

MULTIMODAL COMMUNITY PLANNING STUDY

HOUSING ANALYSIS PRESENTATION
JANUARY 2019


 **KITTELSON
& ASSOCIATES**



 **NEXT STOP**
FORT LAUDERDALE

Advancing the Vision

Planning Study Overview

 The purpose of this planning study is to **advance the City's vision to enhance quality of life** by making our neighborhoods walkable, connected and accessible for everyone.

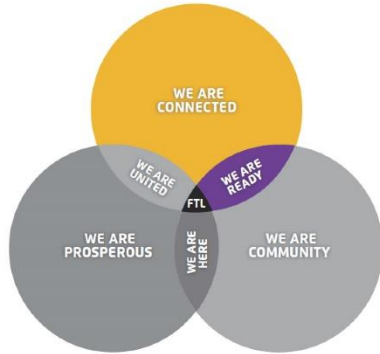
The City of Fort Lauderdale was awarded a planning grant by the Federal Transit Administration (FTA) to explore mechanisms and provide the City with guidance to the proper regulatory tools.

 Creating a **safe and walkable city** and providing **multimodal transportation options** were identified as top ranked priorities of the **Fast Forward Fort Lauderdale Vision Plan 2035**.



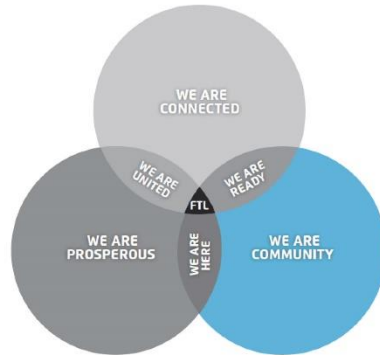
Planning Study Overview

FAST FORWARD FORT LAUDERDALE 2035 - VISION STATEMENT



We move seamlessly and easily through a safe transportation system where the pedestrian is first.

/ The strategic plan calls for a connected City, easy and safe to move through by walking, biking, and public transportation.



We are a neighborhood of neighborhoods.

/ The strategic plan calls for an inclusive community of distinct, diverse, beautiful, and healthy neighborhoods.

Planning Study Overview

What are the implementation tools to make Fort Lauderdale the place it wants to be?

What's preventing our city from being more connected & livable?

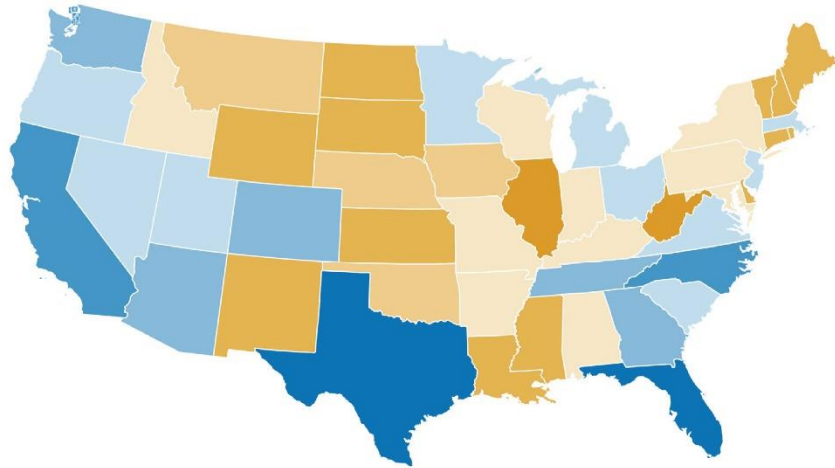


What are potential solutions and opportunities to make our city more connected & livable?

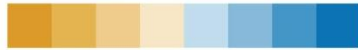
Housing Analysis Overview

- » Market potential for new housing in the planning area
- » Identification of households that represent the potential market for new housing
- » Potential market's housing preferences
- » Workforce households' income ranges
- » Existing housing supply-types and prices
- » Planning area affordability based on existing and new housing types
- » Housing affordability in the planning area based on income levels
- » Housing + transportation affordability indexes
- » Market capture/absorption of units
- » Potential strategies to meet livability goals

Planning Area Overview



POPULATION CHANGE



least

most

Source: As of June 2018, Bloomberg, U.S. Census Bureau

FLORIDA RANKS

2ND

for population growth since January 2017 behind Texas.

Total Population

Households

Median Household Income

Median Home Value

Jobs

Male/Female Ratio

PLANNING AREA

16,535

7,930

\$57,700

\$399,500

64,356

59/41

CITY WIDE

179,200

81,680

\$59,100

\$358,900

158,178

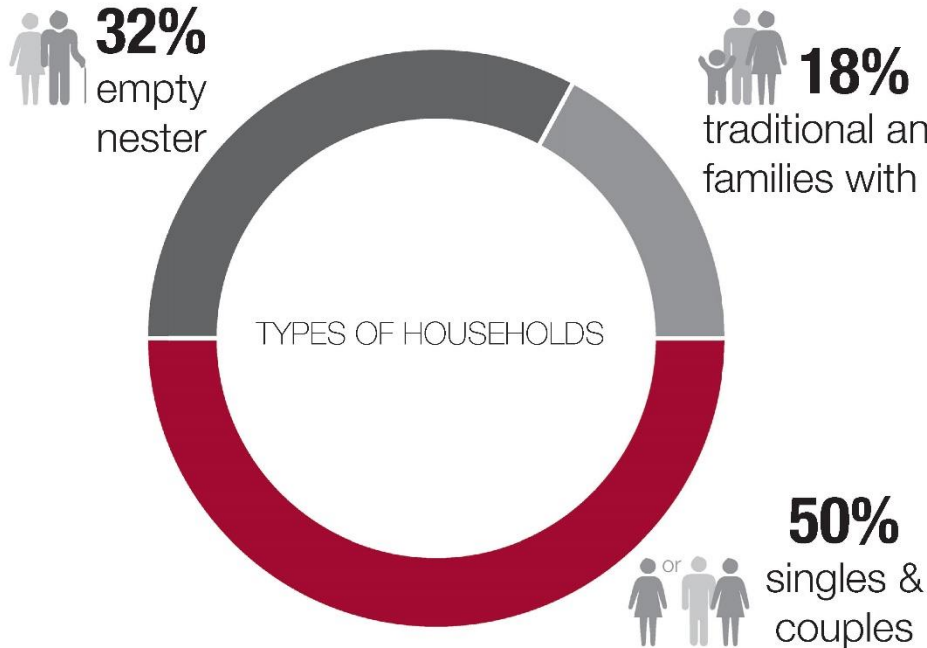
53/47

*Planning area generates **41%** of the jobs in the City
(Regional Economic Engine)*

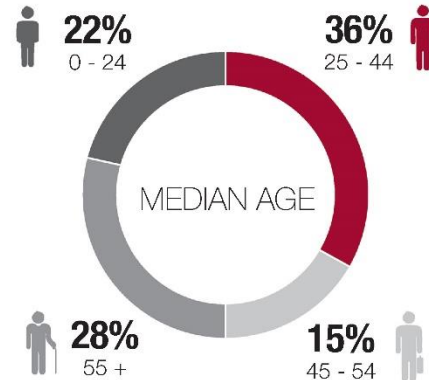
Source: American Community Survey, 2012-2016 - 5-year estimates and Claritas, Inc. - US Census, LEHD Origin-Destination Employment Statistics (LODES) Workplace Area Characteristic Files. Version 7.3. 2002-2015

Demographics Snapshot - Planning Area

General data



80% of households in the planning area are 1&2 person households.

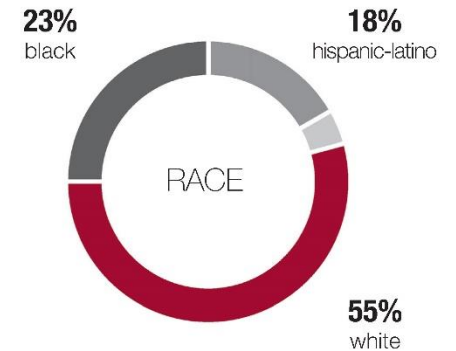


Median age in Planning Area: 41
The population in the planning area is generally younger than the city overall.

EDUCATIONAL ATTAINMENT



Planning area residents tend to have a higher education level. 36% of citywide residents have a bachelor's degree or higher.

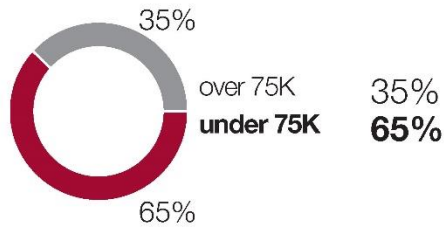


Black population in the Study Area has decreased by 25% from 2000 to 2016. White and Hispanic populations have been increasing, by 45% and 48% in the planning area respectively.

Demographics Snapshot - Planning Area

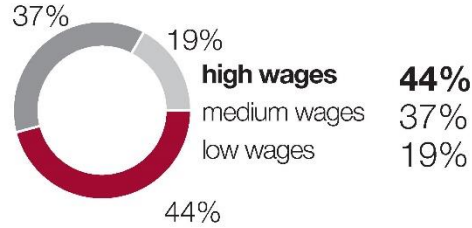
Income and Employment Data

INCOME



Lower income neighborhoods and higher income neighborhoods exist in the planning area.

WAGES



Jobs in the planning area cover the full range of high, medium and low wage occupations.

LEHD WAGES CLASSIFICATION

| | Monthly | Annual | Hourly (for a full-time worker) |
|------------------|-------------------|--------------------|------------------------------------|
| Low-Wage | \$1,250 or less | \$15,000 or less | \$7.81 or less |
| Med-Wage | \$1,251-\$3,333 | \$15,000-\$40,000 | \$7.81 -\$20.83 |
| High-Wage | More than \$3,333 | More than \$40,000 | More than \$20.83 |

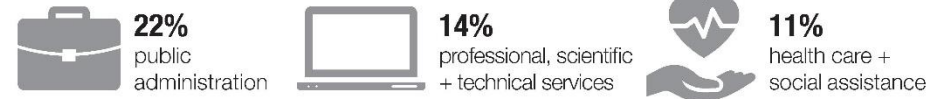
7,885

People below poverty levels in planning area

19% of people in the City and Planning area are below poverty level.

(Broward County **265,521** | City of Fort Lauderdale **33,830**)

EMPLOYMENT BY INDUSTRY



About 57% of jobs are in office-based industries and public sector. About 30% of jobs are in service industries like retail, accommodation/food services, health care and education, which include many low and middle-wage occupations.

Housing and Transportation in Fort Lauderdale

Commuting Patterns

HOUSING AND TRANSPORTATION AFFORDABILITY INDEX

In high-cost regions like South Florida, **many lower income households find housing in less expensive communities and are forced to commute longer distances.** Therefore, these households are often spending a **larger share of income on transportation costs.**

Locating affordable housing near job centers and areas served by transit can help low income households save on transportation costs.



79,215

WORKERS COMMUTING TO WORK IN **CITY FORT LAUDERDALE**

The majority of workers in the County/City/Planning area have a commute time of 30-34 min.

(Broward County workers **849,242**)

7.7 miles



MEDIAN COMMUTE DISTANCE IN **CITY OF FORT LAUDERDALE**

Median commute distance in the County/City/Planning Area 7 to 10 miles

(Broward County **10.1 miles**)



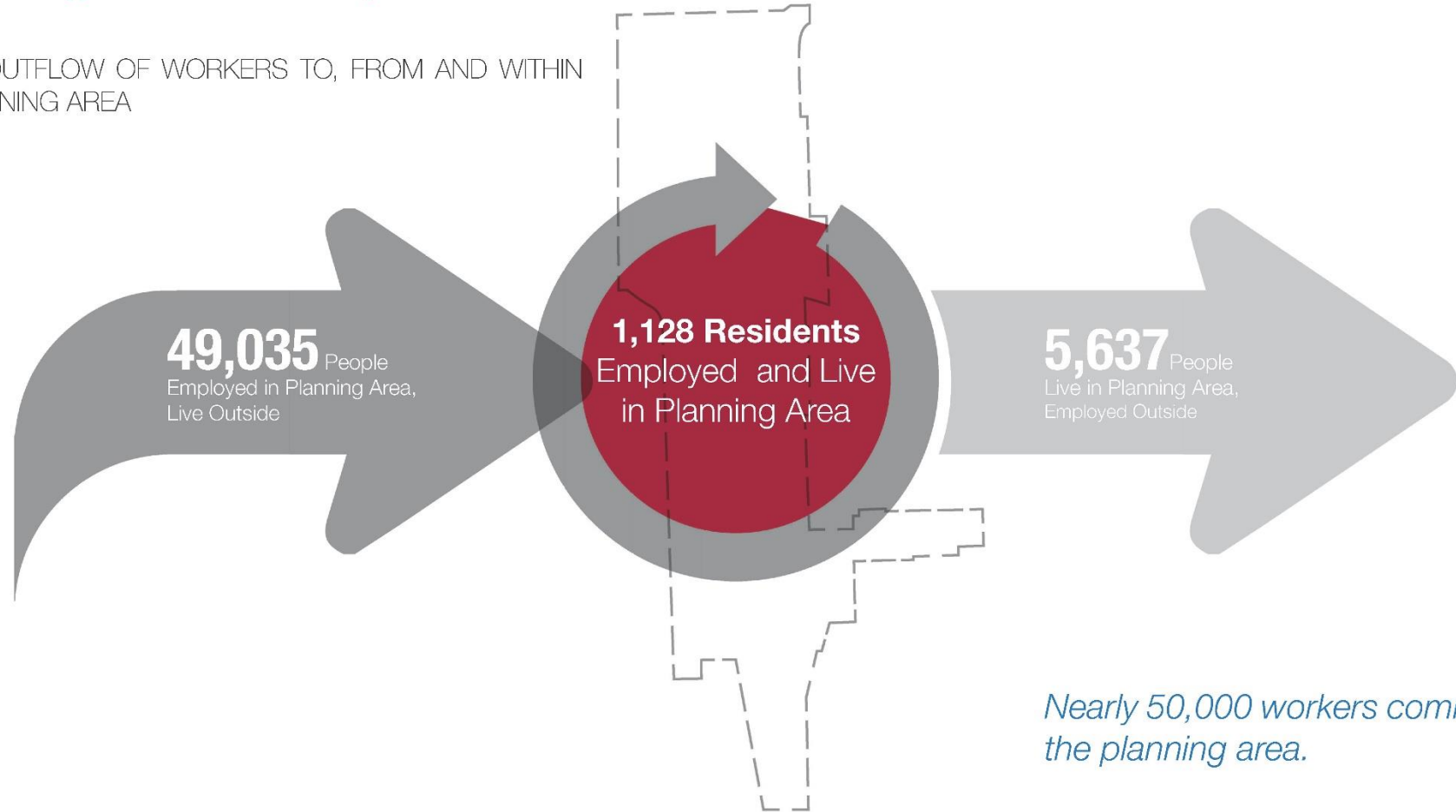
30-34 min

commute each day



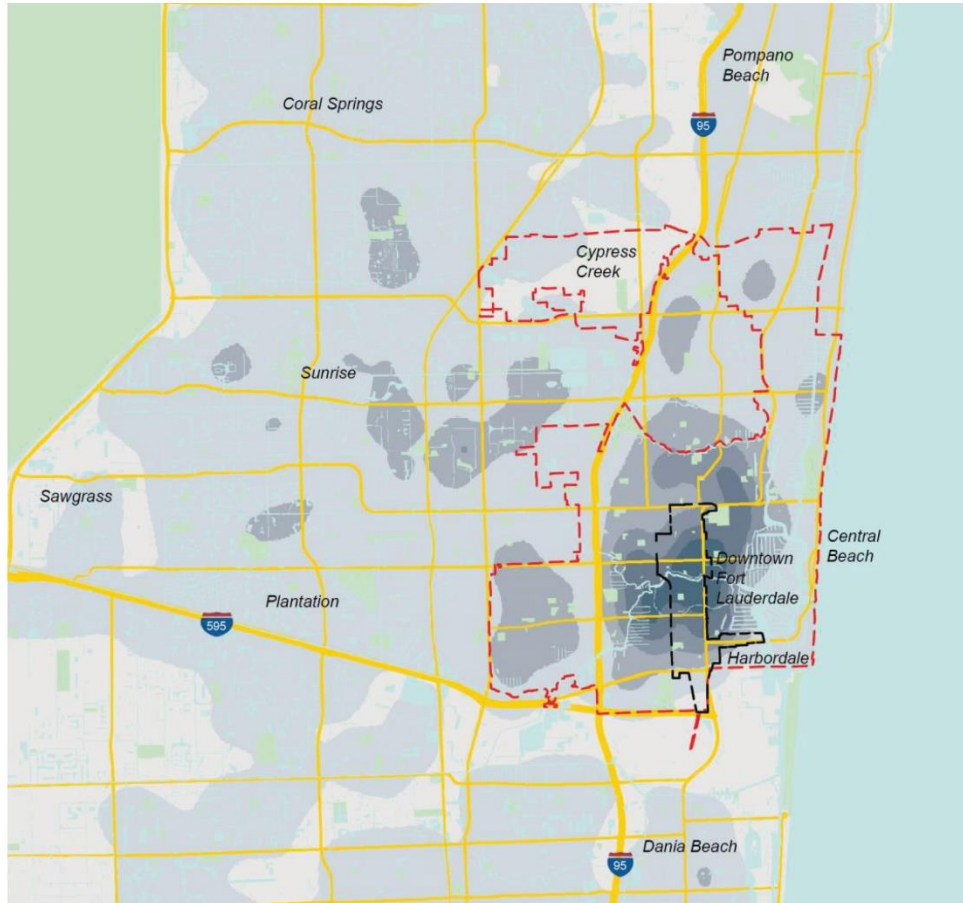
Housing and Transportation

INFLOW/OUTFLOW OF WORKERS TO, FROM AND WITHIN THE PLANNING AREA



Nearly 50,000 workers commute into the planning area.

Housing and Transportation



PLACE OF RESIDENCE (ORIGIN) OF STUDY AREA WORKERS

High share of workers in the study area live in close proximity to the study area.

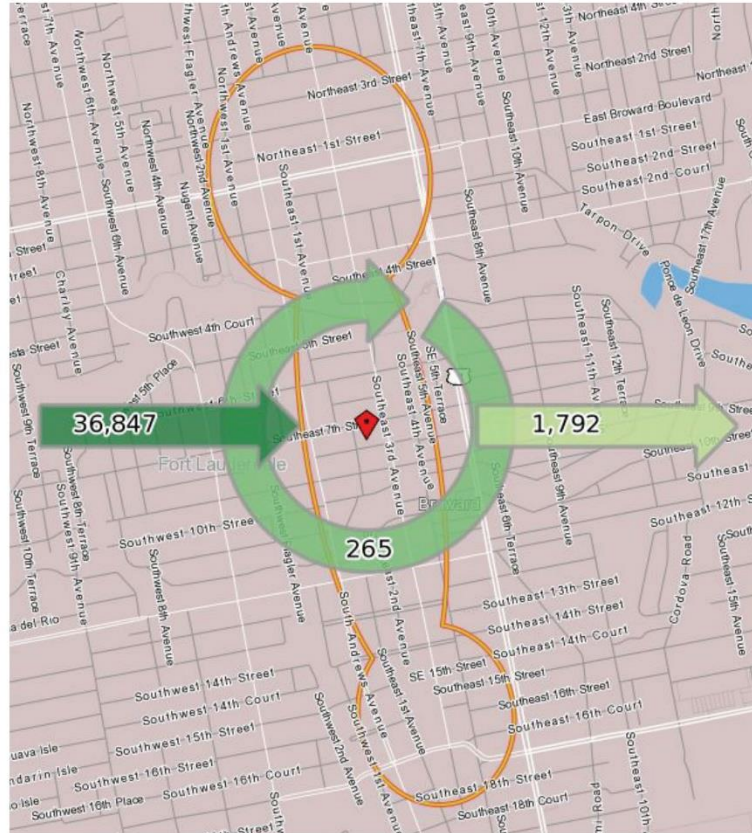
Where Workers in the Study Area Live, 2015



Housing and Transportation

Commute Patterns

INFLOW/OUTFLOW JOBS COUNTS IN 2015



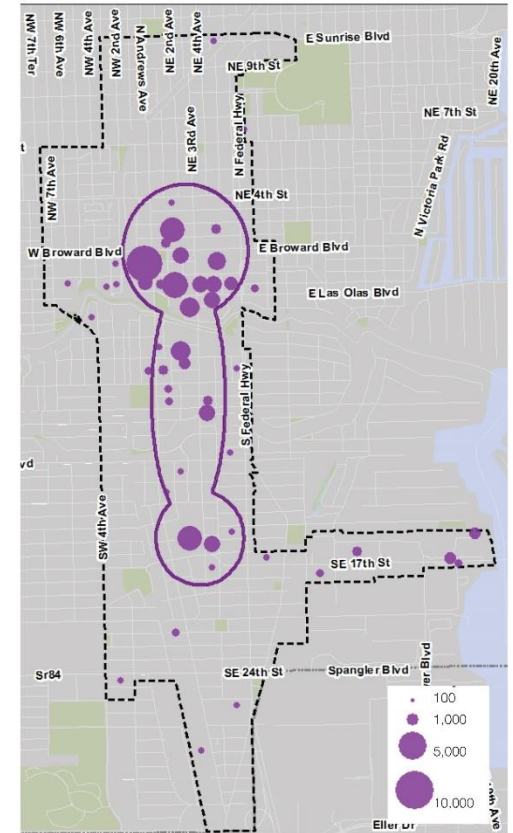
There's a cluster within the planning area that is a major commute destination

- 36,847 - Employed in Selection Area, Live Outside
- 1,792 - Live in Selection Area, Employed Outside
- 265 - Employed and Live in Selection Area

- ➔ Employed and Live in Selection Area
- ➔ Employed in Selection Area, Live Outside
- ➔ Live in Selection Area, Employed Outside

N Analysis Selection

NUMBER OF JOBS IN BLOCK GROUP



Housing and Transportation

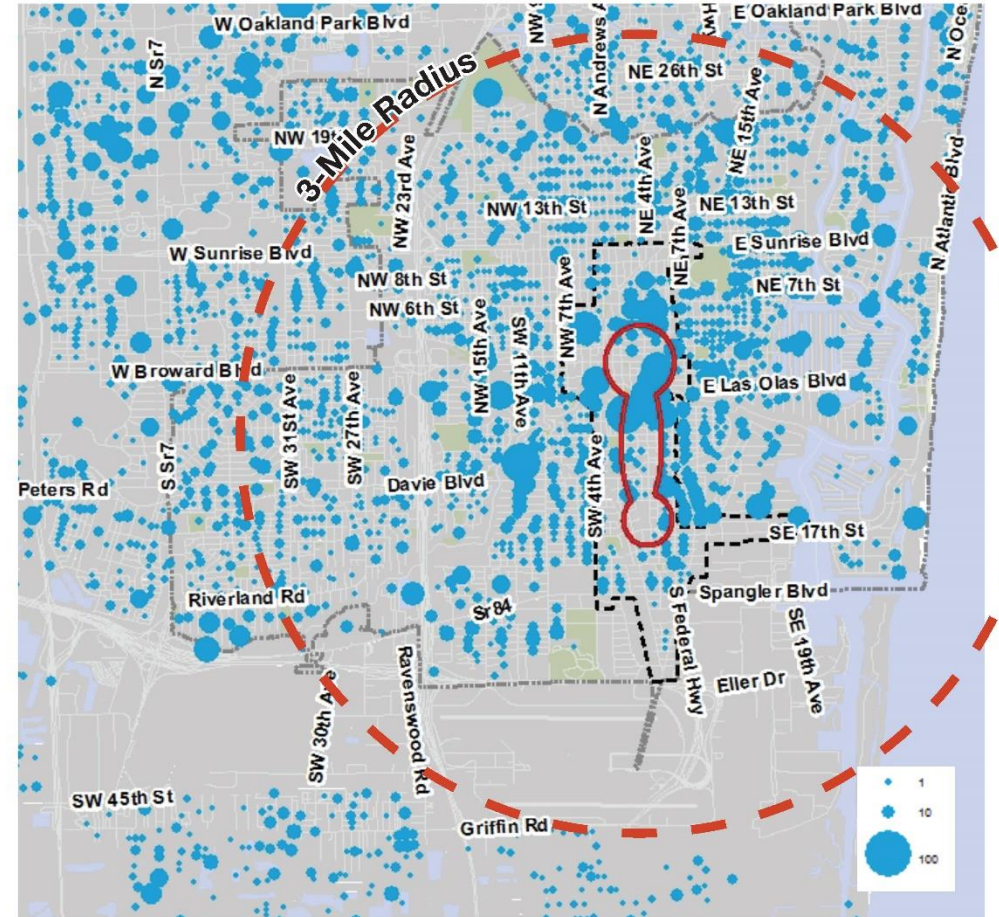
Where Workers Live

- » Workers commute here from within the planning area and beyond.
- » Many workers are clustered within and around the planning area (14% within the City of Fort Lauderdale)

JOBS COUNTS BY PLACES (CITIES, CDPS, ETC.)
WHERE WORKERS LIVE - ALL JOBS

| | 2015 | |
|--|--------|--------|
| | Count | Share |
| All Places (Cities, CDPs, etc.) | 37,112 | 100.0% |
| Fort Lauderdale city, FL | 5,144 | 13.9% |
| Hollywood city, FL | 1,969 | 5.3% |
| Plantation city, FL | 1,912 | 5.2% |
| Pembroke Pines city, FL | 1,723 | 4.6% |
| Coral Springs city, FL | 1,544 | 4.2% |
| Davie town, FL | 1,524 | 4.1% |
| Sunrise city, FL | 1,475 | 4.0% |
| Pompano Beach city, FL | 1,367 | 3.7% |
| Lauderhill city, FL | 1,209 | 3.3% |
| Miramar city, FL | 1,134 | 3.1% |
| All Other Locations | 18,111 | 48.8% |

WORKERS LIVING IN BLOCK GROUP



Housing + Transportation Affordability Index

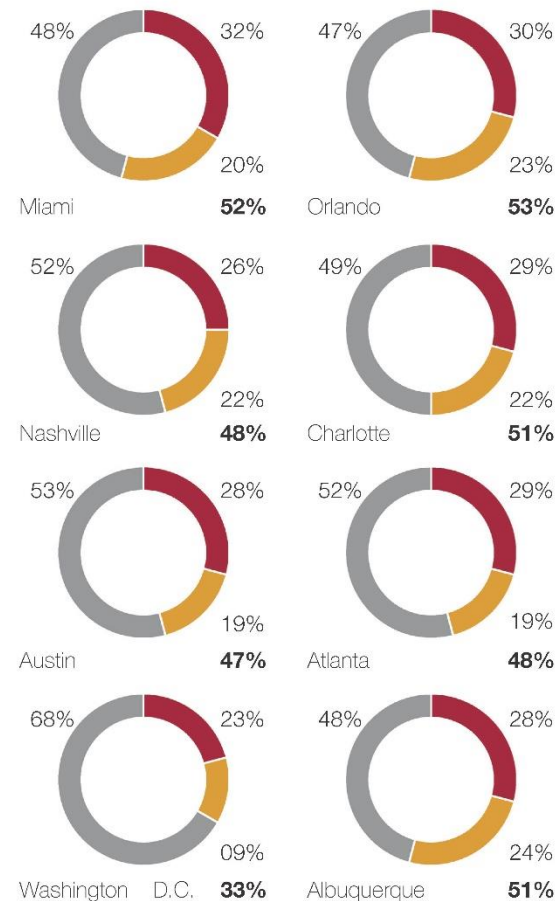
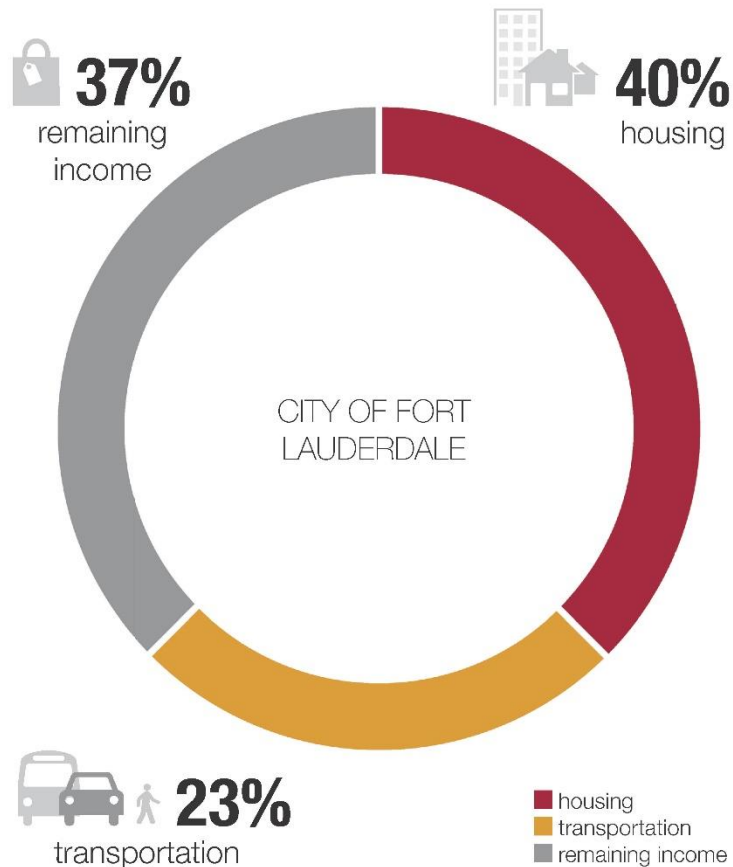
Comparison with other cities

The City of Fort Lauderdale has the highest transportation plus housing costs as a percentage of income of all cities compared.



Average percentage of household income spent on housing and transportation.

*A combined H+T Affordability Index of **45%** is considered affordable.*



Housing and Transportation

Housing + Transportation Affordability Index in the Planning Area



| Neighborhood | Housing Cost | Transportation Cost | Total H+T |
|--|--------------|---------------------|-----------|
| Progresso Village | 21% | 19% | 39% |
| Flagler Village | 40% | 18% | 58% |
| Downtown Fort Lauderdale's two census block groups | 36% | 18% | 55% |
| | 60% | 20% | 80% |
| Harbordale | 22% | 20% | 42% |
| Poinciana Park | 22% | 19% | 41% |

Particularly in neighborhoods with high housing costs, access to transit can drastically increase affordability for some households.

Average Monthly Cost to Own a Car: **\$920**

Monthly transit pass in Broward County: **\$70**

Housing and Transportation

Housing + Transportation Affordability Index in the Planning Area



Housing costs in the Planning Area range between

21% - 60%
of income.

HOUSING COSTS % OF INCOME

A considerable number of households pay more than 30% of income on rent.

Source: Center by Neighborhood Technology (www.cnt.org), LEHD 2015

Transportation costs in the Planning Area range between

18% - 20%
of income.

% OF INCOME SPENT ON TRANSPORTATION

(Broward County **23%** | City of Fort Lauderdale **22%**)

Source: US HUD and DOT; US HUD & DOT, LAI; 2010



TRANSPORTATION COSTS FOR THE FORT LAUDERDALE AREA

\$920

Monthly transportation cost



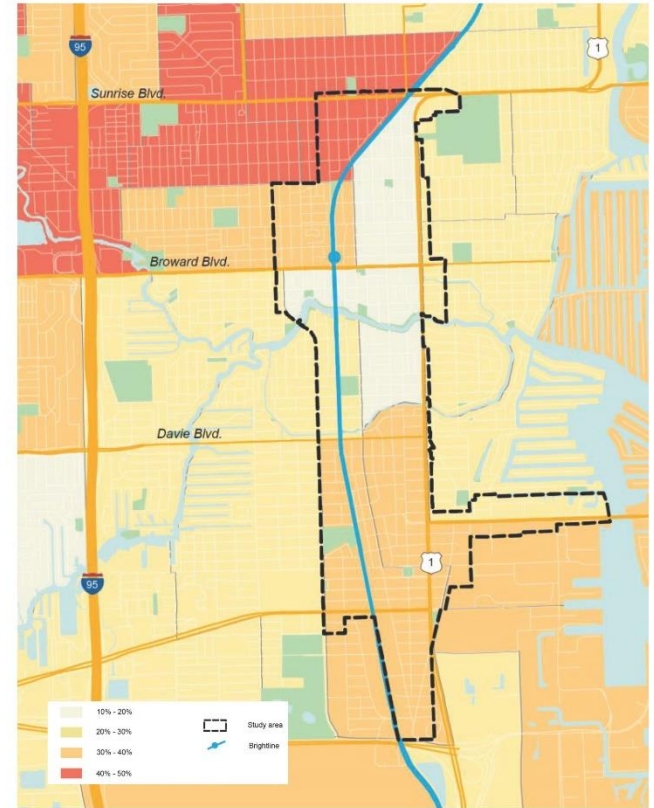
1.54

Autos per household



17,780

Average Fort Lauderdale household household VMT



Fort Lauderdale: Share of Severely Cost-Burdened Households, 2012-2016 (Estimates)*

* A household is considered 'severely cost-burdened' if they pay more than 50% of their income toward housing cost. This aggregate metric represents both renter households and owner households with mortgages.

Housing Market Analysis

Terms & Method



DEFINING THE MARKET POTENTIAL

- » Migration trends
- » Draw areas
- » Tenure preference (rental & ownership)
- » Income (MFI)
- » Housing type

Source: IRS and ACS 2016; FL HUD FMR



TARGET MARKET COMPOSITION BY LIFESTAGE

- » Age
- » Household Composition
- » Socio-economic factors
- » Lifestyle Preferences

Source: Claritas, Inc.



CURRENT MARKET SUPPLY

- » Existing & newly built housing and unit types
- » Base rents and prices

Source: MLS, Broker Interviews, City Development Activity

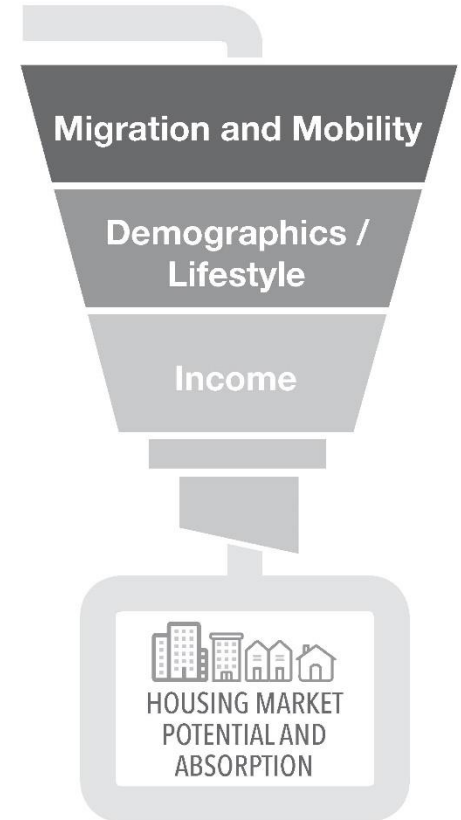


TARGET MARKET ABSORPTION

- » Target household preferences
- » Financial capabilities
- » Annual market capture

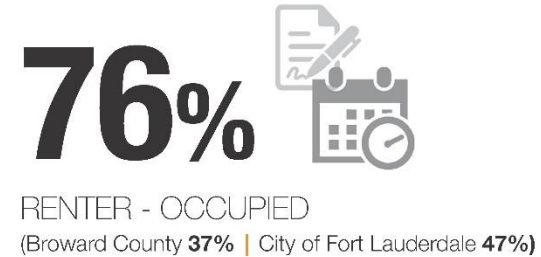
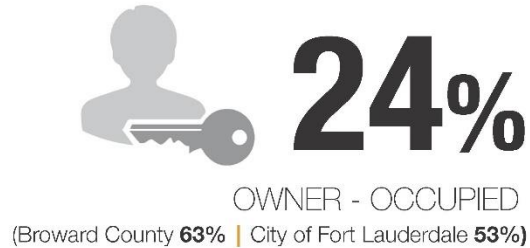
Source: Zimmerman / Volk Associates, Inc.

**Analysis of migration, mobility, demographic and lifestyle characteristics of households currently living within defined draw areas is integral to the determination of the potential market for new housing within the Planning Area.*



Housing Supply and New Development in the Planning Area

TENURE



Planning area is majority renter-occupied.

Source: American Community Survey, 2016 5-year Estimates

WHAT TYPES OF HOUSING IS THE MARKET CURRENTLY PROVIDING IN THE PLANNING AREA (RENTS & PRICES FOR AVAILABLE UNITS)

Rent ranges (by unit type – rental)



\$1,549- \$1,700
1 BR/ Studio

\$2,200-\$3,000
2 BR

\$3,500- \$5,700
3BR

For sale ranges (by housing type - condo/TH/house)



\$409,000- \$700,000
Townhomes

Most newly built units are above \$600,000

What Type of Housing is the Market Delivering in the Planning Area?

Rents and List Prices for Newly Built Housing

RENT RANGES BY UNIT TYPE IN NEW MULTIFAMILY DEVELOPMENT

| | Studio | 1 BR | 2BR | 3BR |
|---|---------------------|---------------------|---------------------|---------------------|
| Range of Rents | \$1,549- \$2,227 | \$1,733- \$4,155 | \$2,066- \$5,585 | \$2,739- \$5,560 |
| Household Income Required to Afford Unit | \$61,960 | \$69,320 | \$82,640 | \$109,560 |
| Income Category of Households Served | 100%- 120% | 120% | 100%- 120% | 120%- 140% |

New housing is providing for households primarily of 1 - 3 people making above \$87,000

LIST PRICES FOR NEW TOWNHOUSE-STYLE CONDOMINIUM UNITS

| | 3BR* |
|---|-----------------|
| Median Housing Price | \$659,900 |
| Household Income Required to Purchase Unit | \$144,000 |
| Income Category of Households Served | 140% and higher |

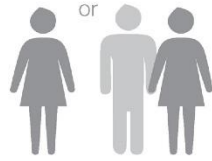
* Of the 29 for-sale comparables, 25 are 3-BR units, while just 3 are 4-BR units, and 1 is a 2-BR unit.



Housing Market Potential

These new residents would likely be moving from:
FTL 41% | County 25% | Tri-county area 17% | Outsiders 17%

WHO ARE THE PEOPLE WHO WOULD POTENTIALLY MOVE INTO THE PLANNING AREA?



68%

SINGLES & COUPLES

The most prominent group in this market segment is:
NEW BOHEMIANS

- » 25-34 years old
- » 1 or 2 person households
- » Median income: 68K
- » 56% of the households in this market segment have incomes ranging between less than 45K and less than 52K
- » Occupation: Artists and artisans, entrepreneurs, management and administration
- » Median home value or rent value: 503K (those who can afford a home)
- » College educated: 67% (the creative class)



22%

EMPTY NESTERS & RETIREES

The most prominent group in this market segment is:
COSMOPOLITAN COUPLES

- » 45-64 years old
- » 2 person households
- » Median income: 46K
- » Over 55% of the older households in this market segment have incomes at or over 45K
- » Occupation: 1/3 retired; teachers, health care support, public administration, financial services
- » Median home value: 434K (those who can afford a home)
- » College educated: 72%



10%

TRADITIONAL & NON-TRADITIONAL FAMILIES

The most prominent group in this market segment is:
SINGLE PARENT FAMILIES

- » 25-34 years old
- » 2-4 person households
- » Median income: 35.6K
- » Over 57% of the households in this market segment have incomes ranging between less than 52K and less than 65K
- » Occupation: Hotel and retail workers, nurses and nurses' aides; light manufacturing
- » Median home value: 173K (those who can afford a home)
- » College educated: 28%

54% of the target households that represent the potential market for new units in the planning area have incomes ranging between less than 45K and less than 65K, depending on household size.

Housing Market Potential

6,745 is the annual average number of target households of all incomes that represent the potential market for new and existing housing units within the planning area each year over the next five years. These are the households that may choose to live in the planning area if appropriate housing units were available at a price they could afford.

THE HOUSING PREFERENCES OF THE TARGET HOUSEHOLDS INCLUDE:



Housing Affordability

DEFINITIONS

AFFORDABLE HOUSING

Defined by HUD as housing that costs no more than 30% of the household's income. HUD and state programs target lower income households (less than 80% of the median family income).

WORKFORCE HOUSING





Broader category that can include low and moderate income worker households (up to 120% median family income).

BROWARD COUNTY / FTL MEDIAN FAMILY INCOME (MFI)





\$65,700 

Fort Lauderdale MSA area median family income (MFI) for a family of four


INCOME LIMITS: FORT LAUDERDALE FISCAL YEAR 2018

| Size of HH | 60% | 80% | 100% | 120% |
|---|----------|----------|----------|----------|
|  One-person | \$33,960 | \$45,280 | \$56,600 | \$67,920 |
|  Two-person | \$38,820 | \$51,760 | \$64,700 | \$77,640 |
|  Three-person | \$43,680 | \$58,240 | \$72,800 | \$87,360 |
|  Four-person | \$48,480 | \$64,640 | \$80,800 | \$96,960 |

POTENTIAL RENTAL RATES (ASSUMING 30% OF ANNUAL INCOME IS SPENT ON RENT)

| Size of HH | 60% | 80% | 100% | 120% |
|---|---------|---------|---------|---------|
|  One-person | \$849 | \$1,132 | \$1,415 | \$1,698 |
|  Two-person | \$971 | \$1,294 | \$1,618 | \$1,941 |
|  Three-person | \$1,092 | \$1,456 | \$1,820 | \$2,184 |
|  Four-person | \$1,212 | \$1,616 | \$2,020 | \$2,424 |

What types of jobs exist in the Planning Area?

57% 

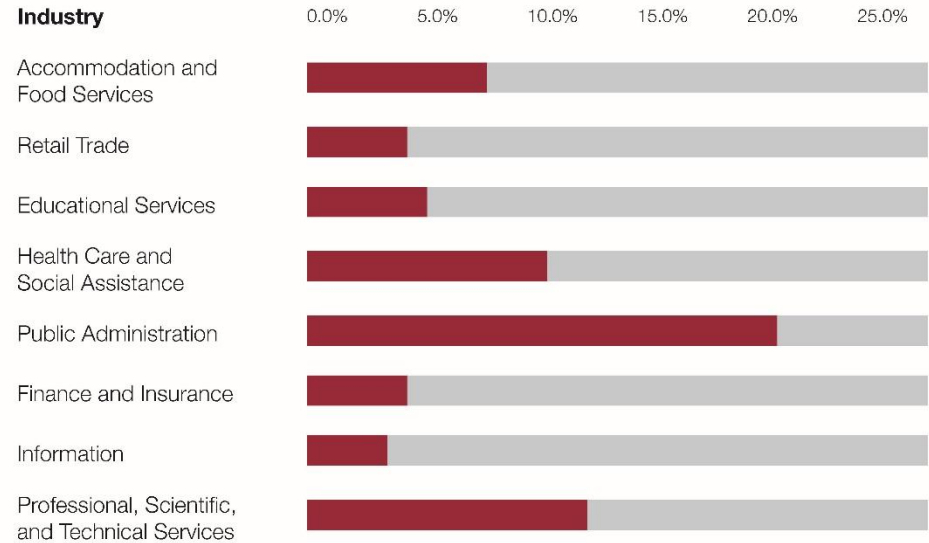
OFFICE-BASED INDUSTRIES AND PUBLIC SECTOR JOBS

30% 

SERVICE INDUSTRIES JOBS





(Service industries: retail, accommodation/food services, health care and education, which include many low and middle-wage occupations)

JOBS BY INDUSTRY IN THE PLANNING AREA



Housing Affordability

Affordable Rents for Workers in the Planning Area

| Industry |  |  | MFI Target (one-person household) |  |  | MFI Target (four-person household) |
|--|---|---|-----------------------------------|---|---|------------------------------------|
| | Average Annual Wage | Maximum Affordable Rent | | Estimated Household Income | Maximum Affordable Rent | |
| Accommodation and Food Services | \$27,001 | \$675 | 45-50% | \$54,002 | \$1,350 | 60-80% |
| Retail Trade | \$32,682 | \$817 | 50-60% | \$ 65,364 | \$1,634 | 80-100% |
| Educational Services | \$51,459 | \$1,286 | 80-100% | \$102,918 | \$2,573 | 120-140% |
| Health Care and Social Assistance | \$54,195 | \$1,355 | 80-100% | \$108,390 | \$2,710 | 120-140% |
| Public Administration | \$59,200 | \$1,480 | 100-120% | \$118,400 | \$2,960 | over 140% |
| Finance and Insurance | \$62,163 | \$1,554 | 100-120% | \$124,326 | \$3,108 | over 140% |
| Information | \$68,782 | \$1,720 | 120-140% | \$137,564 | \$3,439 | over 140% |
| Professional, Scientific, and Technical Services | \$72,371 | \$1,809 | 120-140% | \$144,742 | \$3,619 | over 140% |

The average worker in accommodations, food services, and retail industries cannot afford a studio unit priced above \$675 or \$817 per month (40-60% MFI).

Low and middle-wage workers with families cannot afford market-rate units

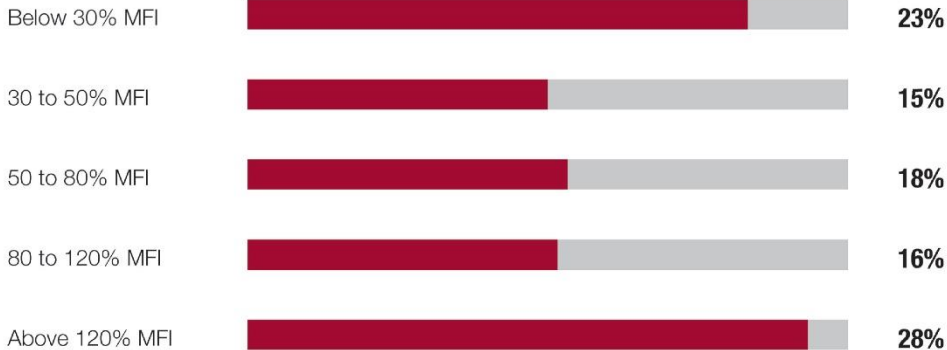
- » One restaurant worker + one hotel worker with two children can afford rent of \$1,350 (60-80% MFI)
- » Two retail workers with two children can afford \$1,634 in rent (80-100% MFI)

Market Potential

Market Potential for Renters (62% market or 4,179 target households of 6,745)



POTENTIAL MARKET BY INCOME



56%



of target households (people who would like to rent lofts or apartments within the planning area) have incomes less than 80% MFI (making between less than \$45K and less than \$52K).

44%



of target households (people who would like to rent lofts or apartments within the planning area) have incomes greater than 80% MFI (making above \$52K).

Market Potential

Market Potential for Buyers per Different Housing Types



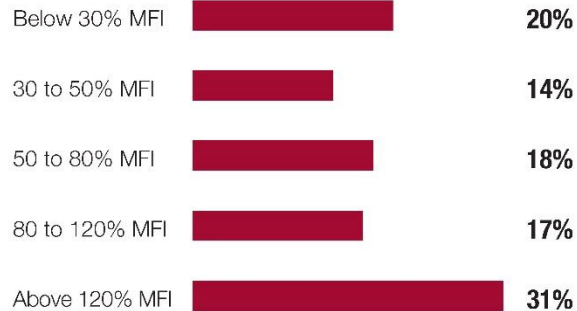
CONDO BUYERS
(13.5% MARKET OR 914 TARGET HOUSEHOLDS)

POTENTIAL MARKET BY INCOME



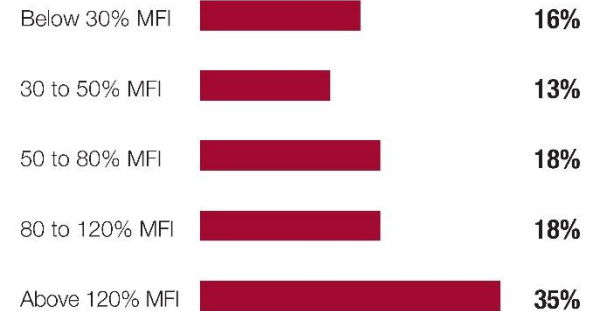
TOWNHOME BUYERS
(9.1% MARKET OR 616 TARGET HOUSEHOLDS)

POTENTIAL MARKET BY INCOME



URBAN HOUSE BUYERS
(15.4% MARKET OR 1,036 TARGET HOUSEHOLDS)

POTENTIAL MARKET BY INCOME



How Many Target Households Could be Captured in the Planning Area?

Potential Annual Capture of the Annual Average Market Over the Next 5 years - by Income Group

The **Target Market Capture Rate** represents the annual forecast absorption—in aggregate and by housing type—as a percentage of the number of households that have the potential to purchase or rent new housing within a specified area in a given year.

The planning area has a target market capture rate of 20%-25% for new rental units **(836-1,044 units)**



For Rent

Below 50% MFI

320-399 units

Households making under
\$32,000

50%-80% MFI

149-186 units

Households making between
\$29,000 - \$52,000

80%-120% MFI

134-168 units

Households making between
\$46,000 - \$78,000

120% MFI and up

233-291 units

Households making above
\$78,000

How Many Target Households Could be Captured in the Planning Area?

Potential Annual Capture of the Annual Average Market Over the Next 5 years - by Income Group

The planning area has a target market capture rate of 10%-15% for new condo units **(91-137 units)**



For Sale

Below 50% MFI

30-45 units

50%-80% MFI

16-24 units

80%-120% MFI

15-23 units

120% MFI and up

30-45 units

The planning area has a target market capture rate of 10%-15% for new townhouse units **(62-92 units)**



For Sale

Below 50% MFI

22-32 units

50%-80% MFI

11-15 units

80%-120% MFI

10-16 units

120% MFI and up

19-29 units

The planning area has a target market capture rate of 10%-15% for new urban houses **(103-155 units)**



For Sale

Below 50% MFI

30-45 units

50%-80% MFI

18-27 units

80%-120% MFI

18-27 units

120% MFI and up

37-55 units

2-4 person households making under \$40,000

2-4 person households making between \$32,000 - \$65,000





2-4 person households making between \$52,000 - \$97,000

2-4 person households making above \$97,000

Potential Annual Capture

Of the Annual Average Market Over the Next 5 years - by Housing Type

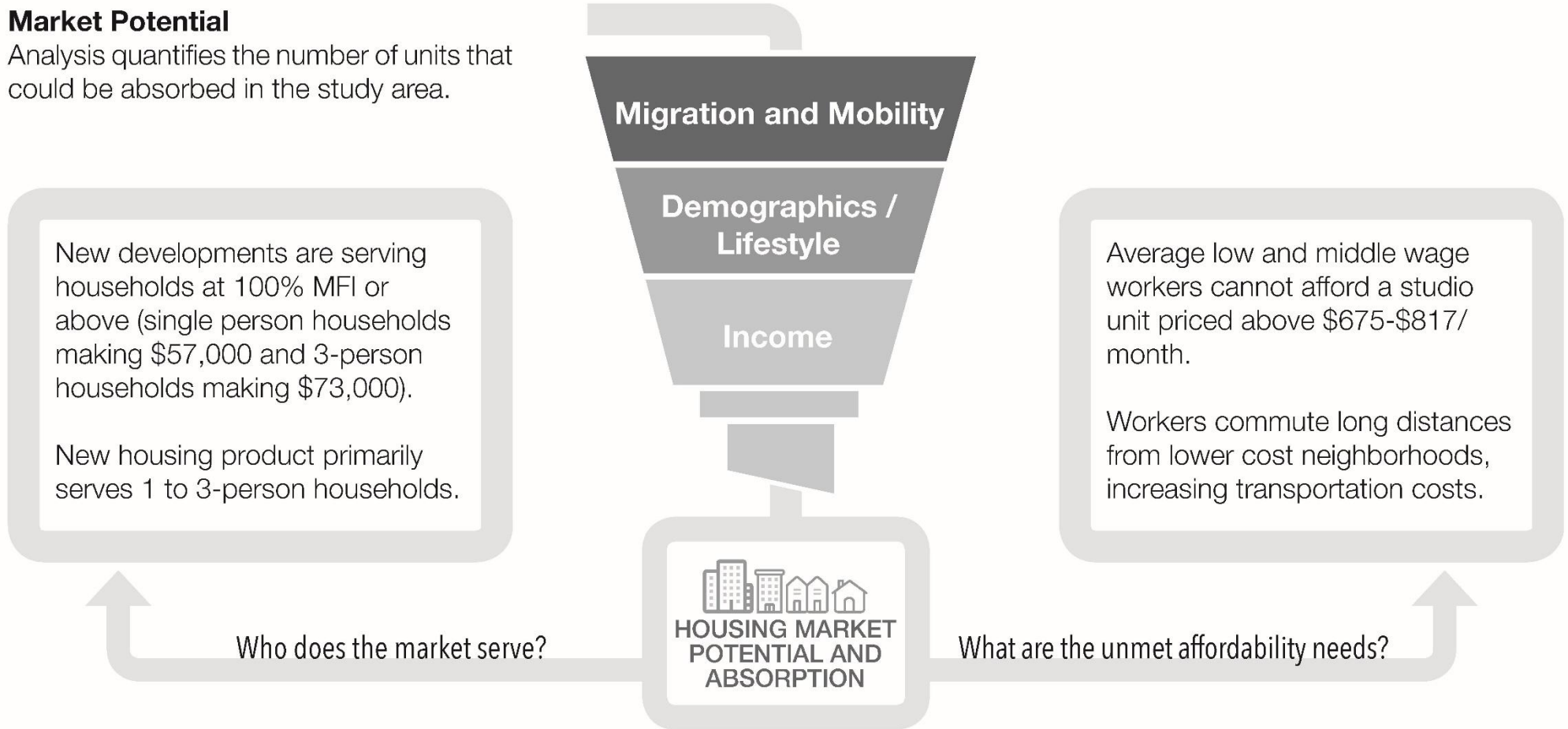
The planning area has a target market capture rate of up to 25% for new rental housing units and up to 15% for new for-sale housing units

| | Below 50% MFI | 50% - 80 % MFI | 80% - 120 % MFI | 120% MFI and up |
|---|----------------------|-----------------------|------------------------|------------------------|
|  rental units | 320-399 | 149-186 | 134-168 | 233-291 |
|  condo units | 30-45 | 16-24 | 15-26 | 30-45 |
|  townhouse units | 22-32 | 11-15 | 10-16 | 19-29 |
|  urban houses | 30-46 | 18-27 | 18-27 | 37-55 |

Housing Market Potential

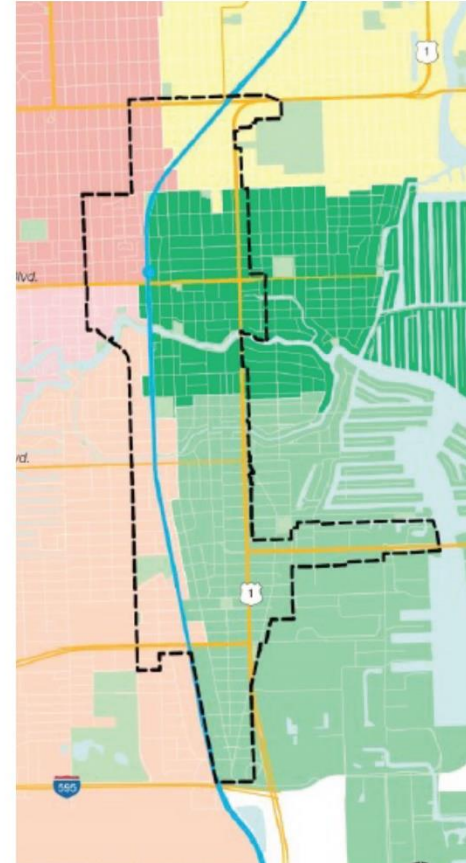
Market Potential

Analysis quantifies the number of units that could be absorbed in the study area.



Concluding Thoughts

- » Combined housing and transportation costs are 63% of household income in Fort Lauderdale (45% is considered affordable).
- » Housing costs vary significantly within the Planning Area, but associated transportation costs are somewhat lower when compared to other areas in the City and County. Investments in multimodal transportation can help increase affordability in and near the Planning Area.
- » There is strong housing market potential in the Planning Area at all income levels (Up to 6,745 households):
 - » Market-rate households (120% MFI and up - primarily 1 and 3-person households making \$68,000 - \$87,000 or higher): 30 percent
 - » Target “affordable” households (80% to 120% MFI - primarily 1-3 person households making between 45,000 - \$87,000): 16 percent
 - » All other households (below 80% MFI - primarily 1-3 person households making less than \$58,000): 54 percent
- » Planning Area could potentially capture 1,095-1,428 units per year over the next 5 years. Potential is strongest for rental apartments, followed by urban houses, condos and townhouses.
- » New housing rents/prices in Planning Area are affordable to 100% MFI and up (primarily 1-3 person households making between \$57,000-\$73,000).
- » 20% of workers in the Planning Area are low-wage workers who are unable to access housing that is priced above 50-60% MFI (\$675-\$817/month).



Much of the study area commands higher rents than surrounding neighborhoods (except for the eastern neighborhoods)

Source: Costar, 2018

Fort Lauderdale: Median Multifamily Effective Rents by Zip Code, 2018

