



Palm Beach County Affordable Housing Needs Assessment

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THLC
HOUSING LEADERSHIP COUNCIL
OF PALM BEACH COUNTY





Purpose

To provide a comprehensive assessment of affordable housing supply and demand conditions in Palm Beach County and major municipalities to help guide current and future affordable housing policy direction and decision-making

The COVID-19 Impact

- The economic and community impacts are severe and will endure well into the future
- Most renter households are highly vulnerable due to extended job loss, excessive housing cost-burden levels
- Local government must tackle the affordable housing issue concurrent with other relief efforts



COVID-19 ECONOMIC IMPACTS



Palm Beach County has lost **50,338** jobs (February – December) and has a current unemployment rate of 5.5% down from 14.2% in April



Higher unemployment rates persist in Riviera Beach (9.8%), Boynton Beach (7.1%), Lake Worth (6.8%), Delray Beach (6.7%), and West Palm Beach (6.4%)



Most job loss among accommodation and food services, self-employed, contract, temp, and retail workers



Since March, there have been **191,962** new claimants for unemployment in Palm Beach County. For the week ending January 9th, there were **2,057** new claimants up sharply from previous weeks

Affordable Housing Demand Conditions

1

The County's housing affordability gaps have significantly widened due to an unprecedented level of COVID-related market activity coupled with loss of owner and renter household income

2

The **\$42,233** Median Household Income of renter-occupied units in Palm Beach County is **58%** of the Median Household Income of owner-occupied Units

3

The majority (**57%**) of Palm Beach County workers are employed in low wage service sector occupations with hourly wages that translate to workers earning **40-60%** of the County's median household income

Affordable Housing Demand Conditions

4

There are **97,368** cost-burdened renter households in Palm Beach County, of which, **52.7%** (51,282 renter households) are “severely” cost-burdened

5

According to 2019-2027 Employment Projections (EP), occupations projected to gain the “most new jobs” include retail salespersons, food preparation & serving workers and customer service representatives

6

Notwithstanding future COVID economic impacts, DEO projected employment estimates indicate Palm Beach County’s future housing demand will continue to be substantially weighted towards renter households in the “very low” to “moderate” household income categories

Owner-Renter Housing Costs by Major Municipality

Municipality	Total Owner-Occupied Housing Units	Total Owner Cost-Burdened Households	%	Total Renter-Occupied Housing Units	Total Renter Cost-Burdened Households	%
Boca Raton	29,107	9,029	31.60%	11,327	6,407	59.80%
Boynton Beach	17,230	5,168	30.40%	11,468	7,040	64.00%
Delray Beach	16,578	5,209	31.90%	11,031	6,069	58.30%
Greenacres	8,705	2,898	33.60%	5,128	3,208	64.70%
Jupiter	19,034	5,797	30.90%	6,876	3,413	51.80%
Lake Worth Beach	5,830	1,770	30.80%	7,314	4,639	65.50%
Palm Beach Gardens	17,243	4,395	25.90%	6,847	3,369	51.10%
Palm Springs	3,606	1,003	27.90%	4,630	2,967	66.00%
Riviera Beach	6,161	1,991	32.60%	5,291	3,160	63.20%
Royal Palm Beach	9,282	2,711	29.40%	2,414	1,342	59.00%
Wellington	15,799	4,422	28.40%	4,760	2,556	56.70%
West Palm Beach	20,087	6,860	34.50%	21,604	11,706	57.40%
Palm Beach County	376,139	114,838	30.50%	162,392	97,368	56.60%

Poverty in Palm Beach County

Palm Beach County Poverty Rate	Individuals	Families
2014	14.6%	10.5%
2018	12.8%	9.0%

Poverty Status	Individuals	Families	Median Renter Household Income
Belle Glade	42.1%	34.7%	\$17,195
Pahokee	37.9%	33.0%	\$20,192
Mangonia Park	32.5%	32.9%	\$34,458
South Bay	31.8%	29.5%	\$24,567
Lake Worth Beach	24.7%	18.6%	\$31,312
Riviera Beach	22.8%	17.3%	\$32,392
Glen Ridge	18.9%	6.7%	N/A
Lake Park	17.7%	12.3%	\$35,973
Lantana	17.6%	15.8%	\$34,831
West Palm Beach	17.5%	12.2%	\$40,613

Affordable Housing Supply Conditions

1

Renter-occupied units in Palm Beach County have Increased by **8.9%** (14,109 units) since 2014, compared to **1.2%** (4,378 units) for owner-occupied units

2

The average monthly rent for a two-bedroom apartment in Palm Beach County is **\$1,899**; the affordable rent level is **\$1,058**

3

Palm Beach County's **\$425,000** median single-family sale price represents a **7.2:1** median single-family home price – to - median household income ratio and affordable to only **17.3%** of households

Affordable Housing Supply and Demand by the Numbers



Palm Beach County has an existing affordable housing demand supply gap of **33,334** moderately-priced (80-120 percent MHI) owner units and **44,200** lower-income priced (< 80 percent MHI) renter units.



Palm Beach County's Workforce Housing Program has produced **485** workforce housing units for rent and **92** units for sale.



Average annual loss of **17,167** affordable housing units since 2014 due to market appreciation



Average annual supply gap of **2,732** housing units during the last 10 years as housing construction activity has not kept pace with the County's population growth

Single Family Home Sales Activity

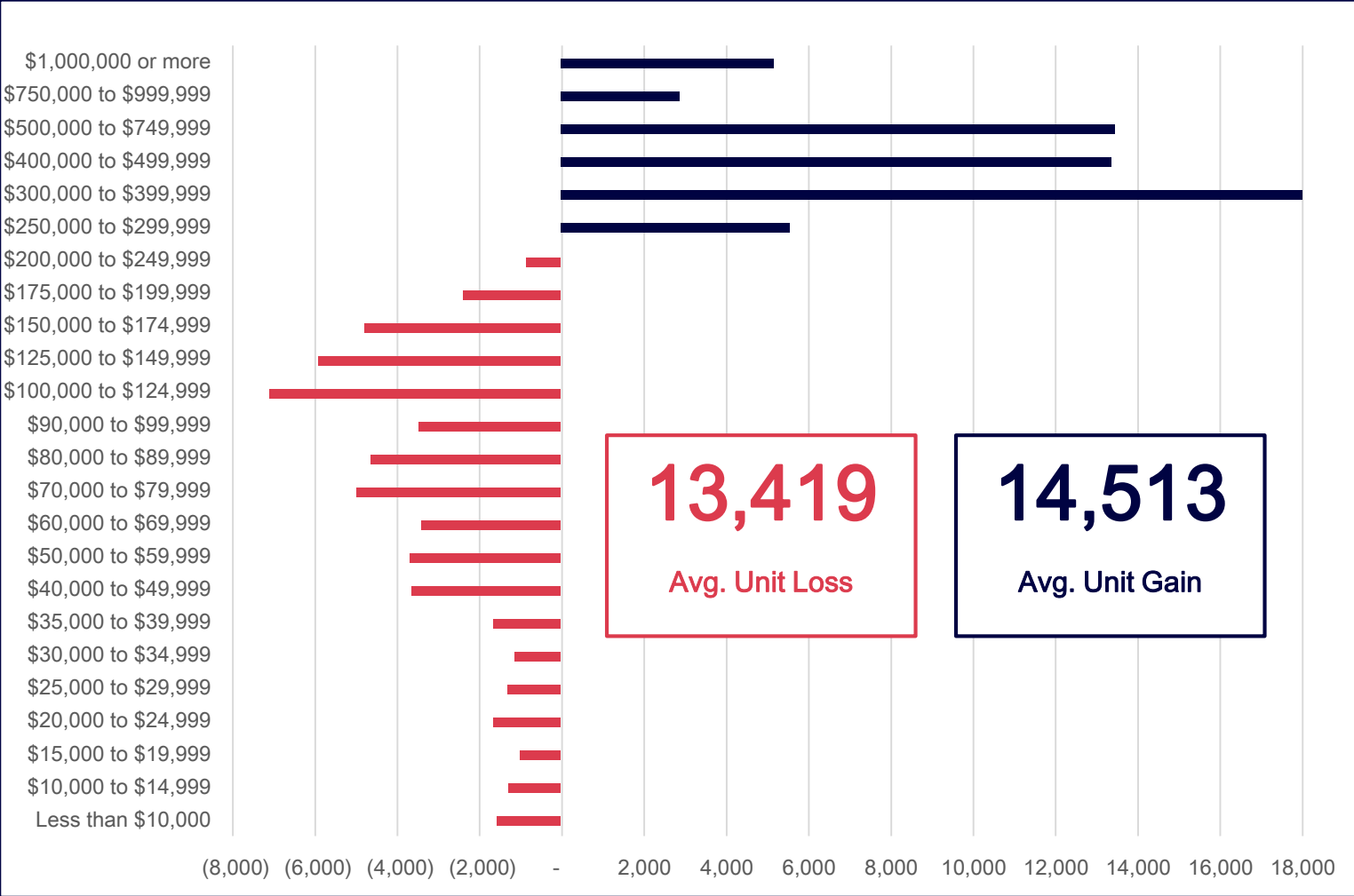
	December 2019	December 2020	% Change Year-over-over-Year
Closed Sales	1,420	1,784	25.63%
% Paid in Cash	32.70%	34.40%	5.20%
Median Sale Price	\$364,000	\$425,000	16.76%
Dollar Volume	\$702,458,380	\$1,526,802,504	117.40%
% of Original List Price Received	95	97	2%
Median Time to Contract	43	28	34.88%
Median Time to Sales	81	71	12.35%
Active Inventory	6,162	3,551	42.37%
Months Supply of Inventory	4.2	2.3	45.20%

Average Monthly Rent by Submarket

Submarket	1 BR	2 BR	3 BR
Jupiter/Tequesta/Palm Beach Gardens/North Palm Beach	\$1,605	\$1,945	\$2,232
Central West Palm Beach/Royal Palm Beach	\$1,358	\$1,574	\$1,968
Eastern West Palm Beach	\$1,764	\$1,926	\$1,884
Central Lake Worth Beach/Lantana	\$1,315	\$1,572	\$1,906
Greenacres	\$1,357	1,593	1,915
Wellington/Western Lake Worth Beach	\$1,651	\$1,899	\$2,382
Boynton Beach/Boynton Beach East	\$1,556	\$1,744	\$2,188
Delray Beach	\$1,985	\$2,187	\$2,373
East Boca Raton	\$2,342	\$2,584	\$3,227
Central Boca Raton/West Boca Raton	\$1,674	\$2,002	\$2,402

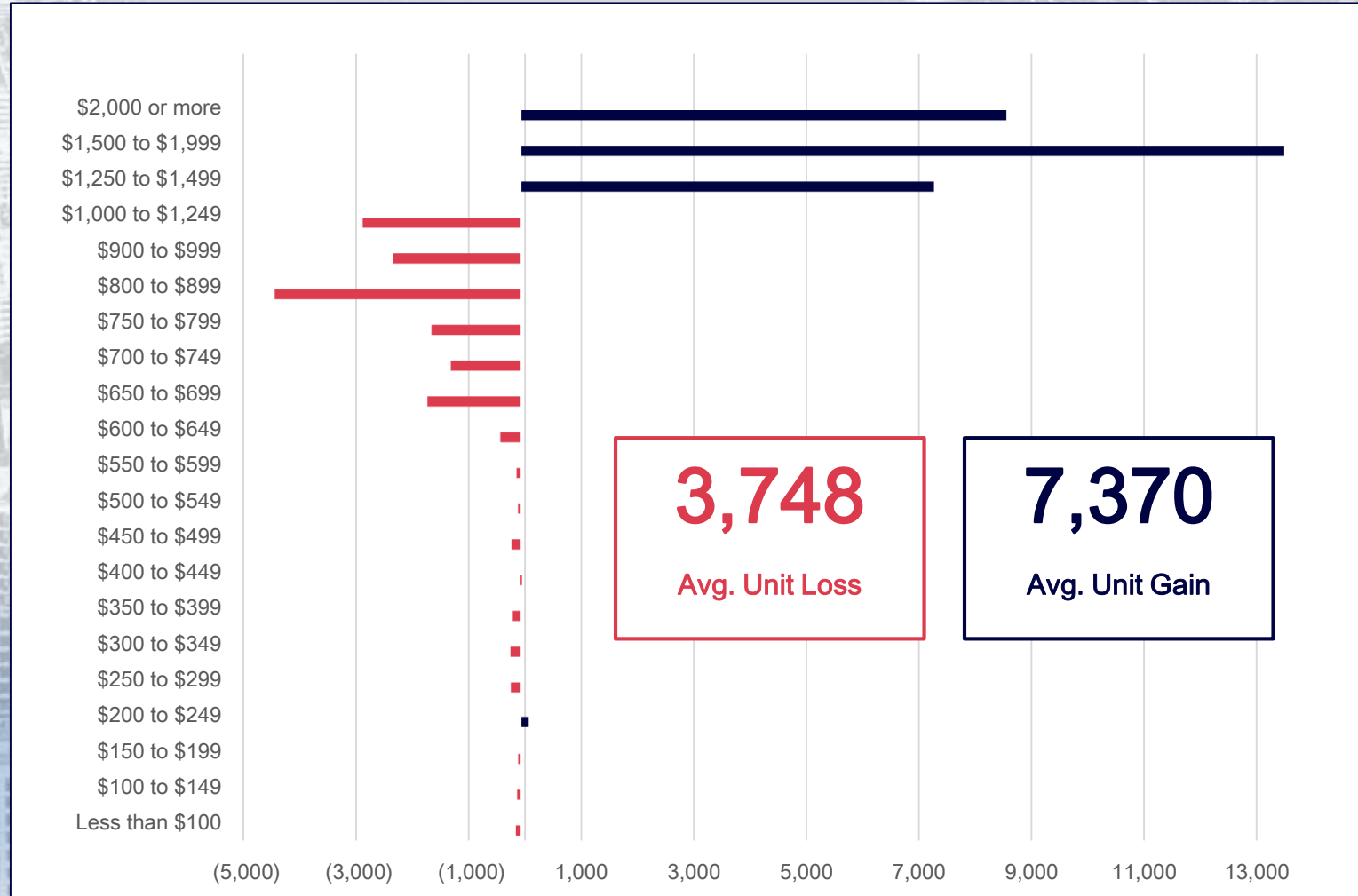
Owner-Occupied Units Supply: Change by Value

Housing Units by Value	Below \$250,000		Above \$250,000	
	Total # of Units	Unit Gain/Loss	Total # of Units	Unit Gain/Loss
2014	230,579		141,182	
2015	220,785	9,794	148,736	7,554
2016	206,359	14,426	163,177	14,441
2017	192,278	14,081	180,399	17,222
2018	176,904	15,374	199,235	18,836
Annual Average Unit Change	13,419		14,513	



Renter-Occupied Units Supply: Change by Value

Housing Units by Value	Below \$1,250		Above \$1,250	
	Total # of Units	Unit Gain/Loss	Total # of Units	Unit Gain/Loss
2014	88,842		61,906	
2015	90,548	1,706	66,891	4,985
2016	86,935	3,613	74,259	7,368
2017	80,192	6,743	83,556	9,297
2018	73,851	6,341	91,384	7,828
Annual Average Unit Change		3,748		7,370



Owner Affordability by Household Income Categories

Income Range	Median HH Income Palm Beach County	Income @ Range	Monthly HH Income by Range	Affordable Single Family/ Condo Home Price	Single Family Median Selling Price	Single Family Affordability Gap/ Surplus	Condo Median Selling Price	Condo Affordability Gap/ Surplus
Low Income: 50% < 80%	\$59,943	\$47,954	\$3,996	\$143,863	\$425,000	\$256,137	\$230,000	\$62,387
Moderate Income: <120%		\$71,932	\$5,994	\$215,795		\$184,205		\$9,545
Middle Income: <140%		\$83,920	\$6,993	\$251,761		\$148,239		\$45,511

Renter Affordability by Household Income Categories

Income Range	Median HH Income Palm Beach County	Income @ Range		Monthly HH Income by Range		Affordable Rent @ 30% of Income		Palm Beach County Mean Rent	Affordability Gap @ Mean	
Low Income Renters	\$42,223	51%	80%	51%	80%	51%	80%	\$1,890	51%	80%
		\$21,113	\$33,778	\$1,759	\$2,815	\$528	\$844		1,362	1,046
Moderate Income Renters		81%	120%	81%	120%	81%	120%		81%	120%
		\$33,779	\$50,668	\$2,815	\$4,222	\$844	\$1,267		1,046	623
Middle Income Renters		121%	140%	121%	140%	121%	140%		121%	140%
		\$50,669	\$59,112	\$4,222	\$4,926	\$1,267	\$1,478		623	412

Essential and Leading Professional Occupations

Title	Annual Median Salary/ Wage	<50% MHI \$29,972	<80% MHI \$47,954	<100% MHI \$59,943	<120% MHI \$71,316	<150% MHI \$89,915	>150% MHI \$89,915
Essential Occupations							
Elementary School Teachers	\$49,538			X			
Secondary School Teachers	\$50,534			X			
Registered Nurses	\$69,306				X		
Nursing Assistants	\$25,812	X					
Police and Sheriff's Patrol Officers	\$68,848				X		
Emergency Medical Technicians and Paramedics	\$34,362		X				
Firefighters	\$58,947			X			
Top Ten Leading Occupations							
Office and Administrative Support Occupations	\$36,754		X				
Sales and Related Occupations	\$23,816	X					
Food Prep and Serving Related Occupations	\$28,080	X					
Transportation and Material Moving Occupations	\$30,322		X				
Healthcare Practitioners and Technical Occupations	\$63,877				X		
Management Occupations	\$96,387						X
Business and Financial Operations Occupations	\$61,900				X		
Construction and Extraction Occupations	\$41,350		X				
Educational Instruction and Library	\$49,524			X			
Building, Grounds Cleaning and Maintenance	\$26,552	X					

An aerial photograph of a city skyline, likely Palm Beach, is shown with a semi-transparent blue overlay. A solid red horizontal bar is positioned at the top left of the image. The title text is centered in the upper half of the image.

PALM BEACH COUNTY'S AFFORDABLE HOUSING POLICY CHALLENGES & OPPORTUNITIES

AFFORDABLE HOUSING POLICY CHALLENGES & OPPORTUNITIE S

Urgent Call for Action: Housing Affordability & Economic Resilience

Current housing market is unsustainable and negatively impacting the County's

ECONOMIC
COMPETITIVENESS and
QUALITY OF LIFE

AFFORDABLE HOUSING POLICY CHALLENGES & OPPORTUNITIE S

Need for a Collective Commitment on Focused Implementation Strategies

Carefully crafted strategies, incentives, and performance targets that are **MARKET RESPONSIVE**, **HIGHLY PRIORITIZED**, and **ATTAINABLE**

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The Need for an Effective, Targeted Affordable Housing Development Incentives “Toolbox”

Focus on identifying and establishing funding sources and incentives that can be effectively **TARGETED**, **LEVERAGED** and **QUICKLY UTILIZED** with federal and state resources

AFFORDABLE HOUSING POLICY CHALLENGES & OPPORTUNITI ES

A stylized illustration in the top right corner shows a person running upwards, carrying a briefcase, over a series of vertical bars of increasing height, symbolizing growth or progress.

Leveraging Long-Term Strategies with Near Term Opportunities

Short-term affordable housing strategies should be able to “hit the ground running” - positioned to immediately implement the highest priority

INVESTMENTS,
PROGRAMS, and
PROJECTS

AFFORDABLE HOUSING LINKED TO THE CLIMATE CHANGE AGENDA



The County's investment in affordable housing, in addition to its economic development impacts, represents an opportunity to significantly improve the County's RESILIENCE CAPACITY, ENERGY CONSUMPTION, and CARBON FOOTPRINT.



Adaptability will be key with a need to focus on well-planned INFILL DEVELOPMENT, EQUITABLE TOD, GREEN BUILDING, and GREEN JOBS.

Thank You!



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