



Cover Memorandum/Staff Report

File #: 26-0112

Agenda Date: 3/9/2026

Item #: 9.A.

TO: Mayor and Commissioners
FROM: Anthea Giannotes, Development Services Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: March 9, 2026

ORDINANCE NO. 12-26: AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, AMENDING THE LAND DEVELOPMENT REGULATIONS OF THE CITY OF DELRAY BEACH CODE OF ORDINANCES BY AMENDING CHAPTER 4, "ZONING REGULATIONS," ARTICLE 4.3, "DISTRICT REGULATIONS," SECTION 4.3.2 "DETERMINING USE," SUBSECTION (B), "CATEGORIES OF USE," TO ALLOW FOR THE RENTAL OF ACCESSORY DWELLING UNITS; AMENDING SECTION 4.3.3 "SPECIAL REQUIREMENTS FOR SPECIFIC USES," SUBSECTION (K), "HOME-BASED BUSINESS," TO ALLOW A HOME-BASED BUSINESSES TO OPERATE IN AN ACCESSORY STRUCTURE OCCUPIED BY THE RESIDENT OF THE PRINCIPAL OR ACCESSORY STRUCTURE, SUBSECTION (Q), "GUEST COTTAGES," BY RENAMING THE SUBSECTION AS "ACCESSORY STRUCTURES TO ADOPT ALL ACCESSORY STRUCTURE REGULATIONS IN ONE SECTION AND TO ADOPT NEW REGULATIONS FOR ACCESSORY DWELLING UNITS. AND REPEALING SUBSECTION (QQ), "ACCESSORY STRUCTURES" FOR ADOPTION OF SUCH REGULATIONS IN THE REORGANIZED SUBSECTION (Q); AMENDING ARTICLE 4.4, "BASE ZONING DISTRICT," SECTION 4.4.3 "SINGLE FAMILY RESIDENTIAL (R-1) DISTRICTS," SECTION 4.4.6 "MEDIUM DENSITY RESIDENTIAL (RM) DISTRICT," SUBSECTION (C), "ACCESSORY USES AND STRUCTURES PERMITTED," SECTION 4.4.13, "CENTRAL BUSINESS (CBD) DISTRICT," TABLE 4.4.13(A), "ALLOWABLE USES AND STRUCTURES IN THE CBD SUB-DISTRICTS," TO UPDATE LANGUAGE CLARIFYING MULTI FAMILY USES AND TO ADD ACCESSORY DWELLING UNITS AS AN ACCESSORY USE IN THE WEST ATLANTIC NEIGHBORHOOD SUB-DISTRICT; AMENDING ARTICLE 4.5, "OVERLAY AND ENVIRONMENTAL MANAGEMENT DISTRICTS," TO ADOPT A NEW SECTION 4.5.23 "NORTHWEST / SOUTHWEST NEIGHBORHOOD OVERLAY DISTRICT;" AMENDING ARTICLE 4.7, "FAMILY / WORKFORCE HOUSING" BY ADOPTING A NEW SECTION 4.7.9 "ACCESSORY DWELLING UNITS;" AND BY AMENDING APPENDIX A, "DEFINITIONS," TO ADOPT A DEFINITIONS FOR "DWELLING UNIT, ACCESSORY (ADU)," PROVIDING A CONFLICTS CLAUSE, A SEVERABILITY CLAUSE, AUTHORITY TO CODIFY, AND PROVIDING AN EFFECTIVE DATE. (FIRST READING)

Recommended Action:

Consider Ordinance No. 12-26, a City-initiated amendment to the Land Development Regulations (LDR), amending Section 4.3.2, "Determining Use," Section 4.3.3, "Special Requirements for Specific Uses," Section 4.4.3, "Single Family Residential (R-1) Districts," Section 4.4.6 "Medium Density Residential (RM) District," Section 4.4.13 "Central Business (CBD) District," adopting Section 4.5.23 "Northwest / Southwest Overlay District," Section 4.7.9 "Accessory Dwelling Units," and amending Appendix A, "Definitions" to add regulations related to accessory dwelling units.

Background:

In 2024, the City and Community Redevelopment Agency (CRA) collaborated to contract with a consultant, Opticos Design, Inc. ("Opticos") renowned for assisting cities in addressing housing issues throughout the United States. The aim of the Opticos study was to analyze the existing lot and block within The Set to assess the potential for diversifying housing types, including Accessory Dwelling Units (ADUs) and other "Missing Middle Housing" types. The full study is attached.

ADUs are not currently allowed in Delray Beach; however, the groundwork for this shift began through the adoption of the Always Delray Comprehensive Plan in 2020. The Always Delray Comprehensive Plan identifies the need for diversifying affordable housing solutions and wealth building opportunities in Delray Beach. Policy NDC 2.8.1 directs the City to identify areas where additional housing options, including ADUs, should be provided. Policy NDC 2.8.2 excepts ADUs from being included in density calculations. Policy HOU 4.1.3 directs the City to identify locations where ADUs can be located based on community engagement and support. The Set Transformation Plan, adopted in 2020, supported the provision of ADUs throughout its boundary.

According to the Florida Housing Coalition, Accessory Dwelling Units (ADUs) are a "flexible and innovative response" to the lack of affordable housing. The benefits of ADUs range from providing much-needed affordable housing, to generating rental income, or to providing a mechanism for multi-generational housing - all while maintaining the built character of a community. Throughout the United States and Canada, states, counties and municipalities have embraced ADUs by modifying zoning regulations and often developing design guidelines to ensure that ADUs meet community design standards.

The proposed amendments include the creation of the Northwest / Southwest Neighborhood Overlay District (NSNO) to identify the area of the city where ADUs are allowed.

The regulations specific to ADUs are as follows:

- * ADUs are not included in the calculation of density limitations, and are allowed on properties with a single-family residence
- * Property must have a homestead exemption pursuant to the Palm Beach County Property Appraiser (a state bill considered last year would have preempted this requirement)
- * Leases must be at least six months
- * A restricted covenant is required stipulating one unit on the property will be for workforce housing.
- * A family member may live in the ADU without meeting the workforce housing requirement.

The ADU standards:

- * Requires a minimum size of 200 sq. ft. and a maximum size of 750 sq. ft
- * Limited to no more than two bedrooms
- * Maximum height of one story, but two stories are allowed if the ADU is above a garage
- * One parking space is required (a state bill considered last year would have preempted this requirement)
- * Home-Based Businesses may operate from an ADU

The regulations for the ADUs have distinct differences from those applied to Guest Cottages. An ADU can be legally rented; the size is not calculated based on the principal structure floor area; and a kitchen is required in the ADU, whereas guest cottages cannot have a full kitchen. The attached Planning and Zoning Board Staff Report provides a full analysis.

The Planning and Zoning Board (PZB) voted 6-0 to recommend approval of Ordinance No. 12-26 at the January 26, 2026 meeting.

City Attorney Review:

Ordinance No. 12-26 is approved as to form and legal sufficiency.

Funding Source/Financial Impact:

Not applicable.

Timing of Request:

Ordinance No. 12-26 will be effective immediately, if adopted at second reading, anticipated for April 7, 2026.