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**New Study Shows ‘Explosive’ Growth Period Has Created A Severe Affordable Housing Crisis in Broward County; Broward Housing Partnership Responds with Proactive Strategic Plan**

Fort Lauderdale, Fla. – March 1, 2006 – A new study released today shows that Broward County and South Florida experienced a three-year “explosive” housing boom between 2002-2005 that has created a “severe housing supply and demand imbalance.” Further, the study says that with a 6 percent growth in per capita income during the last three years, it’s unlikely that Broward’s economic growth alone will offset the higher cost of homes, which have jumped in price by 65 percent in only two years.

Currently, the study says 22 of Broward County’s municipalities have affordability gaps of more than \$100,000 between the median sales price of a single family home and the family median income needed to purchase a home. A major affordability gap also extends countywide to rental housing and to condominium prices in the majority of cities.

The “Broward County Housing Needs Assessment” study – the first comprehensive study of the county’s housing needs -- was commissioned by the non-profit Broward Housing Partnership (BHP). It was prepared by the Florida International University Metropolitan Center, said BHP President James Carras.

Carras today also announced the BHP’s proactive strategic solutions plan that incorporates research, public education and the creation of partnerships with government entities, developers and financial institutions to purchase land and build affordable housing. “The study is the first step in finding solutions to this crisis which affects the lives of every person and family, and that is having significant impact on the operation of all Broward businesses and our county’s overall economic growth.”

According to the Needs Assessment study, the median housing price-to-income ratio – a key economic indicator in assessing local market trends and vitality – tripled during the three-year boom period, outpacing other high-priced metropolitan markets. This means the majority of individuals and most two-income families in Broward County are priced out of the market.

While 77 percent of the county’s households earn less than \$77,000 annually, those same families would need an annual income of \$90,720 to afford a single family home with the current median price of \$361,100, according to the study. Meanwhile, the median income (AMI) in Broward County for a household with two wage earners is only \$51,570. Housing costs are considered a burden when they amount to over 30 percent of a household’s income.

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While condominiums appear to be a more affordable alternative (requiring an income of \$50,000 for a median priced condo of \$193,000), 44 percent of households in Broward County earn less than \$41,300. The crunch extends to rental housing as well, where an income of \$45,000 is needed to afford a market rate apartment costing \$1,122 a month in rent. Rental prices are fairly uniform throughout the county, the study reported. However, the median income of renters is only \$31,898 and 57 percent of renter households earn less than \$41,300.

Projected population and job growth figures for Broward County show that between 2004-2012, approximately 27,000 additional work force housing units (for people who earn between 80 and 150 percent of the median AMI) and 51,000 affordable rental housing units will be needed for households earning less than 80 percent of the AMI.

The study noted out that 50 percent of the local labor force is employed in service sectors of the economy, which pay annual incomes of \$25,000 a year or less. Also given focus in the study were core jobs that consist of career professional and technical positions with good wages and benefits. Examples would be police officers, teachers and nurses.

“We must be able to provide housing for workers who form the basis of our economy in industries such as tourism and hospitality, and also provide appropriate housing support for crucial occupations such as police officers, firefighters, nurses and other public service professionals,” Carras said.

To address the affordability gap demonstrated in the study, Carras said the BHP will utilize all existing tools to help Broward County resolve its housing crisis. He said the organization, comprised of 70 business and civic organizations, will continue to compile and analyze existing data, continue to update data, increase public awareness through an education program and build stakeholder consensus.

Carras said the BHP will also capitalize and operate a family of funds for affordable housing, review and make recommendations on housing proposals that are seeking local support, identify land suitable for housing development, review and make recommendations of local zoning and land use regulations to further promote affordable housing and work with local developers of affordable housing.

He said a Housing Trust Fund, capitalized by a blend of corporate and community investors, would make loans and grants to qualified developers of affordable multi-family rental housing and provide “gap” financing, and also provide first-time Homebuyer Assistance funds to make zero-interest loans to help qualified families to purchase their first homes.

A Community Land Trust will also be formed to seek opportunities to use vacant land for infill development or to convert old buildings to new homes, Carras said. The Land Trust

will also purchase land for affordable housing development and coordinate with institutional providers such as local housing authorities, school boards, hospital districts and also with private sector employers to ensure the long term affordability of housing.

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“Many of these tools are not necessarily original,” said Carras. “While we will always look for and consider out-of-the-box solutions, we will immediately make use of tools that have worked effectively locally and in other areas of the country.”

Carras said the full Housing Needs Assessment and the Broward Housing Partnership's Strategic Solutions are now available on the BHP website at [www.browardhousingpartnership.org](http://www.browardhousingpartnership.org).

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