



1            **Section 2.**     The Land Development Regulations of the City of Boynton Beach Code  
2 of Ordinances, Chapter 1, Article II, Definitions is hereby amended as follows:

3 Chapter I, Article II, Definitions.

4 **DEED RESTRICTION** - Each workforce housing unit created under the program shall be deed  
5 restricted for fifteen (15) years. The deed restriction shall be recorded and serve to restrict the  
6 sales or rental price and/or the income of the purchaser or renter.

7 **DEVELOPMENT** - A single use or combination of uses, proposed or approved, that may  
8 include but not be limited to a single-family subdivision, townhomes, rental apartments,  
9 condominiums, public facilities, commercial buildings, shopping centers, or industrial projects,  
10 possibly of similar design, constructed as a unified community. Development shall also include  
11 the meaning given it in F.S. § 380.04, pursuant to a development order or permit

12  
13 **ELIGIBLE OCCUPANT** - Relative to the workforce housing program contained in these  
14 Regulations, it is a person who qualifies for participation in the program whose income does not  
15 exceed one hundred twenty percent (120%) of median household income for the City of Boynton  
16 Beach. Priority will be given to persons who have lived or worked within the city limits of  
17 Boynton Beach continually for one (1) year immediately prior to the date of application for a  
18 workforce housing unit.

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20 **LOW INCOME HOUSEHOLD** - Under the workforce housing program provisions of these  
21 regulations, it is a household with a gross, combined income below eighty percent (80%) of the  
22 City of Boynton Beach median household income.

23 **MEDIAN HOUSEHOLD INCOME (MHI)** - Under the **workforce housing program**  
24 provisions of these regulations, it is the City of Boynton Beach Median Household Income, as  
25 determined by the most recent 5-year estimate of the U.S. Census Bureau American Community  
26 Survey.

27  
28 **MODERATE INCOME HOUSEHOLD** - Under the **workforce housing program** provisions  
29 of these regulations, it is a household with a gross, combined income between eighty percent  
30 (80%) and one hundred twenty percent (120%) of the City of Boynton Beach median household  
31 income.

32  
33 **RESTRICTIVE COVENANT AND AGREEMENT** - The covenants that govern the initial  
34 sale and rental and subsequent resale and releasing of workforce housing units created under the  
35 workforce housing program. The term of the restrictive covenant and agreement is fifteen (15)  
36 years.

37 **WORKFORCE HOUSING UNIT** - A dwelling to be sold or leased to an individual or family  
38 that is income qualified in which the rent or mortgage payments (including principal, interest,

1 taxes, insurance and homeowner association fees) does not exceed thirty percent (30%) of the  
2 gross income of households that are classified as low or moderate income households.

3

4 **Section 3.** The Land Development Regulations of the City of Boynton Beach Code  
5 of Ordinances, Chapter 1, Article V, Section 2, “Workforce Housing Program” is hereby  
6 amended as follows:

7 ARTICLE V. HOUSING INITIATIVES

8

9 Sec. 2. Workforce Housing Program.

10

A. *Findings.*

11

1. Housing Shortage. The City Commission having conducted a Housing Assessment  
12 Study (Attachment A) has determined that new home prices and rents are not affordable to the  
13 everyday working families and citizens of the city;

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2. Florida Statutes. F.S. § 166.04151 provides that a municipality may adopt and maintain  
15 any ordinance that is adopted for the purpose of increasing the supply of workforce housing  
16 using land use mechanisms not withstanding any other provision of law;

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3. Housing Cost/Wage Gap. The City Commission recognizes that there is a growing gap  
18 between housing costs and wages in the city;

19

4. Public Interest. The City of Boynton Beach has a legitimate public interest in  
20 preserving the character and quality of neighborhoods which requires assuring the availability  
21 of workforce housing for low and moderate income persons in the city;

22

5. Sense of Community. The city recognizes that the need to provide workforce housing  
23 is critical to maintaining a diversified and sustainable city having the character and sense of  
24 community where people can live and work in the same area; and

25

6. Housing Availability. The city is encouraging the production and availability of  
26 workforce housing and at the same time is cognizant that escalating land costs and rapidly  
27 diminishing amounts of land hinder the provision of sufficient workforce dwelling units by the  
28 private sector.

29

B. *Applicability.* The program is voluntary. Developers who choose to participate may be  
30 awarded incentives outlined further in this article. The following regulations shall apply only to  
31 development applications for projects eligible for the Downtown Transit-Oriented  
32 Development District’s (DTOD’s) density increase of twenty five percent (25%), with an  
33 underlying land use and zoning category permitting the density in excess of fifteen (15)  
34 dwelling units per acre.

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3. Developments whose previous approval was consistent with Section 2.B.1. above.

37

1 C. *Provisions.* The developer may elect to obtain higher density as part of the DTODD’s  
 2 25% density bonus and/or a height bonus through the construction of the workforce units on-  
 3 site or off-site, monetary contribution, donation of land or purchase of units to be designated as  
 4 workforce, subject to the limits and requirements of this article.

5 I. *Construction of workforce units on-site:*

6 1. To be eligible for the requested higher density as part of the DTODD’s (25%) density  
 7 bonus through the construction of workforce units on-site, the developer must incorporate such  
 8 units into the development as follows:

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10

11

12 a. Projects using DTODD density bonus alone or in conjunction with the height bonus of  
 13 one (1) additional story (up to a maximum of 12 feet) shall designate ten percent (10%) of the  
 14 total proposed units as workforce housing units.

15 b. Projects with the Mixed Use Medium or Mixed Use High future land use classifications  
 16 may use the height bonus alone; such bonus can include two (2) additional stories (up to a  
 17 maximum of 24 feet) and shall only be granted to projects located in the Cultural or Boynton  
 18 Beach Boulevard district, designating twenty percent (20%) of the total proposed units as  
 19 workforce housing units.

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22 c. Eligible land use classifications and zoning districts (Table 1-2).

23

<b>Land Use Classification</b>	<b>Zoning Districts</b>	<b>M</b>
H	Infill Planned Unit Development (IPUD)	11 du/acre
S	Infill Planned Unit Development	20 du/acre
Mixed Use Low	MU-1	
Mixed Use Medium	MMU-2 and MU-3	8
Mixed Use High	Mixed Use MU-4 and MU-Core Mixed Use-Low Intensity 3 (MU-L3)	40 du/acre

24

1           2. Household (Income) Type. Twenty-five percent (25%) of the total required workforce  
2 housing units shall be set aside for low income households. Seventy-five percent (75%) of the  
3 total required workforce housing units shall be set aside for moderate income households.

4           3. Fractions. If the number of workforce housing units results in a fractional remainder  
5 greater than one-half (0.50), the number shall be rounded up. If the required number of  
6 workforce housing units results in a fractional number less than one-half (0.50), the number  
7 shall be rounded down.

8           4. Number of Units. The workforce housing units provided shall have the same  
9 percentage of unit types as market rate units within the development. The unit types include  
10 the category of structure (single-family detached and attached, multifamily), for rent versus for  
11 sale units, and the number of bedrooms. Relief from this provision may be granted if the  
12 intended purpose is to address particular needs of the community, substantiated by the provided  
13 data/analysis.

14           5. Staff Approval. At the time of application for land use amendment and rezoning,  
15 the project must be reviewed and signed off by the Community Improvement Division of the  
16 city as part of the site plan approval process for compliance with affordability guidelines and  
17 number of units qualifying as workforce.

18           6. Site Plan. The site plan shall clearly identify the location of workforce housing  
19 units. Additionally, tabular data must be included on the site plan showing the address or unit  
20 number, total number of units, number of bedrooms of workforce housing units and the  
21 targeted income levels. This shall be included with the market rate data.

22           7 Sale Restrictions. Workforce housing units shall, be regulated in terms of:

23           a. Initial sales price or rent levels; and

24           b. Subsequent resale prices or leasing rates.

25           c. If compliance with a land development standard would preclude construction of a  
26 residential or mixed use development in which workforce housing units are included, pursuant  
27 to this chapter, the applicant may submit a proposal for waiver or reduction of the development  
28 standard. The applicant shall show that the waiver or reduction of the development standard is  
29 necessary to make the workforce housing units economically feasible and that such a waiver  
30 will not compromise any of the city's life or safety standards.

31           8. Recording the Restrictive Covenant. Prior to the issuance of any building permit, the  
32 restrictive covenant and agreement shall be recorded in the public records of Palm Beach  
33 County. The term of the restrictive covenant shall be fifteen (15) years. A copy of the  
34 recorded covenant and agreement shall be provided to the city prior to the issuance of the  
35 building permit.

36  
37           II. In-Lieu and off-site options. The following options in-lieu of construction of workforce  
38 unit on-site will be based on the number of units as indicated in sections C.I.a/b and C.I.3  
39 above.

40           1. Payment In-Lieu (Table 1-3). Contributions per unit listed in the table below shall accrue  
41 to the Boynton Beach Housing Trust to be utilized to subsidize the creation of workforce

1 housing within the city. In-lieu of fees shall be paid in full prior to the issuance of building  
2 permit.

3

<b>Payment In Lieu of Construction of Workforce Housing Units</b> (per unit)	
OFor-sale unit	\$ \$39,293
TFor rent units	\$ \$18,380
T	\$

4 Note: Payment-in-lieu amounts shall be revised every two (2) years, based on (i) median single-family home sale  
5 price for Palm Beach County provided by Realtors' Association of the Palm Beaches, and (ii) average monthly  
6 apartment rent for the Boynton Beach market provided by Reinhold P. Wolff Economic Research, Inc.

7

8 2. Donation of Land. The value of the land shall equal or exceed the total "in-lieu of" fee  
9 for all workforce units or shall be of sufficient size to develop the same number of units. The  
10 value of the donated land must be verified by a MAI appraisal no more than three (3) months  
11 old. The appraisal shall be obtained by developer at developer's cost to verify the value of  
12 donated land. The land shall be deeded to the city prior to the issuance of a final certificate of  
13 occupancy for the development.

14 3. Off-Site Construction. The workforce housing units may be built off-site. All off-site  
15 workforce housing units shall comply with all sections of these Regulations.

16 4. Purchase Market Rate Units. Purchase an equivalent number of existing market rate  
17 units to be deeded to the city or sold to eligible households. Such units shall be deed restricted  
18 to comply with the Workforce Housing Ordinance. The developer may retain the title to off-  
19 site units subject to recordation of a city approved deed restriction.

20

21 D. The following requirements shall apply to built or purchased workforce units:

22 I. *Rental Housing Units.*

23 1. Recording of the Restrictive Covenant. A restrictive covenant shall be recorded in the  
24 public records specifying the income level served, rent levels, reporting requirement and all  
25 restrictions applicable to the workforce housing units. All leases on workforce housing units  
26 shall contain language incorporating the restrictive covenant applicable to the workforce  
27 housing units and shall reference the recorded restrictive covenant. The restrictive covenant  
28 shall remain in force for fifteen (15) years.

29

30 2. Rental Rates.

31 a. Units targeted to low income households at below eighty percent (80%) of the City  
32 of Boynton Beach median household income shall not have rental rates that exceed one hundred  
33 percent (100%) of the HUD determined fair market rent for the area.

1           b. Units targeted to moderate income households at eighty percent (80%) to the one  
2 hundred twenty percent (120%) of the City of Boynton Beach median household income shall  
3 not exceed one hundred percent (100%) of the HUD determined fair market rent for the area.

4           3. Tenant Income Qualification. Tenant income qualification records shall be maintained  
5 on-site and a yearly report shall be forwarded to the Community Improvement Division of the  
6 City of Boynton Beach for compliance determination.

7           II. *For-Sale Housing Units.*

8           1. Restrictive Covenant. All deeds shall include the restrictive covenant applicable to  
9 workforce housing units. All sales contracts shall state that the unit is part of a workforce  
10 housing program and subject to the Land Development Regulations of the city. The restrictive  
11 covenant shall remain in force for fifteen (15) years. The form of deed for workforce housing  
12 units shall be approved by the City Attorney.

13           2. Resale. The restrictive covenants shall state that during the affordability term, the  
14 resale of a workforce housing unit shall be subject to the following resale requirements.

15           a. All workforce housing unit owners shall notify the city immediately that the unit is for  
16 sale. The city shall have first right of refusal to purchase the unit. Upon receipt of notice that a  
17 valid offer has been made on the unit, the city shall have fifteen (15) days to invoke its right of  
18 refusal to purchase the units.

19           b. All workforce housing units are to be resold only to low or moderate income qualified  
20 households at an attainable housing cost for each targeted income range.

21           3. Required Occupancy. Purchasers of workforce housing units shall be required to  
22 occupy the unit.

23           4. Closing Costs. No charges or fees shall be imposed by the seller on the purchaser of a  
24 workforce housing unit which is in addition to or more than charges imposed upon purchasers  
25 of market rate units, except for administrative fees charged by the city/CRA, or their designee.

26           5. Sales Price Calculations. Sales prices for workforce housing units will be calculated on  
27 the basis of:

28           a. An available fixed-rate thirty (30)-year mortgage, consistent with a "blended rate" for  
29 Palm Beach County banks, and/or the Florida Housing Finance Authority. A lower rate may be  
30 used in calculating workforce housing prices if the developer can guarantee the availability of  
31 fixed-rate thirty (30)-year mortgage at this lower rate for all workforce housing units required  
32 for the covered project;

33           b. A down payment of no more than ten percent (10%) (including any down payment  
34 assistance provided by SHIP or other sources) of the purchase price;

35           c. A calculation of property taxes; and

36           d. A calculation of homeowner insurance, mortgage insurance, homeowner association  
37 fees, property management fees and other closing costs.

38           6. Compliance. Prior to request for final certificate of occupancy for the development, the  
39 developer shall provide to the city's Community Improvement Department, or designee,  
40 documentation sufficient to demonstrate compliance with the workforce housing

1 program. Such documentation shall include but is not limited to information regarding the  
2 identity and income qualification documentation for all occupants of the workforce housing  
3 units, proof of recordation of restrictive covenant in approved form.

4 7. Resale Requirements. To maintain the availability of workforce housing units which may  
5 be constructed or substantially rehabilitated pursuant to the requirements of this program, the  
6 following resale conditions shall be imposed on the workforce housing units and included in  
7 the deed and restrictive covenant recorded in the Public Records of Palm Beach County:

8 a. Location of Units. All workforce housing units constructed or substantially  
9 rehabilitated under this program shall be situated within the development so as not to be in less  
10 desirable locations than market-rate units in the development and shall, on average, be no less  
11 accessible to public amenities, such as open space, as the market-rate units.

12 b. Integration. Workforce housing units within a development shall be integrated with the  
13 rest of the development and shall be compatible in exterior design and appearance,  
14 construction, and contain comparable HV/AC systems as market rate units.

15  
16 c. Construction Phasing. The construction schedule for workforce housing units shall be  
17 consistent with or precede the construction of market rate units. All workforce housing units  
18 must be deeded to the City, deed-restricted, or receive a certificate of occupancy prior to  
19 issuance of more than eighty percent (80%) of the certificate of occupancies in the subject  
20 development.

21 d. Lot Premiums. There shall be no lot premiums charged on the workforce housing units.

22 e. Sales Price. All required workforce housing units shall be offered for sale or rent at an  
23 attainable housing cost for each of the targeted income ranges.

24 f. City Approval. The city, its successors and assigns may enforce the covenants. No  
25 amendments to the restrictive covenant shall be made unless by written instrument approved by  
26 the city.

27 E. *Monitoring and Compliance.*

28 1. Qualified Buyers. Final approval conditions: Final conditions of approval shall specify  
29 that the workforce housing units are sold to buyers whose income does not exceed one hundred  
30 twenty percent (120%) of the Boynton Beach median household income.. The conditions will  
31 also specify the requirements for reporting to the city's Community Improvement Division on  
32 buyer eligibility, housing prices, as well as any applicable requirement to record the restrictive  
33 covenant or to enforce resale restrictions.

34 2. Surety. Developers may substitute surety as outlined in Chapter 2, Article III, Section  
35 6, Land Development Regulations, in the amount of one hundred ten percent (110%) of the  
36 developers' obligation for workforce housing provision according to this section. The city  
37 shall, at all times, have the authority to draw upon the surety to enforce the provisions of this  
38 article should the applicant be in default of these requirements,

39 3. Enforcement. The city may enforce the requirements of the Workforce Housing  
40 Ordinance through any cause of action available at law or equity, including but not limited to



1 seeking specific performance, injunctive relief, rescission of any unauthorized sale or lease,  
2 during the term of the restrictive covenant.

3 4. Annual Report. The Community Improvement Department shall submit an annual  
4 report to the City Commissioners indicating the status of the Workforce Housing Ordinance,  
5 including but not limited to the revenues accrued to the Housing Trust Fund, the number of  
6 units created, leased and sold.

7

8 **Section 4.** Each and every other provision of the Land Development Regulations not  
9 herein specifically amended, shall remain in full force and effect as originally adopted.

10 **Section 5.** All laws and ordinances applying to the City of Boynton Beach in conflict  
11 with any provisions of this ordinance are hereby repealed.

12 **Section 6.** Should any section or provision of this Ordinance or any portion thereof  
13 be declared by a court of competent jurisdiction to be invalid, such decision shall not affect the  
14 remainder of this Ordinance.

15 **Section 7.** Authority is hereby given to codify this Ordinance.

16 **Section 8.** This Ordinance shall become effective immediately.

17 FIRST READING this \_\_\_ day of \_\_\_\_\_, 2017.

18 SECOND, FINAL READING AND PASSAGE this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

19

20 CITY OF BOYNTON BEACH, FLORIDA

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	YES	NO
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VOTE \_\_\_\_\_

ATTEST:

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Judith A. Pyle, CMC  
City Clerk

(Corporate Seal)