

MIAMI BEACH

PLANNING DEPARTMENT

Staff Report & Recommendation

PLANNING BOARD

TO: Chairperson and Members
Planning Board

DATE: November 22, 2022

FROM: Thomas R. Mooney, AICP
Planning Director

SUBJECT: **Affordable and Workforce Housing Discussion.**

HISTORY

On March 24, 2022, the Planning Board scheduled a discussion item on Affordable and Workforce Housing for the June 21, 2022 meeting. On June 21, 2022, the Planning Board continued the discussion to the July 26, 2022 meeting.

On July 26, 2022, the Planning Board discussed the item, made the following recommendation and continued the discussion to the September 20, 2022 meeting:

Transmit a recommendation to the City Commission that the Planning Board be designated as a taskforce to address issues to incentivize the creation of affordable and workforce housing to run concurrently with the Charter Review that will be taking place. Furthermore, the Planning Board recommended that if there are recommendations that would require voter approval that those be placed on the November 2023 ballot.

On September 20, 2022 the Planning continued the item to the October 25, 2022 meeting.

On October 25, 2022, the Housing Authority and City Staff made a presentation to the Planning Board. The Board discussed the item, made the following recommendations and continued the discussion to the November 20, 2022 meeting:

1. *Transmit a recommendation to the City Commission to implement the following practices to facilitate the development and maintenance of affordable and workforce housing:*
 - i. *Cap fees for building permits for affordable and workforce housing.*
 - ii. *Waive impact fees for affordable and workforce housing.*
 - iii. *Prioritize building permits for affordable and workforce housing.*
 - iv. *Waive or reduce operating fees, such as water and wastewater fees.*

Additionally, direct staff to research best practices throughout other jurisdictions for the development of workforce and affordable housing and reach out to developers.

2. *Transmit a recommendation to the City Commission to establish an Affordable Housing Trust Fund for the depositing of miscellaneous funds collected for the*

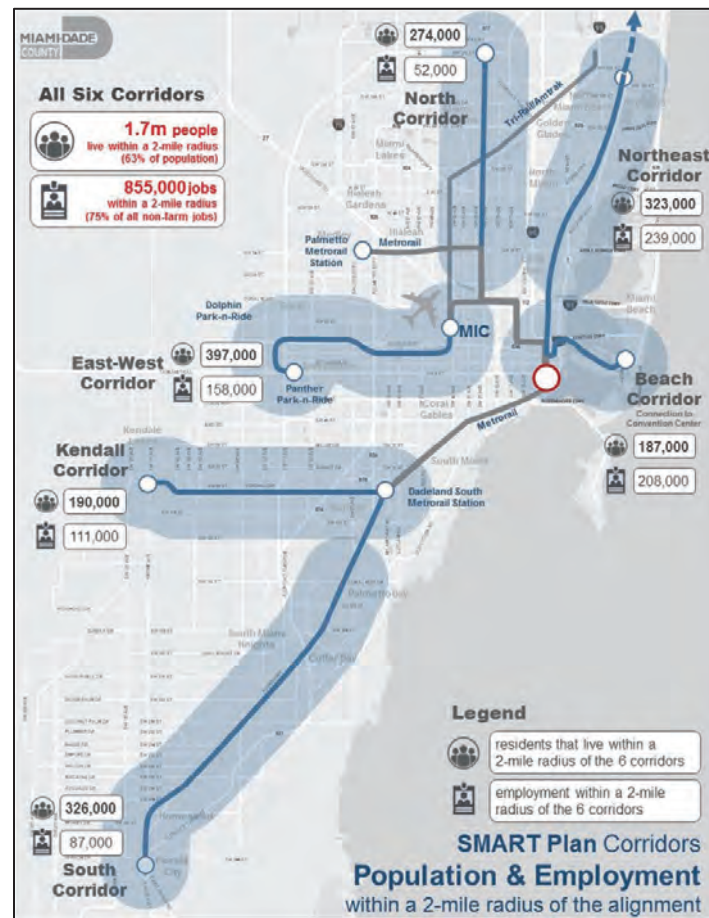
purposes of providing affordable and workforce housing and provide that using such funds for any other purposes would require a super majority vote of the City Commission.

ANALYSIS

Pursuant to the direction from the Planning Board at the October 25, 2022 meeting, below is a list of best practices that are utilized by other jurisdictions to incentivize the development of affordable (AH) and workforce housing (WFH):

Miami-Dade County, FL

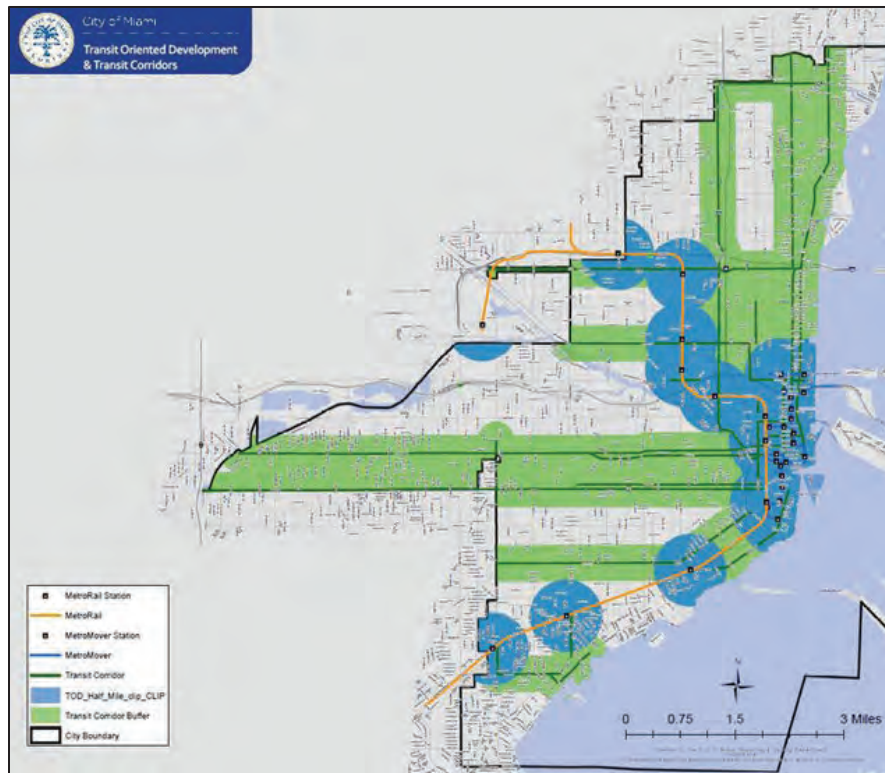
- Accessory Dwelling Units (ADUs) are permitted in all single family zoning districts.
- Workforce Housing Development Program: Voluntary Program that provides the following incentives:
 - o Up to 25% Density Bonus:
 - 5% WFH provides 5% Bonus
 - 6% WFH provides 9% Bonus
 - 7% WFH provides 13% Bonus
 - 8% WFH provides 19% Bonus
 - 9% WFH provides 21% Bonus
 - 10% WFH provides 25% Bonus
 - o The density bonus can be transferred.
 - o Increases intensity standards per zoning district such as:
 - Increased FAR
 - Increased height limits
 - Maximum lot coverage
 - Reduced minimum open space
 - Reduced setbacks
 - Parking requirement reductions
 - o Sets a tiered income limit target.
 - o Allows monetary contribution in lieu of WFH
 - o 2-year deferral of impact fees. Exempts impact fees for AH.
 - o Expedited plan review.
 - o Requires a 20-year covenant.
- Rapid Transit Zone: Voluntary zoning district permitted within a half mile of a SMART Plan Corridor.
 - o Additional height
 - o Increases Floor Area Ratio and provides density bonuses
 - o Requires 12.5% of units be set aside for WFH.
 - o Provides reduced parking requirements.
 - o Streamlined rezoning process.



City of Miami, FL

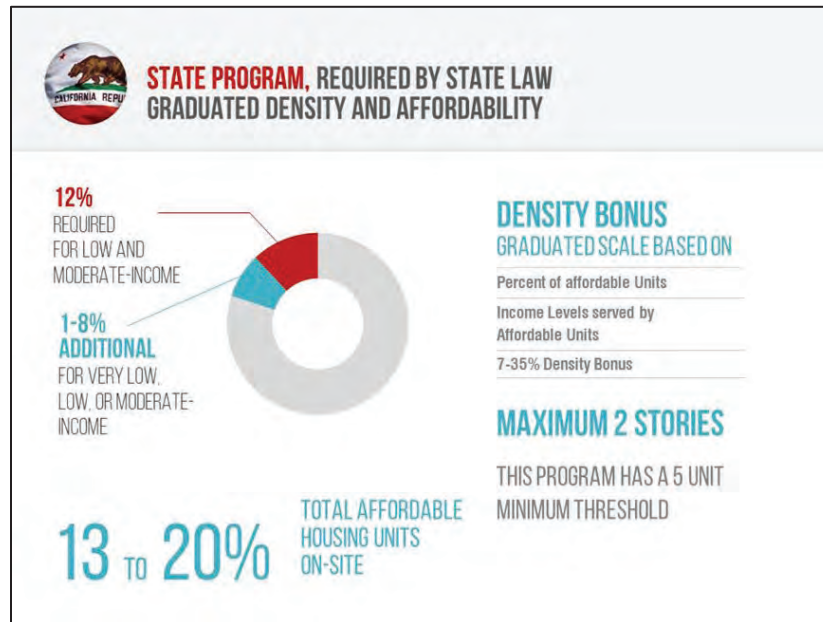
- Allows ADUs in T3-L districts.
 - o Property owner must live on site
 - o 450 SF maximum
- High Intensity Area Incentives:
 - o Project may double residential density for projects that are 100% Affordable and Workforce.
 - o May not abut T3 (Single Family District)
 - o Parking reductions of up to:
 - 80% in a TOD (Transit Oriented Development) areas
 - 50% in a Transit Corridor
 - o Relaxation of number of stories, only sets maximum height for T5, T6-8, and T6-12
 - o Staff level design review, instead of design review board
 - o Increased FLR (Floor Lot Ratio).
 - Increase varies per Zoning District.
 - o No maximum lot area requirements.
 - o Modification of setback requirements above the 8th story.

- o Allow transfer of unused density from historic sites to TOD areas.
- o 30-year covenant with two automatic 10-year extensions.



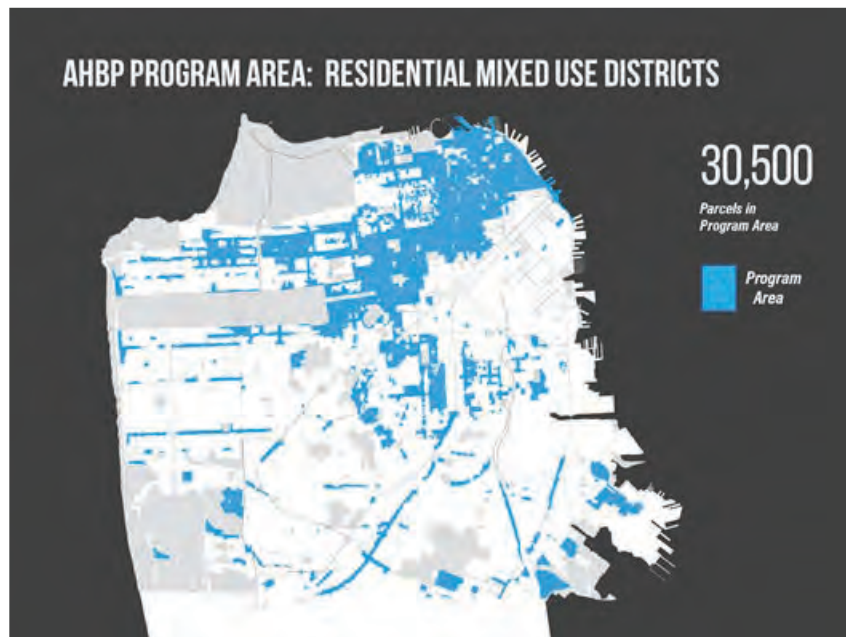
California

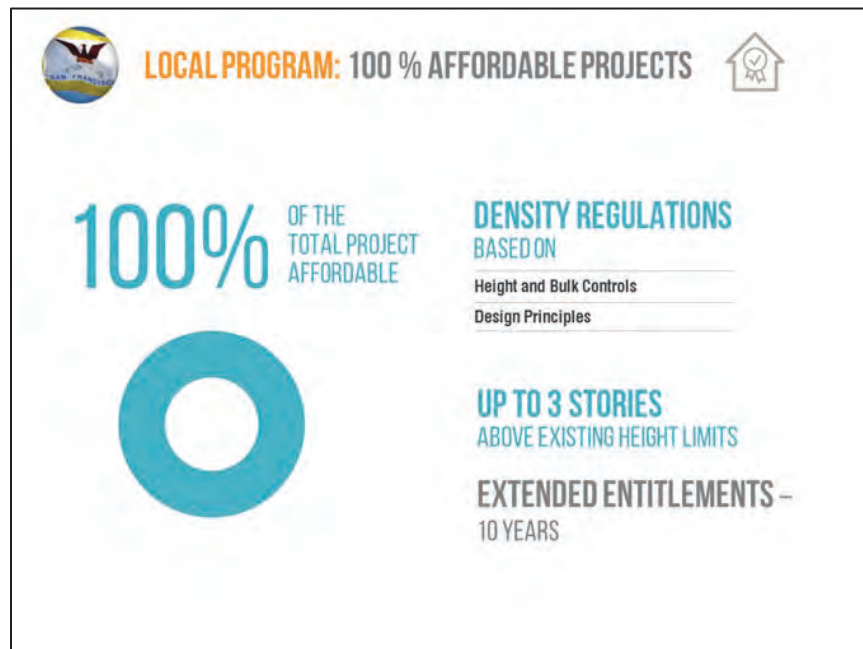
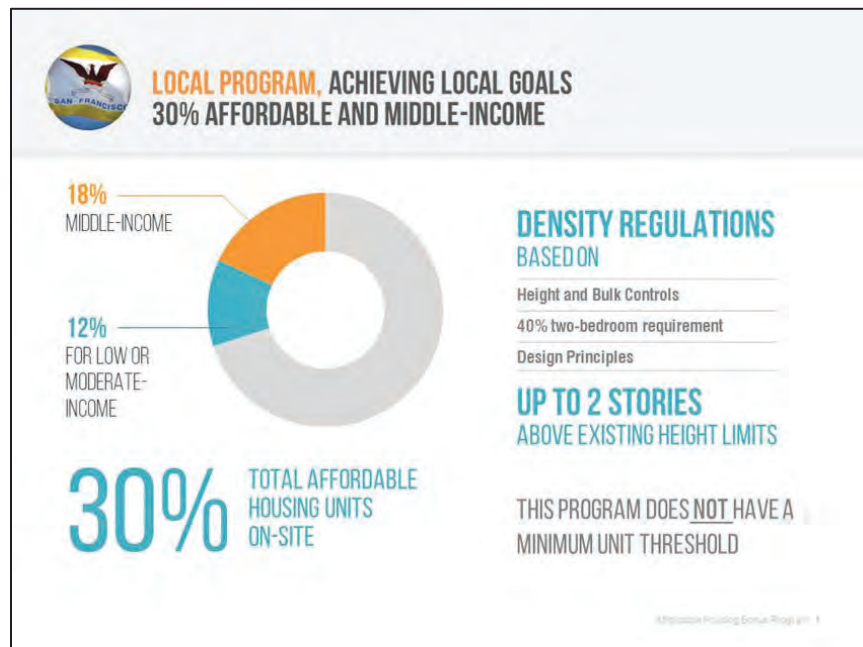
- The Density Bonus Law: State mandate in all jurisdictions that provides density bonuses and other incentives to provide low- and moderate-income housing.
 - o Density bonus varies based on AFH percentage provided and income level served.
 - Applies to projects with 13% to 20% AFH.
 - o Requires local governments to provide other zoning concessions that result in cost reductions such as site development standards, zoning code modifications, architectural design requirements, mixed-use zoning, or other incentives.
 - o Prohibits local governments from enforcing standards which preclude such developments and provides a waiver process, including setbacks, lot coverage, open space, and height limits.
 - o Sets a maximum minimum parking requirement.
 - o Requires a 55-year term for income restrictions.
 - o Allows local governments to apply FAR bonuses in place of density bonuses.



San Francisco, CA

- Exceeds minimum standards of the statewide Density Bonus Law.
- When development has 30% of units affordable for low and middle income, allows 2 stories above existing height limits.
- When 100% of a project is affordable, allows 3 stories above existing height limits.
- Modifies other building bulk controls to facilitate development
- Modifies design principles to facilitate development.





New York City, NY

- Inclusionary Housing Program has three (3) types of inclusionary housing areas:
 - o Mandatory
 - Affordable units are required for all new developments.
 - Bonus provided in optional areas apply.

- o Optional
 - Bonuses are provided for providing Affordable units.
 - However, opting out may incur a zoning penalty in certain districts.
- o R10 Optional areas.
 - Program provides a floor area bonus of up to 20 percent, increasing the maximum FAR of 10.0 to 12.0 for the provision of affordable housing in applicable residential and commercial districts with R10 density.
- o The Inclusionary Housing Program provides two optional floor area incentives in exchange for the creation or preservation of affordable housing, on or off-site, predominantly for low-income households.
- o In Inclusionary Housing designated areas mapped in medium- and high-density residential neighborhoods and commercial districts with equivalent density, a bonus of 33 percent of floor area can be obtained for providing 20 percent as affordable housing. The base FAR in designated areas is, in most cases, lower than the maximum FAR allowed in the same zoning district located outside a designated area.
- o Bonuses vary by zoning district.
- Manufacturing areas have rezoned to allow for housing.

Orlando, FL

- Reduced or Waived Impact Fees
- Density/Intensity Bonus
 - o The City of Orlando offers developers a density/intensity bonus to construct a greater number of dwelling units per acre or commercial floor area per acre than would otherwise be permitted.
 - o The City provides a density bonus program opportunity for many of the City's zoning districts to receive additional density or intensity by providing on-site affordable units in conjunction with another approved use.
 - o The City also provides a program for some of the residential, commercial, and office zoning districts to receive a density or intensity bonus in exchange for an-in-lieu fee contribution to the City of Orlando's Housing Trust Fund, or provide on-site housing units that are dedicated to low and very low income households.
- Alternative Development Standards
- Expedited Permitting

Minneapolis, MN

- Eliminated single family zoning:
 - o All former single-family districts now allow up to triplex units.
 - o Units must generally fit within the same envelope as was previously permitted.

- Provides tax incentives and rebates for 20% of units or more being affordable housing units.

Miami Beach's Incentives

For reference, the zoning incentives currently adopted within the City of Miami Beach are below:

- Expedited Building Permit Review for Low- & Moderate-Income Housing
- Waive Mobility Fees, Parks Concurrency, Sustainability Fees, and Art in Public Places for affordable and workforce housing.
- Reduced Off-Street parking Requirements
 - o Generally 0.5 spaces per unit
 - o 0 spaces in the North Beach Town Center
 - o Waive permanent space removal fees
- Reduced minimum unit sizes
 - o 400 SF
- Density Bonus
 - o 80% Density Bonus for Workforce and Affordable Units.
- Allows rental of accessory buildings (ADUs) built prior to 2019 in the mid-beach area.



Affordable/Workforce Housing in Miami Beach

MIAMI BEACH

Presentation Overview

- **Affordable and workforce housing defined**
- **Miami Beach housing stock**
- **City's Efforts**
- **Affordable Housing Advisory Committee (AHAC)**
- **City Affordable and Workforce Housing Incentives**
- **City funded projects**
- **Workforce Housing**
- **Housing Authority of the City of Miami Beach**

Affordable and Workforce Housing Defined

Affordable housing is housing in which low- to moderate-income households expend no more than 30% of their income on housing costs (rent, utilities, etc.).

Low- to moderate-income households earn 80% of area median income (AMI) or less.

Workforce housing is directed to individuals and families employed in the area's local workforce.

The City has defined the income range for workforce housing as 65% to 140% AMI.

Percentage Category	1- Person	2- Person	3- Person	4 - Person	5 - Person	6- Person	7- Person	8- Person
Extremely Low- Income Limits (30%)	\$20,500	\$23,400	\$26,350	\$29,250	\$32,470	\$37,190	\$41,910	\$46,630
Very Low-Income (50%)	\$34,150	\$39,000	\$43,900	\$48,750	\$52,650	\$56,550	\$60,450	\$64,350
Low-Income (80%)	\$54,600	\$62,400	\$70,200	\$78,000	\$84,250	\$90,500	\$96,750	\$103,000
Moderate Income- (120%)	\$81,960	\$93,600	\$105,360	\$117,000	\$126,360	\$135,720	\$145,080	\$154,440
Moderate Income- (140%)	\$95,620	\$109,200	\$122,920	\$136,500	\$147,420	\$158,340	\$169,260	\$180,180

Miami Beach Housing Stock

The Housing Element in the 2040 Comprehensive Plan sets the objective to “Have available a minimum of 6,800 housing units of workforce, affordable low- and moderate- income households and special need populations during the period through 2030.”

Affordable Housing Units	2,003
Homeowner Units	98
HACMB Vouchers	2,890* (867 - approx. 30% used in MB)
Upcoming Affordable Units	Approximately 173
Upcoming Workforce Units	Approximately 140

City's Efforts

The City is a recipient of federal and state funding, including CDBG, HOME, HOME-ARP and SHIP and has used these allocations throughout the years to fund a variety of affordable housing projects. Below is a list of funded projects currently under affordability:

Affordable rental housing for the **elderly**

- Allen Apartments (39 units)
- Jefferson Apartments (27 units)
- Rebecca Towers (400 units)
- Villa Maria

Affordable rental housing for **working families**

- Lottie Apartments (9 units) - **CMB**
- London House Apartments (24 units) - **CMB**
- Corals Apartments (5 units) - **CMB**

Affordable rental housing for **veterans and formerly homeless individuals**

- Harding Village Apartments (92 units)
- Meridian Place Apartments (36 units)

Affordable rental housing for **working and disabled individuals**

- Madeleine Village Apartments (16 units) - **CMB**
- Neptune Apartments (35 units) - **CMB**

City's Efforts: Funded Projects

➤ Scattered site condominium units:

CDBG funding

- Properties will be added to the City's affordable housing portfolio
- Two or three units will be acquired

➤ Homeowner Assistance:

SHIP and **HOME** funding

- Funds prioritize assistance to very low- and low-income households
- Home improvements included
- \$40,000 to \$150,000 in down payment assistance for First-time homebuyers.
- Up to \$70,000 for existing homeowners to rehab their properties.

➤ Rent & Utility Assistance:

CDBG funding

- Rent and utility assistance to low- to moderate-income residents who have received a 3-day notice and/or final notice for utility assistance.

City's Efforts: Funded Projects

Housing Authority of the City of Miami Beach (HACMB)

➤ *The Egret - 8127 Crespi Blvd:*

- Vacant lot acquired with **CDBG** funds. Additional funding will be used to replace the seawall.
- Proposed project: 12-unit new construction permanent supportive housing development for elderly persons with special needs.
- Households earning at or below 60% of the Area Median Income (AMI).
- Of the 12-units, 3 units will be rented to households with incomes at or below 25% AMI.

➤ *Vista Breeze - 280-300 South Shore Drive & 165-185 South Shore Drive:*

- **HOME** funding will be used for seawall replacement and installation of infrastructure.
- The vacant lots will be developed for a 119-unit new construction elderly affordable housing project.
- Households at or below 80% AMI

➤ *The Heron – 1158 Marseille Drive:*

- **HOME-ARP** funding will be used toward the construction permanent supportive housing development for elderly persons with special needs.
- Households earning at or below 60% AMI
- Of the 20-units, 4 units will be rented to households with incomes at or below 25% AMI.

City's Efforts: Workforce Housing

Collins Park Artist Workforce Housing Project

As a result of a competitive process, the City entered into a public-private partnership to develop a city-owned parking lot located at 224 23rd St.

- The development will consist of a 7-story building
- Mix of 80 – studio, 1-bedroom, and 2- bedroom - units on the highest five floors
- Housing will target income-eligible (up to 120% AMI) local artists, area educators, City of Miami Beach employees, and veterans, among others.
- Up to 32-bed dormitory on the second floor intended for use by the Miami City Ballet, to support the Ballet's dance education and other programs
- A ground floor cultural space that will be leased back to the city to be activated with cultural arts
- Primary Funding Sources: Tax-Exempt Bonds, Taxable Bonds, City Contribution, proposed Arts and Culture G.O. Bond, Miami-Dade County Surtax Loan
- Incentives applied to the Project: CMB and MDC fee waivers, waiver of parking requirement.

Affordable & Workforce Housing Incentives

Expedited Building Permit Review for Low- & Moderate-Income Housing

- Resolution No. 2021-3158 (February 10, 2021) - to prioritize and expedite review of building permits

Fee Waivers

- **Development Application Fees** (Affordable only) Ordinance 2021-4416 (May 12, 2021) - waived application fee, per square foot fee, and per variance fee, for DRB, HPB, and BOA
- **Training & Technology Surcharge Fee** Ordinance 2020-4361 (October 14, 2020)
- Exempted Affordable Housing from **Parks Concurrency and Mobility fees** Ordinance 2021-4416 (May 12, 2021)
- Ordinance 2022-4513
- Exempted Affordable Housing from **Sustainability, Art in Public Places** (September 28, 2022)
- Exempted Workforce Housing from **Mobility, Parks Concurrency, Sustainability, Art in Public Places, Development Application fees** (September 28, 2022)
- Miami-Dade County: Exempting **Road Impact Fees** via Ordinance 22-80 (July 7, 2022)

Comprehensive Plan Amendments

- Modified Density Goals (Reduced # of units from 16,000 to 6,300)
- Minimum and Average unit size reductions
- Off-street parking requirement reductions

Reduced Off-street Parking requirements (Low- & Moderate-Income Housing)

- Ord. 2017-4148 (October 18, 2017) – affordable housing
- Ord. 2017-4149 (October 18, 2017) – workforce housing

Space removal fees for affordable housing

Waiver of the permanent space removal fee for on-street parking spaces (one-time fee is \$40,000 per space) removed

Affordable & Workforce Housing Incentives



Reduced minimum/Average unit sizes

Below are the general minimum and average unit size requirements within the City. There are a small number of zoning districts that contain slightly different standards.

Minimum Unit Size (Square Feet)

New construction—550

Non-elderly and elderly low- and moderate-income housing—400

Workforce housing—400

Rehabilitated buildings—400

Average Unit Size (Square Feet)

New construction—800

Non-elderly and elderly low- and moderate-income housing—400

Workforce housing—400

Rehabilitated buildings—550.

The number of units may not exceed the maximum density set forth in the comprehensive plan.

Affordable Housing Advisory Committee (AHAC) Roles and Responsibilities

The Affordable Housing Advisory Committee (AHAC) is governed by Section 420.907 of Florida Statute, and it is required for all jurisdictions receiving housing funding from the Florida Housing Finance Corporation. The AHAC is composed of up to eight (8) members of categories, including one elected official; members are appointed by the Mayor and City Commission.

The AHAC is responsible for:

- ❑ Recommending housing strategies developed to incentivize production of affordable housing. The recommendations are delineated in the Local Housing Assistance Plan (LHAP), which is published every three (3) years. The FY 2022-2025 LHAP was approved in July 2022.
- ❑ Reviewing and approving an annual report summarizing the affordable housing incentive strategies supported and adopted by elected officials. The report must be submitted by December 31.
- ❑ Reviewing federal and state funding allocations and recommendations submitted by the Office of Housing and Community Services.

Incentive Strategies supported by AHAC

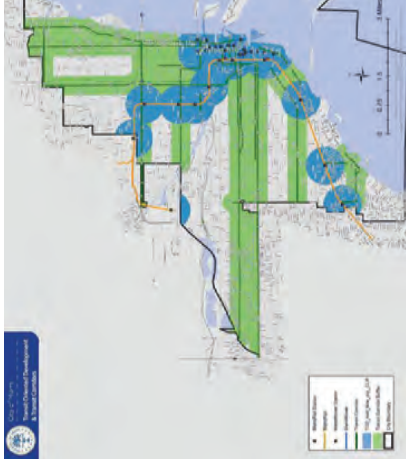
Incentive Strategy	Motion of Support	City Resolution/ Ordinance
Expedite Building Permit Review For Affordable Housing	October 2020	Resolution No. 2021-3158
Waivers: Training, Land Use Board, and Technology Fees	September, October 2020	Ordinance No. 2020-4361
Waiver of concurrency and mobility Fee; Waiver of application fee, per square foot fee, and per variance fee for the Design Review Board, Historic Preservation Board, and the Board of Adjustment for elderly and non-elderly affordable housing applications.	October 2020	Ordinance No. 2021-4416
Accessory Dwelling Units	January 2019	Ordinance No. 2019-4304
Reduction of parking requirements for affordable and workforce housing	2008	Ordinance No. 2021-4451

AHAC- Additional Motions and Recommendations

Motion/Recommendation	Motion of Support	City Resolution/ Ordinance
Prioritization of future State and Federal funding allocations to the First Time Homebuyer Program and Homeowner Rehabilitation Programs	February 2022	
- Support the waiver of the sustainability fee for workforce housing. - Support the Housing Authority of City of Miami Beach application for the Vista Breeze project to the City's Historic Preservation Board. - Support the FY 22-25 State Housing Initiatives Partnership Program Local Housing Assistance Plan (LHAP).	March 2022	Ordinance 2022-4513 Resolution No. 2022-32187
The AHAC requests for the Barclay to remain in the public domain and developed for affordable/workforce housing.	April 2022	

City of Miami, FL

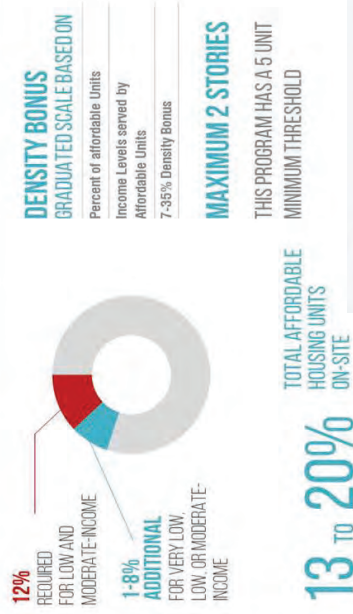
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- ⑩ Staff level design review, instead of design review board
- ⑩ Increased FLR (Floor Lot Ratio) per Zoning District
- ⑩ No maximum lot area requirements
- ⑩ Modification of setback requirements above the 8th story
- ⑩ Allow transfer of unused density from historic sites to TOD areas
- ⑩ 30-year covenant with two automatic 10-year extensions
- ⑩ Allows Ancillary Dwelling Units in T3-L districts
 - ⑩ Property owner must live on site
 - ⑩ 450 SF maximum



San Francisco, CA



STATE PROGRAM, REQUIRED BY STATE LAW
GRADUATED DENSITY AND AFFORDABILITY





LOCAL PROGRAM: 100 % AFFORDABLE PROJECTS





LOCAL PROGRAM, ACHIEVING LOCAL GOALS
30% AFFORDABLE AND MIDDLE-INCOME



New York City, NY

Inclusionary Housing Program

- The Inclusionary Housing Program provides two optional floor area incentives in exchange for the creation or preservation of affordable housing, on or off-site, predominantly for low-income households.
- The original R10 Program provides a floor area bonus of up to 20 percent, increasing the maximum FAR of 10.0 to 12.0 for the provision of affordable housing in applicable residential and commercial districts with R10 density.
- In Inclusionary Housing designated areas* mapped in medium- and high-density residential neighborhoods and commercial districts with equivalent density, a bonus of 33 percent of floor area can be obtained for providing 20 percent as affordable housing. The base FAR in designated areas is, in most cases, lower than the maximum FAR allowed in the same zoning district located outside a designated area.

Orlando, FL

- **Reduced or Waived Impact Fees**

- **Density/Intensity Bonus**

- The City of Orlando offers developers a density/intensity bonus to construct a greater number of dwelling units per acre or commercial floor area per acre than would otherwise be permitted.
- The City provides a density bonus program opportunity for many of the City's zoning districts to receive additional density or intensity by providing on-site affordable units in conjunction with another approved use.
- The City also provides a program for some of the residential, commercial, and office zoning districts to receive a density or intensity bonus in exchange for an in-lieu fee contribution to the City of Orlando's Housing Trust Fund, or provide on-site housing units that are dedicated to low and very low income households.

- **Alternative Development Standards**

- **Expedited Permitting**

Discussion on Affordable and Workforce Housing

Planning Board
September 20, 2022

MICHAEL O'HARA

Director of Housing Development Programs

Housing Authority of the City of Miami Beach

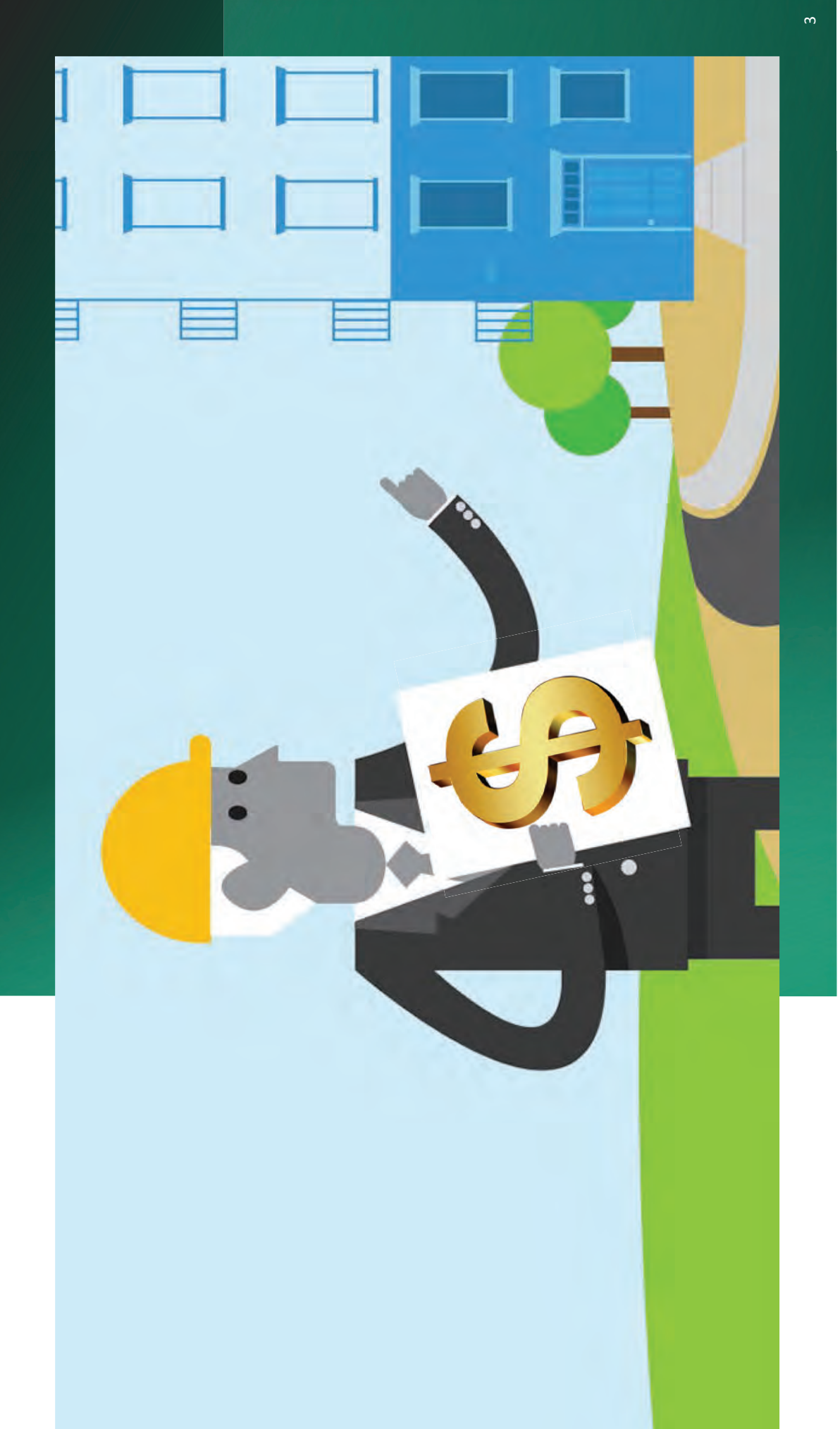




What is Affordable Housing?

Housing is considered affordable if a family spends **no more than 30%** of their income to live there.





Florida Housing

F i n a n c e C o r p o r a t i o n



MIAMI BEACH



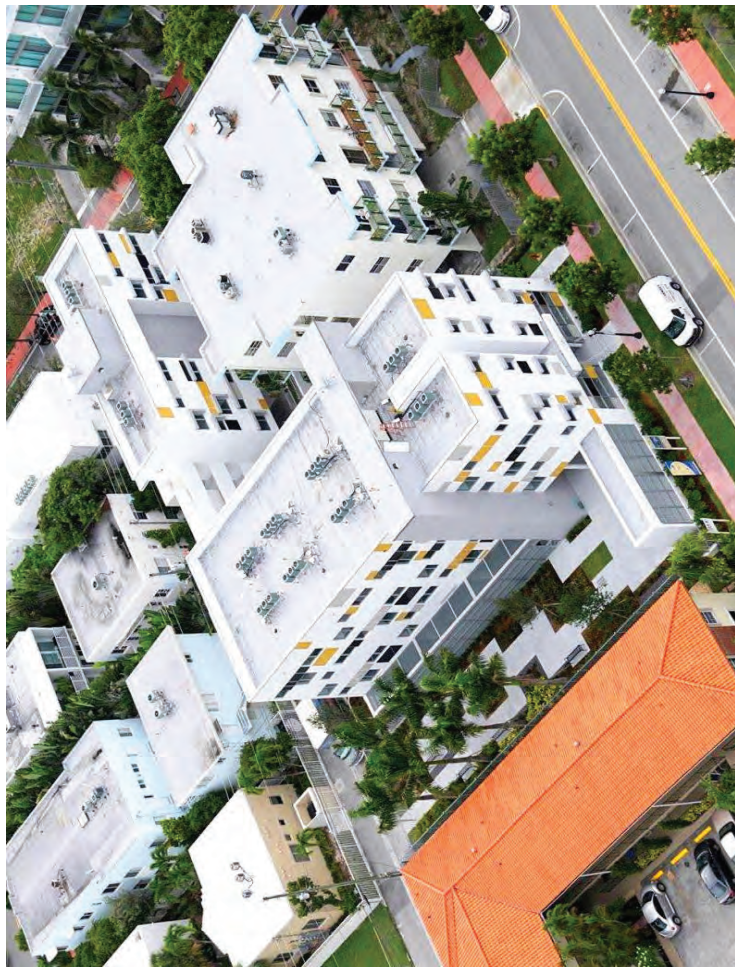
STEVEN E. CHAYKIN APARTMENTS

321 Michigan Avenue
Miami Beach, FL 33139

30 one-bedroom apartments for frail elderly

Built: 2012

Architect: Mateu Architecture





LEONARD TURKEL RESIDENCES

234 Jefferson Avenue, Miami Beach, FL 33139

21 one-bedroom apartments for seniors

Built: 2017

Architect: Sklarchitecture





ELEVEN44

1144 Marseille Drive
Miami Beach, FL 33141

22 affordable housing units
(one-bedrooms & studios)

HPB Approval: June 2021

Status: permitting

Construction: 1st quarter 2023

Architect: Mateu Architecture

THE HERON

1158 Marseille Drive
Miami Beach, FL 33141

20 permanent supportive housing units
for elderly persons with special needs

HPB Approval: September 2021

Status: permitting

Construction: 1st quarter 2023

Architect: Brooks + Scarpa



VISTA BREEZE

"The Vista"

165-185 South Shore Drive
Miami Beach, FL 33141

49 studio apartments for seniors

HPB Approval: June 2022

Status: Construction drawings

Architect: Brooks + Scarpa





VISTA BREEZE

"The Breeze"

280-300 South Shore Drive
Miami Beach, FL 33141

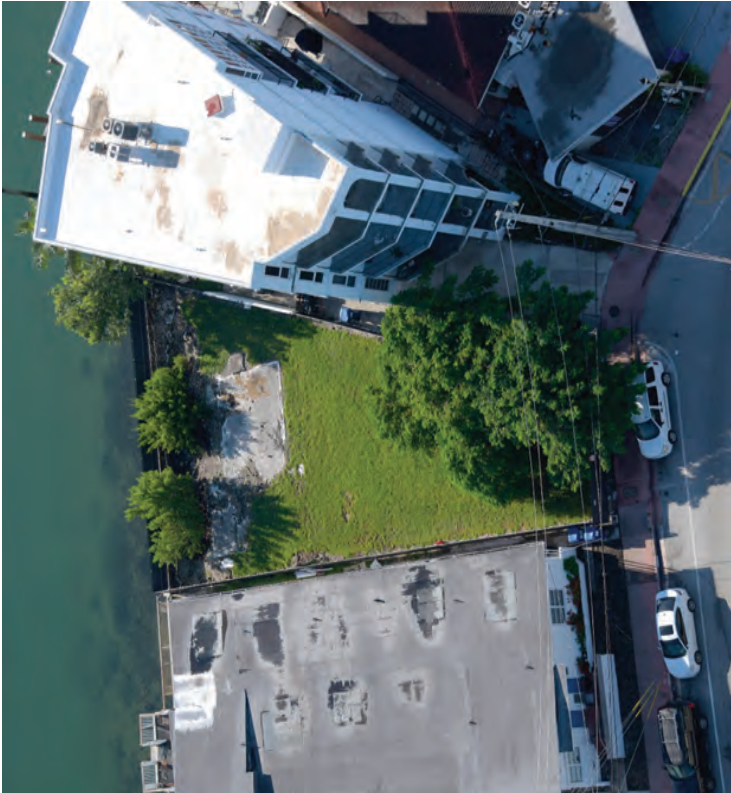


70 studio apartments for seniors

HPB Approval: June 2022

Status: Construction drawings

Architect: Brooks + Scarpa

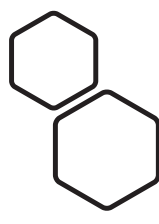


THE EGRET

8127 Crespi Boulevard, Miami Beach, FL 33141

of Units: 12 studio apartments

Status: Selection of Architect / Project Financing



MICHAEL O'HARA

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