



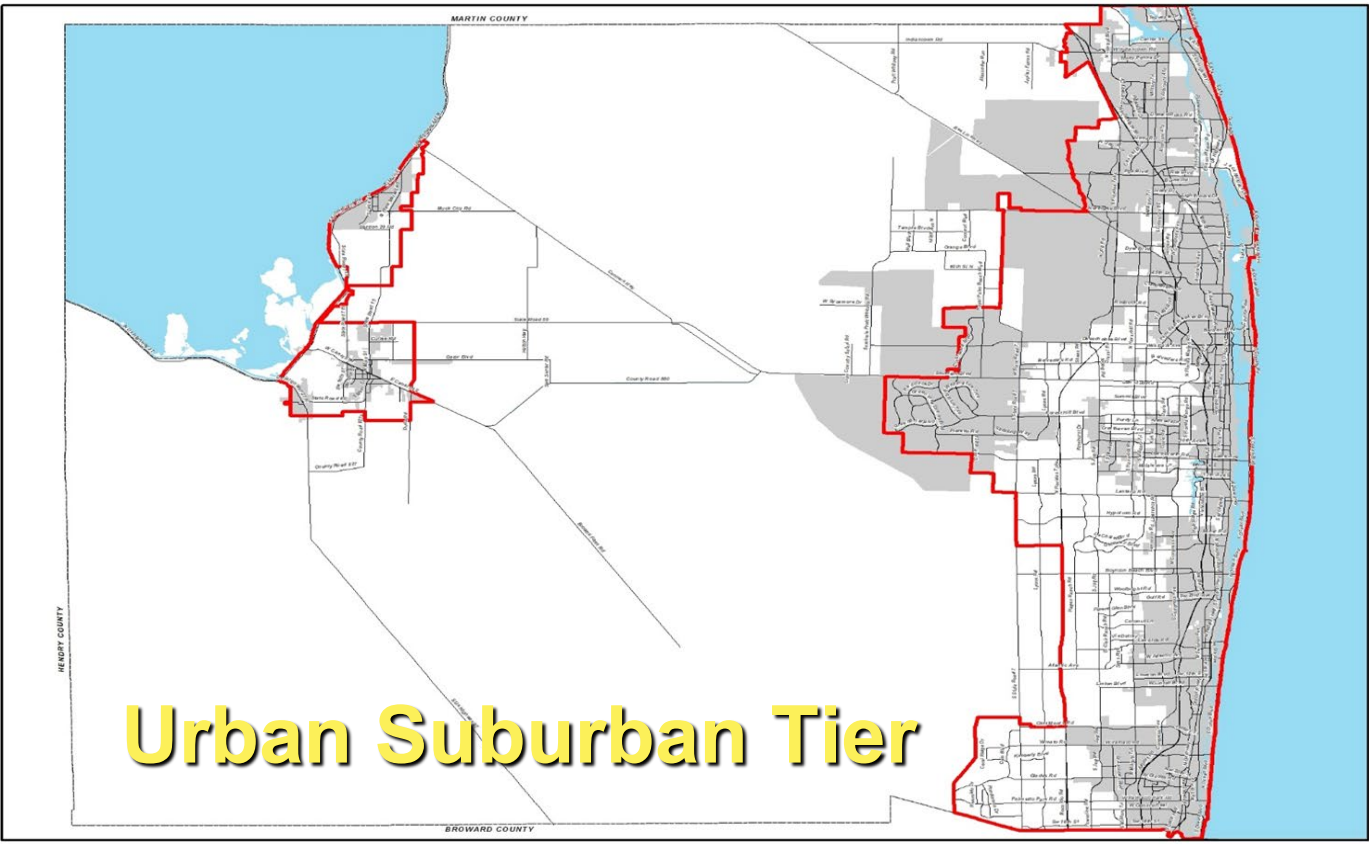
Palm Beach County

Palm Beach County Workforce Housing Program

**National Association of Counties
Workforce Housing Webinar
June 23, 2022**



Palm Beach County



Urban Suburban Tier



Why is it needed?

May 2022 Median Sales Prices:

Single Family: \$615,000

Multi-Family/Townhouse: \$307,500

- 57% of PBC workers are in service sector jobs earning 40-60% of the County's median household income;
- The median sales price for a single-family home in Palm Beach County is unaffordable to 80% of County households;
- Nearly 30% percent of PBC renters are “severely” cost-burdened, spending > 50% of income on housing costs.



What is Workforce Housing?

For renters at 60-140%, and buyers at 60-120% of AMI

- 2022 AMI = \$90,300
- 2022 Income Range:
\$54,180 - \$126,420
in 4 categories
- Workforce Housing ≠
Affordable Housing

Home Buyer Professions
Assistant School Principal
ATT Technician
Attorney
Cable Installer
City of WPB Warehouse Supervisor
Engineer
Grocery Store Manager (Publix)
Project Manager
Regional Property manager
Registered Nurse



Workforce Housing History

- **August 2006** - County adopted a mandatory WHP
- **January 2010** - revised due to economic conditions
 - Reduced required percentages, affordability periods
- **August 2019** - WHP revised to:
 - Incentivize single-family, for-sale, on site WHP
 - Streamline density bonus up to 50%; enhance review for >50%
 - Increase in-lieu fees; add new exchange builder option
- **Throughout:** Ensure return rates of 10% for-sale, 5.5% rentals



Impact Analysis: Project Feasibility

bae urban economics

Palm Beach County Workforce Housing Program Economic Analysis
Workforce Housing Program Economic Analysis
March 11, 2019

Table 1: Projected Returns by Future Land Use and Compliance Scenario

Exhibit	Profit Metric:		Return on Cost %										
	Land Use		LR-2			LR-3				MR-5		HR-8	
	Incentive		None	Limited	Full	None	Limited	Full	None	Full	None	Full	
	Density Bonus		0%	40%	65%	0%	40%	65%	0%	85%	0%	85%	
1	No WFP (a)		8.6%	n.a.	n.a.	6.0%	n.a.	n.a.	3.5%	n.a.	5.55%	n.a.	
2	Buyout (In-Lieu Fee) (b)		n.a.	13.0%	12.7%	9.5%	10.7%	11.1%	n.a.	10.6%	n.a.	5.68%	
3	Build	On-site (c)	No Middle Income 1	n.a.	n.a.	12.0%	n.a.	n.a.	10.9%	n.a.	12.8%	n.a.	6.05%
4		Offsite (d)	No Middle Income 2	n.a.	n.a.	17.4%	n.a.	n.a.	16.6%	n.a.	17.6%	n.a.	n.a.
5			No Middle Income 3	n.a.	n.a.	17.5%	n.a.	n.a.	16.7%	n.a.	17.7%	n.a.	n.a.
6		Exchange (e)	80% of In-Lieu, With Bond	n.a.	13.4%	13.6%	9.9%	11.2%	12.2%	n.a.	12.0%	n.a.	n.a.



WHP Program Today

- Inclusionary: Mandatory obligation for 10+ units in U/S Tier
Voluntary density bonus in exchange for additional WH
- Options: Limited or Full Incentive
- Required %: 2.5 to 20% or more; 1.5x multiplier if for-sale projects providing WH as off-site rentals
- Disposition: On-site or off-site, exchange program, in lieu fee, purchase market rate unit, or donate land
- Restriction: For-sale units 15 yrs, recurring;
Rentals 30 yrs



- For Sale Prices: \$189,630 to \$352,170
- Monthly Rents: \$966 (studio) to \$3738 (4 bedroom)



Incentive Options

Option:	Limited (minimize obligation)	Full (maximize density)
Required %	2.5 - 8%	5 – 20+%
Max Density Bonus	50%	100%
Unit Pricing	Lowest 2 categories	All categories
Additional Incentives	none	Expedited Review Flexible Property and Traffic Regulations



Density Bonus Determination

Up to 50%: streamlined process

Above 50%: enhanced review

- Point system to assess WHP approach
- Compatibility review to assess site
- County Commission approval



Disposition Options

- Build On-site
- Build Off-site: Same Builder or Exchange Program
- Purchase Market Rate Unit
- Donate Land
- Pay In-lieu Fee
 - \$126,360 Single Family
 - \$105,300 Townhome
 - \$78,975 Multi-family



WHP Exchange Program

- Proposed by Industry
- Developer pays Exchange Builder to deliver WHP units off-site
- Exchange Fee = 80% of In-lieu Fee; Surety Required
- 1.5x multiplier
- MR Developer is “decoupled” from Exchange Project
- WH units delivered in 36 Months or surety collected



WHP Units to Date

- More than 2,700 WHP units have been required through the program.
 - 55% are built or currently under development
 - 45% are from approved projects not yet constructed

- Of the 2,700+ units:
 - About 63% are/will be rentals
 - 11% for-sale units (TH & SF detached)
 - 11% In Lieu Fee: \$26M for 307 units in 34 developments
 - 16% not yet determined



Rental Units





For-sale Units





Questions?



Buncombe County, NC

ARPA Investments in Housing

Nathan Pennington, Director of Planning

Rachael Nygaard, Director of Strategic Partnerships

June 23, 2022

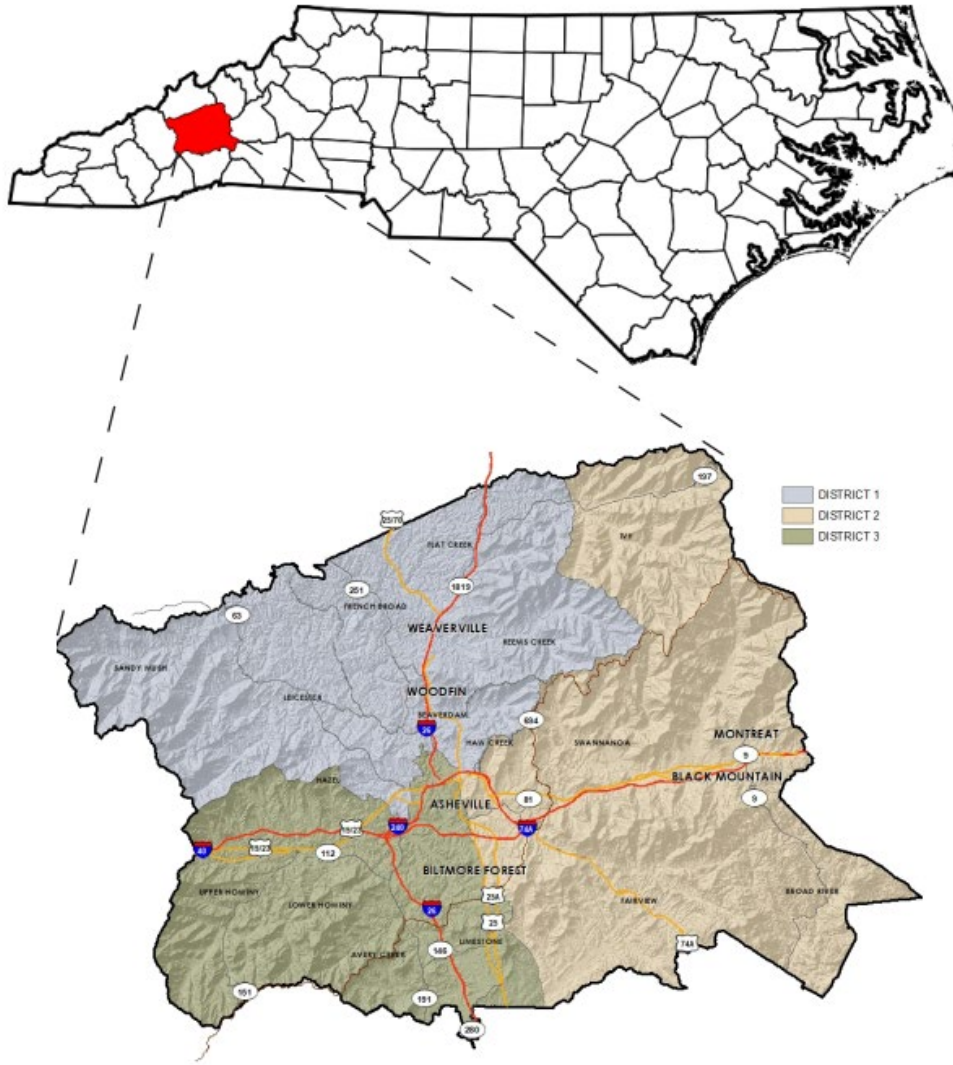


Buncombe County Housing Investments

- About Buncombe County, NC
- Our strategic commitment, affordable housing goals & objectives
- Buncombe's ARPA COVID Recovery Funding process
- ARPA investments in housing & homelessness
- ARPA investments: 5 project highlights
- Other affordable housing investments: bond initiative & leveraging county-owned properties for potential affordable housing development



Buncombe County, NC



Population: 271,534

7th most populous county in NC

Area: 656 square miles

County Seat: Asheville, NC

Established: 1792

Employees: 1,500+

Departments: 28

Budget: \$398 M annual general fund

Operating Structure: Council-Manager

Local Authority: Dillon's Rule

Strategic Commitment

- Affordable Housing is part of Buncombe County's commitment to a healthy, safe, well-educated and thriving community with a sustainable quality of life
- Supported at the programmatic level by the Affordable Housing Services Program – annual investments managed by the County Planning Department, Community Development Division
- Supported at the governance level by a Commissioner sub-committee focused on affordable housing goals and the funding and policies needed to accomplish those goals



Affordable Housing Goals

- Increase the supply of Affordable Housing for rent
- Increase the supply of Affordable Housing for homeownership, especially for BIPOC households
- Preserve the supply of Naturally Occurring Affordable Housing (NOAH)
- Support activities that achieve functional zero Homelessness
- Support activities that encourage the use of all vouchers



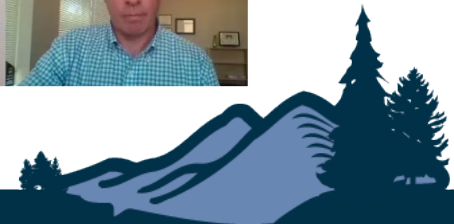
Affordable Housing Objectives

Buncombe County will impact 2,800-3,150 affordable housing units by 2030

- 1,500-1,850 rental units for households at < 80% AMI
- average at < 60% AMI across all households
- 1200-1480 units should leverage the LIHTC program (will leverage an estimated \$100 - \$120 million in tax credit equity to Buncombe Co.)
- 200 units for <30% AMI
- 400 ownership units for households at < 80% AMI
- 500 repair units for households at < 80% AMI
- 400 ownership or rental units for households at > 80% to < 120% AMI



ARPA Community Input: Affordable Housing Highest Ranked Priority



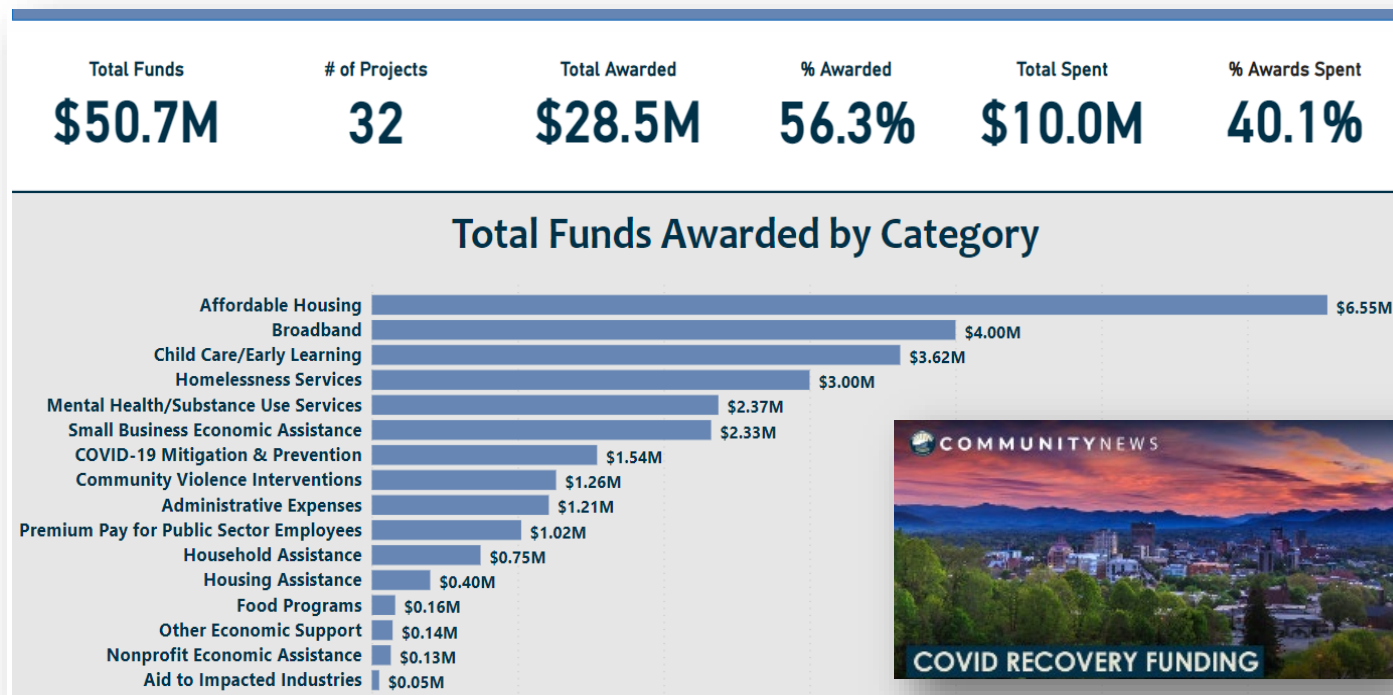
ARPA “COVID Recovery Funding”

- **\$50.7 M** allocation to Buncombe County
- Request for Proposals (RFP) seeking projects aligned to county & community priorities to build a strong, equitable recovery from COVID-19 & its negative economic impacts
- Visit www.BuncombeCounty.org/RecoveryFunding to view:
 - Community survey results
 - RFP documents
 - Submitted proposals
 - Rolling awards
 - Project reporting



ARPA Investments in Housing & Homelessness

- **\$9.5 M** out of \$27.9 awarded so far: **34% of total ARPA funds**
- Structured as pass-through grant awards to federal subrecipients
- Part of a holistic portfolio of other investments including: home repairs; household assistance; small business support; child care; mental health; community violence intervention & broadband infrastructure



Project Highlight 1: Permanent Supportive Housing

- Motel conversion project to serve the most vulnerable individuals and families experiencing chronic, long-term homelessness: 85 affordable efficiency units with onsite case management, security & individualized, supportive services focused on housing stabilization, independence, and improving quality of life
- \$3,000,000 award is supporting property acquisition & renovation
- Renovation completion expected by December 2023
- Subrecipient: Homeward Bound



Project Highlight 2:

Deeply, Permanently Affordable Housing

- Development of 45 apartments which will be affordable in perpetuity, serving formerly homeless individuals and families
- \$749,000 award is supporting construction costs for West Haywood Street Apartments
- Construction completion expected by August 2023
- Subrecipient: Haywood Street Community Development



Project Highlight 3: Infrastructure to Support Homeownership

- Creation of 43 construction-ready home sites in the Glenn Bridge and New Heights developments
- \$1,600,000 award is supporting site development including sewer/water/stormwater installation as well as roads & sidewalks
- Infrastructure closeout expected by September 2025
- Subrecipient: Asheville Area Habitat for Humanity



Project Highlight 4: Rental Assistance Demonstration

- Rental Assistance Demonstration (RAD) redevelopment initiative of Deaverview Apartments, Will result in 3 new buildings including 80 apartments for families with income at or below 60% AMI
- \$935,286 award is supporting construction costs
- Construction completion estimated by August 2024
- Subrecipient: Asheville Housing Authority of the City of Asheville



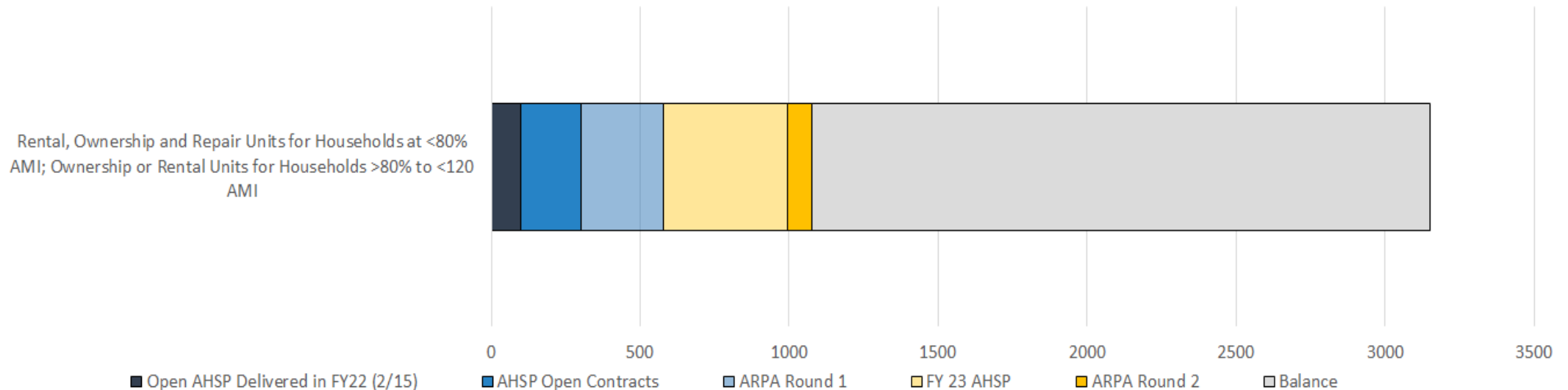
Project Highlight 5: Recovery Starts at Home

- Development of 120 units of new affordable rental housing at Lakeshore Villas for individuals and families from below 30% AMI to a maximum of 80% AMI
- \$3,263,847 award is supporting construction costs
- Construction completion expected by fall 2024
- Subrecipient: Mountain Housing Opportunities



Bond Initiative

- Housing bond - \$40M - “...benefit of persons of low or moderate income, including construction of related infrastructure improvements and the acquisition of related land and rights-of way...”
- “Buncombe County will impact 2,800-3,150 affordable housing units by 2030.”



Leveraging County-owned Properties for Potential Affordable Housing Development

COXE AVE



Tax (94 Cox Ave)
ID Bureau/Elections Storage (50/52 Cox Ave)

VALLEY ST



Permitting/Planning/ Recreation/Sheriff
Annex (36 Valley St)

WOODFIN ST



Parking Lot (35 Woodfin St)

Note: This information is for planning and analysis purposes only.
These locations are currently in use for other County-related public purposes.



BUNCOMBE COUNTY





Development Finance Initiative (DFI) Phased Approach

Phase 1: Pre-Development and Opportunity Site Identification

- Analyze parcels, sites, financial feasibility, market needs & public interest
- Identify parcels suitable for LIHTC development
- Conduct current housing needs assessment for the County
- Consider how County offices may be incorporated into owned sites
- Prioritize sites for affordable housing; make site related recommendations

Phase 2: Site Specific Pre-Development and Solicitation of Development Partners

- Assist in soliciting public input for selected site or sites
- Conduct site constraints analysis
- Prepare financial models
- Determine feasibility for private partners and scale of public investment
- Evaluate options for financing/structuring deals
- Solicit development capable partners
- Negotiate deal points
- Arrive at development agreement(s)
- Support County until development partner closes on financing



Thank you

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BUNCOMBE COUNTY

