \$921,455.14. The applicant has requested that the City Commission waive the requirement that 50% of the sustainable bonus incentive fee be paid to the City.

The proposed project has gained an additional 10 units per acre (18 units), an additional story (up to 6 stories), and an additional height of 10.08' (up to a maximum of 71.25', 66.33' is requested) as part of the transfer of development rights bonus. The total development rights cost for the additional 18 units with an average unit size of 562.77 sf. Therefore, the total TDR cost is \$151,947.90 (18 units X 562.77 X \$15 per square foot). The applicant is requesting that this fee is waived by the City Commission. Staff has proposed a condition of approval requiring the fee be paid to the City, or that the City Commission should provide direction if the fee is to be waived.

Staff is seeking direction from the City Commission regarding the requests to waive incentive fees, reduce parking, and increasing the development order expiration period to four (4) years (instead of three (3) years as specified in LDR Section 23.2-37). Additional background, history, and justification can be found in the attached documentation, including the advisory board staff report.

**MOTION:**

Move to approve/disapprove Ordinance No. 2023-16 on first reading and to schedule second reading and public hearing for the September 5, 2023.

**ATTACHMENT(S):**

PZB Staff Report  
Supporting Documents