2004 Rental Market Study Presentation

Florida Housing Finance Corporation Board Meeting
December 3, 2004
The Rental Market Study

- Section 420.5087, F.S., describes the SAIL program and requires that program funds be distributed based on need and demand determined by the most recent statewide rental market study.
- The rental market study is performed every 3 years.
- Florida Housing contracted with the Shimberg Center to conduct this study.
The Shimberg Center

- The Shimberg Center for Affordable Housing was established at the University of Florida in 1988 by the Florida legislature
- The Center conducted the 2001 Rental Market Study for Florida Housing
- Under contract to Florida Housing the Shimberg Center manages the Florida Housing Data Clearinghouse
The Scope of the Study

- A current estimate, 2004 and a projection, 2007, of affordable rental housing need:
  - By county
  - By household income
  - By cost burden
  - By age of householder
  - By size of household
The Scope of the Study (continued)

- An assessment of the housing need for special population groups:
  - Homeless People
  - Commercial Fishing Workers
  - Farmworkers
  - Elderly
The Scope of the Study (continued)

- A current estimate of the subsidized rental supply:
  - By county
  - By subsidy program
  - By number of bedrooms
  - By the type of families served
  - By rent range
Rental Housing Need

- Florida has approximately 801,000 renter households with incomes at or below 60 percent of area median income.
- Over 327,000 of these households have cost burdens greater than 50 percent – the focus of this study.
  - Two-thirds (over 217,000) of these lower income, cost burdened households are in Florida’s large counties: Broward, Duval, Hillsborough, Miami-Dade, Orange, Palm Beach, Pinellas and Polk.
  - 40% of these households are in three south Florida counties: Broward, Miami-Dade, Palm Beach.
Rental Housing Need (continued)

- Households in this target population (incomes at or below 60% AMI, cost burden above 50% are:
  - Concentrated in the very lowest income categories
  - In smaller households
  - Older
Subsidized Rental Housing Supply

- Florida has more than 226,000 units of rental housing subsidized by programs administered by:
  - Florida Housing Finance Corporation
  - U.S. Dept. of Housing & Urban Development
  - USDA Rural Development
  - Local Housing Finance Agencies
- There are over 41,000 units administered by public housing authorities
- There are approximately 88,000 Housing Choice (Section 8) vouchers (not units)
Subsidy Layers in Florida

- Most subsidized housing involves funding from multiple programs
- More than 57% of subsidized units in Florida have received the Low Income Housing Tax Credit
- More than 53% of Florida’s subsidized units have tax-exempt mortgage revenue bond financing
Subsidy Layers (continued)

- About 32% of subsidized units are provided under HUD Multi-family programs
- SAIL has provided subsidy for nearly 22% of these units
- USDA Rural Development programs have funded 10% of Florida’s subsidized units
To whom is this housing targeted?

- Units that target families are the predominant form of subsidized unit in Florida, with 81% of total units
- Units for elderly households make up about 16% of total units
- Remaining units (about 3%) are for special population groups: farmworkers, homeless persons, fishing workers, and persons with disabilities
Florida Housing
Income Restrictions

- About 73% of Florida Housing Finance-funded units have income restrictions ranging between 50% and 60% AMI

- Units with restrictions between 20% and 50% AMI account for a further 13% of Florida Housing Units

- Approximately 15% of Florida Housing units have income restrictions above 60% AMI
Florida Housing
Tenant Incomes

- About 40% of Florida Housing Finance-funded units have tenants with incomes ranging between 51% and 80% AMI
- Units with tenant incomes between 31% and 50% AMI account for a further 34% of Florida Housing Units
- 17% of units are occupied by tenants with incomes at or below 30% AMI
- Approximately 9% of Florida Housing units have income restrictions above 80% AMI
HUD and USDA – Income Restrictions and Tenant Incomes

- The income restriction for HUD and USDA units is at or below 80% AMI, but the incomes of tenants served is actually much different.
- More than 76% of the combined total of HUD and USDA units serve extremely low income households (0-30% AMI) in Florida.
- Very low income households (31-50% AMI) are served by about 18% of the combined total of HUD and USDA units.
- Less than 6% of these units serve low income households (50-80% AMI).
Distribution of Subsidized Units

- Large, medium, and small counties have 62%, 33% and 5%, respectively, of the subsidized units in Florida.
- Bond-financed units are most prevalent in larger metropolitan areas.
- HUD Multi-family subsidized properties are found in all size counties.
- USDA properties are primarily located in medium and small counties.
Special Population Groups

- Elderly
- Farmworkers
- Fishing Workers
- Homeless People
The elderly (62+) are a higher proportion of the lower income, cost burdened population than of the total renter population.

Households by Age of Householder 2004

- 62+: 25%
- 55-61: 8%
- 15-54: 67%
Farmworkers

- 135,000 farmworkers in Florida
- 89,848 unaccompanied workers; 30,122 accompanied worker households
- Gaps: Need 54,446 single worker beds and 24,557 family units
Farmworkers (continued)

- Counties with most unmet need: Miami-Dade, Palm Beach, Hillsborough, Collier, Orange, Highlands, Hendry, Manatee, Hardee, Polk, Marion

- Most unaccompanied workers earn less than $10,000/year, need rents of $250/month or less

- Most accompanied worker households earn less than $20,000, need rents of $500/month or less
Fishing Workers

- 703 low-income, cost-burdened, renter fishing worker households in Florida
- Most in Monroe, Miami-Dade, Brevard, Broward, Duval Counties; some in central and northwestern coastal counties
- 2/3 are 1-2 person households
- Most have incomes below 35% AMI, cost burden over 50%, or both
Homeless People

- 64,680 homeless people in Florida; 6,089 in permanent supportive housing (70,769 total)
  - 41,687 single adults
  - 29,082 persons in families
- 19,606 beds now available or under development in transitional and supportive housing
- Need: 51,163 beds
  - 30,467 for single adults
  - 20,696 for persons in families
Homeless People (continued)

Continuum of Care regions with greatest need:
Orange-Osceola-Seminole, Miami-Dade,
Hillsborough, Marion, Broward, Manatee-
Sarasota, Palm Beach, Pasco, Escambia-Santa
Rosa