

RESOLUTION NO. 57-2022 OF THE CITY OF LAKE WORTH BEACH, FLORIDA, DECLARING A HOUSING CRISIS STATE OF EMERGENCY AND DIRECTING CITY STAFF TO EXPLORE VARIOUS OPTIONS, INCLUDING BUT NOT LIMITED TO, THE POSSIBLE DEVELOPMENT OF A SOLICITATION FOR THE PERFORMANCE OF A HOUSING STUDY; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE

**WHEREAS**, Palm Beach County is experiencing a significant shortage of safe and stable affordable and workforce rental units; and

**WHEREAS**, housing is affordable when it costs no more than 30 percent of a household's income; and

**WHEREAS**, households which pay more than this amount are considered housing cost-burdened; and

**WHEREAS**, an article by Chris Glynn in The Annals of Applied Statistics, indicated that the "expected homeless rate in a community increases sharply once median rental costs exceed 32 percent of median income"; and

**WHEREAS**, according to a 2020 study by the Florida Housing Coalition (the "study"), of Florida's 3.15 million low-income households, close to 2 million (1,997,040) are cost-burdened, which represents 63 percent of low-income households and 26 percent of all Florida households; and

**WHEREAS**, the study also found that of these low-income, cost-burdened households in Florida, over 1.16 million are severely cost-burdened; and

**WHEREAS**, in a March 22, 2022 online article from the Florida Atlantic University (FAU) News Desk, FAU housing economist, Ken H. Johnson, Ph.D., stated that "It's clear that rent increases have become a major problem across Florida, threatening the livelihoods of middle-class consumers"; and

**WHEREAS**, in that same article, Bennie Waller, Ph.D. of Longwood University, stated that, "We believe rents started to skyrocket due to the pandemic...Demand has risen sharply as more people moved to Florida to escape COVID-19 restrictions while at the same time supply has leveled off because developers struggle to build units due to supply chain shortages and increasing costs for materials"; and

**WHEREAS**, as reported in the *Palm Beach Post* on June 12, 2021, Palm Beach County is losing 17,000 affordable homes to appreciation annually; and

**WHEREAS**, as reported in the *Palm Beach Post* on June 29, 2022, in a report co-authored by Johnson, "tenants in Palm Beach, Broward and Miami-Dade counties paid

nearly 23% more in rent last month than what would be expected in historical trends. It's the third consecutive month the tri-county area ranked as most overvalued"; and

**WHEREAS**, according to the FAU report, "...the average May rent in Palm Beach County was \$2,862. That was a 31% increase over May 2021. A normal market would experience annual increases of about 2% to 3%"; and

**WHEREAS**, the *Palm Beach Post* reported that "During the first three months of this year, apartment vacancy in Palm Beach County was about 4.8%. That's down from 8.1% during early 2020...normal vacancy rates can be as high as 15%."

**WHEREAS**, "With rents so high, Johnson said some tenants in the past would have chosen to buy a home instead of paying a landlord. But high inflation and 30-year mortgage interest rates hovering near 6% have reduced buying power"; and

**WHEREAS**, as a result of the cost burden and the critical housing shortage, tenants in Palm Beach County are unable to find decent and safe housing at affordable rent levels, resulting in some renters paying rent increases by foregoing expenses on other basic necessities of life, including food, transit, and healthcare; and

**WHEREAS**, the City Commission finds that there is a shortage of available, affordable rental housing in the City of Lake Worth Beach, and a significant number of low, moderate or middle income persons are subject to hardship in finding adequate, safe, and sanitary housing; and

**WHEREAS**, the City Commission wishes to declare a housing crisis state of emergency and to direct staff to explore various options, including but not limited to, the possible development of a solicitation for the performance of a housing study that will potentially support strategies to address this crisis, including, but not limited to, a renter's bill of rights and a rent control ordinance; and

**WHEREAS**, the City Commission finds that this resolution serves a public purpose and is in the best interests of the City.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF LAKE WORTH BEACH, FLORIDA, that:**

**SECTION 1:** The foregoing recitals are incorporated into this Resolution as true and correct findings of the City.

**SECTION 2:** The City Commission hereby declares a housing crisis state of emergency within the City of Lake Worth Beach and directs staff to explore various options, including but not limited to, the possible development of a solicitation for the performance of a housing study that will potentially support strategies to address this crisis, including, but not limited to a renter's bill of rights and a rent control ordinance.

**SECTION 3:** All resolutions or parts of resolutions in conflict with the provision of this resolution are hereby repealed.

**SECTION 4:** In the event that any word, phrase, clause, sentence, or paragraph hereof shall be held invalid by any court of competent jurisdiction, such holding shall not affect any other word, clause, phrase, sentence, or paragraph hereof.

**SECTION 5:** This resolution shall become effective upon adoption.

The passage of this resolution was moved by Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, and upon being put to a vote, the vote was as follows:

Mayor Betty Resch  
Vice Mayor Christopher McVoy  
Commissioner Sarah Malega  
Commissioner Kimberly Stokes  
Commissioner Reinaldo Diaz

The Mayor thereupon declared this resolution duly passed and adopted on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

LAKE WORTH BEACH CITY COMMISSION

By: \_\_\_\_\_  
Betty Resch, Mayor

ATTEST:

\_\_\_\_\_  
Melissa Ann Coyne, City Clerk