

Proposed Report Text: Summary of Housing in Florida and the Need for Affordable Rental Housing

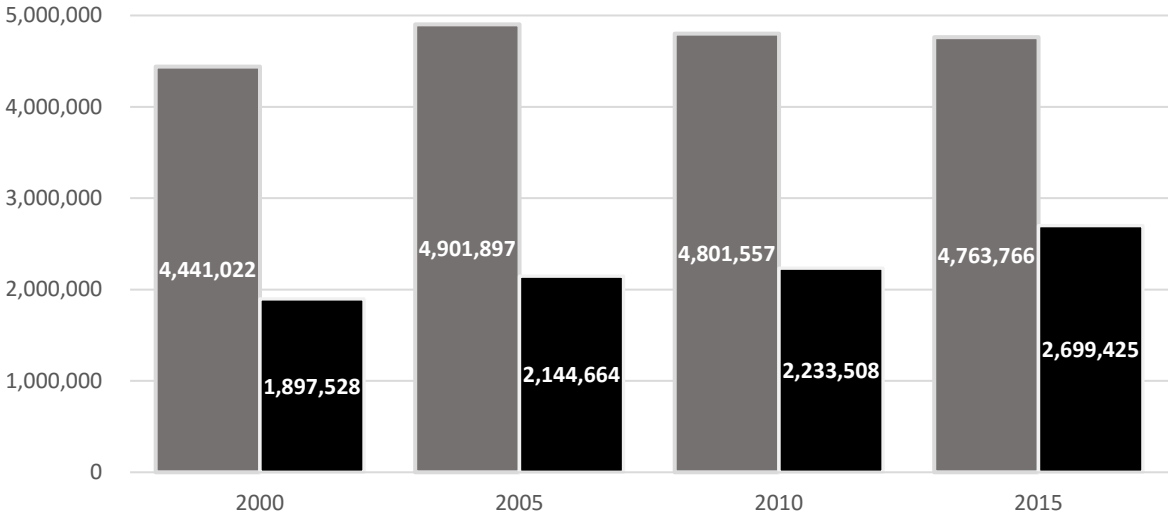
This section of the report will provide background information on Florida’s housing supply and affordable housing needs. It focuses on the market for affordable rental housing. For an expanded set of background materials, see the [Overview of Housing in Florida](#) and [Overview of the Market For Assisted Rental Housing](#) provided in the briefing package for the August 30, 2017 meeting of the Affordable Housing Workgroup. The introduction to this section will note that this section covers the legislative charge items including a review of market rate developments, a review of affordable housing developments, and a review of the rental market for assisted rental housing.

Tenure (Owner/Renter Status)

Most Florida households own their homes, but the state’s renter population has grown rapidly in recent years. Florida added 460,875 homeowners between 2000 and 2005 as the housing market strengthened (Figure 1). Homeownership peaked in 2005, then fell slowly in the following years during the economic recession. As a result, the net growth in the number of homeowners between 2000 and 2015 was just seven percent.

In contrast, the number of renters grew during both the strong and weak market periods. Florida added 801,897 renter households between 2000 and 2015, a 42 percent increase. Over half of the increase took place between 2010 and 2015.

Figure 1. Households by Tenure, Florida, 2000-2015

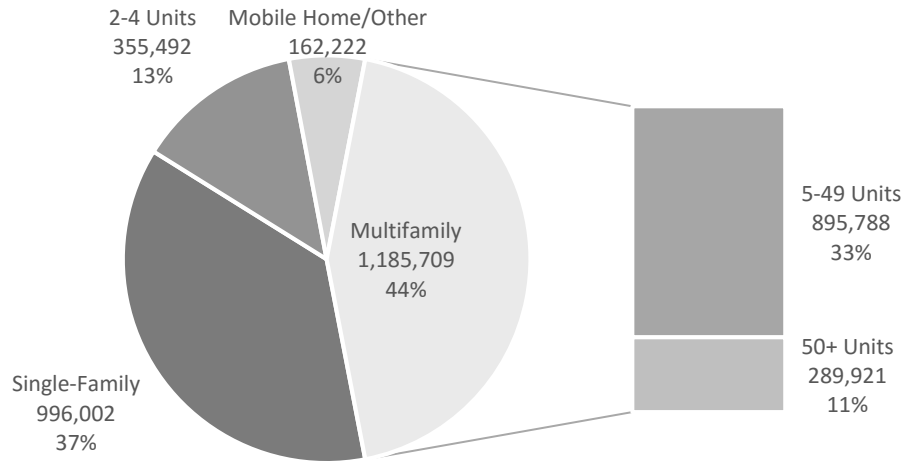


Source: U.S. Census Bureau, 2000 Census and 2005/2010/2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS); compiled by the Shimberg Center for Housing Studies, University of Florida.

Florida's Rental Housing Stock

While high-rises and large garden apartment buildings may be the most visible rental developments, most of Florida's renters actually live in smaller buildings. More than one-third of renters live in single family homes (37 percent; see Figure 2). The second and third most common structure types are 5-49 unit and 2-4 unit buildings; note that this includes small buildings that are grouped together into a larger apartment complex. Only 11 percent of renters live in buildings with 50 or more units.

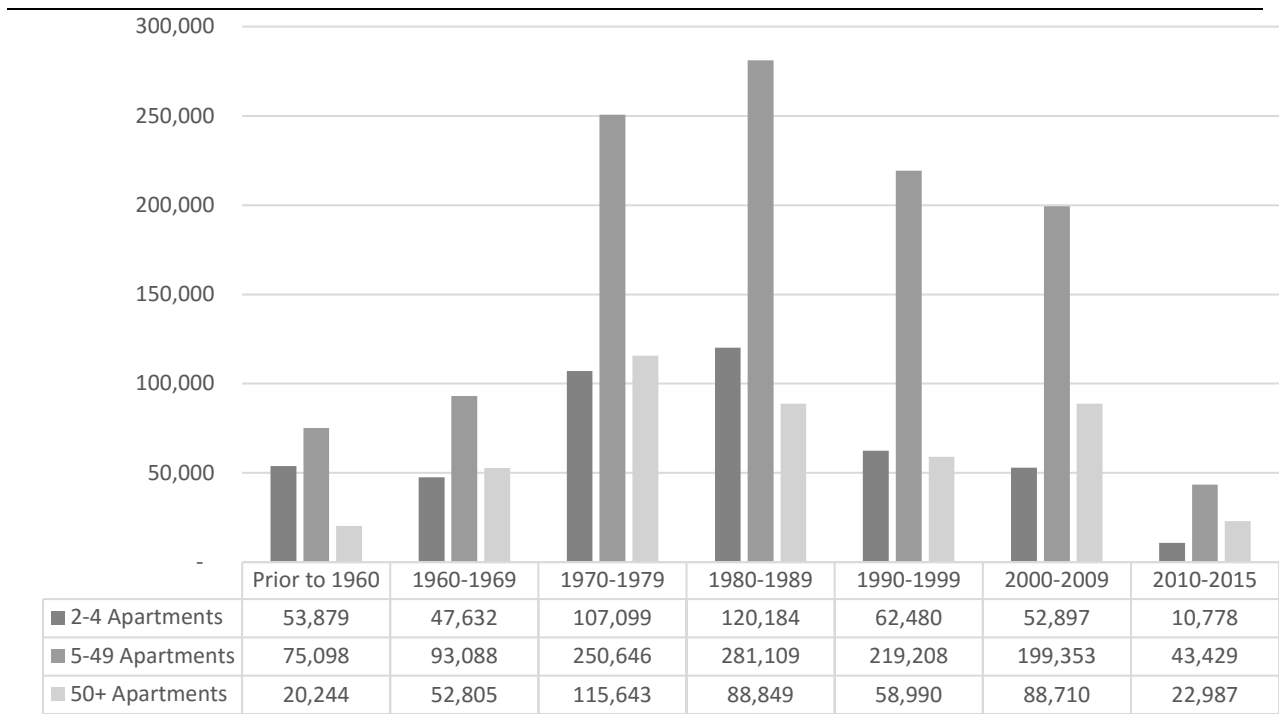
Figure 2. Structure Type for Occupied Units, Renters Only, Florida, 2015



Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS), compiled by the Shimberg Center for Housing Studies, University of Florida.

Florida's multifamily stock is aging. Figure 3 shows the number of multifamily units built by year and building type. These include both owner- and renter-occupied units. The largest share of units in smaller multifamily buildings (2-4 and 5-49 units) was built in the 1980s, while the largest share of units in 50+ unit buildings dates to the 1970s.

Figure 3. Occupied Units by Decade of Construction, Multi-Unit Structures, Florida, 2015

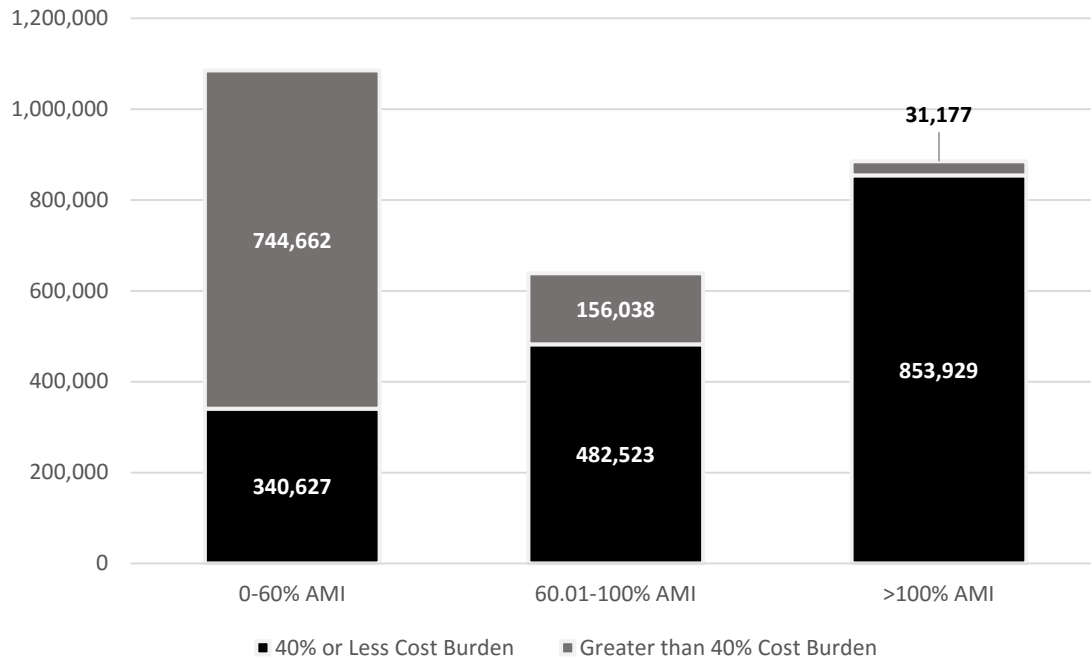


Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS), compiled by the Shimberg Center for Housing Studies, University of Florida.

Affordable Rental Housing Needs

Florida’s affordable housing needs are concentrated among low-income renters, defined as households with incomes at or below 60 percent of the area median income (AMI). As Figure 4 shows, most of these households are “cost burdened”; that is, they pay more than 40 percent of their income for rent and utilities. Sixty-nine percent of renters with incomes at or below 60 percent of AMI are cost burdened, compared to 24 percent of renters at 60-100 percent of AMI and just 4 percent of renters with incomes above 100 percent of AMI.

Figure 4. Renter Households by Cost Burden and Income (% AMI), Florida, 2015

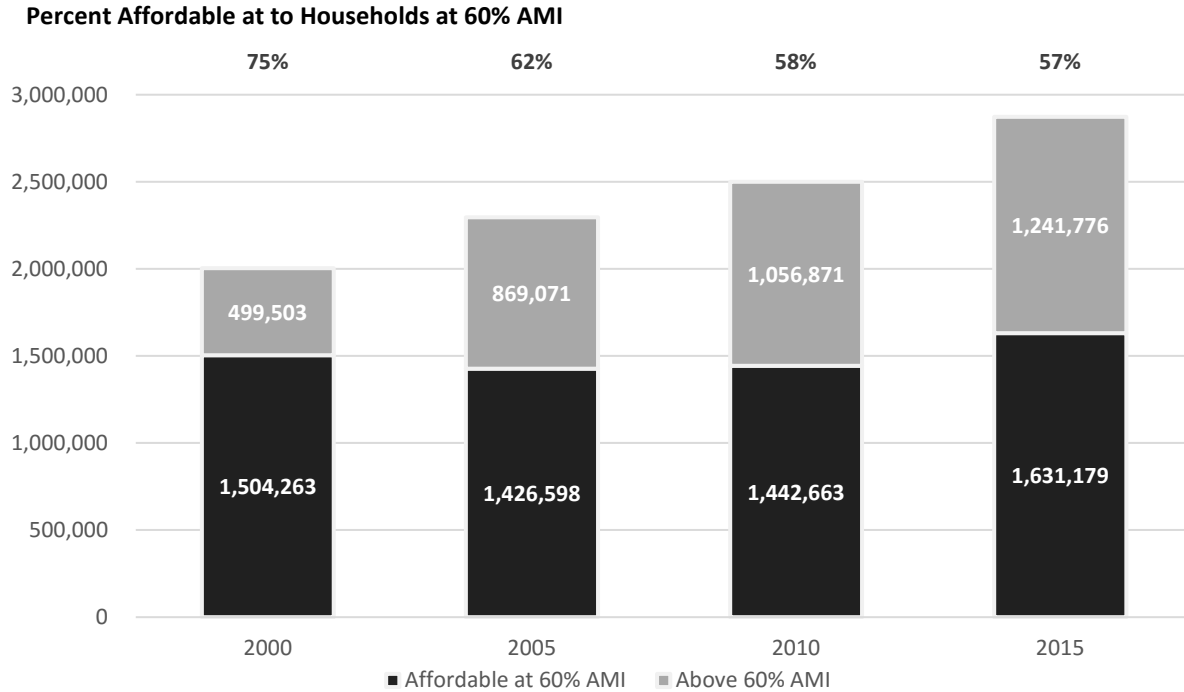


Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS), compiled by the Shimberg Center for Housing Studies, University of Florida.

While Florida’s renter population has greatly increased over the past 15 years, the supply of affordable rental units has grown much more slowly. Figure 5 below traces the changes in Florida’s rental supply. An “affordable” unit is any market rate, subsidized, or public housing unit for which a household at 60 percent of AMI would pay no more than 40 percent of income for gross rent.

As Figure 5 shows, between 2000 and 2015, Florida added 869,189 rental units, but only 15 percent of these were affordable units. As a result, the share of the state’s rental supply that could be considered affordable dropped from 75 percent in 2000 to 57 percent in 2015.

Figure 5. Rental Units by Affordability Level, Florida, Change from 2000 to 2015



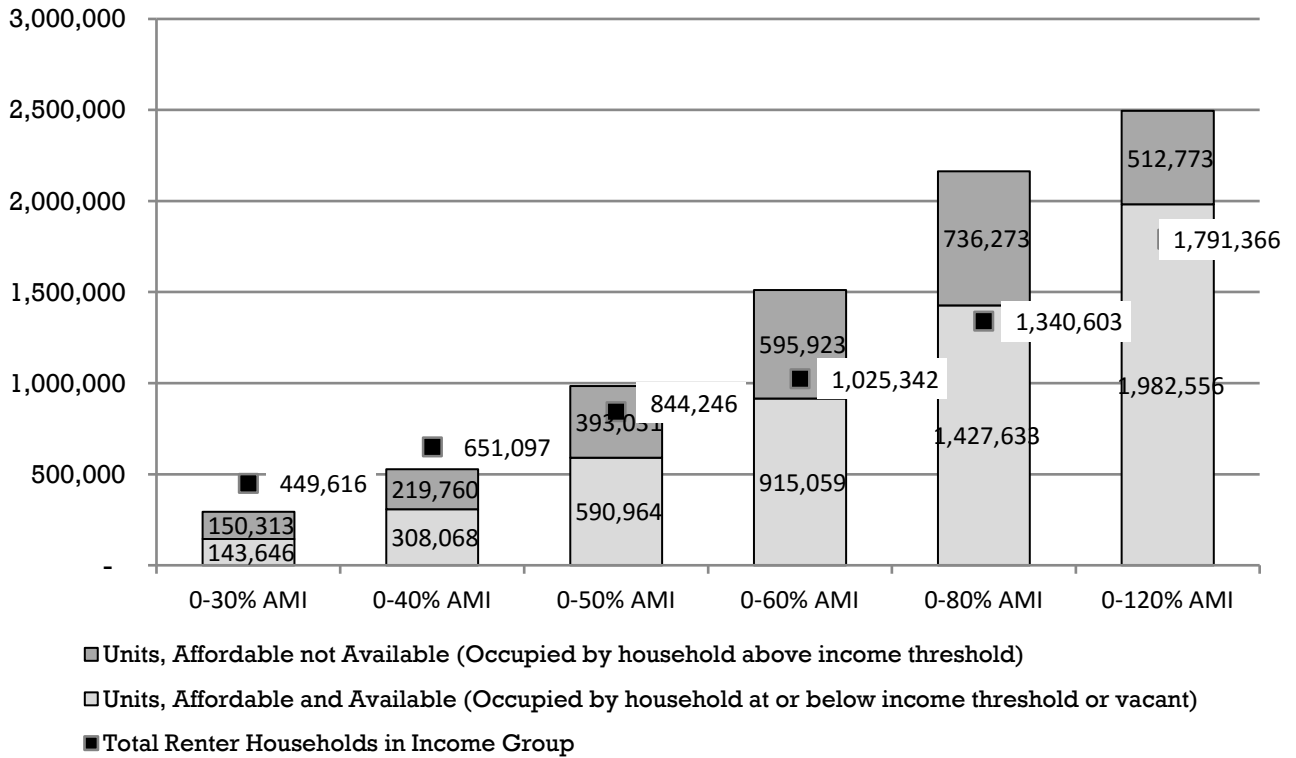
Source: U.S. Census Bureau, 2000 Census and 2005/2010/2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS), compiled by the Shimberg Center for Housing Studies, University of Florida.

Moreover, many units that might be affordable for low-income households are effectively unavailable to them because they are occupied by higher income households, mainly market-rate units. An “affordable/available” unit is both affordable at a given income threshold and either vacant or occupied by a household below that income threshold.

Figure 6 below shows the availability of affordable units to renter households below a series of income thresholds (30 percent of AMI, 40 percent of AMI, and so forth). The bars represent affordable units, either available (light gray) or occupied by a household above the income threshold (dark gray). Squares represent the number of renters at or below the income threshold. Again, a unit is “affordable” if its gross rent is at or below 40 percent of income for each income threshold.

As Figure 6 shows, at 0-30 percent and 0-40 percent AMI, there are more renter households than affordable units, whether available or not. At 0-50 percent and 0-60 percent AMI, there are more affordable units than renters, but still a shortage of affordable and *available* units, since many affordable units are rented by households with higher incomes. For the 0-80 percent and 0-120 percent AMI bands, the number of affordable and available units exceeds the number of renter households.

Figure 6. Affordable Units, Affordable/Available Units, and Renter Households by Income, Florida, 2010-2014



Source: U.S. Census Bureau, 2010-2014 American Community Survey 5-Year Public Use Microdata Sample (PUMS), compiled by the Shimberg Center for Housing Studies, University of Florida.

Rental Housing Needs of Subpopulations

The *2016 Statewide Rental Market Study* prepared for Florida Housing by the Shimberg Center estimates subpopulations potentially in need of affordable rental housing:

Older Adults (age 55 and older): Statewide, 31 percent of cost burdened renter households are headed by persons age 55 and older, including five percent headed by someone age 75-84 and four percent headed by someone age 85 or older. In all, there are 234,231 low-income, cost burdened older renter households.

Homeless Families and Individuals: An estimated 32,533 individuals were homeless in Florida in 2016, including single adults, married adults without children, unaccompanied youth, children in sibling groups or other similar groups, and adolescent parents with children. An estimated 32,304 families with children were homeless. This includes 3,053 sheltered and unsheltered families and 29,251 families doubled up with others and in hotels and motels.

Farmworkers: Florida had an estimated 105,395 farmworkers in 91,987 households: 61,091 unaccompanied individuals and 30,896 family households. Statewide, there were 61,091 unaccompanied workers and 34,451 permitted migrant camp beds, yielding a need for 26,640 additional

beds for single workers. There were 30,986 accompanied households and 5,591 multifamily farmworker set-aside units, yielding a need for 25,305 additional multifamily units.

Special Needs Households: The *Rental Market Study* estimated that 119,324 households with special needs were potentially in need of affordable rental housing. These included 107,856 cost burdened renter households receiving disability-related benefits; 8,295 households being served by domestic violence emergency shelters; and 3,173 young adults aging out of foster care.

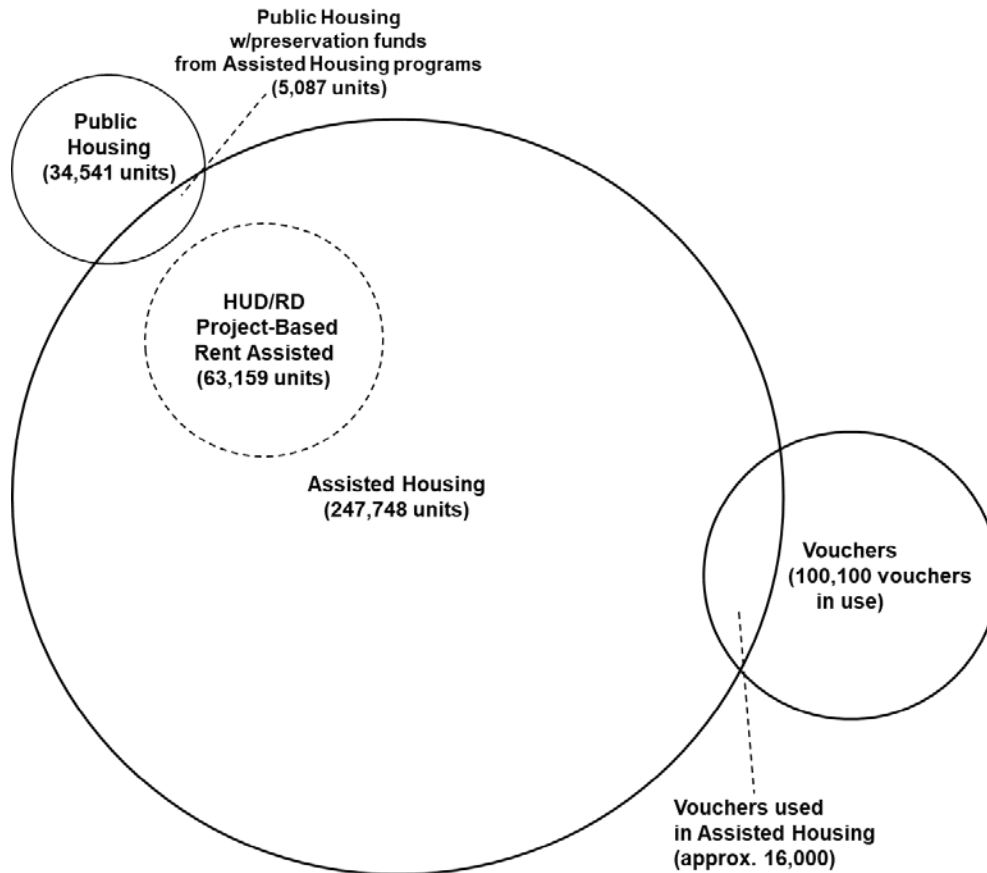
Florida's Subsidized Rental Housing

There are three types of publicly subsidized rental housing units in Florida:

- *Assisted housing* consists of privately owned, publicly assisted developments. The for-profit and non-profit owners of assisted housing accept restrictions on tenant incomes and rents in exchange for government subsidies such as low-cost loans, grants, and rent subsidies. Major assisted housing funding sources include the Low Income Housing Tax Credit (LIHTC), State Apartment Incentive Loan (SAIL), HUD and USDA mortgages and rental assistance, and private activity bond financing from the state and local housing finance authorities.
- *Public housing* is both publicly funded and publicly owned. Local public housing authorities own and manage public housing, with funding from the federal Department of Housing and Urban Development (HUD).
- *Housing Choice Vouchers* are monthly rent subsidies that are provided to individual tenants so that they can afford housing available on the private market. Vouchers are funded by HUD and administered by public housing authorities.

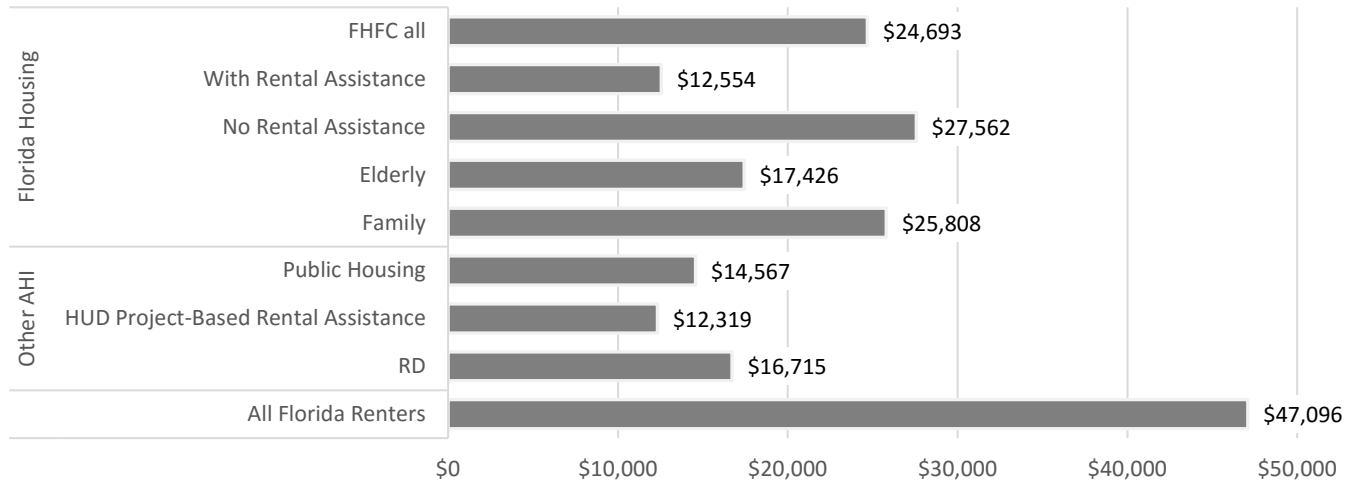
As Figure 7 shows, the assisted housing stock is by far the largest source of subsidized rental housing in the state. The different types of assistance can overlap when vouchers are used in assisted units or funding from Florida Housing is used to preserve public housing developments.

Figure 7. Types of Subsidized Rental Units



Florida’s public and assisted housing units serve renters with incomes well below the state average (Figure 8). The average income for all renters in the state was \$47,096, nearly double the average of \$24,693 in Florida Housing properties. Incomes are particularly low in developments with ongoing federal rental assistance, including those with project-based rental assistance from HUD or USDA, public housing, and Florida Housing units with voucher holders. Tenants in these units generally pay 30 percent of their income for housing costs, with the federal government providing ongoing funding to make up the difference between that amount and the total rent for the unit.

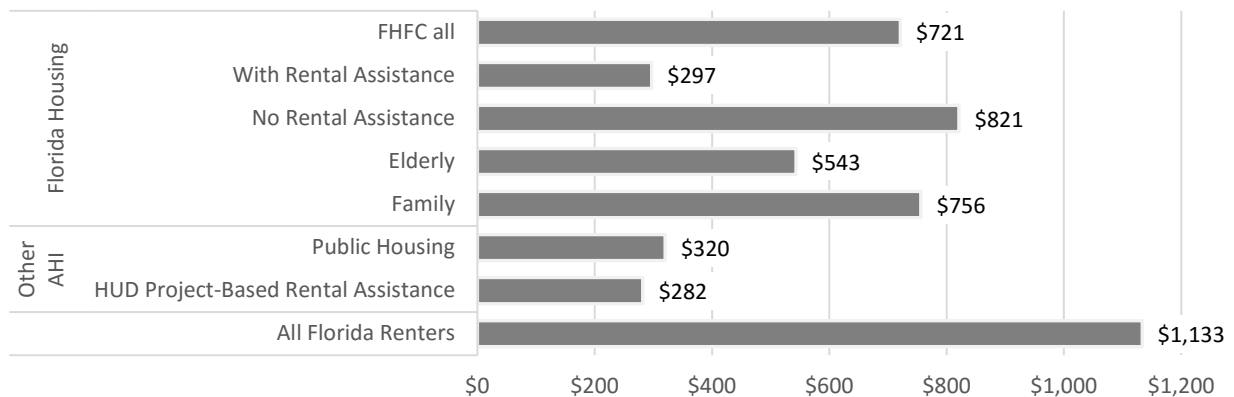
Figure 8. Average Annual Household Income, 2016



Source: Shimberg Center for Housing Studies, Assisted Housing Inventory; U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS). “All Florida Renters” numbers refer to 2015. Compiled by the Shimberg Center for Housing Studies, University of Florida.

Similarly, tenants pay much lower rents in public and assisted housing than in the state’s overall housing stock (Figure 8). The average tenant-paid gross rent for all Florida Housing units was \$721 per month in 2016, compared to \$1,133 for all units. Again, deep federal rental assistance enabled residents of public housing and other federally assisted units to pay the lowest rents by far, under \$400 per month on average.

Figure 9. Average Tenant-Paid Gross Rent (Rent + Utilities), 2016



Source: Shimberg Center for Housing Studies, Assisted Housing Inventory; U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS). “All Florida Renters” numbers refer to 2015. Compiled by the Shimberg Center for Housing Studies, University of Florida.

A Report on the ALICE Population

The United Way of Florida issues a regular report on the “ALICE population” – **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed families that that do not earn enough to afford basic necessities. The United Way defines ALICE households as having incomes above the Federal Poverty Level, but still struggle to afford basic necessities. The “AT-A-Glance” data from the 2017 ALICE report are provided below.

[A request has been made to and granted by the United Way of Florida to reprint the AT-A-GLANCE materials in the Workgroup’s final report. For the Workgroup’s review, the associated pages out of the ALICE report are reprinted on the following pages.]

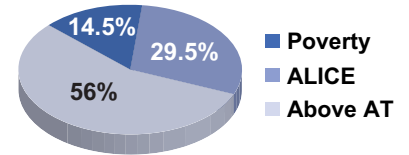
AT-A-GLANCE: FLORIDA, 2015

Point-in-Time Data

Population: 20,271,272 | Number of Counties: 67 | Number of Households: 7,458,155

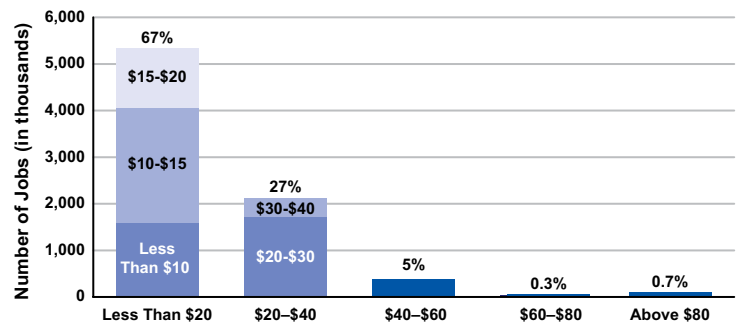
How many households are struggling?

ALICE, an acronym for **A**sset **L**imited, **I**ncome **C**onstrained, **E**mloyed, are households that earn more than the Federal Poverty Level (FPL), but less than what it costs to survive (the ALICE Threshold) for the state. Of Florida's 7.5 million households, 14.5 percent earn below the FPL and another 29.5 percent are ALICE, well above the 2007 level.



How much does ALICE earn?

In Florida, 67 percent of jobs pay less than \$20 per hour, with three-quarters of those paying less than \$15 per hour. Another 27 percent of jobs pay between \$20 and \$40 per hour. Only 5 percent of jobs pay above \$40 per hour.



What does it cost to afford the basic necessities?

This bare-minimum Household Survival Budget increased by an average of 19 percent from 2007 to 2015, while the rate of inflation was 14 percent. Affording only a very modest living, this budget is still significantly more than the Federal Poverty Level of \$11,770 for a single adult and \$24,250 for a family of four.

Average Monthly Costs, Florida, 2015			
	SINGLE ADULT	2 ADULTS, 1 CHILD, 1 PRESCHOOLER	2007-2015 PERCENT INCREASE
Monthly Costs			
Housing	\$609	\$842	22%
Child Care	N/A	\$1,015	10%
Food	\$165	\$547	14%
Transportation	\$326	\$653	2%
Health Care	\$164	\$628	>48%*
Miscellaneous	\$145	\$408	19%
Taxes	\$189	\$395	20%
Monthly Total	\$1,598	\$4,488	19%
ANNUAL TOTAL	\$19,176	\$53,856	19%

*Increase in out-of-pocket health care costs from 2007 to 2015 was 48 percent; increase including ACA penalty was 74 percent. Note: Percent increases are an average of the percent change in each category for a single-adult and for a four-person family. Source: American Community Survey, U.S. Department of Housing and Urban Development (HUD); U.S. Department of Agriculture (USDA); Bureau of Labor Statistics (BLS); Internal Revenue Service (IRS) and Florida Department of Education, 2015.

AT-A-GLANCE: FLORIDA, 2015

Point-in-Time Data

Population: 20,271,272 | Number of Counties: 67 | Number of Households: 7,458,155

Florida Counties, 2015		
County	Total HH	% ALICE & Poverty
Alachua	96,427	46%
Baker	8,205	46%
Bay	69,337	41%
Bradford	8,770	50%
Brevard	225,682	34%
Broward	673,870	44%
Calhoun	4,784	58%
Charlotte	72,671	40%
Citrus	60,541	43%
Clay	71,733	33%
Collier	134,906	33%
Columbia	24,238	45%
DeSoto	11,238	58%
Dixie	6,051	55%
Duval	343,467	37%
Escambia	116,814	38%
Flagler	39,281	45%
Franklin	4,338	51%
Gadsden	16,964	56%
Gilchrist	6,187	50%
Glades	3,920	65%
Gulf	5,349	49%
Hamilton	4,688	57%
Hardee	7,618	65%
Hendry	11,345	64%
Hernando	70,713	42%
Highlands	41,116	49%
Hillsborough	503,154	42%
Holmes	6,828	56%
Indian River	55,494	40%
Jackson	16,309	58%
Jefferson	5,411	49%
Lafayette	2,493	57%
Lake	126,519	41%

Florida Counties, 2015		
County	Total HH	% ALICE & Poverty
Lee	263,694	43%
Leon	109,209	41%
Levy	15,516	50%
Liberty	2,433	52%
Madison	6,614	56%
Manatee	134,690	43%
Marion	125,227	47%
Martin	65,101	41%
Miami-Dade*	857,712	61%
Monroe	31,391	46%
Nassau	29,674	37%
Okaloosa	76,721	33%
Okeechobee	13,046	58%
Orange	457,736	43%
Osceola	98,301	60%
Palm Beach	545,780	40%
Pasco	192,628	42%
Pinellas	400,209	41%
Polk	227,122	51%
Putnam	28,165	52%
Santa Rosa	60,861	33%
Sarasota	177,807	33%
Seminole	162,739	37%
St. Johns	83,247	28%
St. Lucie	108,811	46%
Sumter	48,039	42%
Suwannee	15,649	48%
Taylor	7,605	55%
Union	3,883	70%
Volusia	209,657	42%
Wakulla	10,691	39%
Walton	23,490	42%
Washington	8,246	51%

* See Miami-Dade County page in Exhibit I

AT-A-GLANCE: FLORIDA