#### **EXHIBIT 2**

# SECTION I AMENDMENT TO THE ADMINISTRATIVE RULES DOCUMENT: BROWARDNEXT

#### "ARTICLE 5.3"

#### **RECOMMENDATIONS/ACTIONS**

**DATE** 

#### I. Planning Council Staff Recommendation

June 17, 2025

It is recommended that the proposed revisions to the *Administrative Rules Document:* BrowardNext (ARD) be approved. **See Attachment 1.** 

The proposed ARD amendment does not require transmittal to or review by the State of Florida review agencies. In addition, the amendment requires approval and adoption by the Broward County Board of County Commissioners.

#### II. Planning Council Public Hearing Recommendation

June 26, 2025

Approved per Planning Council staff recommendation. (Vote of the board; Unanimous; 14-0: Abramson, Brunson, Fisher, Geller, Gomez, Greenberg, Hardin, Horland, Newbold, Railey, Rosenof, Ryan, Zeman and Castillo)

# SECTION II AMENDMENT TO THE ADMINISTRATIVE RULES DOCUMENT: BROWARDNEXT

#### "ARTICLE 5.3"

#### **BACKGROUND INFORMATION**

The Administrative Rules Document: BrowardNext (ARD) is maintained, as per the requirements of the BrowardNext - Broward County Land Use Plan (BCLUP), by the Broward County Planning Council for the purpose of providing direction, assistance and guidance to local governments and Planning Council staff in implementing the BCLUP. Appropriate portions of the ARD are also approved and adopted by the Broward County Board of County Commissioners, including Article 5, which provides the rules for the implementation and administration of BCLUP Policy 2.16.2.

At its April 24, 2025, meeting, the BrowardNext Steering Committee initiated an amendment to the ARD: Article 5.3 to address the contradiction of the in-lieu of payment amounts for Policy 2.16.2 (currently \$1 per square foot per dwelling unit [effective 2014]) versus Policy 2.16.4 (currently \$10,609 per dwelling unit [effective January 1, 2023, and subject to a 3% annual increase]).

#### **POLICY HISTORY**

BrowardNext – Broward County Land Use Plan (BCLUP) Policy 2.16.2 was originally adopted in 2006 (f/k/a Policy 1.07.07) and requires that BCLUP amendments that propose more than 100 additional dwelling units to the existing densities approved by the Plan address the supply of affordable housing. Policy 2.16.2 is structured to require proactive participation and cooperation by Broward County in partnership with municipalities regarding affordable housing and intended to reflect that a "one-size fits all" approach is not mandated and offers a "menu" approach to provide examples of the types and range of methods and programs which may be utilized to address the provision of affordable housing. Prior to the effective date of Policy 2.16.2, voluntary commitments were made on a case-by-case basis. See Attachment 2 for the effective BCLUP Policy 2.16.2.

The implementation of Policy 2.16.2 from 2007 through 2014 relied heavily on the municipal governments to demonstrate compliance with the Policy on behalf of private sector applicants, as well as an inconsistency in acceptable data and methodologies. To address this deficiency, the Planning Council partnered with the Broward County Board of County Commissioners and Broward League of Cities to identify a solution. After extensive public outreach and discussion, the following approach was adopted:

- Define the baseline of professionally accepted methodologies (Currently the "Broward County Affordable Housing Needs Assessment," as prepared by The Metropolitan Center at Florida International University, 2022) to estimate its supply of affordable housing; and
- Adopt corresponding ARD, Article 5 (f/k/a Article 10) which outlined two (2) options for a developer to satisfy the same if a local government is unable to demonstrate that it is meeting Policy 2.16.2 as stated above:

#### **POLICY HISTORY** (continued)

- Designating 15% of the dwelling units as affordable (local governments may designate a different standard if it demonstrates that the proposed level is consistent with the demand in the applicable area); or
- Pay \$1 per gross square foot (gross floor area) of the residential dwelling unit as a default guideline in-lieu payment.

See Attachment 3 for a table tracking all affordable housing voluntary commitments related to BCLUP amendments.

#### **ANALYSIS**

Based on the BrowardNext Steering Committee Subject Matter Expert presentations and Planning Council's directive to expedite BCLUP or ARD amendments that could advance affordable housing policies or opportunities, Planning Council staff identified a conflict related to in-lieu fees. The BrowardNext Steering Committee initiated the proposed amendment to address the contradiction.

As previously described above, ARD, Article 5.3, provides that when a municipality is unable to demonstrate consistency with BCLUP Policy 2.16.2, an applicant may voluntarily commit to a set aside or in-lieu payment of \$1 per gross square foot per residential dwelling unit. For example, the in-lieu payment per ARD, Article 5.3, could currently generate a \$150,000 payment for a development that is 150 dwelling units with an average dwelling unit size of 1,000 square feet. The disconnect in the in-lieu payment is two-fold:

- 1) The amount has remained constant since the adoption in late 2014 and has not accounted for economic changes or growth; and
- 2) The amount is significantly lower than the adopted in-lieu amount for BCLUP Policy 2.16.4 (Residential by right on lands designated Commerce or Activity Center, subject to criteria) which offers a buy out at \$10,609 per dwelling unit (2025 amount) if a developer does not commit to the construction of affordable dwelling units. If applying the Policy 2.16.4 amount to the 150 dwelling unit example, a development could generate a \$1,591,350 contribution to the community (may be split between an Affordable Housing Trust Fund of the applicable municipality and Broward County).

The proposed ARD, Article 5.3, amendment updates the in-lieu of fee as follows:

- Modifies the in-lieu payment amount from \$1 per square foot to align with Policy 2.16.4, which is currently \$10,609 with an annual increase on January 1<sup>st</sup> of each year; and
- Maintains the in-lieu fee payment receiver structure to be consistent with BCLUP Policy 2.16.4 as up to 50% of the monies can be paid in a municipal Affordable Housing Trust Fund to be used for the construction or acquisition of new affordable units.

#### See Attachment 1.

The update will standardize the in-lieu amount and financial distribution.

#### **ANALYSIS** (continued)

This concept is not more burdensome or more restrictive as the in-lieu payment or set aside is a voluntary mechanism to demonstrate consistency with BCLUP Policy 2.16.2 when a municipal government is unable to submit data, analysis and local programs that meet the "menu of options."

Planning Council staff distributed a draft of the proposed changes via email to municipal planning directors, County review agencies and interested parties; a comment of support was submitted by the Broward County Housing Finance Division. See Attachment 4.

#### Recommendation

The proposed amendment was initiated by the BrowardNext Steering Committee at its April 24, 2025, Meeting.

Planning Council staff recommends approval of the proposed amendment to the *Administrative Rules Document: BrowardNext* (ARD), Article 5.3. The Broward County Board of County Commissioners will consider the adoption of the proposed ARD amendment subsequent to the Planning Council's action.

It is noted that the corresponding ARD amendment requires a single Planning Council and County Commission hearing and does not require transmittal to or review by the State of Florida review agencies. Further, the ARD will be wholly updated in response to the anticipated adoption of BrowardNext in the Spring of 2026.

# SECTION III AMENDMENT TO THE ADMINISTRATIVE RULES DOCUMENT: BROWARDNEXT

#### "ARTICLE 5.3"

#### **ATTACHMENTS**

- 1. Proposed Amendment to the Administrative Rules Document: BrowardNext Article 5.3
- 2. BrowardNext Broward County Land Use Plan Policy 2.16.2
- 3. Broward County Land Use Plan Amendment Affordable Housing Voluntary Commitments
- 4. Broward County Housing Finance Division Comments dated April 29, 2025

#### **ADMINISTRATIVE RULES DOCUMENT: BrowardNext**

#### **ARTICLE 5**

RULES FOR IMPLEMENTATION AND ADMINISTRATION OF BROWARD COUNTY LAND USE PLAN POLICY 2.16.2

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#### 5.3 DESCRIPTION OF SELECT TERMS USED IN POLICY 2.16.2

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**In-Lieu:** Refers to <u>either a commitment to provide on-site affordable dwelling units or monies</u> paid to the local government <u>and/or the Broward County Affordable Housing Trust Fund</u> by developers when affordable housing is not included on-site in a development in compliance with a standard adopted by the local government, <u>as follows:</u>

- Broward County will use 15% of project housing units as a default guideline for an
  affordable housing standard within proposed residential development subject to
  Policy 2.16.2; however, a local government may officially adopt a different
  standard. However, if the standard is lower than 15% the local government must
  demonstrate that the proposed level is consistent with demand in the applicable
  area.; or
- Fifty percent (50%) of in-lieu fee payments may be paid into an Affordable Housing Trust Fund of the applicable municipality, provided the municipality requires said monies to be used for the construction or acquisition of new affordable units in an amount equal to \$10,609 per unit (which sum shall increase by 3% annually, effective January 1, 2026, and consistent with BCLUP Policy 2.16.4 in-lieu payment) for the total number of additional units within the development. All in-lieu payments shall be made at the time of issuance of building permit. In the absence of a municipal Affordable Housing Trust Fund, all funds shall be paid to the County.

Such monies must be used by the local government to fund affordable housing construction and/or programs. In-lieu monies shall be sufficient to provide for the availability of affordable housing consistent with the standard set by the local government.

Should the local government and developer agree to an in-lieu of fee, the local government shall have the sole and absolute discretion regarding how and where said payment shall be utilized, consistent with its housing policies and programs and shall not be subject to review by the Broward County Commission. If the local government and developer agree to an in-lieu of fee and direct the funds to <a href="the-Broward County Affordable Housing Trust Fund">the Broward County Commission shall have sole and absolute discretion regarding how and where said payment shall be utilized, consistent with its housing policies and programs.</a>

The in-lieu methodology identifies the costs associated with achieving the development of affordable housing units within the local government. For example, an in-lieu methodology may be calculated at a rate per gross square foot per new market rate residential unit. As an alternative example, the in lieu methodology may be based on a percentage of the costs of construction or sales price of all new market rate units within a project.

Broward County will use one dollar (\$1) per gross square foot (gross floor area) of the residential dwelling unit as a default guideline in the review of in lieu methodologies for all additional market rate units within a project; however, a local government may officially approve, as part of their affordable housing report and strategy, a different standard and program utilizing professionally accepted methodologies, policies and best available data and analysis.

Gross Square Footage (Gross Floor Area): The sum (in square feet) of the area of each floor level, measured from principal outside faces of exterior walls, including, but not limited to, basements, corridors, hallways, utility areas, elevators, storage rooms, staircases, and mezzanines, but not including architectural projections. Included are areas that have floor surfaces with clear standing head room (6 feet, 6 inches minimum) regardless of their use. This definition includes areas which are not enclosed, but roofed; however, it does not include unroofed areas.

#### BrowardNext → 2017 BROWARD COUNTY LAND USE PLAN

**SECTION 2: POLICIES** 

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AFFORDABLE HOUSING

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#### **POLICY 2.16.2**

For amendments which propose to add 100 or more residential dwelling units to the existing densities approved by the BCLUP, Broward County and affected municipalities shall coordinate and cooperate to implement the affected municipality's chosen policies, methods and programs to achieve and/or maintain a sufficient supply of affordable housing. In addressing amendments which proposed to add 100 or more residential dwelling units to the existing densities approved by the BCLUP, the municipality, without limitation, may include consideration and implementation of the following affordable housing strategies:

- a. programs and policies involving mechanisms such as, but not limited to, impact fees, in lieu fees, and/or public funds, in which the municipality, and/or Broward County, and/or other appropriate agencies/entities (including, but not limited to, major employers), provide for the construction or supply of affordable housing;
- b. programs and policies involving mechanisms such as, but not limited to, impact fees, inlieu fees, and/or public funds, in which the municipality, and/or Broward County, and/or other appropriate agencies/entities (including, but not limited to, major employers), provide funding to facilitate the affordable purchase or renting of housing;
- c. programs and policies in which the municipality, and/or Broward County, and/or other appropriate agencies, facilitate the maintenance of the existing supply of affordable housing stock, if any;
- d. property tax abatement programs aimed at preserving or creating affordable housing;

- e. streamlined and reduced-cost permitting procedures for affordable housing;
- f. specific minimum set-aside requirements for new affordable housing construction;
- g. use of appropriate existing public lands, or public land-banking, to facilitate an affordable housing supply;
- h. programs and policies to facilitate the development and use of municipal and/or Broward County affordable housing density bonus provisions;
- land development regulations which promote the availability of affordable housing such as reduced lot size and floor area for dwelling units, construction of zero lot line and cluster housing, vertical integration of residential units with non-residential uses, and the allowance of accessory dwelling units;
- j. the existing supply of affordable housing.

The affected municipality shall demonstrate compliance with this Policy at the time of the County's consideration of the applicable land use plan amendment, by establishing that the municipality has implemented or ensured adoption of appropriate policy and program measures to implement the affected municipality's chosen policies, methods and programs to achieve and/or maintain a sufficient supply of affordable housing for each of the following affordable housing income categories defined by the Broward County Land Use Plan: very-low, low, and moderate. The local government shall estimate its supply of affordable housing utilizing the data and methodology referenced within the "Broward County Affordable Housing Needs Assessment," 2018, prepared by The Metropolitan Center Florida International University, as may be updated and accepted by the Broward County Board of County Commissioners, after January 7, 2021. For the purposes of this Policy, the term "affordable housing" shall include the meaning as defined by the BCLUP. The median annual income estimate should be updated at least yearly.

## Affordable Housing Voluntary Commitments Broward County Land Use Plan Amendments through 2025

Amendment	<u>Project Name</u>	<u>Municipality</u>	Affordable Housing Commitment
PC 25-4	Water's Edge	Plantation	Restrict 12% (49) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 25-3	Crossroads II	Plantation	Restrict 10% (39) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 24-7	Park Road	Hollywood	Restrict 15% (111) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 24-6	Uptown Urban Village AC	Fort Lauderdale	Restrict 15% (635) of the dwelling units as moderate- income affordable housing for a minimum of 30 years (adopted into text)
PC 24-5	Village at Oakland Park	Oakland Park	Restrict 15% (70) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 24-4	Residences at Plantation Square	Plantation	Restrict 20% (57) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 24-2	555 SW 3 Avenue	Deerfield Beach	Restrict 100% (22) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 23-1	Aura Cypress Creek	Fort Lauderdale	Restrict 15% (51) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PCT 22-7	Dania Beach AC	Dania Beach	Restrict 15% (600) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years (adopted into text)

Amendment	<u>Project Name</u>	<u>Municipality</u>	Affordable Housing Commitment
PC 22-6	8 <sup>th</sup> Avenue Commons	Hallandale Beach	Restrict 15% (30) of the proposed dwelling units as low- and very low-income affordable housing for a minimum of 30 years
PC 22-4	Sunrise Country Club	Sunrise	Restrict 18.6% of the proposed additional dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 22-2	Hillsboro Center	Deerfield Beach	\$500 per dwelling unit towards the City's affordable housing programs
PC 22-1	Edison Pembroke	Pembroke Pines	\$500 per dwelling unit towards the City's affordable housing programs
PC 21-9	Oakwood Plaza	Hollywood	Restrict 10% (380) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 21-8	Pearl Sunrise	Sunrise	Restrict 15% (67) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 21-7	Oakland Park AC	Oakland Park	Restrict 15% (75) of the proposed additional dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 21-6	Citi Centre	Pompano Beach	Restrict 15% (54) of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PC 21-5	Centrum	Deerfield Beach	\$500 per dwelling unit towards the City's affordable housing programs
PC 21-4	Harbor Landings	Dania Beach	Restrict 15% of the proposed dwelling units as moderate-income affordable housing for a minimum of 30 years
PCT 20-2	Downtown AC	Pompano Beach	Restrict 15% of the dwelling units as affordable or pay in-lieu of fee into the City's affordable housing programs (adopted into text)
PC 20-5	Gator Acres	Unincorporated	Contribute one dollar (\$1) per gross square foot (gross floor area) of the proposed dwelling units towards the County's affordable housing programs

Amendment	<u>Project Name</u>	Municipality	Affordable Housing Commitment
PC 20-2	Woodlands	Tamarac	Contribute \$1,000 per dwelling unit towards the City's affordable housing programs
PCT 19-8	Pompano Park South AC	Pompano Beach	Restrict 15% (615) of the dwelling units as moderate-income affordable housing (adopted into text)
PCT 19-7	Miramar AC I	Miramar	For the additional 2,350 units, either \$500 per unit or 15% set-aside for affordable housing (adopted into text)
PC 19-4	Kol-Ami/Stiles Mid-Town	Plantation	\$250 per dwelling unit towards County's affordable housing programs
PC 19-2	Oak Tree	Oakland Park	\$500 per dwelling unit (\$202,500) for the City's affordable housing programs
PC 18-8	Pennell	Deerfield Beach	\$500 per dwelling unit (\$163,500) for the City's affordable housing programs
PC 18-6	Pine Plaza Apartments	Sunrise	\$500 per constructed dwelling unit for the City's affordable housing programs
PC 18-5	Hidden Harbour AC	Pompano Beach	\$2,333 per constructed market rate dwelling unit (maximum of 349) per the City's Affordable Housing Ordinance
PC 18-4	Mid-Town Square	Plantation	\$250 per dwelling unit (602 dwelling units) for the County's affordable housing programs
PC 18-2	Lennar	Miramar	\$500 per additional dwelling unit (337 dwelling units) towards the City's affordable housing programs
PC 18-1	Stellar Homes Group	Dania Beach	\$500 per additional dwelling unit (164 dwelling units) towards the City's affordable housing programs
PC 17-13	Bonaventure Resort & Spa	Weston	\$1 per gross square foot per additional dwelling unit (586 dwelling units) for affordable housing to be paid at time of building permit
PC 17-8	Fashion Mall	Plantation	\$250 per dwelling unit (702 dwelling units) for the County's affordable housing programs
PC 17-7	Cornerstone Mill Creek	Plantation	\$250 per dwelling unit (330 dwelling units) for the County's affordable housing programs – Paid in full - \$82,500 on 2/27/18
PC 17-2	Lakeside Apartments	Plantation	\$250 per dwelling unit (271 dwelling units) for the County's affordable housing programs

Amendment	<u>Project Name</u>	Municipality	Affordable Housing Commitment
PC 17-1	East TOC	Pompano Beach	Restrict 15% (350) of new units to be affordable housing or contribute to City's affordable housing programs (adopted into text)
PCT 15-1	Downtown RAC	Fort Lauderdale	Set aside 15% (750) of new units as affordable housing units including a phasing plan (adopted into text)
PC 15-14	Shamrock Inn	Sunrise	\$500 per dwelling unit (119 dwelling units) for affordable housing (\$59,500 paid in full to City of Sunrise on 6/8/16)
PC 15-6	Parkland Royale Phase II	Unincorporated	\$1 per gross square foot (gross floor area) of the dwelling units to Broward County to facilitate the affordable purchase or rental of
PC 15-5	WH Pompano	Pompano Beach	Payment of an in-lieu-of fee for affordable housing
PC 15-2	Parkland Bay	Unincorporated	\$1 per gross square foot (gross floor area) of the dwelling units to Broward County to facilitate the affordable purchase or rental of housing
	amendments were a payment options.	•	on of Policy 2.16.2 (f/k/a 1.07.07) and prior to defined set-
PC 13-1	Koi	Pompano Beach	Payment of \$290,000 (increments) or \$250,000 (lump sum) into city's affordable housing program
PC 12-4	St. Joseph Haitian Church	Pompano Beach	Restricted to 251 low-income and age-restricted (62+) dwelling units
PC 10-21	Hendrix	Unincorporated and Parkland	\$750 per dwelling unit (1,478 dwelling units = \$1,108,500)
PC 10-20	Bruschi	Unincorporated	\$750 per dwelling unit (600 dwelling units = \$450,000, or will pay a lump sum of \$282,342 prior to 1 <sup>st</sup> building permit)
PC 10-16	Crystal Lake Country Club	Deerfield Beach	15% of the total dwelling units (19 dwelling units) as affordable housing
PC 10-14	Sunforest	Davie	20% of net new units must be affordable per Town's Affordable Housing Incentive Program (1,099 total dwelling units, some are existing)
PC 10-11	Pompano Park	Pompano Beach	15% of the units as affordable housing or make a contribution of \$750 per unit to the City (1,300 dwelling units = \$975,000)

<u>Amendment</u>	Project Name	<u>Municipality</u>	Affordable Housing Commitment
PC 10-6	Palm Aire	Pompano Beach	15% of the total dwelling units (136 dwelling units) as "workforce income" affordable housing
PC 10-5	Pembroke Tower	Pembroke Pines	20% set aside for either elderly or affordable housing (200 dwelling units)
PC 10-4	Dubuys-Triple H	Parkland	\$750 per dwelling unit (Triple H – 570 dwelling units = \$427,500, or a lump sum of \$262,442.92; Debuys – 776 dwelling units = \$582,000, or a lump sum of \$357,297.51)
PC 08-12	Westerra AC	Sunrise	\$500 per dwelling unit into the City's affordable housing trust fund (1,750 dwelling units = \$875,500) or payment of an Affordable Housing Linkage Fee
PC 07-20	Vintage Park	Pompano Beach	\$230,000 for affordable housing to the City
PC 07-19	Metropica AC	Sunrise	\$500 per dwelling unit into the City's affordable housing trust fund (2,800 units permitted = \$1,400,000)
PC 07-18	Pompano Creek /Bali-Hi	Pompano Beach	Payment of \$1,500 per dwelling unit or \$340,200 lump sum payment for affordable housing in the Highlands community
PC 07-9	Automatic Investments (Forrest Tower)	Hollywood	Restricted to 393 high-rise units (193 existing and 200 new), 15% (30 units) of new units to be affordable housing
PC 07-5	Carr Residential (Foxcroft)	Miramar	Restricted to 320 affordable garden apartments (120 1-bedroom, 164 2-bedroom, 36 3-bedroom), 300 single-family detached units (180 3-bedroom, 120 4-bedroom) and 550,000 square feet of warehouse (including office use, excluding retail use)
PC 07-2	City of Margate TOC	Margate	15% of all new residential units to be "affordable" housing
PC 07-1	Sheridan Stationside Village TOD	Hollywood	20% (210 units) "workforce-income" affordable housing
The following case-by-case b		adopted prior to the adoption of BO	CLUP Policy 2.16.2 (f/k/a 1.07.07) and mitigation was on a
PC 06-30	Sabal Palm	Tamarac	\$400 per dwelling unit for affordable housing impact fee

Amendment	<u>Project Name</u>	<u>Municipality</u>	Affordable Housing Commitment
PC 06-29	Monterey	Tamarac	15% workforce housing
PC 06-25	Sheridan Village	Pembroke Pines	\$2,500 per unit for affordable housing
PC 06-22	Bel Lago Villas	Coconut Creek	\$2,500 per unit for affordable housing
PC 06-20	Deerfield Station TOD	Deerfield Beach	15% (98 units) for affordable housing
PC 06-19	TOC	Davie	Execution of an agreement that the Town will ensure that at least 15% of the residential units shall be provided as affordable per the Broward County Land Use Plan, for a period of 15 years
PC 06-4	Country Club of Coral Springs	Coral Springs	1% of hard construction costs donated for affordable housing
PCT 06-1	LAC	Pembroke Pines	250 affordable high-rise units per BCLUP text
PCT 05-3	Downtown RAC	Fort Lauderdale	Restrict 15% of new units to affordable housing units per BCLUP text
PC 05-3	Prestige Homes (Lennar Homes)	Coconut Creek	\$25,000 for affordable housing program
PC 04-27	LAC	Coral Springs	Pursue and participate in a subordinated 2 <sup>nd</sup> mortgage program utilizing 1% impact fee
PC 04-20	Village at Gulfstream Park LAC	Hallandale Beach	225 affordable and workforce dwelling units, including no less than 75 such units on-site
PC 04-8	Waldrep (Monterra)	Unincorporated	806 single-family detached units, 294 townhouse units, 252 garden apartments, and 300 affordable units – 96 1-bed, 156 2-bed and 48 3-bed
PC 03-4	Harbour Cove	Hallandale Beach	Restricted to "low-income" affordable housing and generating no more than 10 public school students

From: Stone, Ralph

To: Blake Boy, Barbara; Von Stetina, Deanne

Cc: Wight, Lisa

Subject: RE: Administrative Rules Document: BrowardNext - Article 5 Update of In-Lieu Options

**Date:** Tuesday, April 29, 2025 2:02:20 PM

Attachments: <u>image003.png</u>

The Housing Finance Division supports the proposed amendments.



#### Ralph Stone

# Director Housing Finance Division Executive Director Housing Finance Authority

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RStone@Broward.org

www.Broward.org/housing

From: Blake Boy, Barbara < BBLAKEBOY@broward.org>

**Sent:** Tuesday, April 29, 2025 12:02 PM

To: Von Stetina, Deanne < DVONSTETINA@broward.org>

Subject: Administrative Rules Document: BrowardNext - Article 5 Update of In-Lieu Options

(Please note that this email is being sent to all municipal managers and planners, as well as interested parties)

#### Greetings—

At its April 24, 2025, meeting, the Executive Committee initiated an amendment to the Administrative Rules Document: Article 5 to address the inlieu of fee payment option which applies solely if a local government is unable to demonstrate compliance with BCLUP Policy 2.16.2 when application is made for a Broward County Land Use Plan (BCLUP) amendment that proposes to add more than 100 new dwelling units to the BCLUP.

### The proposed Administrative Rules Document: BrowardNext amendment:

• Shifts the payment in-lieu buy out amount from \$1 per square foot to align with the BCLUP Policy 2.16.4 buy out amount (currently \$10,609 per dwelling unit) for the total number of additional dwelling units.

Please see the attached Article 5 in its entirety. The following is the excerpt of the applicable language:

**In-Lieu:** Refers to either a commitment to provide on-site affordable dwelling units or monies paid to the local government and/or the Broward County Affordable Housing Trust Fund by developers when affordable housing is not included on-site in a development in compliance with a standard adopted by the local government, as follows:

- Broward County will use 15% of project housing units as a default guideline for an affordable housing standard within proposed residential development subject to Policy 2.16.2; however, a local government may officially adopt a different standard. However, if the standard is lower than 15% the local government must demonstrate that the proposed level is consistent with demand in the applicable area.; or
- Fifty percent (50%) of in-lieu fee payments may be paid into an Affordable Housing Trust Fund of the applicable municipality, provided the municipality requires said monies to be used for the construction or acquisition of new affordable units in an amount equal to \$10,609 per unit (which sum shall increase by 3% annually, effective January 1, 2026, and consistent with BCLUP Policy 2.16.4 in-lieu payment) for the total number of additional units within the development. All in-lieu payments shall be made at the time of issuance of building permit. In the absence of a municipal Affordable Housing Trust Fund, all funds shall be paid to the County.

Such monies must be used by the local government to fund affordable housing construction and/or programs. In-lieu monies shall be sufficient to provide for the availability of affordable housing consistent with the standard set by the local government.

Should the local government and developer agree to an in-lieu of fee, the local

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government shall have the sole and absolute discretion regarding how and where said payment shall be utilized, consistent with its housing policies and programs and shall not be subject to review by the Broward County Commission. If the local government and developer agree to an in-lieu of fee and direct the funds to the Broward County Affordable Housing Trust Fund, the Broward County Commission shall have sole and absolute discretion regarding how and where said payment shall be utilized, consistent with its housing policies and programs.

The in-lieu methodology identifies the costs associated with achieving the development of affordable housing units within the local government. For example, an in-lieu methodology may be calculated at a rate per gross square foot per new market rate residential unit. As an alternative example, the in-lieu methodology may be based on a percentage of the costs of construction or sales price of all new market rate units within a project.

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Broward County will use one dollar (\$1) per gross square foot (gross floor area) of the residential dwelling unit as a default guideline in the review of in-lieu methodologies for all additional market rate units within a project; however, a local government may officially approve, as part of their affordable housing report and strategy, a different standard and program utilizing professionally accepted methodologies, policies and best available data and analysis.

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Gross Square Footage (Gross Floor Area): The sum (in square feet) of the area of each floor level, measured from principal outside faces of exterior walls, including, but not limited to, basements, corridors, hallways, utility areas, elevators, storage rooms, staircases, and mezzanines, but not including architectural projections. Included are areas that have floor surfaces with clear standing head room (6 feet, 6 inches minimum) regardless of their use. This definition includes areas which are not enclosed, but roofed; however, it does not include unroofed areas.

-

Please submit any comments by May 30, 2025. Thank you for your consideration.

Barbara

## Barbara Blake Boy, Executive Director

115 South Andrews Avenue, Room 307
Fort Lauderdale, Florida 33301
954.357.6982 (direct) <a href="www.broward.org/planningcouncil">www.broward.org/planningcouncil</a>

### Visit Us: **BROWARDNEXT**

The Planning Council offices are open Monday through Friday. I am in the office every Monday through Thursday from 7:00 a.m. to 5:00 p.m.