

BROWARD-by-the-NUMBERS

Affordable Housing in Broward County

*Between 2000 and 2006, median owner household income rose nearly 27%.
Over the same period, the median sales price of existing single-family homes rose nearly 148%.*

Housing and Income

The availability of affordable housing is a concern nationwide. In several areas of the country high percentages of homeowners spend more than 50% of their incomes on housing. As shown in Table 1, 21.5% of the homeowners in Broward County spend more than 50% of their incomes on housing.

Table 1

Counties with Highest Percentage of Homeowners Spending 50% of Income on Housing:	
Miami-Dade, FL	24.9%
Kings, NY	24.2%
Bronx, NY	23.1%
Queens, NY	22.8%
Monterey, CA	22.4%
Broward, FL*	21.5%
Lake, FL	21.5%
Monroe, FL	21.4%
Passaic, NJ	21.2%
Union, NJ	21.2%

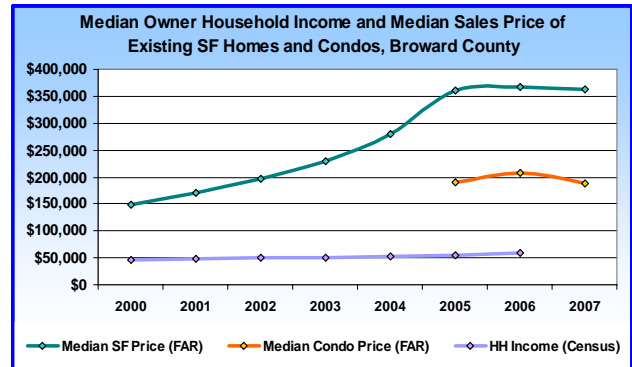
*There are 103,461 Broward homeowners spending more than 50% of income on housing.

Source: Miami Herald, September 12, 2007

As shown in Chart 1, since 2000, the spread between median owner household income and the median sales price of existing single-family homes has increased significantly. While median owner household income rose 26.7% from \$46,388 in 2000 to \$58,757 in 2006, the median sales price of existing single-family homes rose 147.7% from \$148,500 in 2000 to \$367,800 in 2006. Although 2007 income data from the American Community Survey will not be available until mid-2008, the

Florida Association of Realtors (FAR) reports that in 2007, the median sales price of existing single-family homes fell 1.3% to \$363,100. The median sales price of existing condominiums fell by 10% from \$208,600 in 2006 to \$187,600 in 2007.

Chart 1

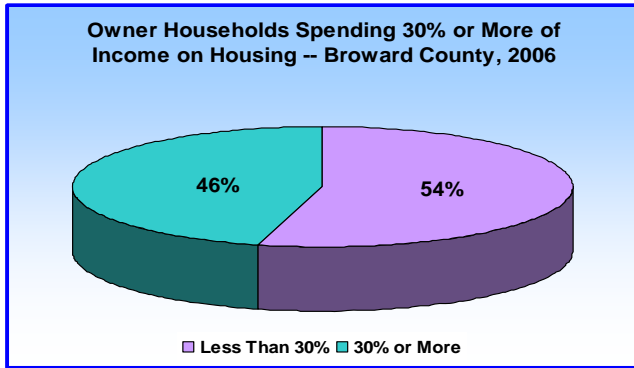


Sources: U.S. Bureau of the Census, American Community Survey and the Florida Association of Realtors (FAR)

From December 2006 to December 2007, the median sales price of existing single-family homes fell 10.2% from \$367,600 to \$329,800 and the median sales price of condominiums fell 14% from \$199,700 to \$171,800. The number of existing single-family homes sold fell 32.8% from December 2006 to December 2007. Over the same period, the number of condominiums sold fell 26.8%.

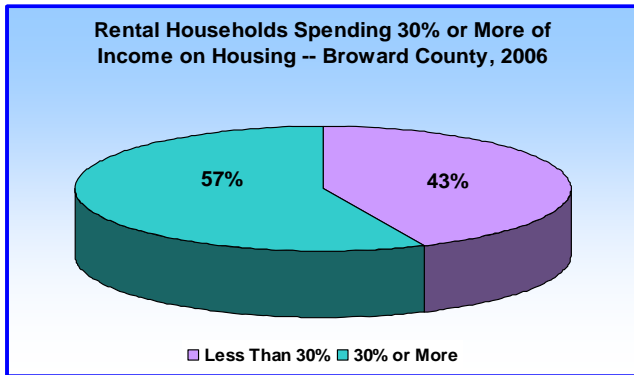
According to the 2006 American Community Survey, 46% of homeowner households in Broward County spent 30% or more of their incomes on housing, as shown in Chart 2. Affordability also impacts rental households, as shown in Chart 3. According to the 2006 American Community Survey, 57% of rental households in Broward County spent 30% or more of their incomes on housing.

Chart 2



Source: U.S. Bureau of the Census, American Community Survey, 2006

Chart 3



Source: U.S. Bureau of the Census, American Community Survey, 2006

There are several major factors contributing to high housing costs in Broward County – not the least of which is highly desirable warm weather and 25 miles of attractive beaches. Additionally, Broward County is largely built out and bounded by Palm Beach County to the north, Miami-Dade County to the south, the Everglades to the west, and the Atlantic Ocean to the east. Scarce vacant land has resulted in high property values. Rising property values and high selling prices in the early and mid-2000s resulted in high taxes. Moreover, vulnerability to hurricane impacts, demonstrated in 2004 and 2005, has driven up insurance costs. Although housing prices fell in 2007 and insurance costs moderated, the prior run-up in housing prices, taxes, and insurance costs contributed to high housing costs and exacerbated the affordability issue.

Projected Demand for Affordable Housing

Table 2 shows the projected demand for affordable housing in Broward County is expected to increase by 9,908 units per year between 2008 and 2012. According to the Broward Housing Partnership Needs Assessment, prepared by The Metropolitan Center, 3,375 units per year will be required for households with incomes of 80% to 150% of median income, and 6,413 units per year will be required for households with incomes of less than 80% of median income. An additional 120 units per year will be required for permanent supportive housing, according to the ten-year plan compiled by the Homeless Initiative Partnership Administration.

Table 2

→ 80% - 150% of Median Income	3,375 units/year ¹
→ Below 80% of Median Income	6,413 units/year ¹
→ Permanent Supportive Housing	120 units/year ²
Total	<u>9,908</u> units/year³

¹ Broward Housing Partnership Needs Assessment, The Metropolitan Center, Florida International University, March 1, 2006 and the Broward County Housing and Community Development Division.

² "A Way Home" Broward County, Florida's Ten-Year Plan to End Homelessness, October 2005, compiled by the Homeless Initiative Partnership Administration. The figure of 120 units per year is the annual prorated projected need of 1,200 units by 2016.

³ Estimates of housing demand may be high since they were based on stronger growth in households than has actually occurred.

Funding and Work Program for FY 2007-08

In Fiscal Year 2006-07, Broward County administered the allocation of \$153.2 million to affordable housing through a variety of programs and funding sources resulting in 3,057 units.

The appendices provide additional information regarding funding for affordable housing and a work program for Fiscal Year 2007-08. The work program blends new initiatives with existing programs.

Broward-by-the-Numbers is a publication of:
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Affordable Housing Funding Summary
(through 2007)

	<u>Funding</u>	<u>Units</u>
■ CDBG+SHIP+HOME	\$16 M	
□ New Housing		793
□ Rehabilitation		295
■ Housing Finance Authority Projected	\$39 M	
□ Multifamily		296
□ Single-Family		60
■ Broward County Commission Initiatives	\$11.3M	4,929*
□ Single-Family Infill Housing Program	\$4.6M	
□ Affordable Housing Program	\$4.3M	
□ Other	\$2.4M	

* Committed units

Three-Year Work Program
First Year – Fiscal Year 2007 - 2008

- Support Sadowski Act Reauthorization/Cap Removal
 - If Uncapped Sadowski Funds
 - \$6.3M/422 units – Broward
 - \$23.4M/1,565 units – Countywide
- Evaluate Linkage Fee – Florida International University Study
- Continue County’s Single-Family Infill Housing Program and Affordable Housing Program
- Select developer for Flagler Point Affordable Housing Project
- Develop Housing Finance Authority Employer Assistance Demonstration Program (i.e. School Board, Hospital District)
- Assess State Multifamily Project Competitiveness
- Continue Housing Finance Authority Single-Family Bond Program
- Market Housing Finance Authority Multifamily Project Financing
- Continue State/Federal Housing Programs
- Private Sector Role – Wages, Benefits and Employee-Assisted Housing