2007 Broward County Affordable Housing Market Update and Municipal Scorecard

Prepared by:
Florida International University
Metropolitan Center

For:

Broward Housing Partnership, Inc.

PURPOSE OF THE STUDY

- *To Provide a Market Update of the Key Housing Supply and Demand Factors Impacting the Production and Availability of Affordable Housing in Broward County*

- *To Assess the Progress of Broward County and its Municipalities in Addressing their Affordable Housing Needs and Issues*

APPROACH AND METHODOLOGY

- ***Analyze Current Market Data and Conditions to Determine Changes in Existing and Future Housing Demand***

- ***Geographical Emphasis to Largest Municipalities in Broward County with Highest Concentrations of the Resident Workforce***

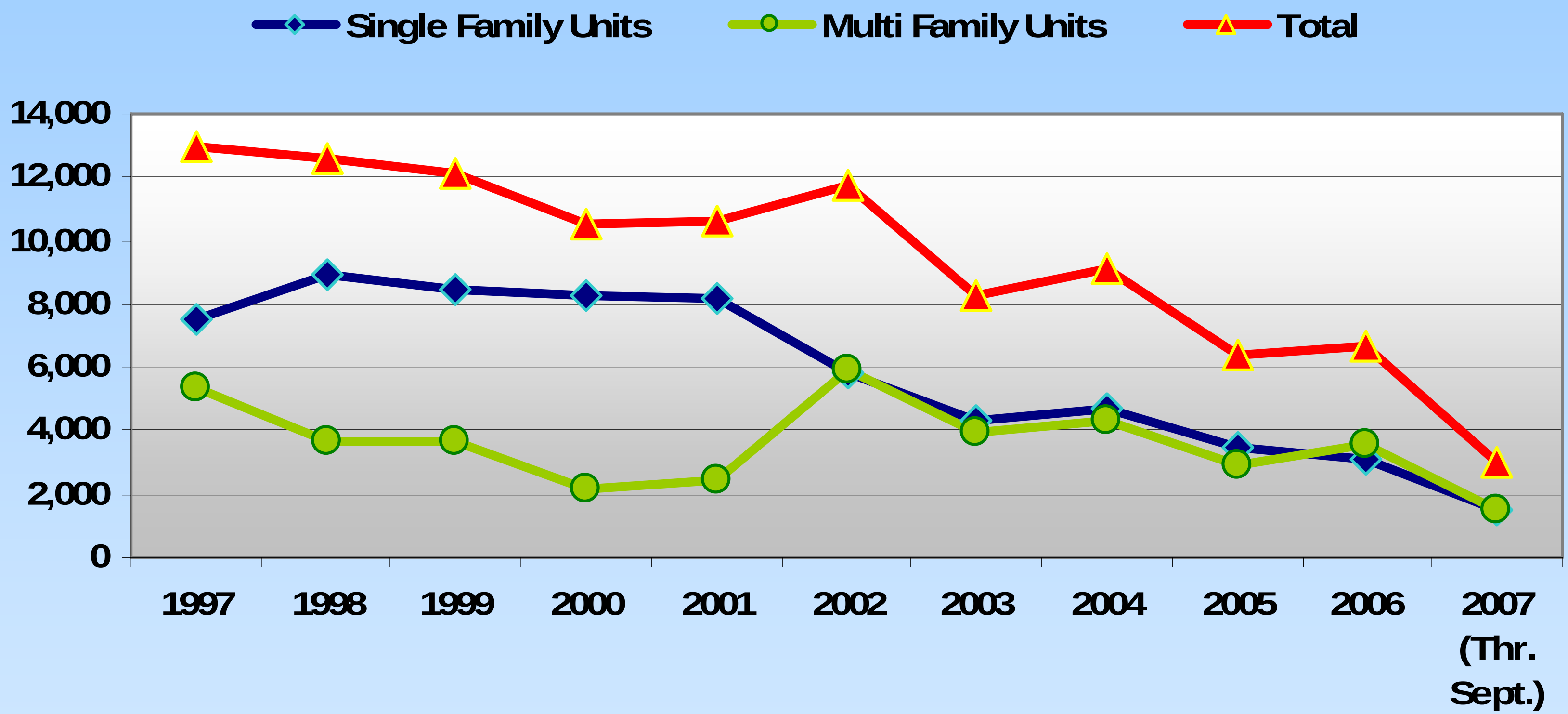
- ***Application of the Municipal Scorecard for Affordable Housing Delivery©***

2006 KEY FINDINGS

- ***Broward County Housing Market Severely Imbalanced Due to an Oversupply of High Priced Single Family Homes and Condominiums and a Corresponding Decrease in Demand Due to Strict Limitations of Affordability among Broward County's Households***
- ***Housing Market Imbalance Extended to the Rental Market where Low Production and Condo Conversions Contributed to Soaring Rent Prices***
- ***Many Occupations that Compromise Broward County's Major Employment Base also Represent the Bottom of the Occupation Wage Scale***
- ***Substantial Affordability Gaps in Most Broward County Municipalities***

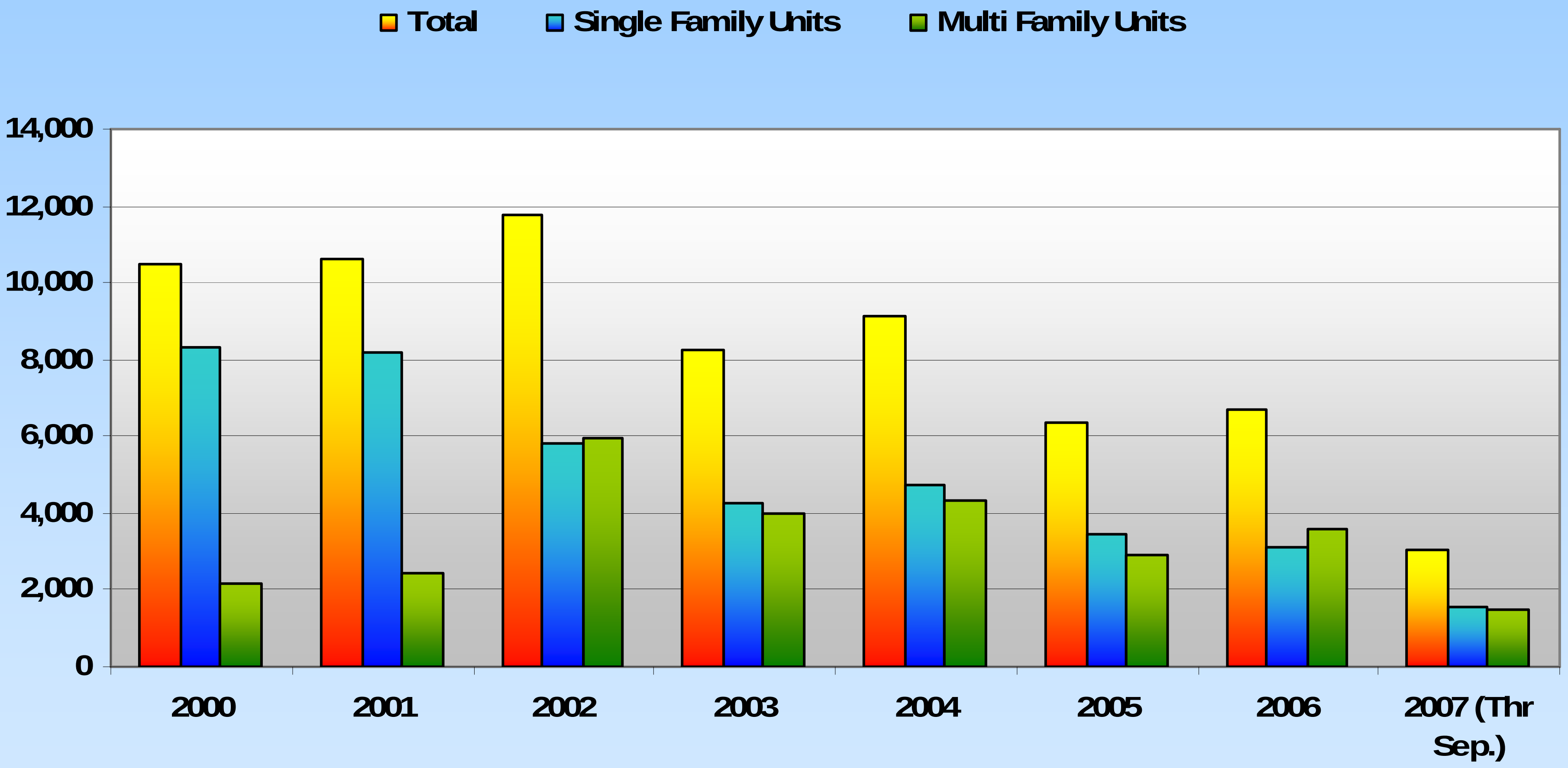
HOUSING SUPPLY

HOUSING SUPPLY



New Housing Starts in Broward County have Plummeted to Less than 5,000 Units in the Past Year

HOUSING SUPPLY



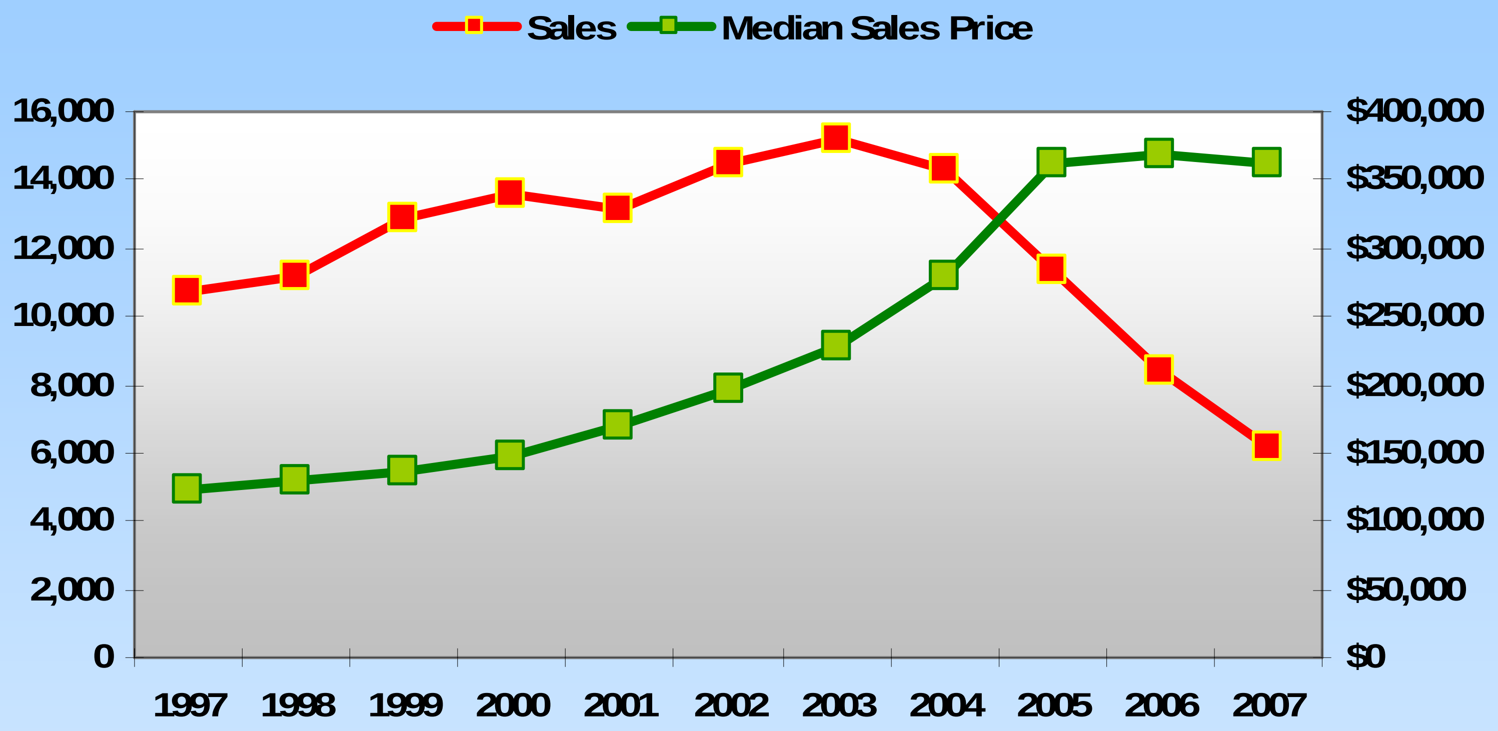
VACANT HOUSING UNITS

	2004	2005	2006	Change 2004-2005	Change 2005-2006
Total Housing Units	782,384	790,308	796,535	7,924	6,227
Vacant Housing Units	95,255	102,977	114,430	7,722	11,453
For rent, for sale only and rented or sold not occupied	31,122	34,405	41,703	3,283	7,298
For rent	14,270	13,656	14,360	(614)	704
For sale only	6,819	8,757	14,988	1,938	6,231
Rented or sold, not occupied	10,033	11,992	12,355	1,959	363
For seasonal, recreational, or occasional use	54,246	55,021	58,225	775	3,204
Other vacant	9,887	13,351	14,502	3,464	1,151
Vacant, current residence elsewhere	9,887	12,943	12,419	3,056	(524)
Total Vacancy Rate	12.2%	13.0%	14.4%		

- ***Vacant Housing Units in Broward County Have Increased by 27,832 Units from 2000-2006 or 32 Percent***

- ***High Vacancy Rate Largely Attributed to Substantial Inventory of "Seasonal" Homes***

SINGLE-FAMILY HOME SALES: 2006-2007



- ***Single -family Homes Sales Declined Over 200 Percent in Many Communities***
- ***Broward County's Single-Family Median Sale Price Decreased to $314,200 in January 2008***

SINGLE-FAMILY SALES TREND: 2006-2007

Broward County Single Family Sales Trend 2006-2007						
Municipality	# of Units Sold 2006	# of Units Sold 2007	% Change	MSP 2006	MSP 2007	% Change
Coral Springs	920	358	61.1%	$440,000	$415,000	5.7%
Davie	564	293	48.0%	$420,000	$410,000	2.4%
Deerfield Beach	291	121	58.4%	$343,000	$300,000	12.5%
Fort Lauderdale	1350	531	60.7%	$325,000	$375,000	15.4%
Hallandale Beach	74	28	62.2%	$272,500	$304,000	11.6%
Hollywood	1200	389	67.6%	$295,000	$290,000	1.7%
Lauderdale Lakes	155	52	66.5%	$275,000	$270,000	1.8%
Lauderhill	246	67	72.8%	$315,000	$279,000	11.4%
Miramar	1048	398	62.0%	$380,000	$400,000	5.3%
Pembroke Pines	1163	254	78.2%	$413,000	$385,000	6.8%
Plantation	570	224	60.7%	$429,000	$394,000	8.2%
Pompano Beach	576	218	62.2%	$269,950	$270,000	0.0%
Sunrise	597	226	62.1%	$320,000	$305,000	4.7%
Weston	758	331	56.3%	$570,000	$567,500	0.4%
Broward County	8373	6127	26.8%	$367,800	$363,100	1.3%

SINGLE-FAMILY INVENTORY & MARKET ADJUSTMENT: 2006-2007

Broward County Single Family Market Trend 2006-2007						
Municipality	# of Units Available 2006	# of Units Available 2007	% Change	MKP 2006	MKP 2007	% Change
Coral Springs	58	492	748.3%	$459,900	$445,450	3.1%
Davie	84	389	363.1%	$582,475	$639,900	9.9%
Deerfield Beach	53	204	284.9%	$399,900	$342,400	14.4%
Fort Lauderdale	300	1015	238.3%	$659,444	$399,000	39.5%
Hallandale Beach	21	66	214.3%	$240,000	$328,500	36.9%
Hollywood	148	748	405.4%	$349,000	$317,000	9.2%
Lauderdale Lakes	7	68	871.4%	$295,000	$275,000	6.8%
Lauderhill	18	129	616.7%	$293,000	$299,999	2.4%
Miramar	64	691	979.7%	$431,950	$289,900	32.9%
Pembroke Pines	74	612	727.0%	$385,000	$414,000	7.5%
Plantation	66	384	481.8%	$467,460	$459,000	1.8%
Pompano Beach	83	411	395.2%	$345,000	$305,000	11.6%
Sunrise	46	325	606.5%	$319,000	$308,000	3.4%
Weston	42	373	788.1%	$542,450	$565,000	4.2%

SINGLE-FAMILY HOME AFFORDABILITY GAPS: 2007

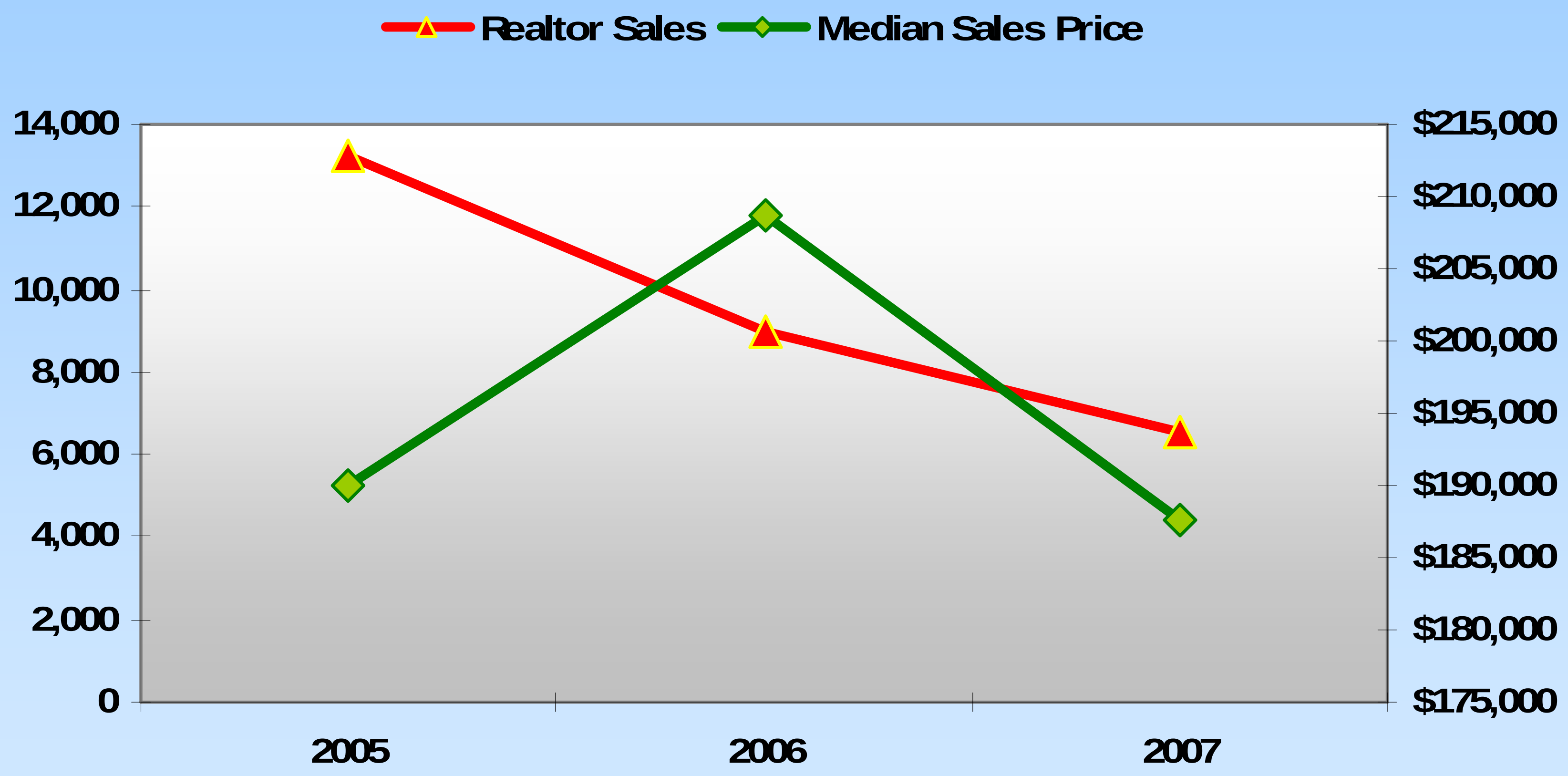
Municipalities	Median Household Income	Affordable Home Price @ MEDIAN	Median Selling Price SF	Affordability Gap @ MEDIAN
Coral Springs	$73,750	$224,803	$415,000	$190,197
Dania Beach	$43,051	$109,551	$229,500	$119,949
Davie	$59,311	$144,495	$410,000	$265,505
Deerfield Beach	$42,945	$88,730	$300,000	$211,270
Fort Lauderdale	$47,797	$97,551	$375,000	$277,449
Hallandale Beach	$35,659	$57,778	$290,000	$232,222
Hollywood	$46,317	$106,928	$290,000	$183,072
Lauderdale Lakes	$33,977	$48,531	$271,500	$222,969
Lauderhill	$41,020	$84,709	$279,000	$194,291
Miramar	$63,443	$168,494	$400,000	$231,506
Pembroke Pines	$66,395	$191,492	$385,000	$193,508
Plantation	$67,804	$197,951	$393,000	$195,049
Pompano Beach	$45,508	$116,442	$270,000	$153,558
Sunrise	$51,722	$133,508	$305,995	$172,487
Weston	$101,291	$343,247	$569,500	$226,253
Broward County	$58,400	$203,321	$363,100	$159,779

SINGLE-FAMILY MARKET TREND

- ***Despite Lowering Single-Family Home Values, Substantial Affordability Gaps Continue to Exist in All Major Municipalities in Broward County Ranging from $153,558 in Pompano Beach to $277,499 in Fort Lauderdale***

- ***The current $314,200 Median Sales Price for a Single-Family Home is Still Unaffordable to 80 Percent of Broward County's Households***

CONDOMINIUM SALES: 2005-2007



CONDOMINIUM SALES TREND: 2006-2007

Broward County Condominium Sales Trend 2006-2007						
Municipality	# of Units Sold 2006	# of Units Sold 2007	% Change	MSP 2006	MSP 2007	% Change
Coral Spring	841	245	70.9%	$189,000	$180,000	4.8%
Davie	477	189	60.4%	$227,500	$213,000	6.4%
Deerfield	893	398	55.4%	$190,000	$130,000	31.6%
Fort Lauderdale	1669	693	58.5%	$340,000	$340,000	0.0%
Hallandale Beach	646	291	55.0%	$256,500	$225,000	12.3%
Hollywood	993	386	61.1%	$220,000	$200,000	9.1%
Lauderdale Lakes	349	88	74.8%	$103,000	$98,750	4.1%
Lauderhill	660	208	68.5%	$129,700	$120,000	7.5%
Miramar	505	169	66.5%	$290,000	$273,000	5.9%
Pembroke Pines	1187	414	65.1%	$225,000	$195,000	13.3%
Plantation	607	217	64.3%	$204,450	$199,000	2.7%
Pompano Beach	886	405	54.3%	$212,000	$200,000	5.7%
Sunrise	843	309	63.3%	$177,000	$130,000	26.6%
Weston	341	123	63.9%	$293,000	$262,500	10.4%
Broward County	8996	6533	27.4%	$208,600	$187,600	10.1%

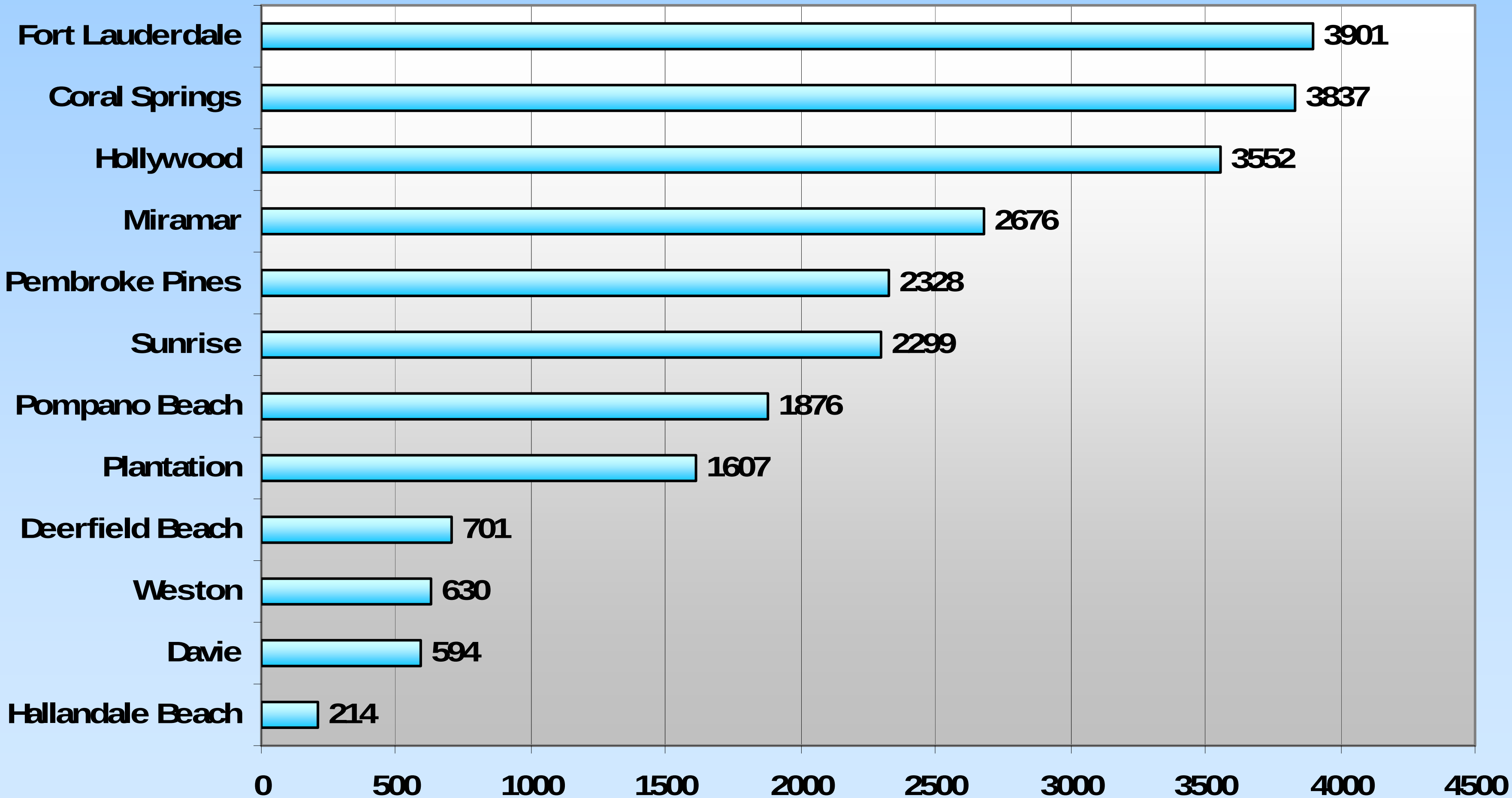
CONDOMINIUM INVENTORY & MARKET ADJUSTMENT: 2006-2007

Broward County Condominium Market Trend 2006-2007						
Municipality	# of Units Available 2006	# of Units Available 2007	% Change	MKP 2006	MKP 2007	% Change
Coral Spring	81	506	524.7%	198,000	189,900	4.1%
Davie	40	270	575.0%	214,450	228,000	6.3%
Deerfield Beach	136	588	332.4%	180,950	180,000	0.5%
Fort Lauderdale	652	1789	174.4%	525,000	389,000	25.9%
Hallandale Beach	215	827	284.7%	299,000	289,000	3.3%
Hollywood	299	1022	241.8%	339,447	290,000	14.6%
Lauderdale Lakes	33	169	412.1%	98,900	107,000	8.2%
Lauderhill	83	454	447.0%	132,000	135,000	2.3%
Miramar	64	390	509.4%	288,500	269,450	6.6%
Pembroke Pines	97	697	618.6%	189,999	199,999	5.3%
Plantation	78	356	356.4%	194,950	209,900	7.7%
Pompano Beach	300	990	230.0%	327,000	240,500	26.5%
Sunrise	134	624	365.7%	114,900	135,400	17.8%
Weston	48	260	441.7%	316,995	279,900	11.7%

CONDOMINIUM AFFORDABILITY GAP

MUNICIPALITY	Median Household Income	Affordable Home Price @ MEDIAN	Median Selling Price Condo	Affordability Gap @ MEDIAN
Coral Springs	$73,750	$292,037	$185,000	$107,037
Davie	$59,311	$234,874	$219,900	$14,974
Deerfield Beach	$42,945	$170,062	$142,500	$27,562
Fort Lauderdale	$47,797	$189,259	$359,900	$170,641
Hallandale	$35,659	$141,219	$249,900	$108,681
Hollywood	$46,317	$183,415	$214,900	$31,485
Lauderdale Lakes	$33,977	$134,521	$103,200	$31,321
Lauderhill	$41,020	$162,412	$125,000	$37,412
Lighthouse Point	$66,911	$264,953	$149,000	$115,953
Margate	$48,850	$193,440	$124,900	$68,540
Miramar	$63,443	$251,220	$279,900	$28,680
Pembroke Pines	$66,395	$262,909	$199,000	$63,909
Plantation	$67,804	$268,470	$204,900	$63,570
Pompano Beach	$45,508	$180,183	$219,000	$38,817
Sunrise	$51,722	$204,797	$135,000	$69,797
Weston	$101,291	$401,088	$269,900	$131,188
Broward County	$58,400	$231,263	$187,600	$43,663

CONDO CONVERSIONS 2000-2007



RENTAL SUPPLY

- ***The Supply of Affordable Rental Housing has Diminished Due The Loss of Over 22,000 Rental Units to Condominium Conversions***

- ***The Current Average Rent in Broward County Exceeds the Affordability Level of All Households Earning 80 Percent or Less the Area Median Income (AMI)***

HOUSING DEMAND

HOUSEHOLD OCCUPANCY AND INCOME

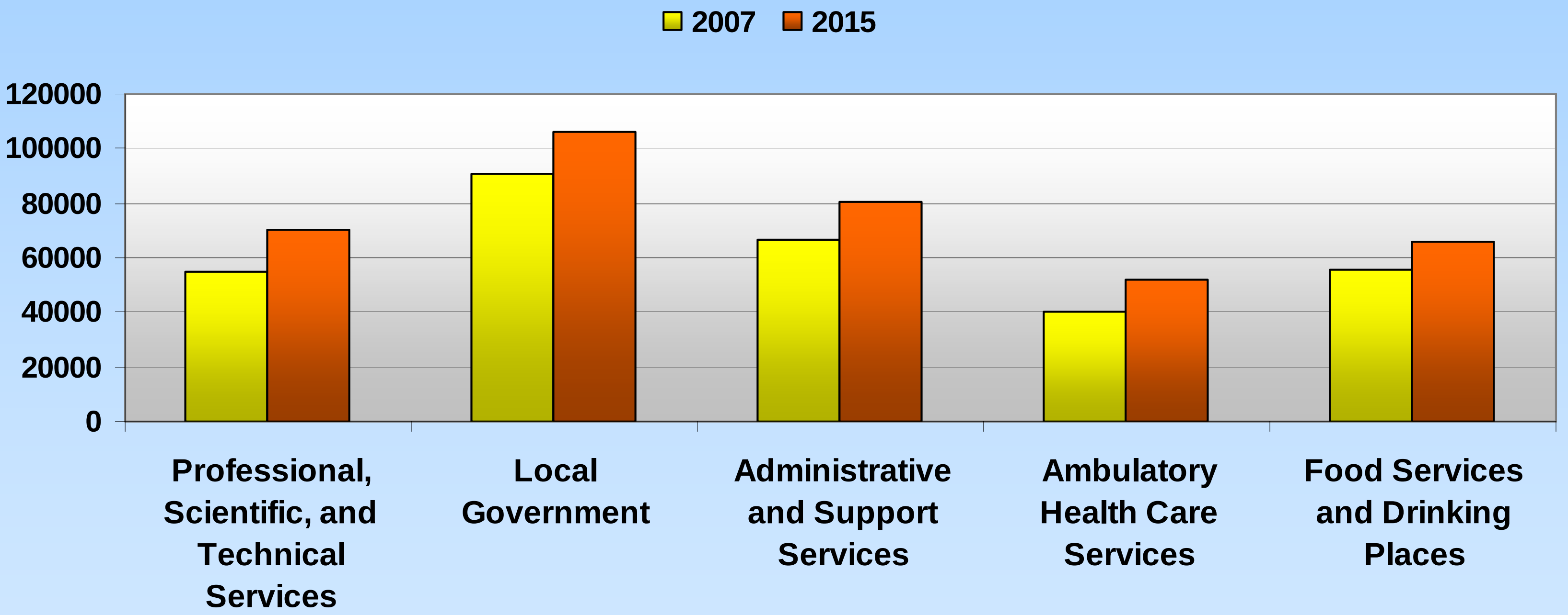
Household Income	All Occupied Units		Owner -Occupied		Renter-Occupied	
Total:	**682,105**		**482,079**		**200,026**	
Less than $20,000:	**109,369**	16.4%	**63,884**	13.4%	**45,485**	23.9%
Less than 20 percent	3,284	3.0%	2,622	4.1%	662	1.5%
20 to 29 percent	8,552	7.8%	6,474	10.1%	2,078	4.6%
30 percent or more	97,534	89.2%	54,788	85.8%	42,745	94.0%
$20,000 to $34,999:	**114,243**	17.1%	**69,197**	14.5%	**45,046**	23.7%
Less than 20 percent	11,175	9.8%	10,535	15.2%	640	1.4%
20 to 29 percent	17,661	15.5%	12,311	17.8%	5,350	11.9%
30 percent or more	85,408	74.8%	46,351	67.0%	39,056	86.7%
$35,000 to $49,999:	**100,729**	15.1%	**68,034**	14.3%	**32,695**	17.2%
Less than 20 percent	19,861	19.7%	17,137	25.2%	2,724	8.3%
20 to 29 percent	26,376	26.2%	12,910	19.0%	13,466	41.2%
30 percent or more	54,493	54.1%	37,987	55.8%	16,505	50.5%

Renter Demand

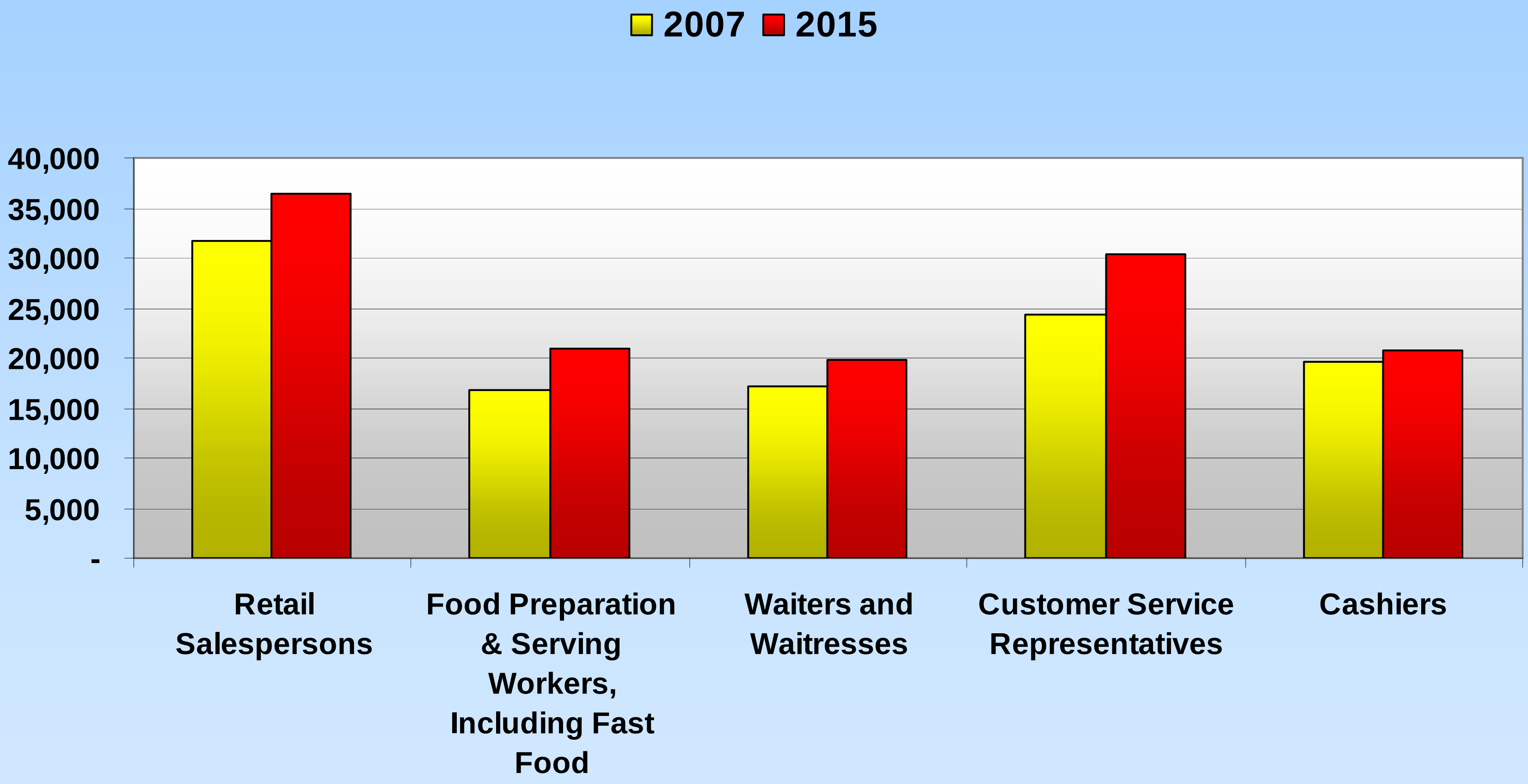
- ***Approximately 90 Percent of Renter Households in Broward County Earning Less Than $35,000 Annually are Cost-Burdened***

- ***“Severely” Cost-Burdened Renter Households in Broward County Increased by 12,628 Households or 30 Percent 2000-2006***

INDUSTRY GROWTH 2007-2015



OCCUPATIONS GAINING THE MOST NEW JOBS 2007-2015



LEADING OCCUPATIONS

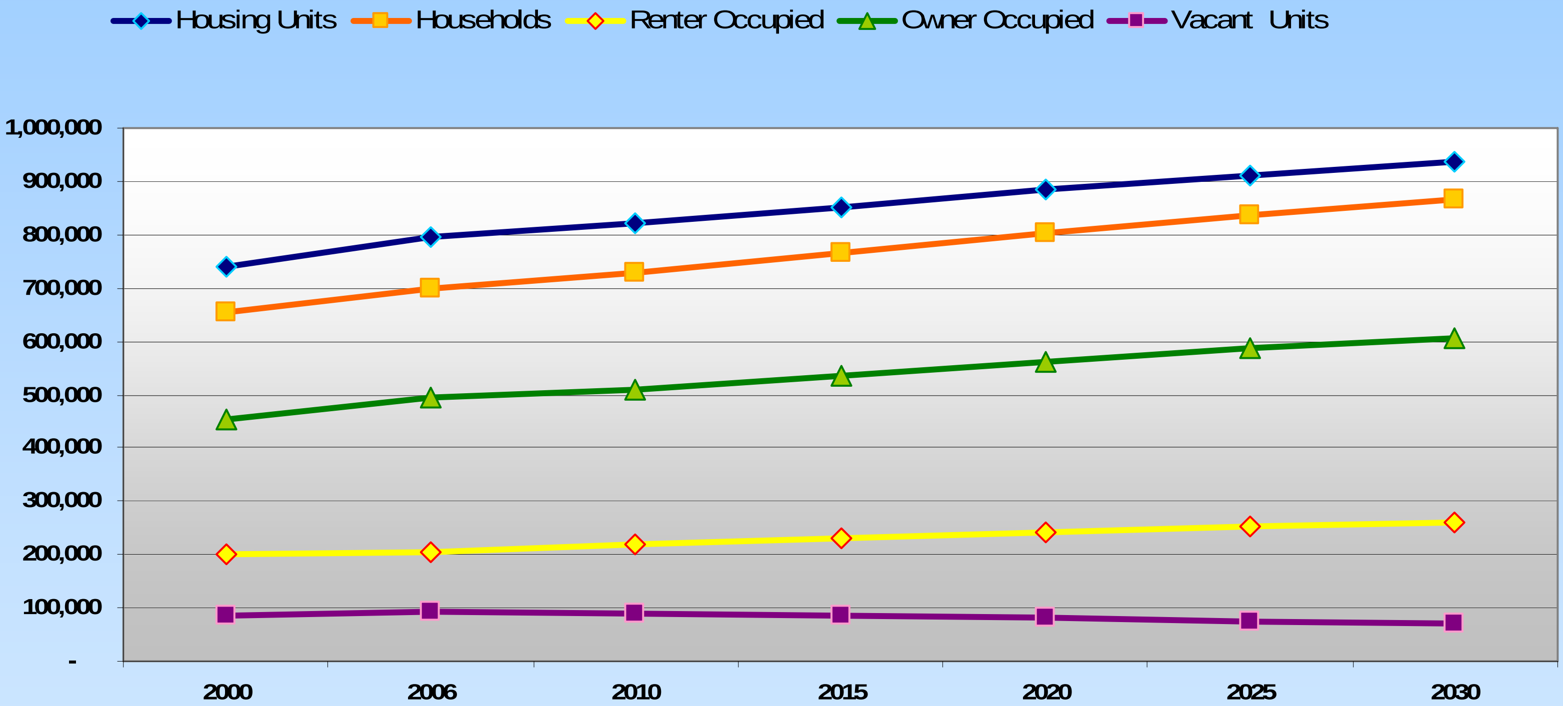
- ***Broward County's Occupational Employment and Wage Statistics Indicate the Labor Market Skewed Toward Low Wage Retail and Service Sector Occupations***

- ***Leading and Essential Occupations in Broward County at or Below Low and Moderate Income Thresholds***

- ***These Occupations Represent the Industries that Comprise the Major share of Broward County's Economic Base and Have a Proportional Housing Demand Based on Affordable Price Levels***

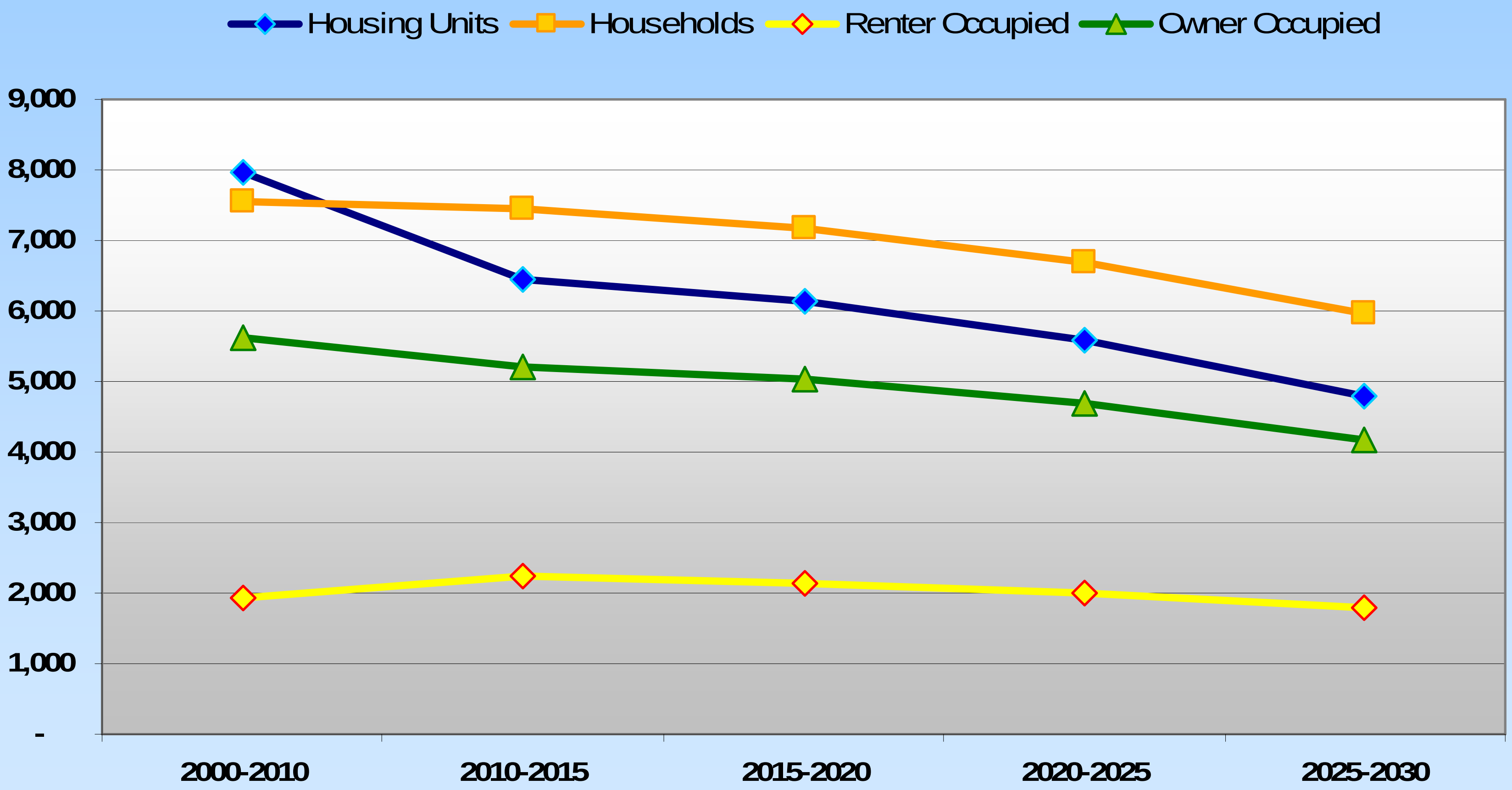
FUTURE HOUSING DEMAND

HOUSING DEMAND PROJECTIONS: 2000-2030

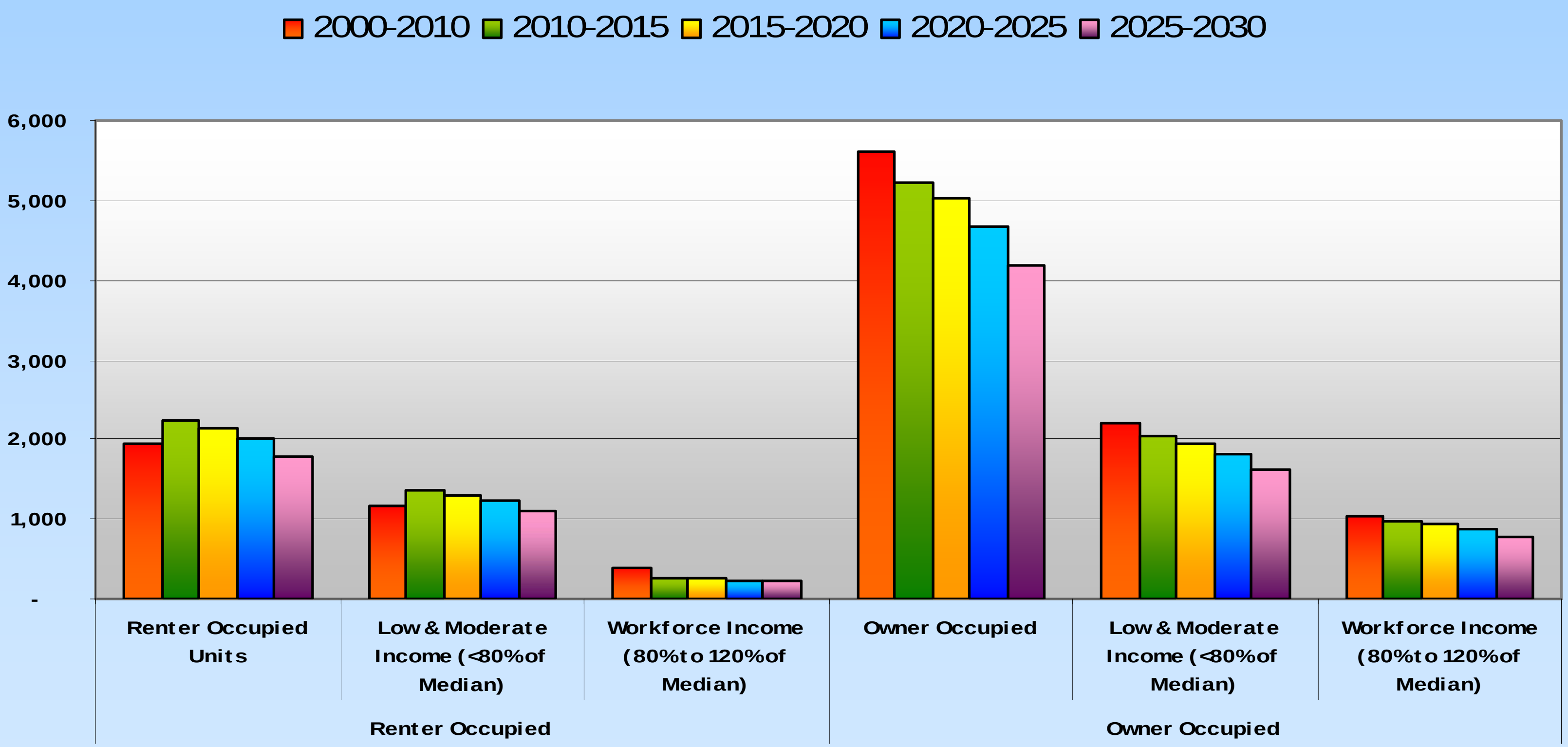


Broward County's Future Housing Demand will Total Approximately 11,386 Units Annually, of Which 65 Percent will Need to Meet the Income Levels of Low, Moderate and Workforce Income Households

ANNUAL AVERAGE DEMAND: 2000-2030



HOUSEHOLD INCOME PROJECTIONS: 2000-2030



The Municipal Scorecard for Affordable Housing Delivery©

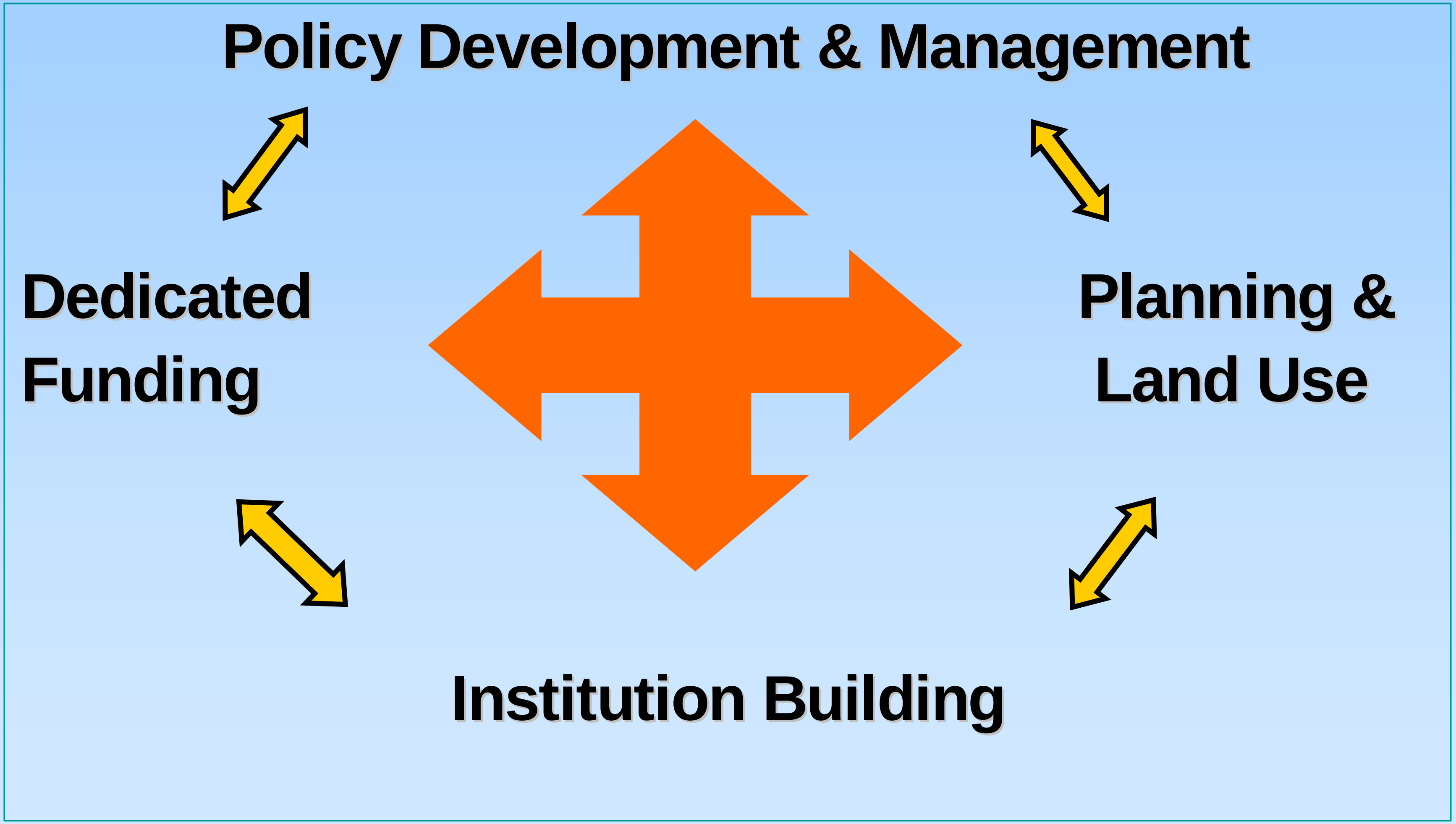
An Affordable Housing Planning and Evaluation Tool for Local Governments

THE MUNICIPAL SCORECARD

Functions:

- ***Planning Tool***
- ***Accountability Tool***
- ***Measurement Tool***
- ***Communication Tool***

THE MUNICIPAL SCORECARD



SCORECARD SUMMARY

Criteria	Score	Highest Possible Score
Policy & Management Process		34
Planning & Land Use Process		27
Dedicated Funding Process		23
Institutional Capacity Building Process		16
Total		**100**

I. POLICY AND MANAGEMENT

Criteria		Scoring Guide	Score	Highest Possible Score
I. Policy & Management				
1.	Has the city/county adopted and implemented a comprehensive and integrated workforce/affordable housing policy?	Yes, adopted and implemented a comprehensive and integrated workforce/affordable housing policy (10);Yes, adopted but not fully implemented (3-5); No comprehensive policy adopted (0)		10
2.	Has the city/county updated and implemented sub-policies to provide workforce/affordable housing?	Yes, updated and implemented workforce/affordable housing sub-policies, e.g. Land Development Regulations, Comprehensive Plan Housing Element, CRA and HUD Consolidated Plans (5); Yes, in part, by updating but not fully implementing certain housing sub-policies (2-3); No updating of housing sub-policies (0)		5
3.	Does the city/county have a coordinated and integrated organizational structure in place to address workforce/affordable housing needs?	Yes, can demonstrate clear management authority and a coordinated and integrated organizational structure is in place (10); No, lack the organizational structure, but demonstrate some level of coordination and integration within key departments and agencies (3-5); No documented or observable level of coordination and integration in place (0)		10
4.	Has the city/county created management positions responsible for the administration and implementation of workforce/affordable housing policies?	Yes, created high-level housing manager position responsible for the coordination, integration and delivery of workforce/affordable housing planning, programs and services (3); No, have not created new management capacity (0)		3
5.	Has the city/county created a positive and transparent regulatory environment that encourages the development of workforce/affordable housing	Yes, have pro-actively removed regulatory barriers and implemented a streamlined permitting process to assist private and non-profit developers proposing workforce/affordable housing projects (3); Have made progress toward the removal of barriers and streamlined permitting (1); Have not addressed regulatory barriers and issues with respect to workforce/affordable housing (0)		3
6.	Are city/county elected and appointed officials active in county and state-wide efforts to address the workforce/affordable housing needs of Palm Beach County?	Yes, local officials have been actively engaged in efforts to address local workforce/affordable housing needs (3); No, local officials have not been engaged (0)		3

III. DEDICATED FUNDING

Criteria	Scoring Guide	Score	Highest Possible Score
III. Dedicated Funding			
1. Has the city/county created and implemented a dedicated, long-term, local funding source(s) for workforce/affordable housing development activity, e.g. land acquisition, construction, rehabilitation?	Yes, a dedicated, long-term, local funding source(s) has been created and implemented for workforce/affordable housing, e.g. bond issue, housing linkage fee trust fund (10); No dedicated, long-term local funding sources(s) created (0)		10
2. Has the city/county committed other local funding resources for workforce/affordable housing preservation and production?	Yes, other local funding resources, e.g. TIF funds, general revenues, have been allocated (5); No other local resources have been allocated (0)		5
3. Has city/county effectively and efficiently produced workforce/affordable housing with existing federal and state entitlement grants?	Yes, have shown measurable results in producing workforce/affordable housing units using federal and state grants. e.g. CDBG, HOME, SHIP (5); Have not produced new units but have subsidized homeownership and rehabilitation to advance workforce/affordable housing opportunities (1-3); Have shown minimal or no results (0)		5
4. Has the city/county allocated funds to outside housing non-profit organizations for workforce/affordable land acquisition, housing production and preservation?	Yes, funds have been allocated to local housing agencies and nonprofits, e.g. community development corporations, community land trusts (3); No funding support for outside housing non-profit organizations (0)		3

KEY FINDINGS

KEY FINDINGS

Positive Findings:

- ***Majority of Municipalities, including the County, have adopted Some Form of Workforce/Affordable Housing Policy***
- ***Several Good Examples of Coordinated Affordable Housing Planning & Management***

KEY FINDINGS

- ***Several Good Examples of Dedicated Funding for Affordable Housing***
- ***Institutional Capacity-Building Involving Partnerships with Private and Non-Profit Housing Sponsors Evident in Several Municipalities***

KEY FINDINGS

Negative Findings:

- ***A General Policy and Management Disconnect***
- ***General Lack of Policy Implementation***
- ***Regulatory Barriers Still Exist: No Evidence of Self-Assessments***
- ***Missed Planning Opportunities***

KEY FINDINGS

- ***Inadequate Funding and Financing Mechanisms***

- ***Limited Leveraging of Local Financing Resources***

- ***Limited Community-wide Institutional Capacity-Building***

Thank you for your attention.

QUESTIONS AND COMMENTS