

MONROE COUNTY HOUSING NEEDS ASSESSMENT

PREPARED BY:

FLORIDA INTERNATIONAL UNIVERSITY

THE METROPOLITAN CENTER

FOR:

THE PARTNERSHIP FOR COMMUNITY HOUSING

INTRODUCTION

- ❖ **Overview and Methodology**
- ❖ **Tasks**
- ❖ **Labor Market and Economic Base**
- ❖ **Housing Affordability**
- ❖ **Key Findings**

PURPOSE OF THE STUDY

To Provide a Quantitative Housing Needs Assessment that can Serve as a Baseline for Understanding Monroe County's Housing Supply and Demand Relationship by Sub-Region

APPROACH AND METHODOLOGY

- ❖ Prepare a Comprehensive Housing Database and Analysis Designed to Assist Monroe County in Determining Future Housing Policies and Strategies**
- ❖ Combine Economic and Housing Market Analyses Utilizing the most Current and Reliable Primary and Secondary Data Sources**
- ❖ Provide a Clear and Workable Database that can be Updated Regularly**

TASKS

1: Housing Demand Analysis

2: Housing Supply Analysis

3: Housing Supply and Demand Assessment



HOUSING SUPPLY

HOUSING INVENTORY

- ❖ **Monroe County's Housing Inventory grew from 46,215 Units in 1990 to 51,617 Units in 2000, or 12% growth**
- ❖ **From 2000-2006 Monroe County's Housing Inventory Increased to 53,398 Units, or 3% Growth**
- ❖ **The County's 1990-2006 Growth in Housing Inventory is Attributed to both New Single-Family (6,235 units) and Multi-family (4,408 units) Construction**

HOUSING INVENTORY

- ❖ **Monroe County's Renter Housing Inventory decreased from 13,186 units in 2000 to 11,128 units in 2006, a 16% Loss**
- ❖ **The County's Inventory of Mobile Home Units Decreased by more than 2000 Units from 2000-2006**
- ❖ **Approximately 60% of Monroe County's Housing Stock is now over 25 Years Old**

HOUSING INVENTORY

❖ **Monroe County's Housing Inventory is Concentrated within its four Principal Cities:**

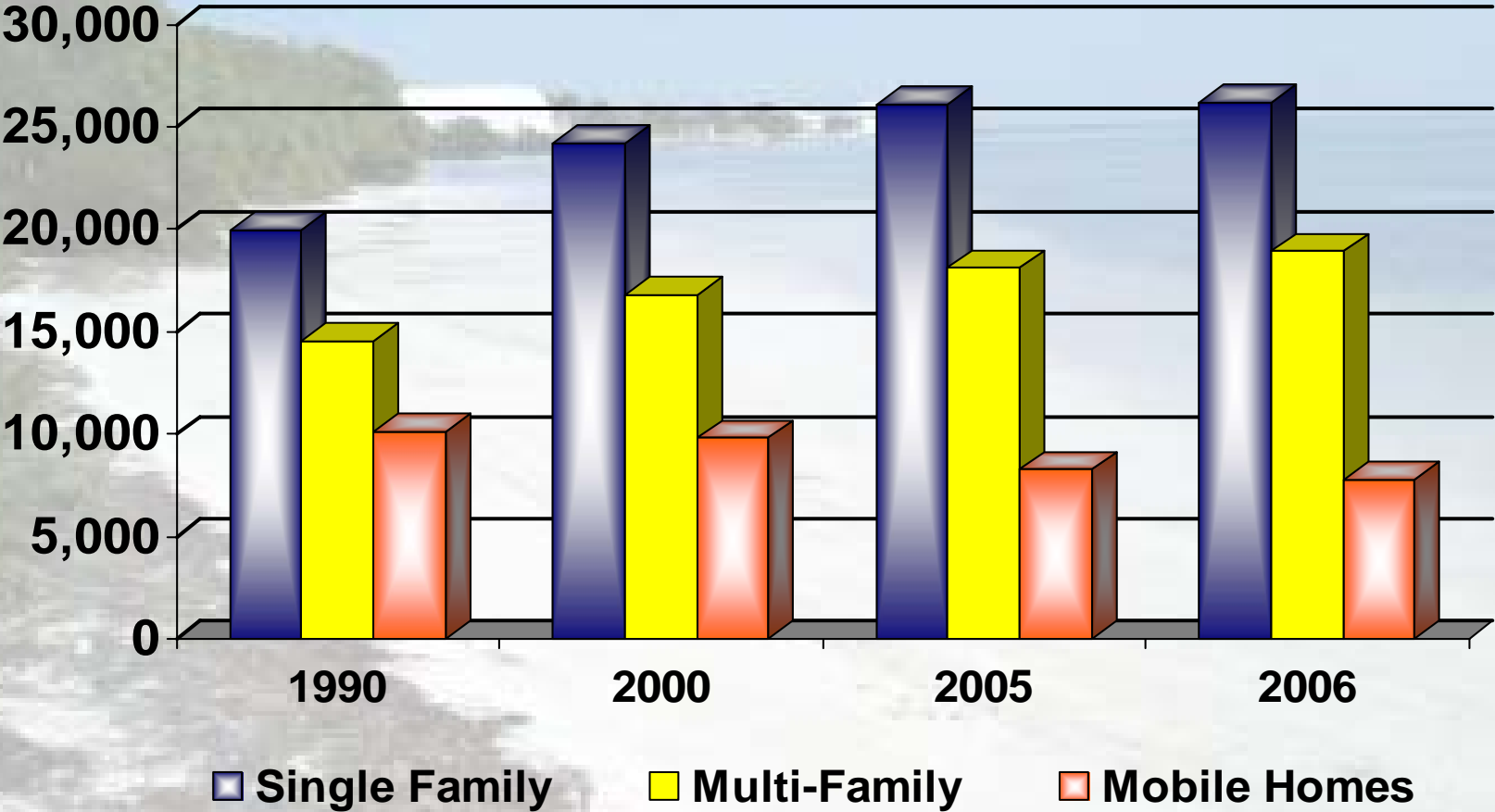
Key Largo, Islamorada, Marathon and Key West

❖ **Together, the four Cities Comprise 65% of the County's Housing Stock and 77% of the County's Rental Housing Supply**

HOUSING INVENTORY: ALL KEYS

Location	1990	2000	2005	2006
Single Family	19,967	24,212	26,090	26,202
Multifamily	14,527	16,812	18,105	18,935
Mobile Homes	10,132	9,814	8,265	7,792

HOUSING INVENTORY: ALL KEYS



HOUSING INVENTORY: Principal Cities

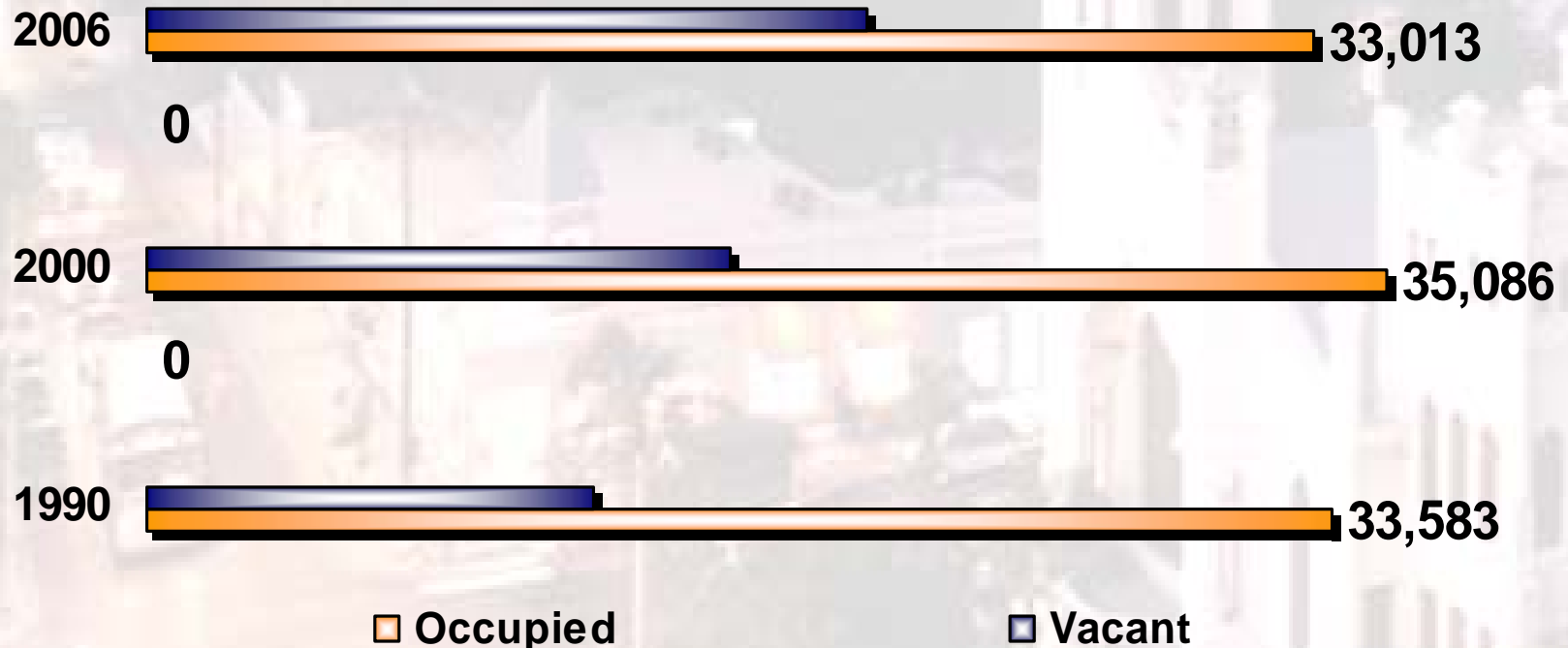
Location	Total Units*	Occupied Units	Owner Units	Renter Units
Monroe County	51,617	35,086	21,900	13,186
Key Largo/ Islamorada	13,579	8,479	6,033	2,446
Marathon	6,786	4,597	2,911	1,686
Key West	13,307	11,017	5,024	5,993

Source: U.S Department of commerce, Bureau of the Census, 2000

*Excludes mobile homes

HOUSING INVENTORY

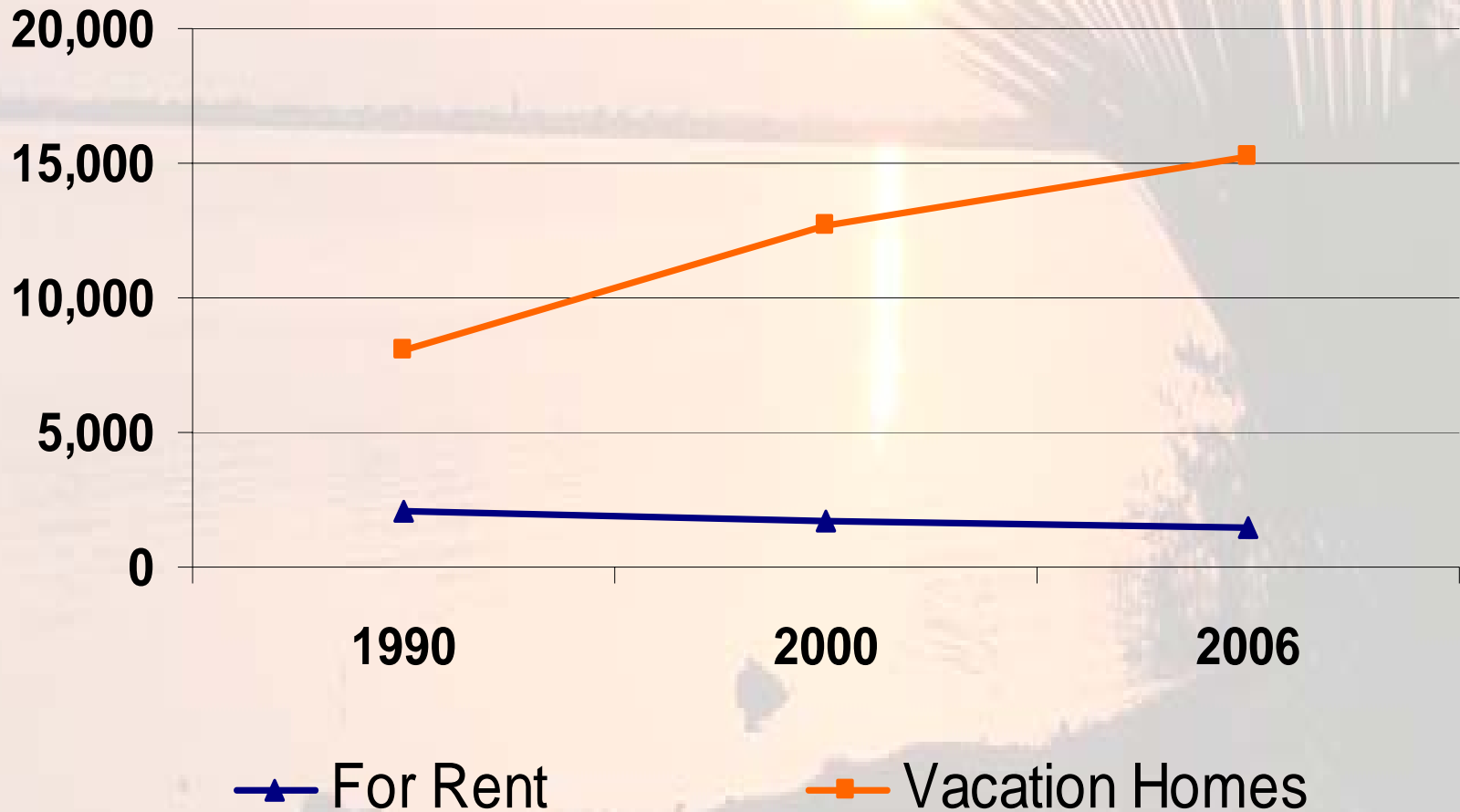
- ❖ During the Same Period, the Number of Occupied Housing Units has Remained Relatively Stable, but has Shown a Significant and Steady 6% Decrease Since 2000



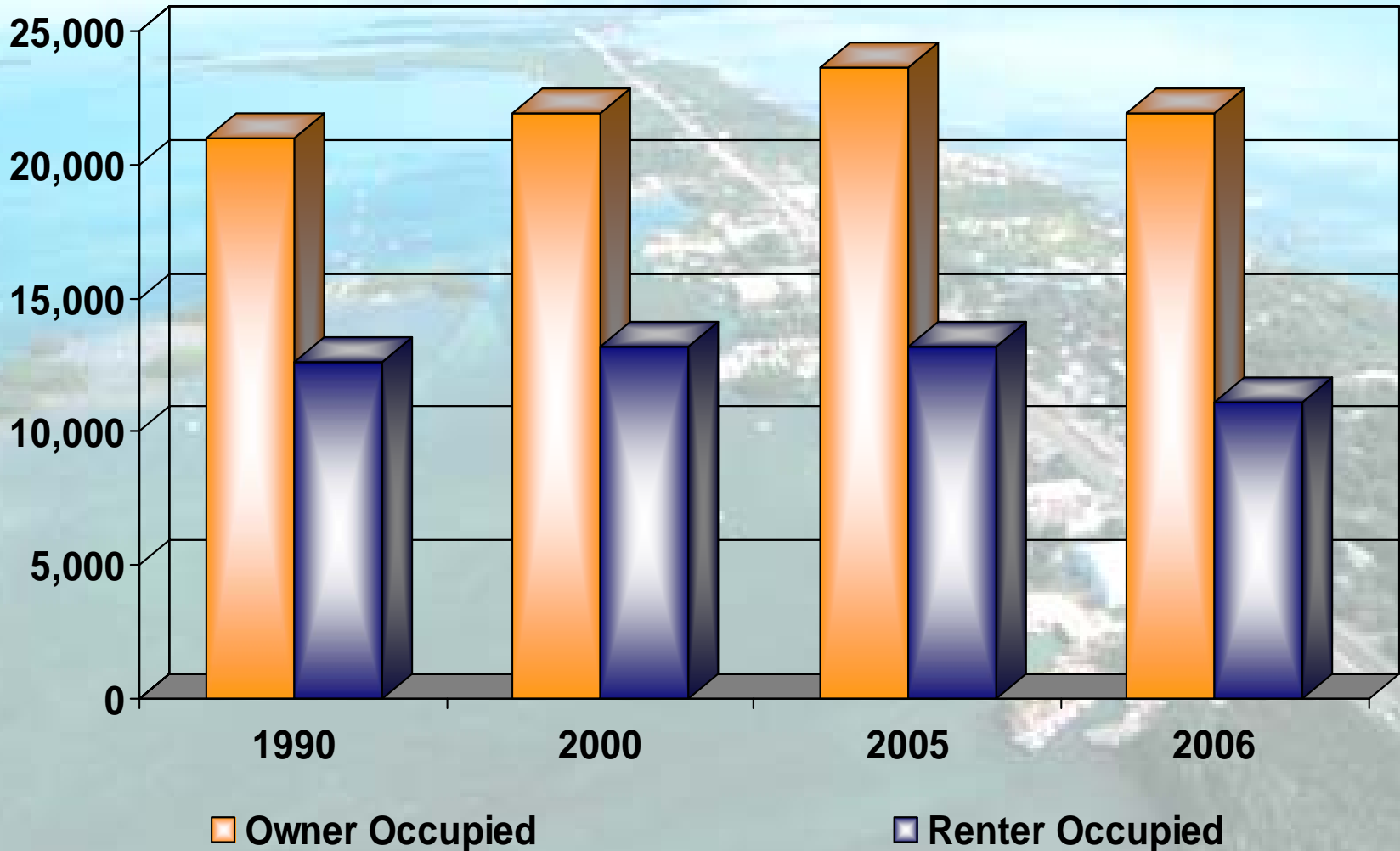
HOUSING INVENTORY

- ❖ In 1990 there were 7,928 Vacant Housing Units in Monroe County (17% Vacancy Rate)
- ❖ By 2006, there were 20,235 Vacant Housing Units (38% Vacancy Rate)
- ❖ By 2006, Seasonal Housing Units numbered 15,262 (75 percent of the Vacant Units)
- ❖ Monroe County's Vacant Units Available for Rent Decreased from 2,037 Units in 1990 to 1,511 Units in 2000 or 26% Loss

HOUSING INVENTORY: VACANT UNITS



HOUSING INVENTORY: TENURE



HOUSING INVENTORY: VACANCY RATE BY COUNTY

Location	1990	2000	2005	2006
Broward County	11.5%	11.6%	14.5%	14.4%
Miami-Dade	5.3%	8.9%	10.1%	13%
Monroe County	17%	32%	36%	38%



HOUSING DEMAND

POPULATION AND HOUSEHOLD CHARACTERISTICS

- ❖ **Monroe County's Overall Population Decreased by 6% from 2000 to 2006**
- ❖ **Since 2000, the County has experienced a 14 % loss in the 20-54 Working Age Groups and a concomitant 15 % increase in the 55+ Retirement Age Group**
- ❖ **In total, Monroe County lost 2,024 Workers or 5% of its Labor Force since 2000**

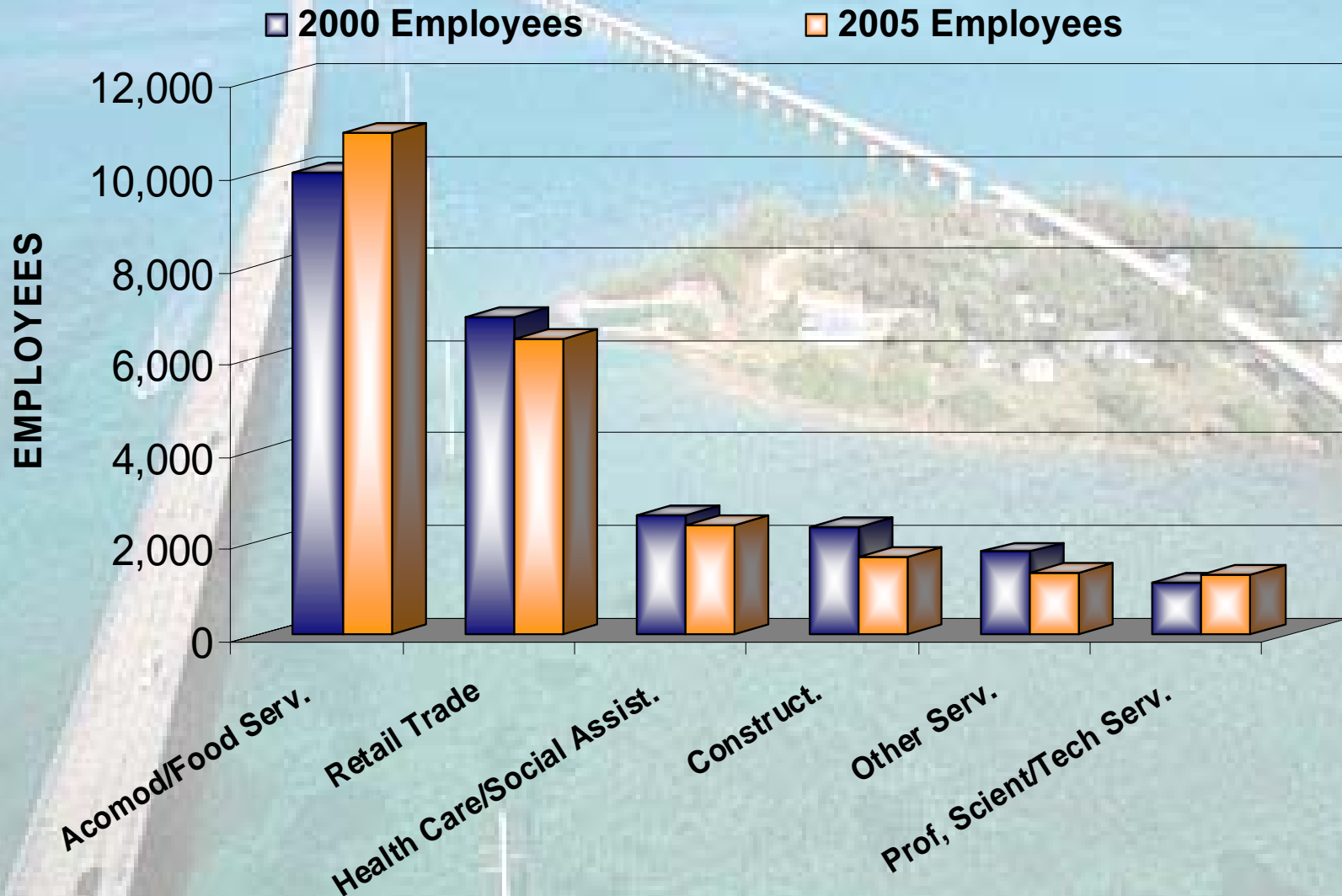
POPULATION AND HOUSEHOLD CHARACTERISTICS

- ❖ From 2000-2006 Monroe County's Median Household Income Increased from \$42,283 to \$52,069, or 23%
- ❖ From 2000-2006 Monroe County's Per Capita Income Increased from \$26,102 to \$36,564, or 6% Annually
- ❖ Households Earning Social Security Income in Monroe County Increased by 16% between 2000-2006

POPULATION AND HOUSEHOLD CHARACTERISTICS

- ❖ **The Economic Base of Monroe County is largely supported by Non-Durable Service-Providing Industries**
- ❖ **These Industries currently Comprise 91.3 % of the Key's Employment Base**
- ❖ **The Majority of these Jobs are directly Related to Monroe County's Tourism Industry**

Major Industries by Employment 2000-2005



INCOME BY OCCUPATION

OCCUPATIONAL CATEGORY	<50%	<80%	<120%	<150%	150+
	AMI				
	\$ 25,514	\$ 41,135	\$61,962	\$77,583	77,583+
2006 Leading Occupations					
Office and Administrative Support		X			
Retail Sales	X				
Food Preparation and Service	X				
Management			X		
Construction		X			
2007 Median Annual Wage for Essential Occupations					
Elementary School Teachers		X			
Secondary School Teachers		X			
Police and Sheriff's Patrol Officers		X			
Registered Nurses			X		

Monroe County's Median Household Income : \$52,069

RELATIONSHIP: HOUSING INVENTORY/ RESIDENT WORKER CONCENTRATION

Location	Total Units*	Occupied Units	Owner Units	Renter Units	Total Labor Force	Service, Sales & Office Workers	Education and Health Care Practitioners
Monroe County	51,617	35,086	21,900	13,186	41,181	20,057	2,939
Key Largo/ Islamorada	13,579	8,479	6,033	2,446	9,542	4,531	748
Marathon	6,786	4,597	2,911	1,686	5,334	2,529	390
Key West	13,307	11,017	5,024	5,993	13,004	7,285	857



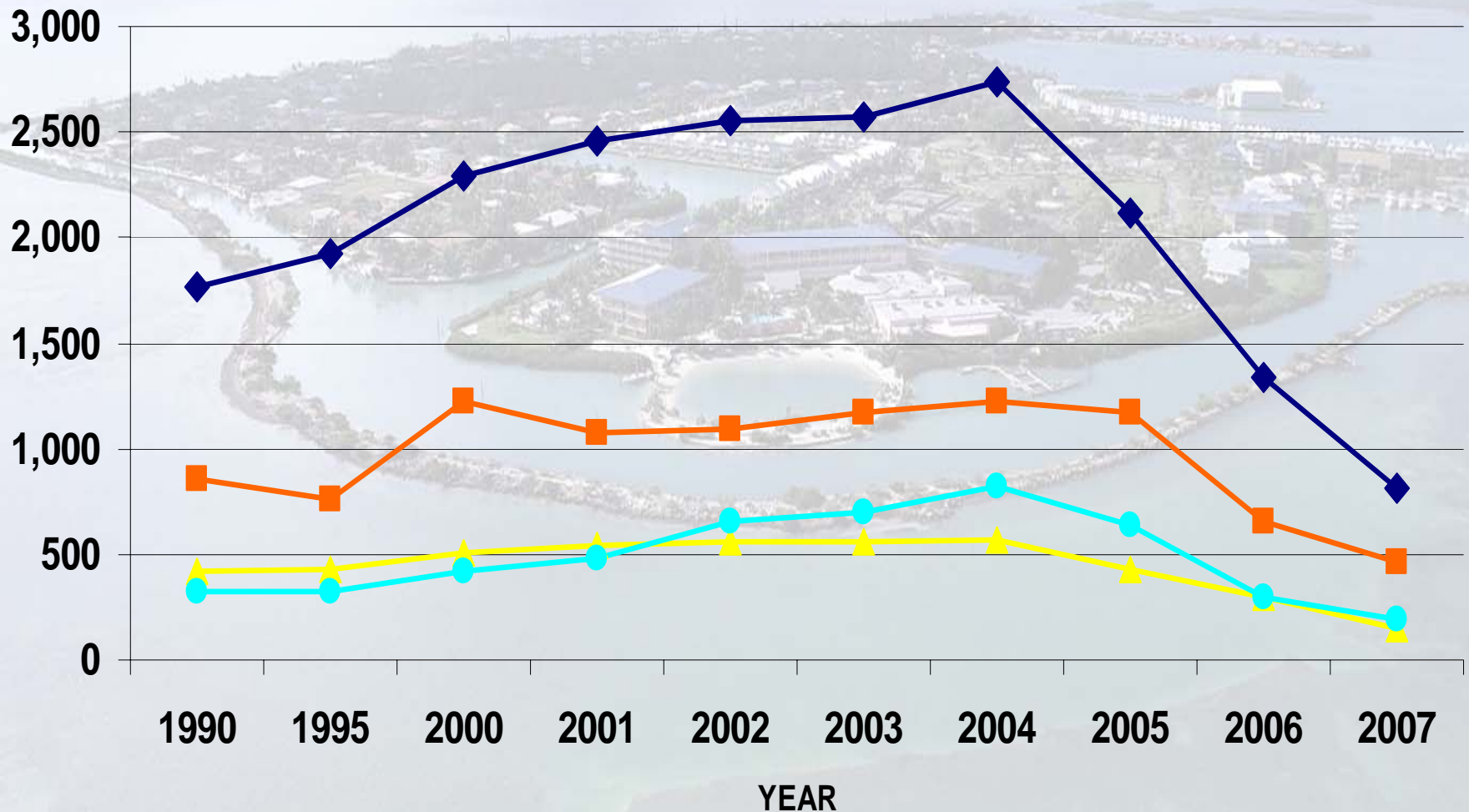
HOUSING VALUES AND VALUES TRENDS 1990-2007

HOUSING VALUES AND TRENDS

- ❖ **Single-Family Home Sales in the last three Years (2004-2006) have Decreased by 51%**
- ❖ **Monroe County's current Median Single-Family Sale Price (\$700,000) and Average Rent (\$1,800) far exceed the Affordability Level of Most Households**
- ❖ **Monroe County's Median Single-Family Home Value-to-Median Household Income Ratio is currently 12:1**

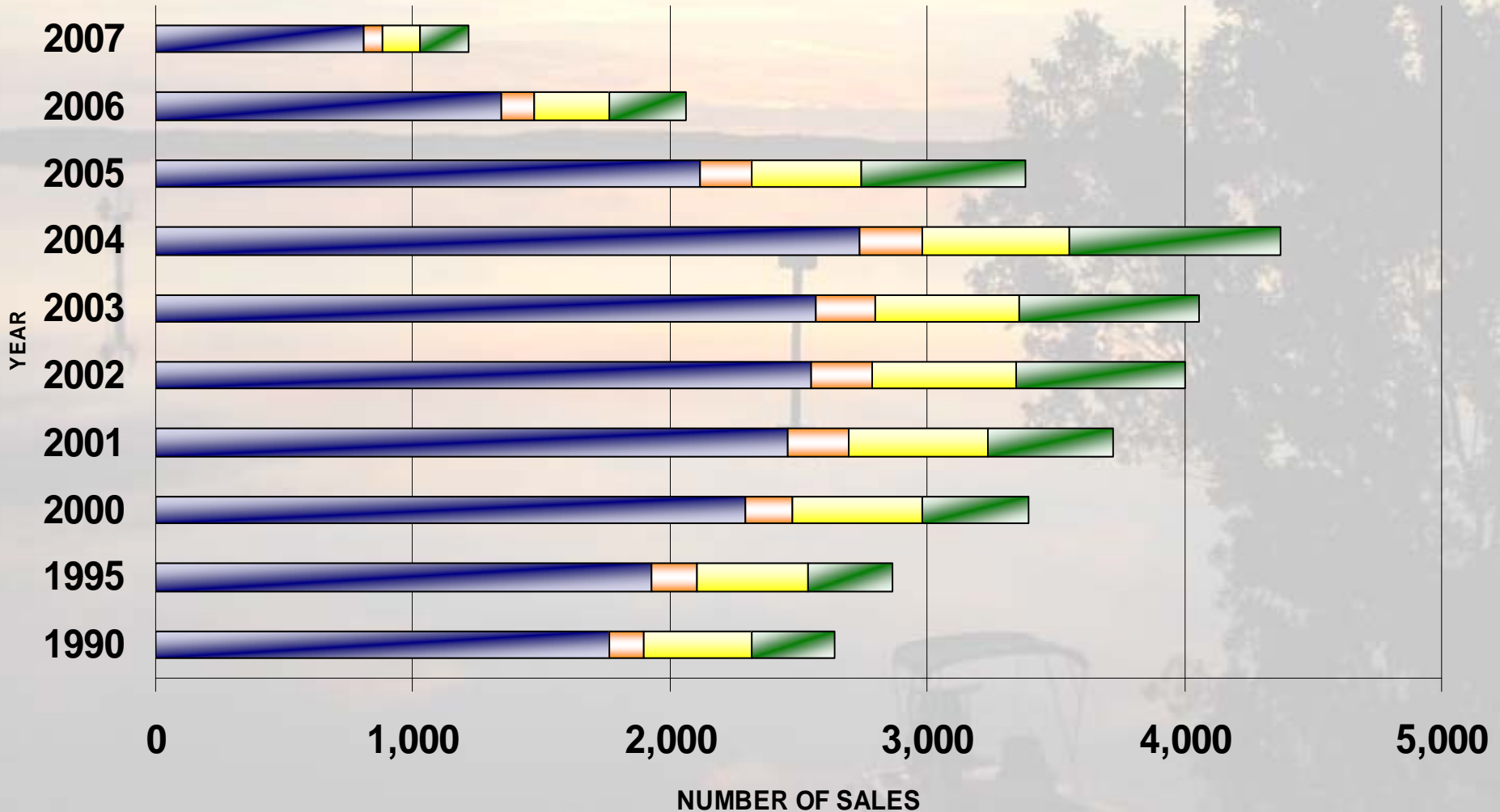
SALES 1990-2007 ALL KEYS

◆ SF ■ MULTIFAMILY ▲ MOBILE HOMES ● VACANT LAND

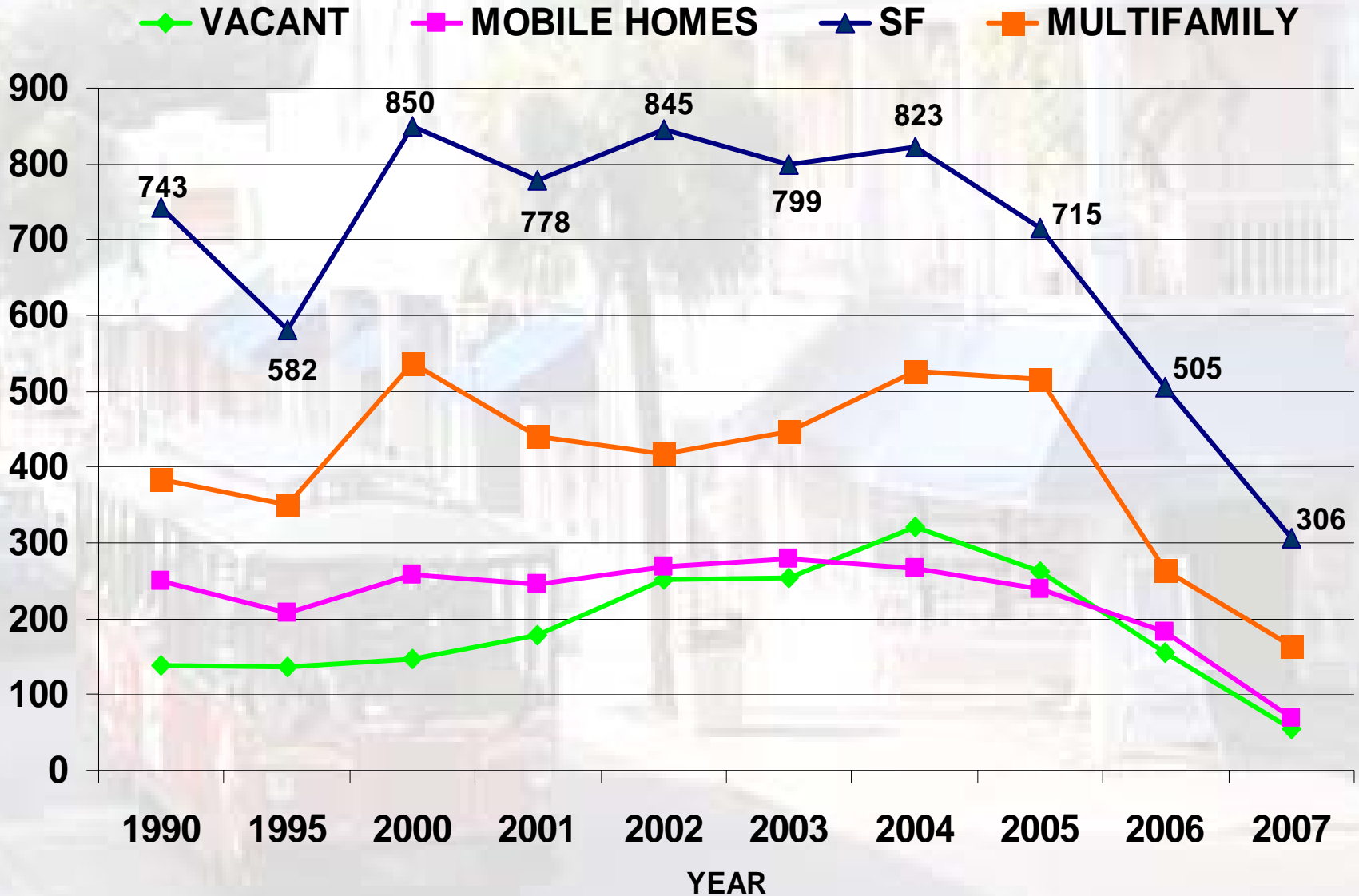


SALES 1990-2007 ALL KEYS

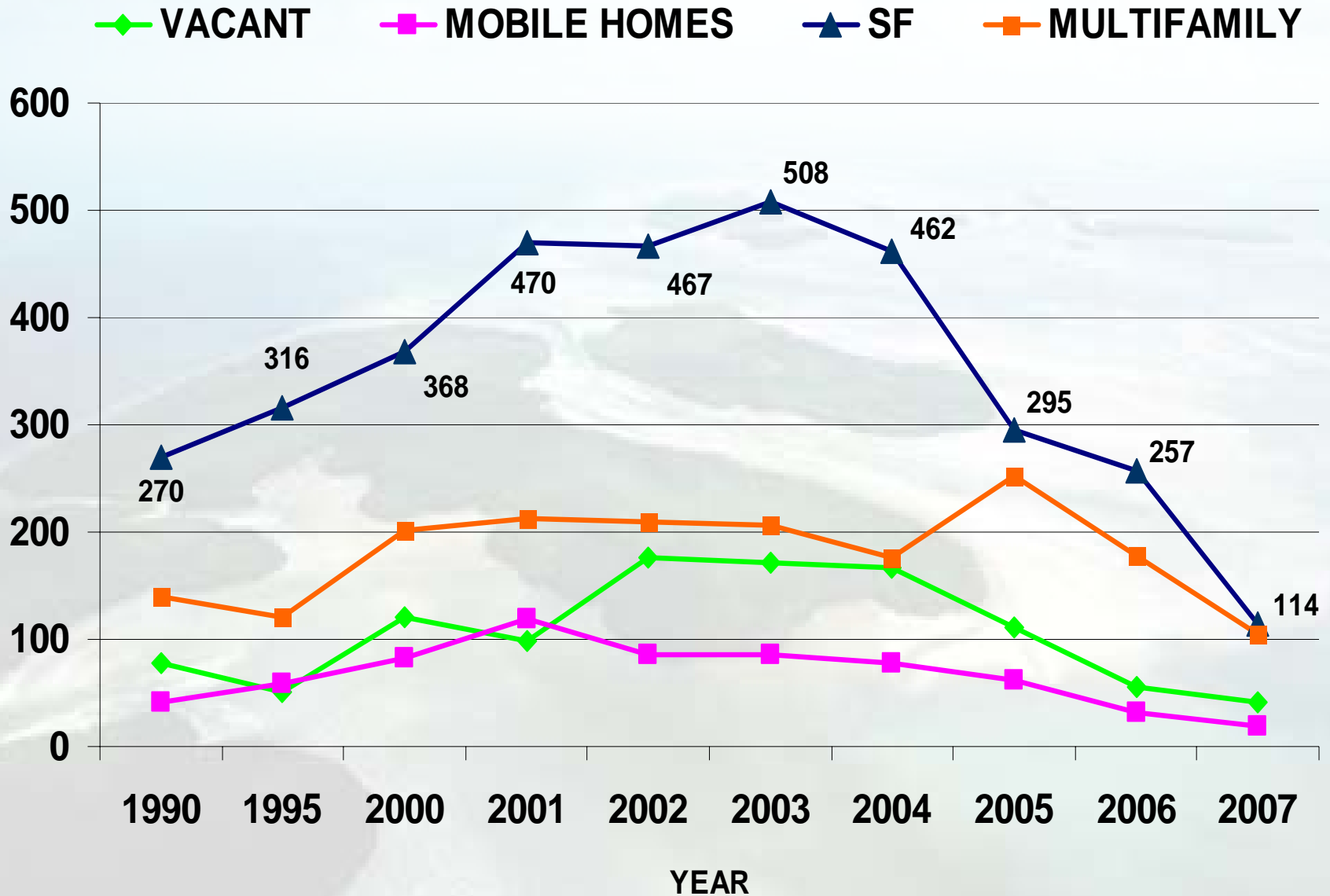
■ SF ■ MULTIFAMILY ■ MOBILE HOMES ■ VACANT LAND



SALES 1990-2007 UPPER KEYS

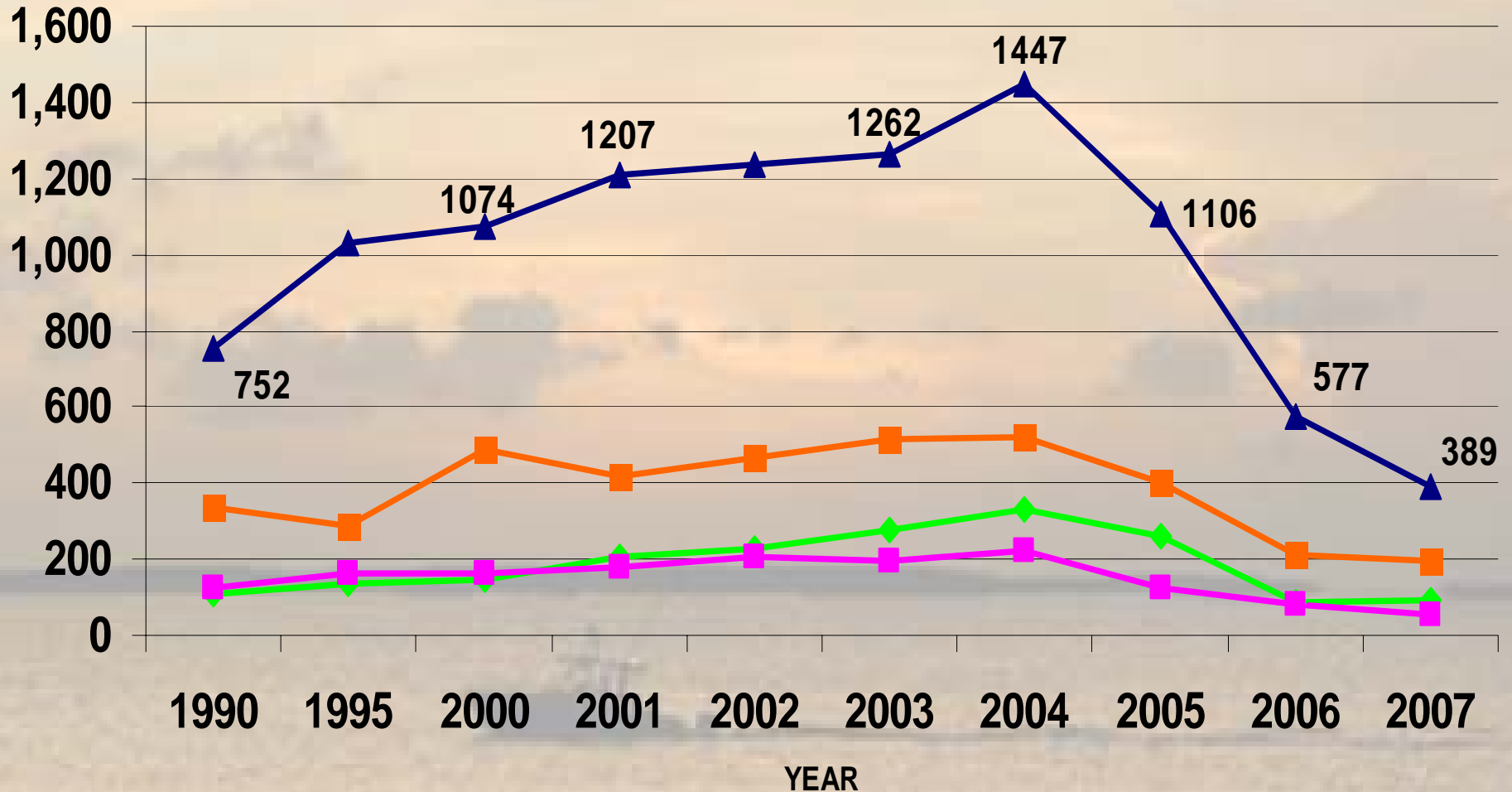


SALES 1990-2007 MIDDLE KEYS



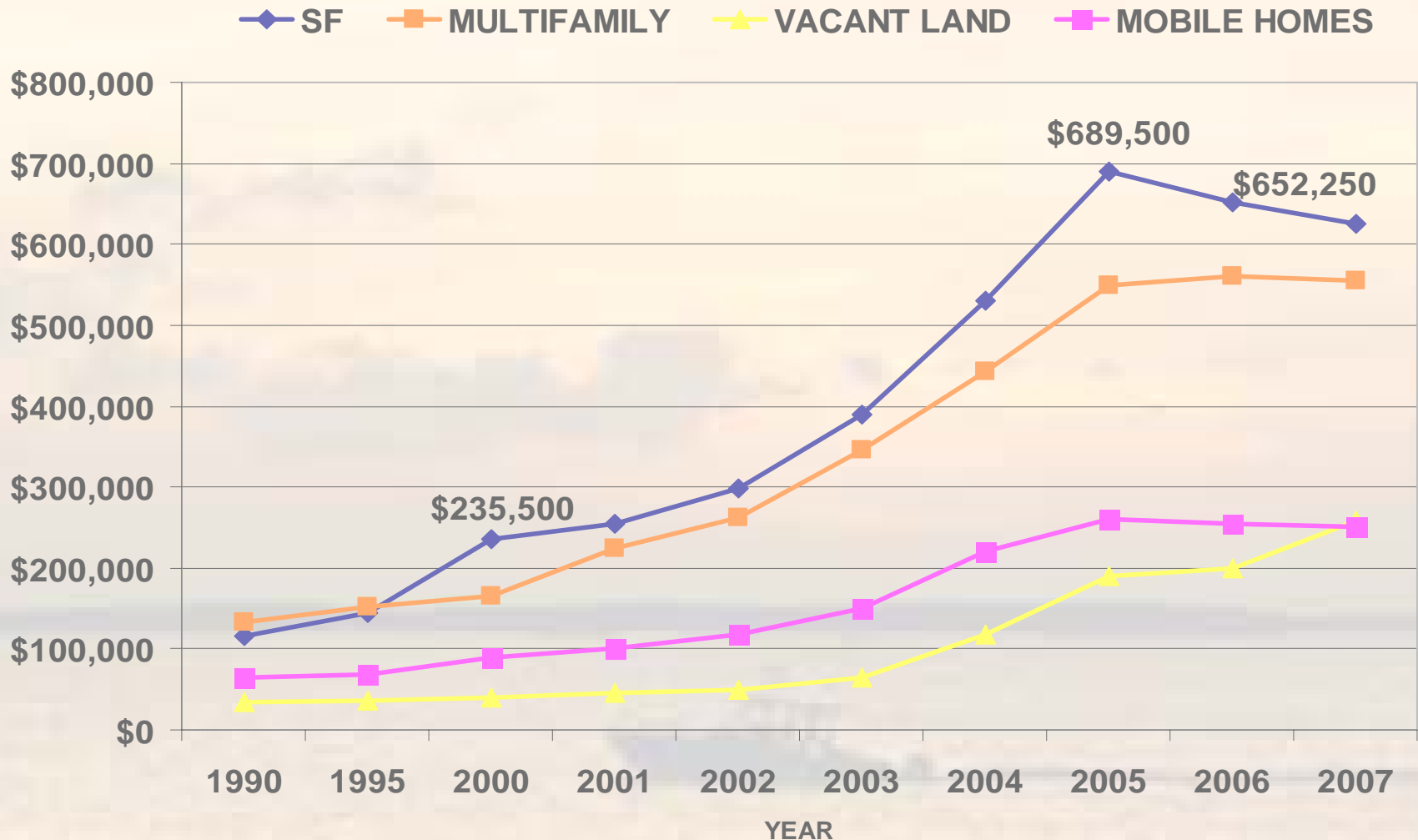
SALES 1990-2007 LOWER KEYS

VACANT MOBILE HOMES SF MULTIFAMILY

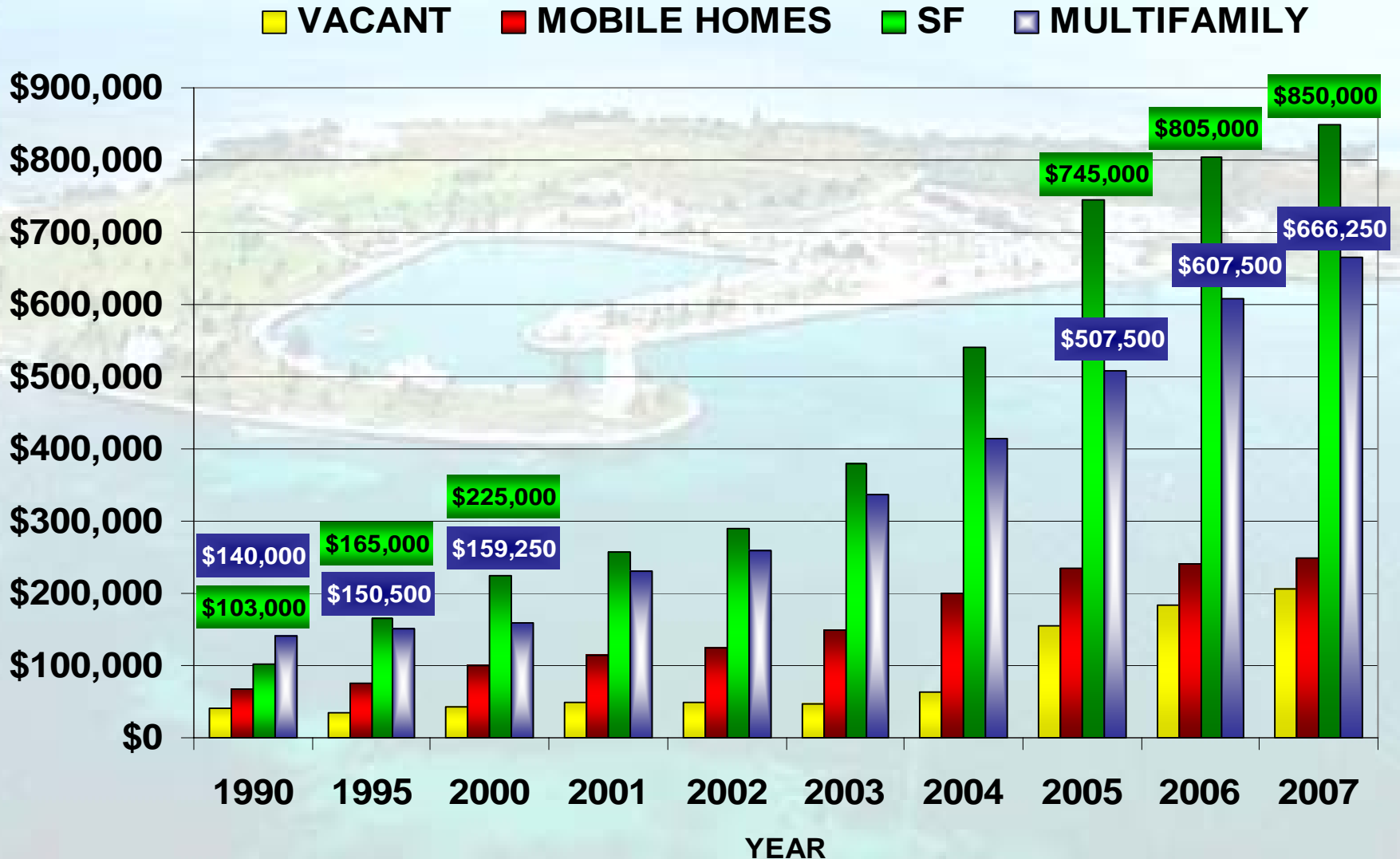


MEDIAN SALES VALUES, 1990-2007

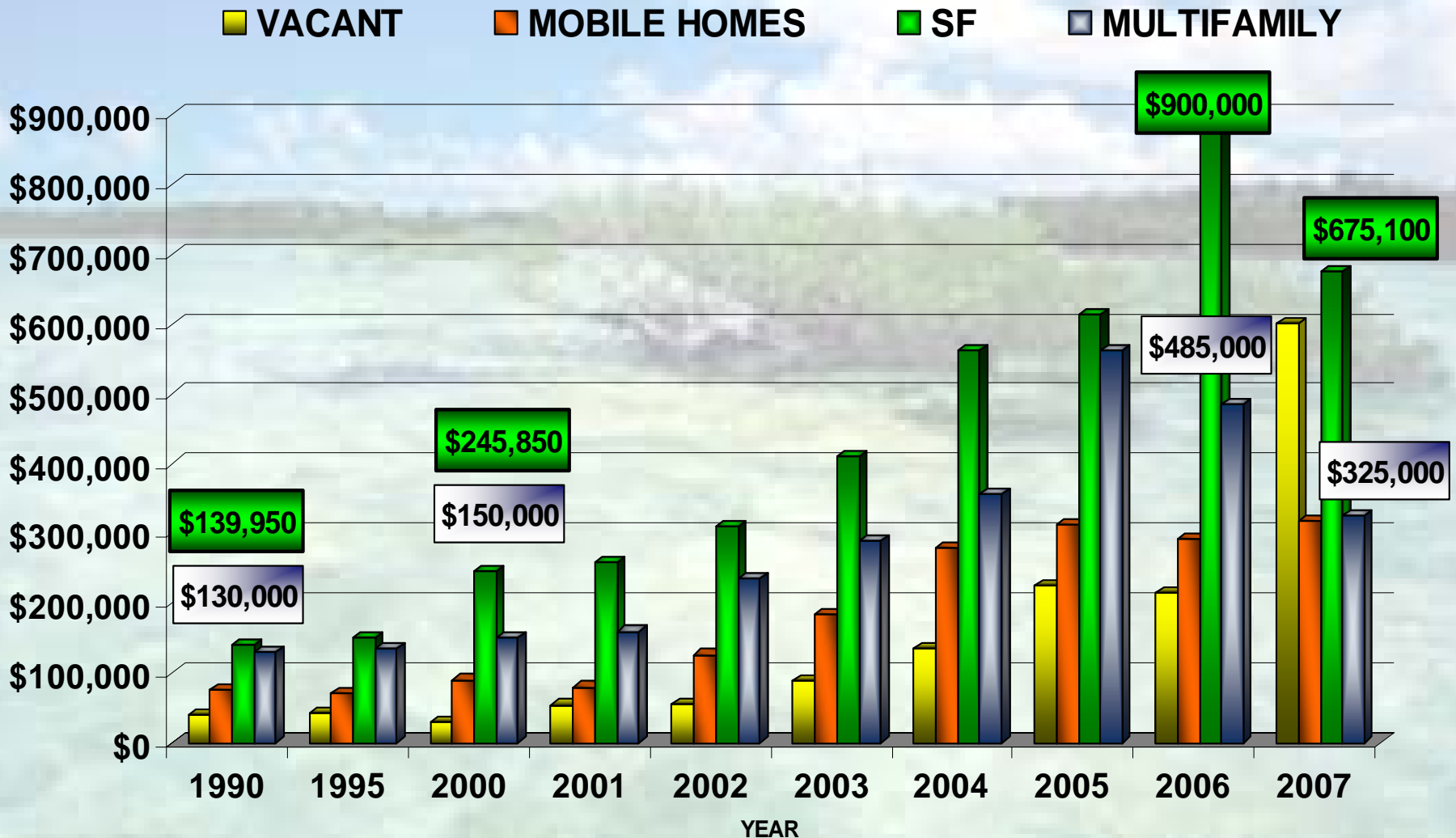
ALL KEYS



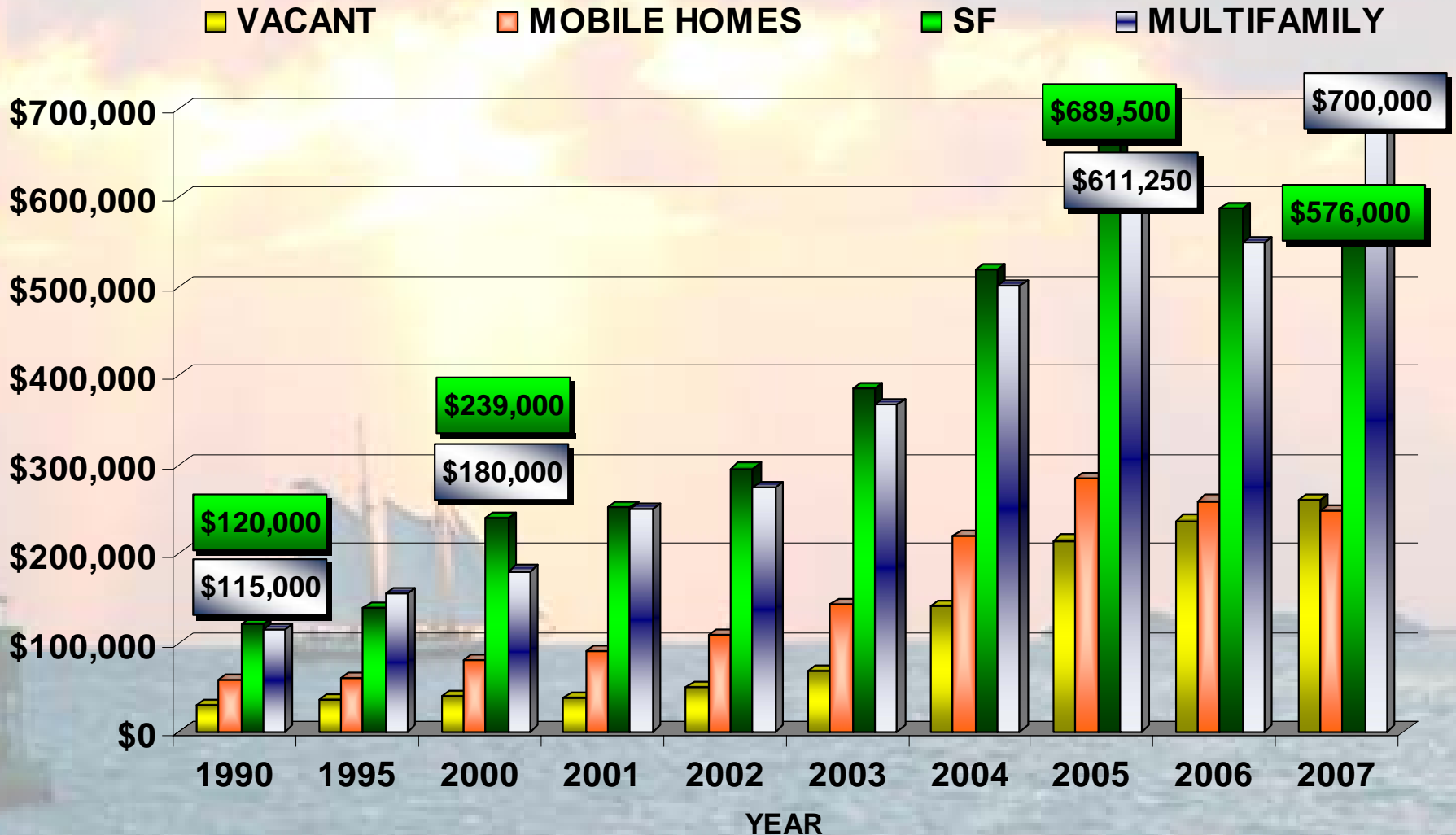
MEDIAN SALES VALUES 1990-2007: UPPER KEYS



MEDIAN SALES VALUES 1990-2007: MIDDLE KEYS



MEDIAN SALES VALUES 1990-2007: LOWER KEYS



AFFORDABILITY LEVELS BY SUB-MARKETS

GEO-AREA KEYS	Median Household Income	Monthly Household Income	Affordable Home Price	Median Sales Price 2006	Affordability Gap
			SINGLE FAMILY		
UPPER	\$52,069	\$4,339	\$119,649	\$805,000	\$685,351
MIDDLE			\$136,111	\$900,000	\$763,889
LOWER			\$134,288	\$587,000	\$452,712
			MULTIFAMILY		
UPPER			\$153,599	\$607,500	\$453,901
MIDDLE			\$163,780	\$485,000	\$321,220
LOWER			\$108,509	\$550,000	\$441,491

RENT AFFORDABILITY LEVELS BY SUB-MARKETS

Sub-Markets	Median Income	Monthly Household Income	Aff. Rent (30% Monthly Income)	Median Rent Price 2007	Afford. Gap
UPPER	\$52,069	\$4,339	\$1,302	\$2,250	(\$948)
MIDDLE				\$2,500	(1,198)
LOWER				\$1,600	(298)



KEY FINDINGS

FINDINGS

- ❖ **Since 2000 Monroe County has experienced a 14% decrease in the Workforce Age (20-54) Population**
- ❖ **In total, Monroe County lost 2,024 Workers or 5% of its Labor Force since 2000**
- ❖ **Nearly all Monroe County's Leading Occupations have Median Annual Incomes less than 80% of the Median Household Income**

FINDINGS

- ❖ **Essential Occupations in Monroe County, including Teachers and Police/Sheriff Officers, have Annual Salaries less than 80% of the Median Household Income**
- ❖ **Monroe County's Rental Housing Inventory has decreased by 16% since 2000**
- ❖ **The Median Single-Family Home Value-to-Median Household Income Ratio in Monroe County is 12:1**
- ❖ **Single-Family Home and Condominium Values in Monroe County appreciated over 100% from 2002-2004**

FINDINGS

- ❖ **Rent Burdened (30%+ of Income for Housing Costs) Households in Monroe County increased from 42% in 2000 to 58% in 2006, of which, 2,324 renters (22%) pay 50% or more**
- ❖ **The Current Median Sales Price of a Single-Family Home or Condominium in the Upper/Middle/Lower Keys creates Substantial Affordability Gaps based on Median Household Income**
- ❖ **Substantial Rent Affordability Gaps also exist in the Middle and Upper Keys**

FINDINGS

- ❖ **The Current Median Values of Single-Family Homes and Condominiums are “Unaffordable” to nearly 95% of Monroe County’s existing Households**
- ❖ **Second Home Market significantly impacting Monroe County’s Supply and Demand Conditions by Creating Inflationary Pressures while Reducing Rental Availability**

FINDINGS

- ❖ **Monroe County's Affordable Housing Supply Imbalance has been exacerbated by three (3) important Market Conditions:**
 - 1. A Trend toward Upscale Single and Multi-Family Development that is Incompatible with the Housing Demand of the Majority of Monroe County's Working Residents**
 - 2. The substantial Loss of Monroe County's Overall Rental Housing Supply, including Mobile Homes**
 - 3. Severely limited Affordable Housing Inventory and Production**

FINDINGS

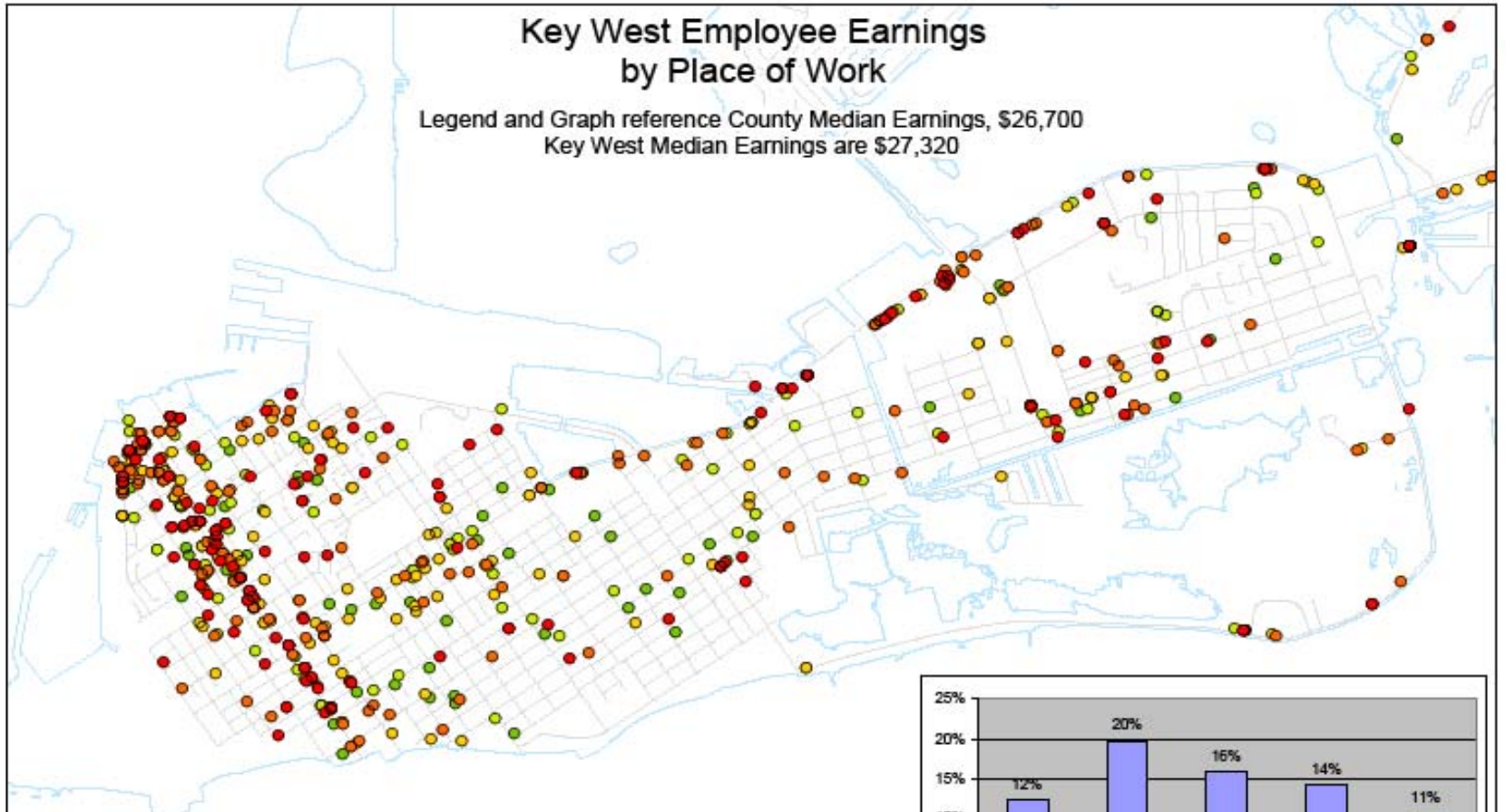
- ❖ **Affordable Housing Demand Greatest in the (4) Principal Cities – *Key Largo, Islamorada, Marathon, Key West* - where 72% of Monroe County's Service, Sales and Office Workers Reside**
- ❖ **Study Expectations:**
 - 1. Monroe County's Resident Workforce will Continue to Relocate**
 - 2. Increased Employment Competition for Bused Workers from South Miami-Dade**



MAPS

Key West Employee Earnings by Place of Work

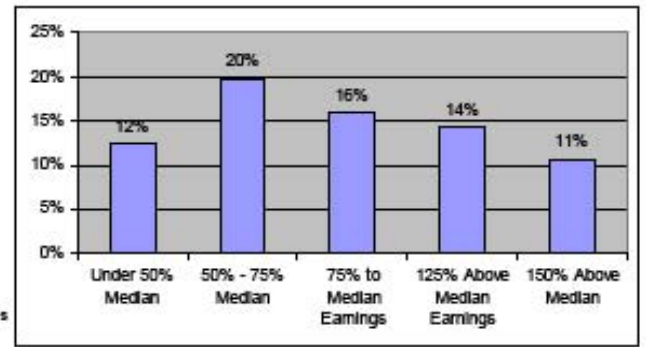
Legend and Graph reference County Median Earnings, \$26,700
Key West Median Earnings are \$27,320



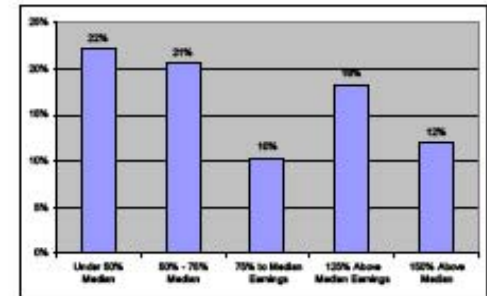
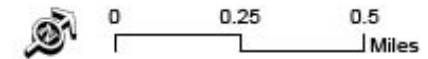
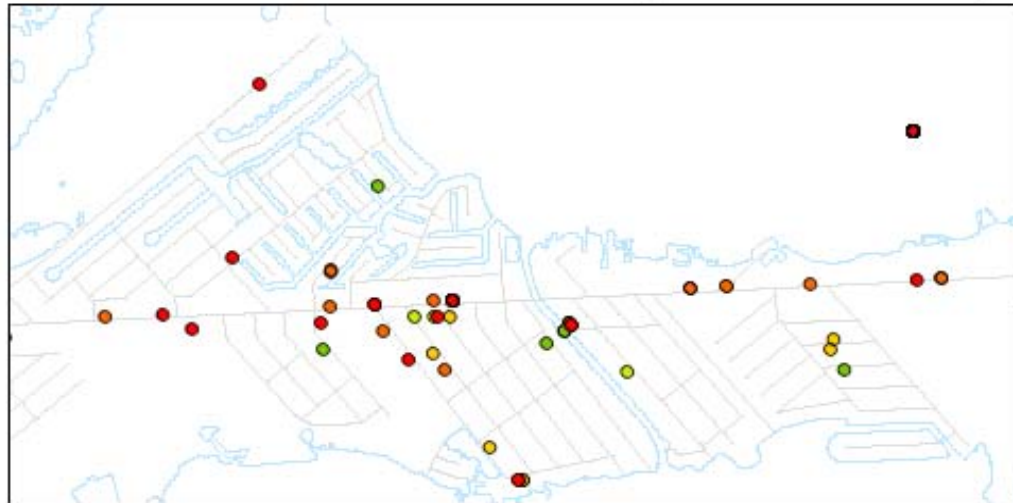
2006 Reported Earnings

- Under 50% Median ● 75% to Median Earnings ● 150% Above Median
- 50% - 75% Median ● 125% Above Median

Source: ES-202, 4th qtr. of 2006 (earnings = total wages/employees)
Monroe County Property Appraiser

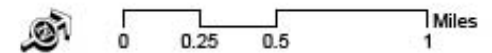
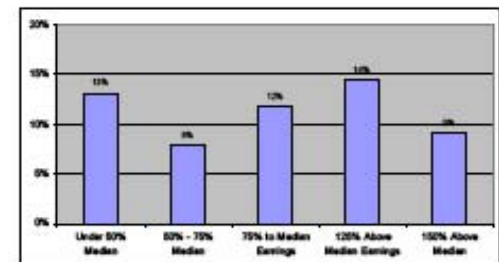
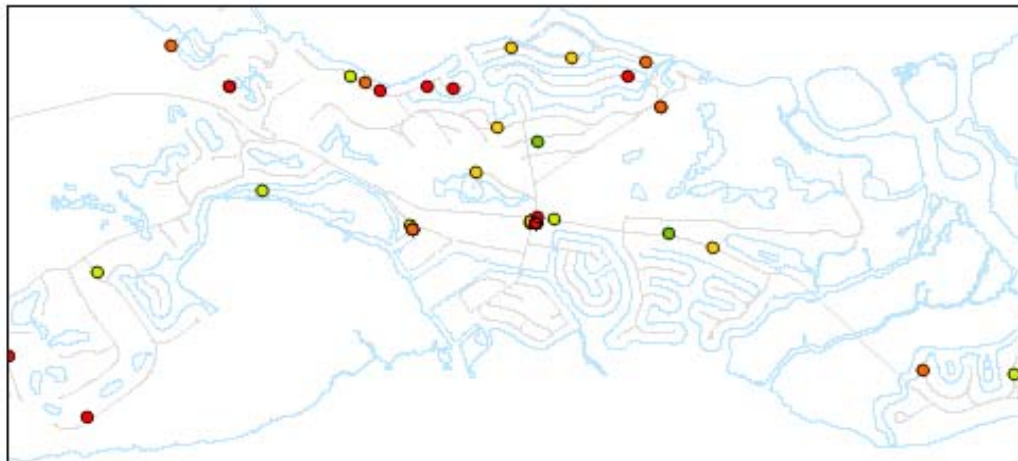


Employee Earnings by Place of Work for Portions of Upper and Lower Key Largo



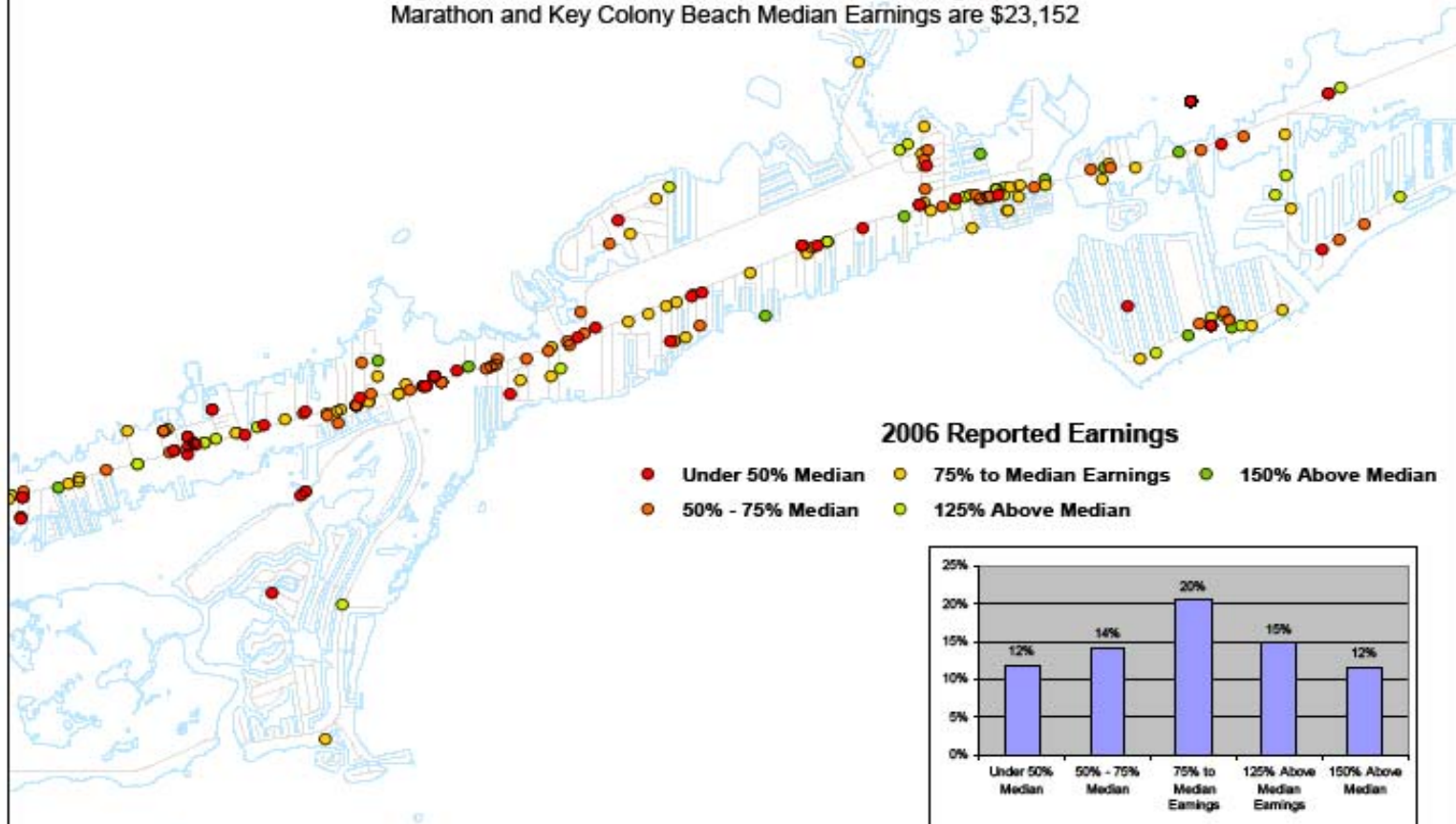
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- 125% Above Median
- 150% Above Median



Marathon and Key Colony Beach Employee Wages & Salaries

Legend and Graph reference County Median Earnings, \$26,700
 Marathon and Key Colony Beach Median Earnings are \$23,152

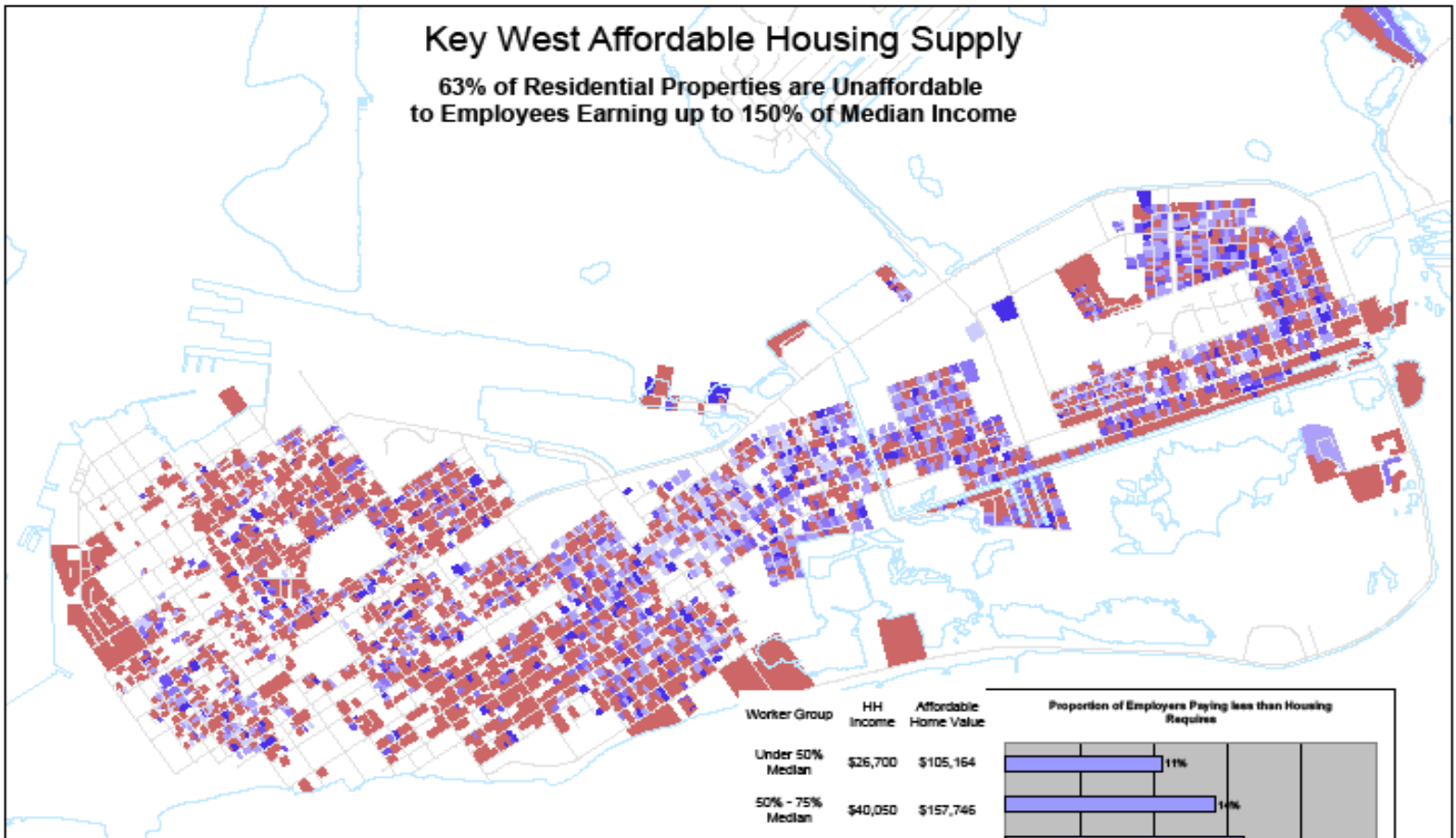


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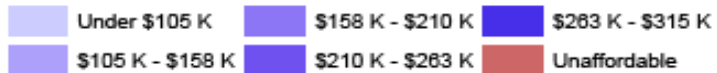
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Key West Affordable Housing Supply

63% of Residential Properties are Unaffordable to Employees Earning up to 150% of Median Income

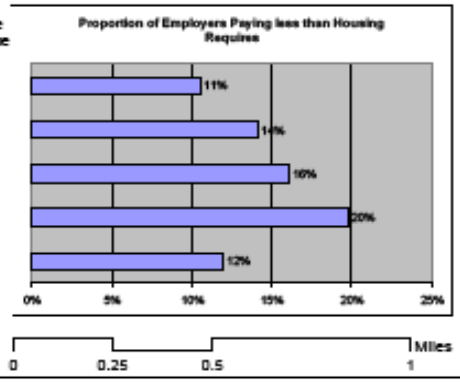


Properties Affordable to Key West Employees

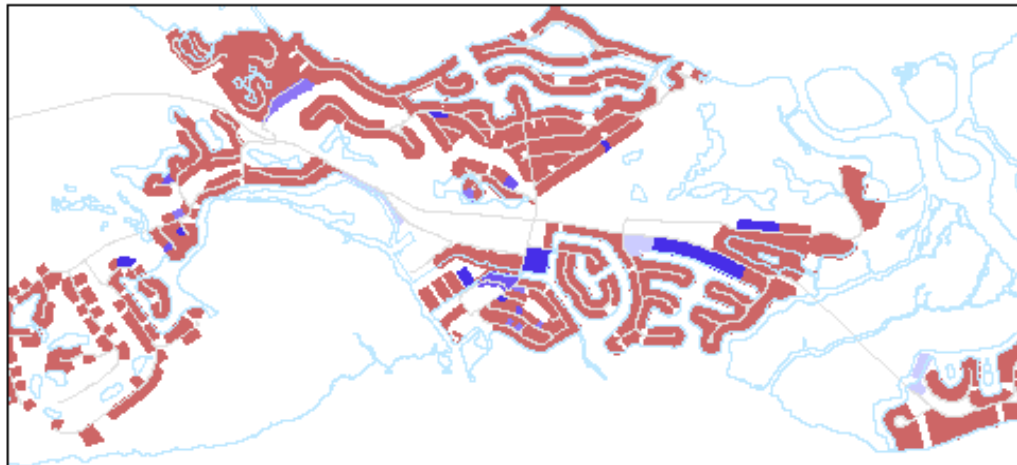


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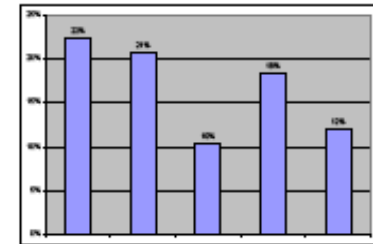
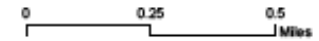
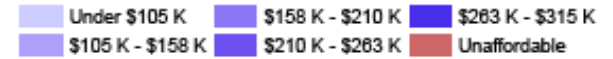
Worker Group	HH Income	Affordable Home Value
Under 50% Median	\$26,700	\$105,164
50% - 75% Median	\$40,050	\$157,746
75% to Median Earnings	\$53,400	\$210,328
125% Above Median	\$66,750	\$262,910
150% Above Median	\$80,100	\$315,492



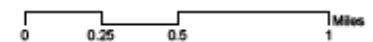
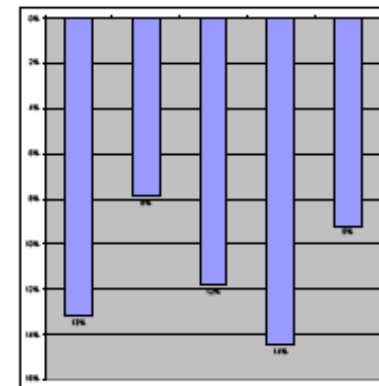
Affordable Housing Supply for Portions of Upper and Lower Key Largo



2006 Reported Earnings

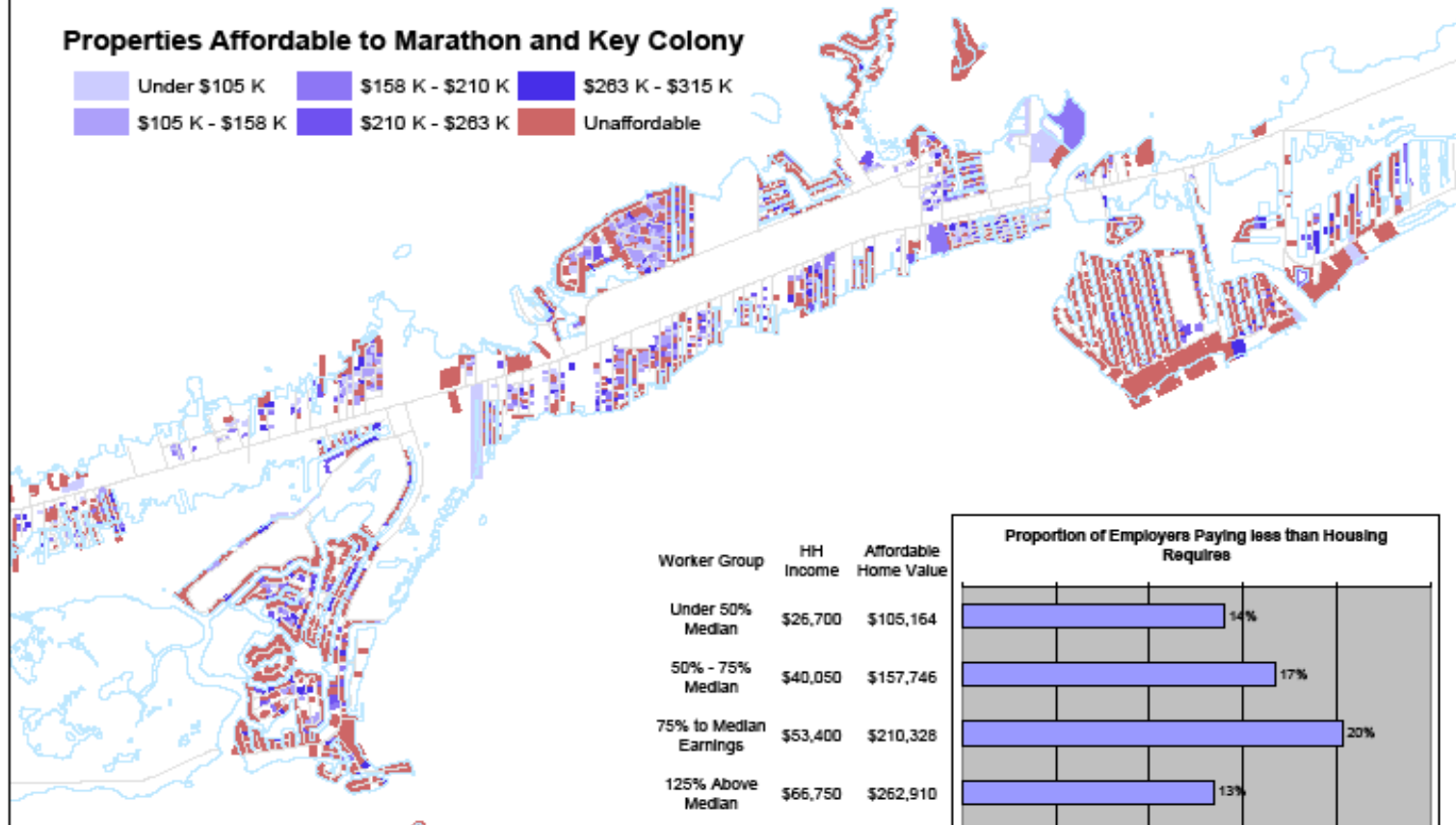
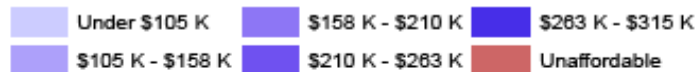


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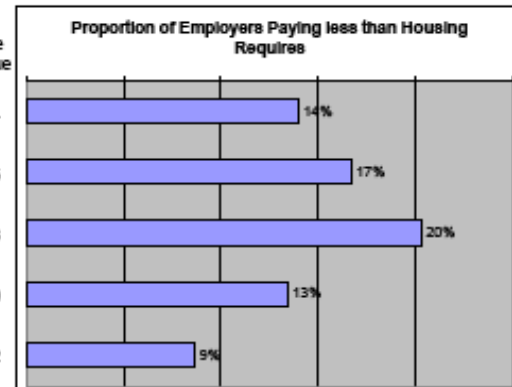


Marathon & Key Colony Beach Affordable Housing Supply

Properties Affordable to Marathon and Key Colony



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Source: ES-202, 4th qtr. of 2006 (earnings = total wages/employees)
Monroe County Property Appraiser

THANK YOU

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