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**Chapter IV
HOUSING ELEMENT
SUPPORT DOCUMENT**

Evaluation and Appraisal Amendments 2017

Housing Inventory and Occupancy

According to the 2010 Census, the Town had 2,916 housing units, out of which 1,535 were permanently occupied and 1,381 were vacant/non-permanent. The average household size in 2010 was 1.98 people per dwelling unit. Of the vacant units, 1,137 were used seasonally, which is 39% of the total units, while the other vacant 244 units were rented, unoccupied or noted as vacant for other reasons, at a non-seasonal vacancy rate of 8.4%. The table below shows the number of units and occupancy using these same ratios in 2010, at the present time (with the addition of 41 new units since 2010), and at build-out.

HOUSING INVENTORY AND OCCUPANCY, 2010 THROUGH BUILD-OUT

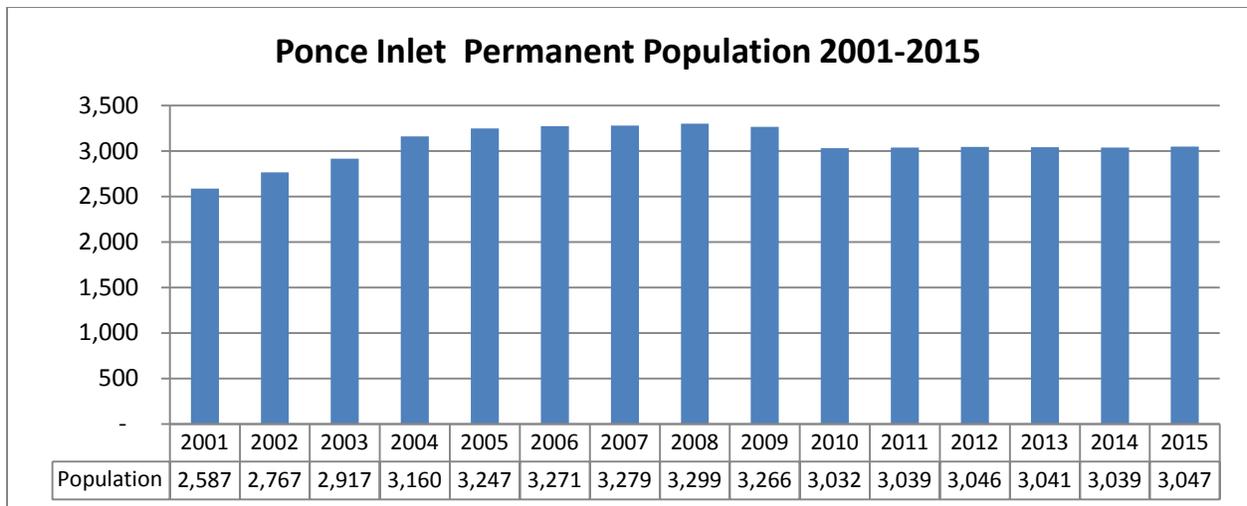
| | 2010 | 2016 | Build-out |
|--------------------|-------------|-------------|------------------|
| Permanent Occupied | 1,535 | 1,556 | 1,738 |
| Seasonal | 1,137 | 1,153 | 1,287 |
| Vacant/Rented | 244 | 248 | 276 |
| Total | 2,916 | 2,957 | 3,301 |

Source: U.S. Census, 2010; Planning & Development Dept., 2016

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Population

Between the 2000 and 2010 Census years, the Town experienced a net increase in population of 445 permanent residents. However, the Town's permanent population actually peaked in 2008 at 3,299, and following the start of the recession and housing market collapse, lost 267 residents between 2009 and 2010. In the five years since, the Town's growth has been flat, gaining back only fifteen permanent residents. At the time of this report, population estimates for 2016 have not yet been released, but it is anticipated that the population will begin to rebound more quickly, corresponding with the increase in new home construction. It is also possible that more of the non-seasonal rented or vacant units will become occupied once again as the economy continues to improve.



Source: Office of Economic and Demographic Research, 2016

26 Seasonal population must be estimated in order to adequately plan for supporting land uses
 27 and services (i.e., recreation, infrastructure, etc.). As noted in the 2008 Plan, the number
 28 and location of seasonal housing units that can be rented on a short-term basis is restricted
 29 in the Town by ordinance to certain areas designated as high density multi-family on the
 30 Future Land Use Map. For forecasting purposes, the 2008 Plan assumed only 50% of the
 31 seasonal resident population would be occupying their units at any given time. Accordingly,
 32 of the 1,137 seasonal units noted in the 2010 Census, only 569 would have been occupied
 33 at any one time. With a household size of 1.98 persons per unit, the seasonal units would
 34 have housed an additional 1,127 people in 2010. Adding these to the 3,032 permanent
 35 residents, the total 2010 population therefore was approximately 4,159. Using the same
 36 ratios and considering the number of seasonal units added since 2010, the total population
 37 in 2016 should be approximately 4,215.

38
 39 By applying these same permanent, seasonal, and seasonal vacancy ratios to the projected
 40 number of future dwelling units, it is possible to project the future population of the Town
 41 at build-out. Ultimately, the 3,025 permanent and seasonal dwelling units will be occupied
 42 by 4,766 residents. If 50% of the remaining 276 vacant/rental units become occupied, it
 43 would bring the ultimate build-out population to over 5,000 people (5,039).

44
 45 **Affordable Workforce Housing**

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 47 Local governments are required by the State of Florida to establish principles, guidelines,
 48 standards, and strategies for provision of adequate housing sites for all current and
 49 anticipated future residents, including affordable workforce housing¹. The term “affordable
 50 workforce housing” means housing that is affordable to a person who earns less than 120
 51 percent of the area median income. This threshold increases to less than 140 percent of the
 52 area median income if the local government is located in a county in which the median
 53 purchase price for a single-family existing home exceeds the statewide median purchase
 54 price of a single-family existing home, as determined in the Florida Sales Report, Single-
 55 Family Existing Homes, released each January by the Florida Association of Realtors and

¹ F.S. §163.3177(6)(f)1

56 the University of Florida Real Estate Research Center². In Ponce Inlet, the 140% threshold
57 applies.

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59 Median Income

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61 In 2014, the median household income in Ponce Inlet was \$68,750, compared with \$41,714
62 in Volusia County, according to the U.S. Census American Community Survey. The Ponce
63 Inlet median income is approximately 164% of the Volusia County median income. Using
64 the state definition of affordable workforce housing, a household would need to earn less
65 than \$50,056.80 at the 120% area median income level or less than \$58,399.60 at the 140%
66 level.

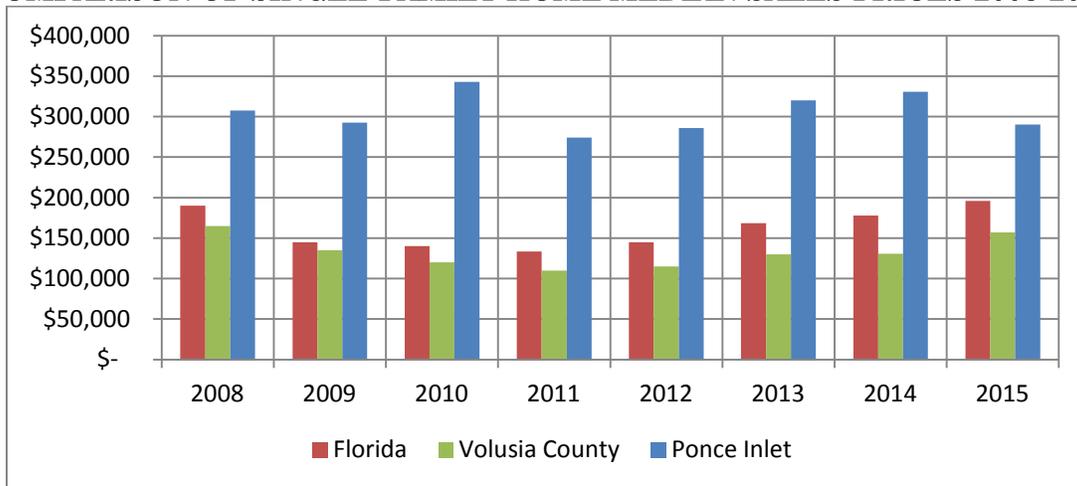
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68 Median Housing Prices

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70 The median sale prices of single-family homes and condominium units in Ponce Inlet have
71 been consistently higher than the average in Volusia County and the state of Florida. As
72 shown on the charts below, the median sale prices have fluctuated somewhat similarly to
73 housing prices in the county and state over the years, even as the prices themselves remain
74 significantly higher.

COMPARISON OF SINGLE-FAMILY HOME MEDIAN SALES PRICES 2008-2015



Sources: Florida REALTORS; Florida Housing Data Clearinghouse; Zillow.com

NOTE: Ponce Inlet and Volusia Co. 2015 data as of August 2015

75 In 2015, the median sale prices for Ponce Inlet, Volusia County, and the state of Florida
76 were \$290,000, \$157,000, and \$196,000 respectively. Because the median purchase price in
77 Ponce Inlet exceeds the median price in the state, the 140% income threshold is used to
78 determine affordability.

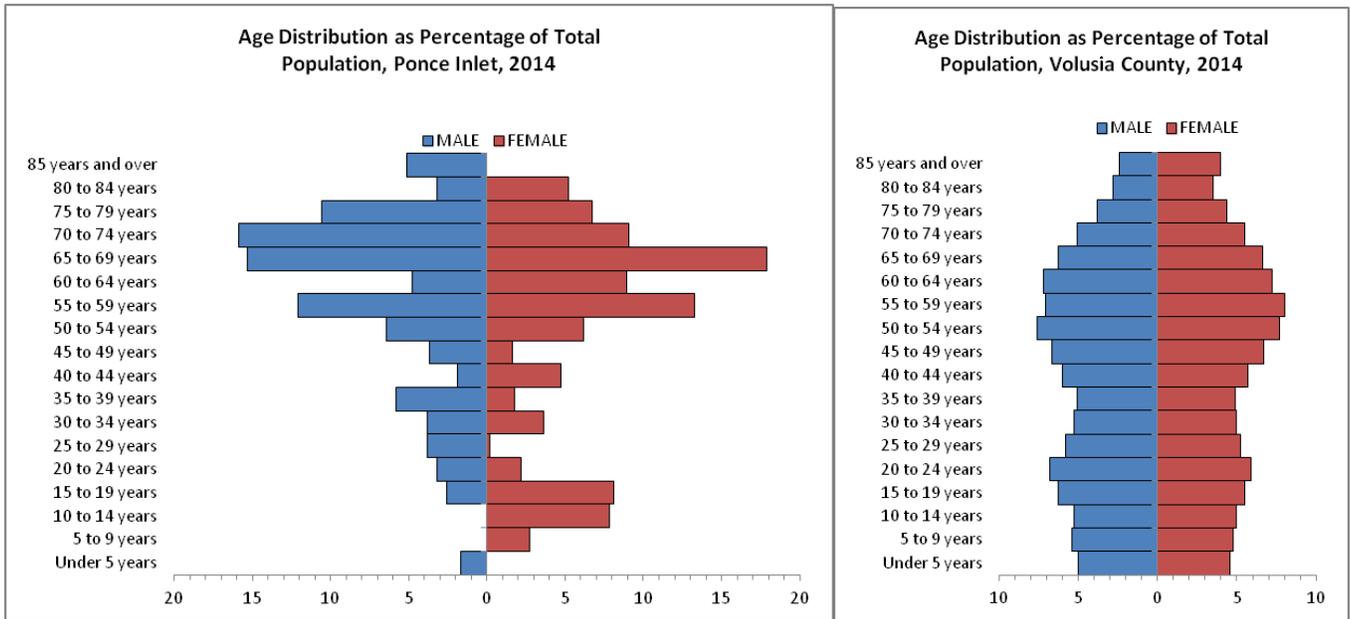
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² F.S. §380.0651(3)(h)

81 Age Characteristics

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 83 In Ponce Inlet, less than half of residents (49.5%) are of workforce age, between ages 15-64.
 84 In Volusia County, 62.9% of all residents are of workforce age. The median age of Ponce
 85 Inlet residents is 60.6, versus 46.0 in Volusia County. This is borne out in a comparison of
 86 the age distributions of Ponce Inlet and Volusia County, as shown in the figures below. In
 87 Ponce Inlet, the distribution is skewed heavily toward the upper age brackets, beginning at
 88 55 years. In contrast, the age distribution of Volusia County is much more balanced
 89 between age groups. The age and income comparisons together confirm that Ponce Inlet is
 90 generally older and more affluent than the county as a whole.



Source: U.S. Census American Community Survey, 2014

91 Based on the Florida Housing Data Clearinghouse, the number of households that are low-
 92 income (incomes below 80 percent of area median) and severely cost-burdened (paying 50
 93 percent or more for mortgage costs or rent) for Ponce Inlet are shown below. This indicator
 94 encompasses a broad range of households likely experiencing distress because of their
 95 housing costs relative to income levels. The 80 percent of median income figure is a
 96 traditional measure of eligibility for programmatic housing assistance, such as construction
 97 of new affordable housing units or subsidies to make current units more affordable.

PONCE INLET AFFORDABLE HOUSING NEED SUMMARY 2010-2040

| Number of severely cost burdened (50%+) households with income less than 80% AMI by tenure | | | | | | |
|--|------|------|------|------|------|------|
| Tenure | 2010 | 2015 | 2020 | 2025 | 2030 | 2040 |
| Owner | 162 | 169 | 190 | 203 | 216 | 227 |
| Renter | 35 | 37 | 41 | 42 | 46 | 47 |
| Total | 197 | 206 | 231 | 245 | 262 | 274 |

Source: Florida Housing Data Clearinghouse, 2015

98 In 2010, 197 households were severely cost burdened based on their percentage of income to
99 mortgage or rent. That number is expected to rise to 245 households by 2025 and 274
100 households by 2040. The 2010 number represented approximately thirteen percent of the
101 1,535 households in Ponce Inlet at the time. This percentage is expected to remain more or
102 less constant by the time the Town is built out based on the projected number of permanent
103 and rented residential units.

104
105 With the exception of the dramatic price increases of the speculative housing boom, Volusia
106 County as a region has historically had an abundance of affordable housing and overall
107 housing choices. This affordability is attributable to the county being underpriced compared
108 to some neighboring counties and other areas in Florida. Given the town's relatively low
109 percentage of burdened households and workforce population, and limited development
110 potential and nearly built-out condition, the Town will continue to encourage and support
111 regional programs to address affordable housing in locations where such goals can be better
112 met. The low price of housing in Volusia County relative to Ponce Inlet attests to the
113 availability of affordable housing close by. To that end, the town shall continue to
114 coordinate its efforts with Volusia County's established housing programs, including State
115 Housing Initiatives Partnership and the Local Housing Assistance Plan.

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