



A DECADE OF CHANGE

Growth Trends in
East Central Florida,
1990 to 2000

Report Series:
Housing
April 2004

East Central Florida
**REGIONAL
PLANNING
COUNCIL**

Decade of Change - Introduction

THE 6 COUNTIES AND 67 CITIES served by the East Central Florida Regional Planning Council (ECFRPC) experienced notable changes during the last decade of the twentieth century. Although the decade began with a recession, the recovery period between 1992 and 1995 led to a thriving economy in the second half of the 1990s. By the turn of the millennium, East Central Florida was experiencing population growth and diversification, an expanded job market, an increasingly tight housing market, and rapid consumption of land in low-density areas. An understanding of the nature of these changes -- and of the complex character of our region -- is critical to the ability of legislators, administrators, public and private agencies, and the general public to make informed decisions. With this in mind, the Regional Planning Council presents *Decade of Change*, a series of reports highlighting growth trends that occurred within Florida and the east central Florida region in the 1990s.

While growth and development have genuine benefits, inevitably they exacerbate competition for limited resources such as land, water, and government revenues, and strain the capacity of our transportation and education systems. To minimize these impacts, it is critical to plan collectively for the future within a regional context. Effective regional planning requires an understanding of how our communities are changing, and the challenges the region will face in safeguarding our economic vitality and quality of life.

The *Decade of Change* series illuminates these challenges through analysis and documentation of trends that occurred during the 1990s. Specifically, this report will present data to explore several inter-connected issue areas, the first of which is **Housing**. Key findings identified in this report include:

- ❑ Housing construction, while robust throughout the 1990s, did not keep pace with regional population growth.
- ❑ Single family construction outpaced multifamily construction in much of the region.
- ❑ Homeownership increased throughout the region -- and some places saw significant increases in homeownership among younger households.
- ❑ Vacancies declined markedly in much of the region, creating tighter housing markets.
- ❑ The number and percentage of cost-burdened households increased throughout the region.

We hope that the data and trends presented in the *Decade of Change* series will help public and private leaders think through the multiple impacts of land use and fiscal decisions, plan infrastructure investments, allocate scarce resources, balance competing priorities, and make other choices key to the region's future.



About the East Central Florida Regional Planning Council

The Agency. The East Central Florida Regional Planning Council (ECFRPC), established in 1962, is an association of local governments serving six counties: Brevard, Lake, Orange, Osceola, Seminole and Volusia. The Regional Planning Council provides a forum where leaders can discuss complex regional issues, develop strategic regional responses for resolving them, and build consensus for setting and accomplishing regional goals.

The Council is governed by 19 local elected officials, 9 gubernatorial appointees, and 4 ex-officio representatives from the departments of Transportation and Environmental Protection and the water management districts. The agency employs approximately 13 staff under the leadership of an Executive Director. Funding for Council activities is derived from per-capita local assessments, state contracts, and federal and private grants and contracts.

Due to the diverse sources of funding and leadership, the Regional Planning Council has the advantage of deliberative processes that include broad-based representation and participation from government, private, non-profit and academic sectors.

The Region. The region served by the ECFRPC consists of 3 metropolitan areas. The total land area of the region is 5,611 square miles, stretching west from Brevard and Volusia counties to Lake County. It encompasses coastal communities, rural towns, bedroom suburbs, and thriving cities. The population has grown in the past decade to total 2,564,134 in 2000. With a 28.6 percent increase in population between 1990 and 2000, the pace of growth in the region was slightly faster than Florida as a whole (23.5%). The region represents 10.4% of the state's total land area, and it contains 16% of Florida's residents.

With approximately 1.3 million jobs in the region in 2000 -- a 29.8% increase from 1990 -- the region enjoyed a strong economy as the decade came to a close. This is particularly true along the I-4 corridor. At 2.7%, the 2000 unemployment rate for the region was lower than the state's and nearly half that of the nation.

About This Report

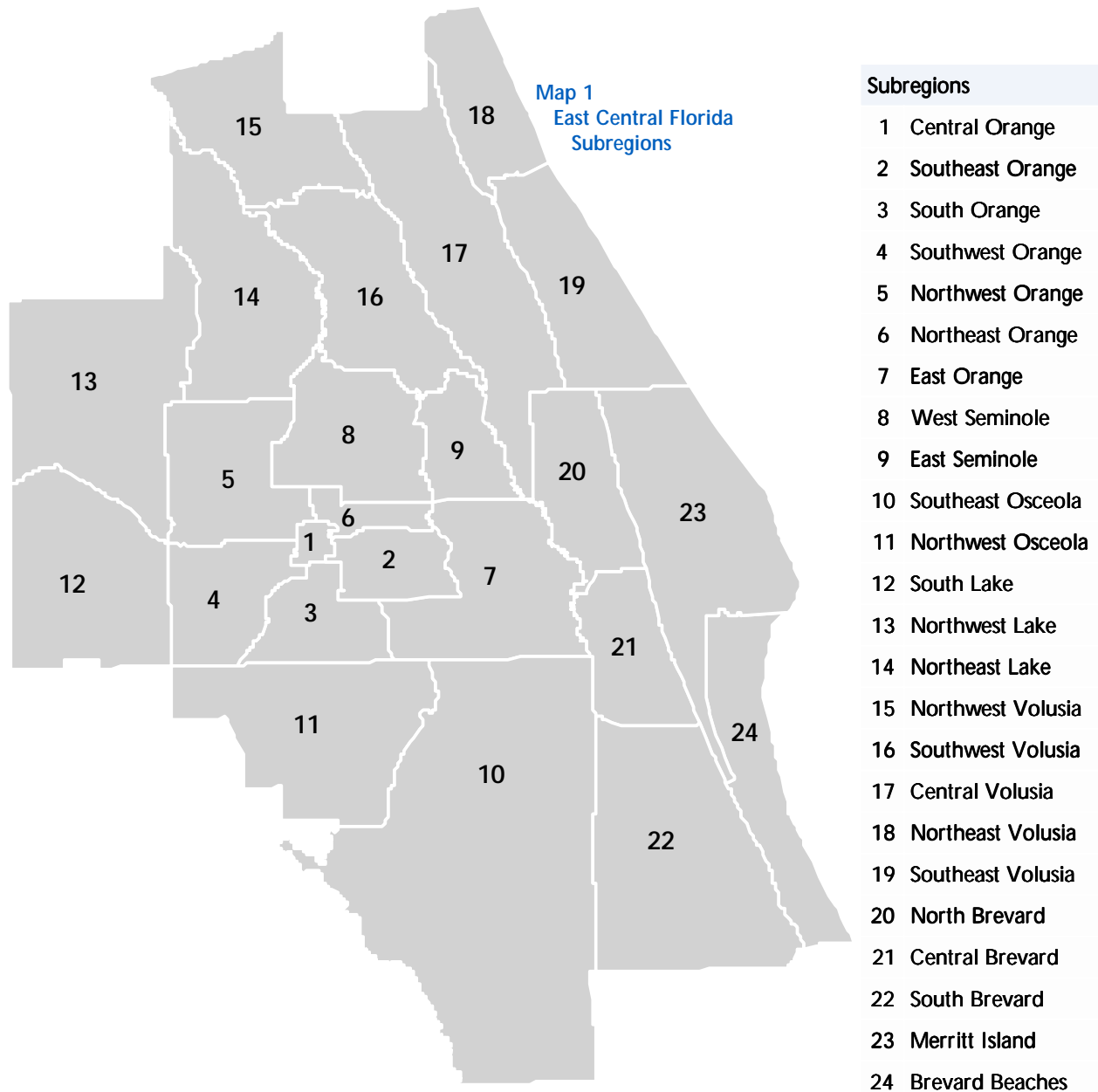
As an agency with a legislative mandate to facilitate planning efforts among its local governments, the Regional Planning Council is responsible for supplying data to inform planning decisions. *Decade of Change* is an important part of furthering this mission. This report's purpose is to make key demographic, socioeconomic, and other planning-related data available in a single source and to compare relevant quantitative measures over time. It is meant as a guide to inform decision-makers, a tool for agencies and resident groups, and a data source for citizens. This report does not attempt to evaluate agencies, local government, or businesses or the services they provide.

The Data. The choice of topics in *Decade of Change* was based on three main factors: importance to the region, availability of reliable data, and ability to show changes over time. This report includes the most recent 1990-2000 data available at the time of production. The data included in this Housing report were provided by the U.S. Census Bureau and the National Low Income Housing Coalition.

About the Subregions

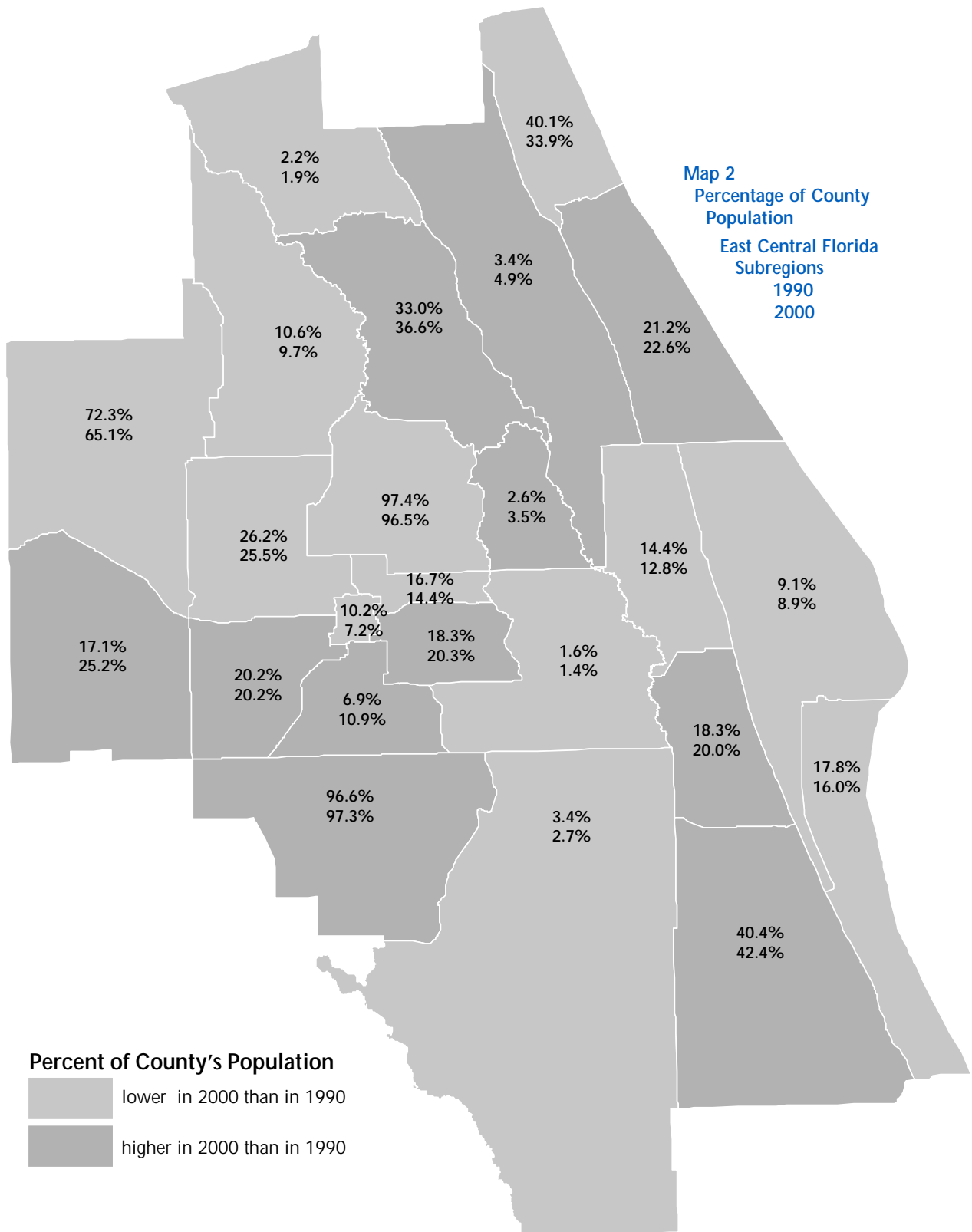
For purposes of this report, the region has been divided into 24 subregions. Map 1 shows these subregions, which are split along county and census tract boundaries. At times in this report, the subregions are referred to as *rural* subregions -- those with population less than 25,000 in 2000 -- or *urban* subregions -- those with population greater than 40,000 in 2000. (There were no subregions with populations between 25,000 and 40,000 in 2000.)

The table on page 4 shows the subregional population in 1990 and 2000. Map 2 on page 5 shows the percentage of county population in 1990 and 2000 for each subregion.



POPULATION BY SUBREGION
EAST CENTRAL FLORIDA, 1990 AND 2000

No.	Subregion	1990	2000	difference	percent change
1	Central Orange	68,882	64,900	-3,982	-5.8%
2	Southeast Orange	124,134	182,066	57,932	46.7%
3	South Orange	46,468	98,028	51,560	111.0%
4	Southwest Orange	136,805	181,201	44,396	32.5%
5	Northwest Orange	177,515	228,645	51,130	28.8%
6	Northeast Orange	113,158	129,334	16,176	14.3%
7	East Orange	10,529	12,170	1,641	15.6%
8	West Seminole	280,100	352,402	72,302	25.8%
9	East Seminole	7,429	12,794	5,365	72.2%
10	Southeast Osceola	3,638	4,616	978	26.9%
11	Northwest Osceola	104,090	167,877	63,787	61.3%
12	South Lake	26,036	53,138	27,102	104.1%
13	Northwest Lake	110,017	137,038	27,021	24.6%
14	Northeast Lake	16,051	20,352	4,301	26.8%
15	Northwest Volusia	8,233	8,588	355	4.3%
16	Southwest Volusia	122,445	162,417	39,972	32.6%
17	Central Volusia	12,513	21,693	9,180	73.4%
18	Northeast Volusia	148,769	150,313	1,544	1.0%
19	Southeast Volusia	78,752	100,332	21,580	27.4%
20	North Brevard	57,451	60,782	3,331	5.8%
21	Central Brevard	72,894	95,160	22,266	30.5%
22	South Brevard	161,133	201,685	40,552	25.2%
23	Merritt Island	36,432	42,451	6,019	16.5%
24	Brevard Beaches	71,018	76,152	5,134	7.2%



Housing

HOUSING IS A KEY COMPONENT of the region's "infrastructure." Housing availability and affordability affect the region's economy and its ability to attract and retain a talented workforce. Housing location, particularly with respect to its proximity to jobs and transportation opportunities, affects regional mobility and the natural environment. Data regarding an area's housing patterns provide insight into a community's character. A high percentage of rental units, for example, may indicate opportunities for students, newcomers, low-wage workers or young families. A high percentage of homeownership may signify more stability, higher prices, or less diversity. This section analyzes housing in east central Florida based on construction over the past decade as well as vacancies, tenure, and owner and renter affordability.

Housing Around the Region

Single family housing around the region. The percentage of the region's housing -- both in total and by housing type -- is shown by county in Chart 3-1. The distribution of single family housing throughout the region -- shown in blue -- closely mirrors the distribution of total housing units, shown in yellow. (The distributions of multifamily units and of mobile homes vary more widely from county to county.)

Location. Of the subregions, West Seminole had the highest number of single family units at 100,526. The next highest, Northwest Orange, had 61,552 in 2000. Rural and coastal subregions had smaller proportions of single family housing. The rural areas had more mobile homes, while the coastal areas had more multifamily housing (which includes condominiums).

Over 63% of the housing in the Central Orange subregion was single family housing in 2000. This may change over the next decade, as multifamily construction booms in downtown Orlando. The rural subregions of East Seminole and Central Volusia had the highest percentages of single family housing in 2000, 82.6% and 87.2% respectively, while the Southwest Volusia subregion, where Deltona and Debarry are located, had 81.3% single family housing.

Multifamily housing around the region. Multifamily housing in the region is concentrated in the coastal areas of Brevard and Volusia, in the urban core of Orlando, and along the I-4 corridor in Seminole and Osceola counties. Multifamily housing includes everything from

Housing Around the Region

single family
multifamily
manufactured homes

Housing Construction

single family construction
multifamily construction
manufactured homes

Vacancy Rates

Tenure

owner-occupied housing
renter-occupied housing

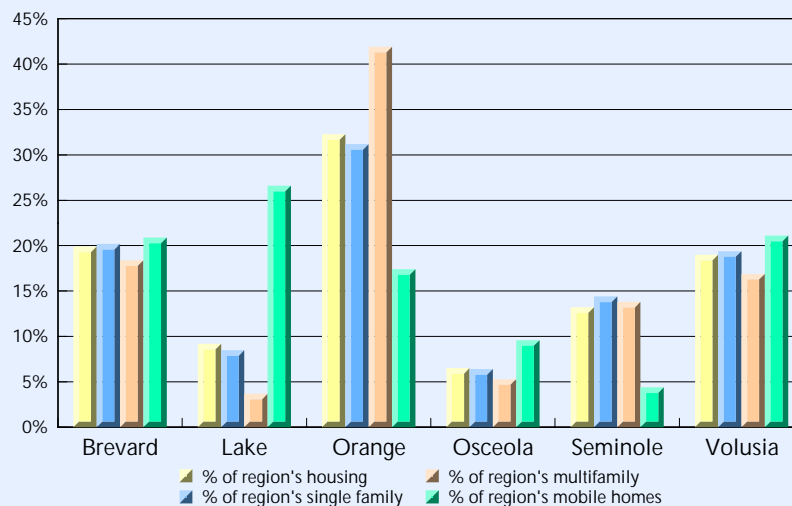
Housing Value

Affordability

affordable homeownership
affordable rental housing

The Challenges Ahead

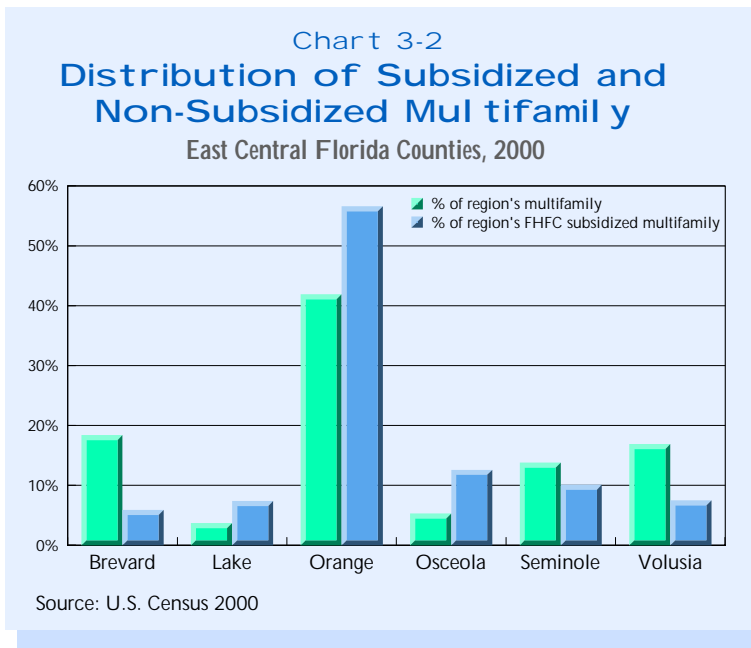
Chart 3-1
Distribution of Housing by Type
East Central Florida Counties, 2000



Source: U.S. Census 2000

duplexes to large apartment complexes. Multifamily housing has become more varied in style and price, as new markets have emerged in recent years. Infill apartments and townhomes are being constructed in downtown Orlando to meet the needs of a growing rent-by-choice market. A 2001 Fannie Mae National Housing Survey showed that only 51% of renters rent out of necessity, down from 69% five years before. More than 41% of renters rent by choice, and the rental units being constructed to serve this market are high-end luxury rentals with an array of services.

Subsidized multifamily housing in the region serves the needs of some of those renters who *do* rent out of necessity. Approximately 15% of the region's multifamily housing (nearly 33,000 units) are subsidized by the Florida Housing Finance Corporation (FHFC). Orange County has 41percent of the region's multifamily housing, but over half (56.6%) of the FHFC-subsidized units. Lake and Osceola counties also have higher percentages of subsidized than of overall multifamily, while Brevard, Seminole and Volusia have lower percentages of subsidized than overall multifamily. The subsidized housing is located in the areas where a majority of tourist-related service sector jobs are located. Chart 3-2 shows the region's multifamily housing by county, and the region's FHFC-subsidized multifamily housing by county.



Several mixed-use projects that follow traditional neighborhood development principles are in various stages of construction. Celebration, Avalon Park, Horizon West and Baldwin Park all have a multifamily housing component, often close to or in their village center. Winter Park Village, constructed on the site of the old Winter Park Mall, offers rental apartments above retail establishments, and a new phase of for-sale units is in the planning stages. Cagan Crossings, a development in south Lake County, offers multifamily housing affordable to workers in the nearby tourist sector. These developments offer multifamily housing in close proximity to area jobs.

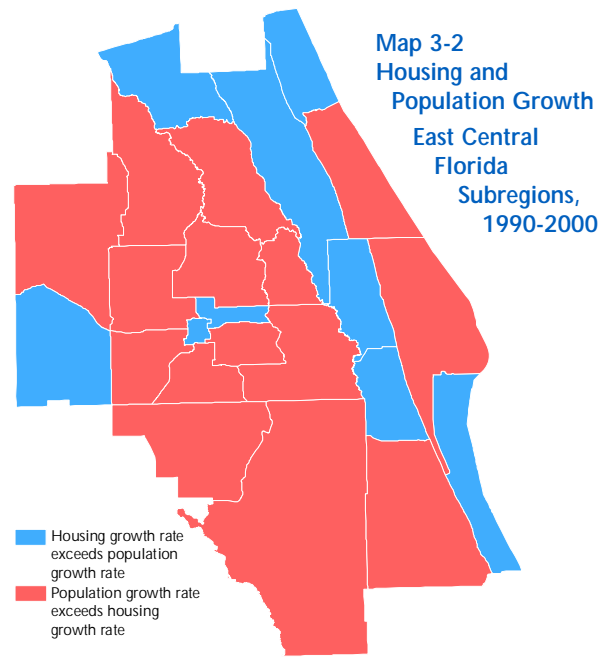
On the coast, condominiums serve as primary residences and as vacation homes or seasonal rentals. While condominium status information was not collected as part of the 2000 Census, 1990 Census data show that 41% of Volusia's and 48% of Brevard's multifamily units were condominiums.

West Seminole had the highest number of multifamily units -- 37,408 in 2000. As can be expected, the rural subregions -- Northeast Lake, East Orange, Southeast Osceola, East Seminole, and Central and Northwest Volusia -- had virtually no multifamily housing in 2000.

Manufactured homes around the region. In 1990, over one-third (35.5%) of Lake County's housing was manufactured, or mobile, homes. Even though construction in Lake has shifted toward single family -- and the proportion of manufactured homes to total housing dropped to 29.7% by the year 2000 -- Lake County's percentage of the *region's* manufactured homes

rose slightly from 25.5% to 26.6% over the decade. Nearly half (47.3%) of the manufactured homes in the region can be found in four subregions: Northwest Lake (19.9%), South Brevard (11.5%), Northwest Osceola (8.5%) and Northeast Volusia (7.4%).

In the Northeast Lake and Southeast Osceola subregions, manufactured homes accounted for half of all housing in 2000. Rural East Orange and Northwest Volusia are next, with 44.5% and 31.7% mobile homes, respectively. The subregion with the smallest percentage of mobile homes in 2000 was Central Orange, with 1.2% of total units. Almost 20,000 mobile homes can be found in the coastal subregions of Northeast and Southeast Volusia, and the Beaches and Merritt Island in Brevard County. Only about 2,600 of those units, however, are located in coastal census tracts.



Housing Construction

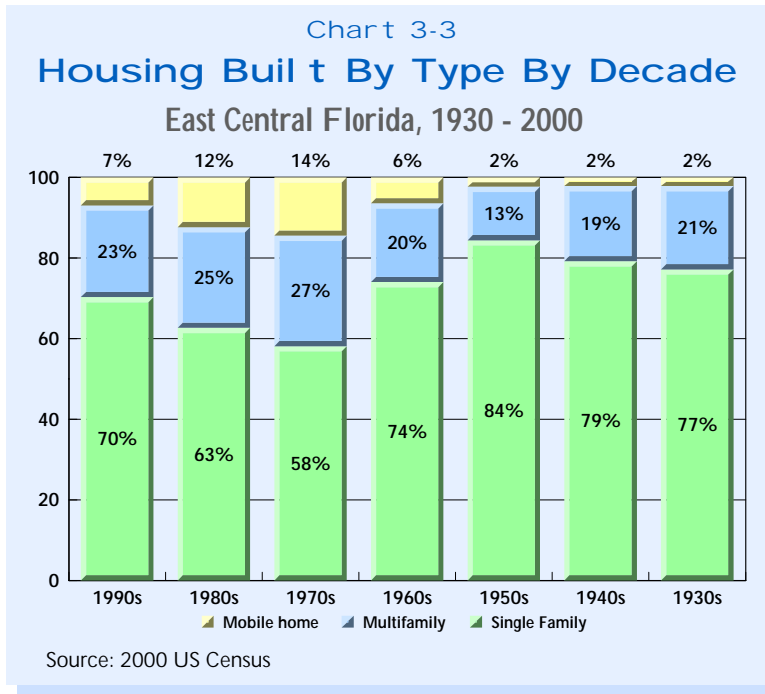
Housing construction lagged behind population growth in the past decade.

Housing construction was robust in the region in the 1990s, but it did not keep up with population growth in either the region or the state. Population growth and increases in housing units generally go hand in hand. During the 1990s, this was true at the national level, but not at the state or regional level. The number of housing units nationwide increased by 13.3%, slightly *higher* than the population growth rate of 13.2%. In Florida, however, the population grew faster than the housing inventory (23.5% v. 19.7%). In east central Florida this also was true: the regional population grew by 28.6%, while the housing inventory grew by only 25.5%. In most of the subregions, population growth rates exceeded housing growth rates. (See Map 3-2.) In some subregions the difference was minimal, while in others the population growth rate exceeded the housing growth rate by more than 12%, resulting in tighter housing markets in the region. (See Table 3-1.)

**TABLE 3-1
POPULATION AND HOUSING GROWTH
EAST CENTRAL FLORIDA SUBREGIONS
1990 TO 2000**

Subregion	Population Growth	Percent	Housing Increase	Percent	Difference between population and housing
Southeast Orange	63,207	54.6%	21,295	42.1%	12.5%
East Seminole	5,365	72.2%	1,749	60.3%	11.9%
Northwest Osceola	63,453	61.0%	23,741	51.3%	9.7%
South Orange	43,085	43.1%	14,164	33.7%	9.4%
Northeast Lake	4,301	26.8%	1,495	19.4%	7.4%
Southwest Volusia	39,972	32.6%	14,148	26.3%	6.3%
Southwest Orange	47,596	51.9%	18,028	47.0%	4.9%
Northwest Orange	51,130	28.8%	16,831	24.5%	4.3%
West Seminole	72,302	25.8%	27,485	23.9%	1.9%
Southeast Volusia	12,786	16.2%	6,251	14.4%	1.9%
East Orange	1,641	15.6%	584	14.0%	1.6%
South Brevard	40,552	25.2%	17,832	24.0%	1.2%
Southeast Osceola	1,312	36.1%	593	35.3%	0.8%
Merritt Island	6,019	16.5%	2,522	15.8%	0.7%
Northwest Lake	28,097	24.9%	14,204	24.3%	0.6%
Central Brevard	22,266	30.5%	9,437	31.2%	-0.6%
Northeast Volusia	10,338	6.9%	6,143	8.0%	-1.0%
Central Orange	-3,982	-5.8%	-1,142	-3.5%	-2.3%
Brevard Beaches	5,144	7.2%	4,114	10.5%	-3.3%
Northeast Orange	16,176	14.3%	8,903	19.2%	-4.9%
North Brevard	3,331	5.8%	3,017	11.8%	-6.0%
South Lake	26,026	112.9%	11,424	120.2%	-7.4%
Central Volusia	9,180	73.4%	3,787	93.4%	-20.1%
Northwest Volusia	355	4.3%	637	25.2%	-20.9%
US	32,712,033	13.2%	13,640,963	13.3%	-0.2%
Florida	3,044,452	23.5%	1,202,685	19.7%	3.8%
Region	36,326,137	13.8%	15,070,890	13.8%	0.0%

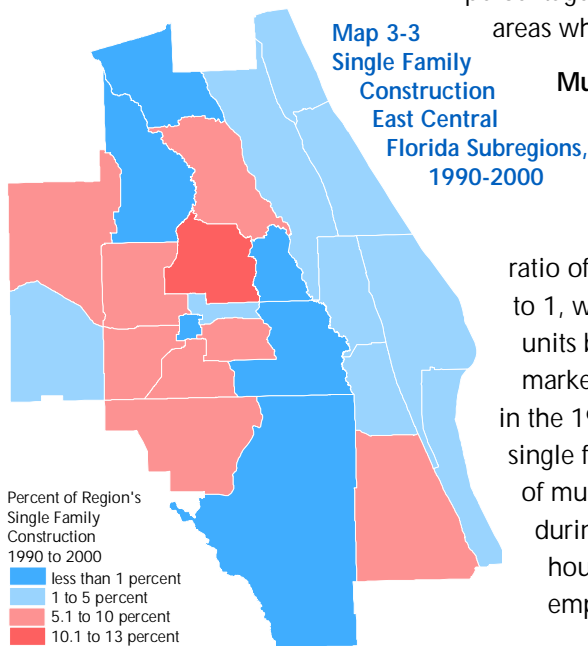
Single family construction. Housing construction data from the Census show an increase in single-family versus multi-family development. New single-family housing increased throughout the 1990s, outpacing multi-family housing construction by a factor of 3 to 1 in the region. Chart 3-3 shows age of housing by type in the region. Single family housing construction reached a low in the 1970s, at 58% of total units. In the past two decades, the percentage of single family housing constructed has risen from 58 to 70% of total units.



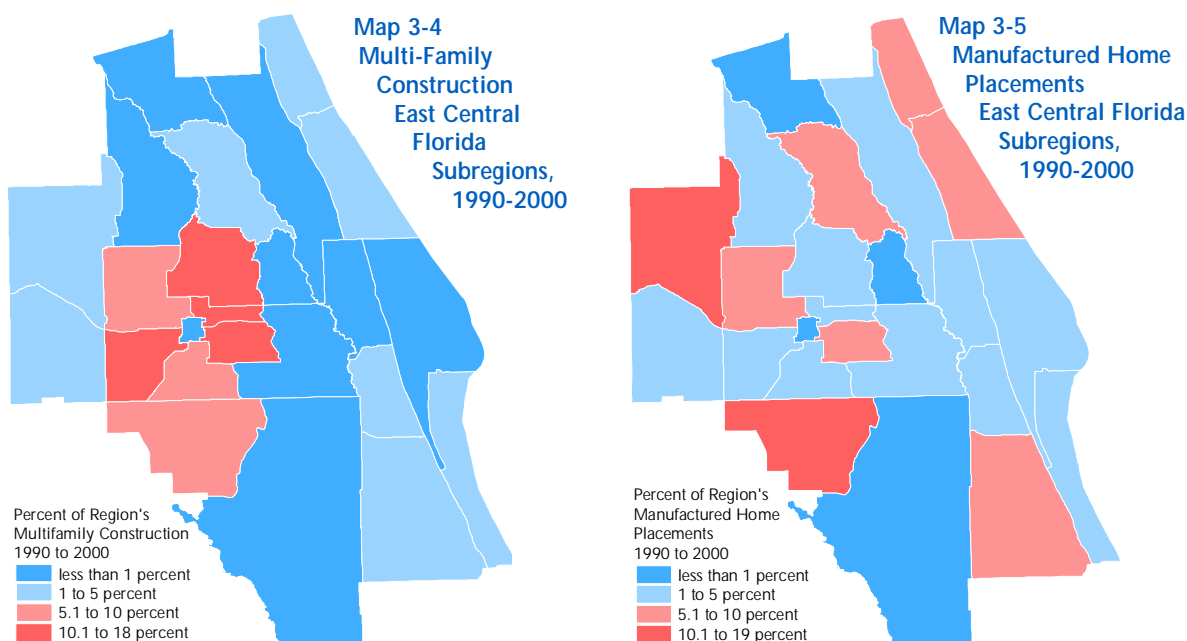
During that same period, multi-family construction decreased from 27 to 23% of total units, while placement of manufactured homes decreased from 14 to 7% of total units.

The West Seminole subregion had the highest share of single-family construction, with over 12% of the region's total units, while the rural subregions of East Orange, Southeast Osceola and Northwest Volusia combined had less than 1% of the region's single family construction. Central Orange also accounted for only a small amount of regional single family construction, 0.3%. Almost 3/4 of the region's single family housing construction between 1990 and 2000 took place in the light and dark red subregions in Map 3-3.

In a number of subregions, the percentage of population growth exceeded the percentage of single family housing construction. These include Northwest Osceola as well as Southeast, Northwest and Southwest Orange. In Northwest Orange and Northwest Osceola, the percentage of regional population growth also exceeded the percentage of regional multi-family housing construction, indicating areas where household size has grown over the past decade.



Multifamily construction in the region. The Southwest Orange subregion led the region in number of multi-family units built in the past decade, with almost 10,000 constructed. This represented 16.5% of all multifamily construction in the region. That subregion's ratio of single to multi-family housing constructed was nearly 1 to 1, with slightly fewer single family units than multi-family units built (8,781 single family, 9,896 multi-family). This differs markedly from housing construction in the Southwest subregion in the 1980s, when the ratio of construction was 2 to 1 in favor of single family housing, and the subregion accounted for only 7% of multi-family housing construction in the region. Construction during the 1990s in this subregion reflected the need for housing for the growing tourist-related service sector employment base.



West Seminole followed Southwest Orange in multi-family construction, with nearly 15% of the region's construction (8,964 units), and Southeast Orange was third with 12%, or 7,621 multi-family units. Nearly half of the region's multifamily construction took place in these three subregions. In general, multi-family construction occurred closer in to the center of the region. Over 83% of the region's multifamily construction took place in the subregions shown in light and dark red on Map 3-4.

Manufactured home placement. Manufactured housing represented only 2% of housing in the region through the 1950s. Starting in the 1960s, manufactured home placements began to account for an increasing share of the region's housing, peaking in the 1970s with 14% of total units. In the 1980s the percentage dropped slightly to 12%, and in the 1990s it dropped significantly to 7% of total units constructed. Manufactured housing placements were more dispersed throughout the region than multifamily housing. The light and dark red subregions in Map 3-5 contain almost 70% of the region's manufactured housing placements between 1990 and 2000.

Vacancy Rates

The strain on available housing has intensified in the region throughout the decade, as vacancy rates declined at a faster rate than in the nation. In east central Florida, 9.8% of all housing units were vacant in 2000. This vacancy rate is lower than the state figure, which was 13.2%. It also is lower than the 1990 regional vacancy rate of 12.4%.

**TABLE 3-2
VACANCY RATES**

East Central Florida Subregions, 1990 and 2000			
Subregion	1990	2000	Difference
North Brevard	11.0%	11.3%	0.3%
Central Brevard	9.9%	8.5%	-1.5%
South Brevard	11.9%	9.1%	-2.8%
Brevard Beaches	20.1%	18.2%	-2.0%
Merritt Island	7.6%	5.6%	-2.0%
Northeast Lake	22.6%	15.8%	-6.9%
Northwest Lake	15.8%	14.1%	-1.7%
South Lake	11.7%	13.0%	1.2%
Central Orange	8.1%	6.9%	-1.3%
Northwest Orange	7.9%	6.1%	-1.8%
Northeast Orange	8.3%	5.1%	-3.2%
Southeast Orange	10.1%	6.4%	-3.8%
South Orange	11.4%	8.4%	-2.9%
Southwest Orange	14.4%	9.1%	-5.3%
East Orange	11.6%	7.7%	-3.9%
Northwest Osceola	18.2%	15.5%	-2.7%
Southeast Osceola	23.9%	20.6%	-3.3%
East Seminole	10.8%	5.5%	-5.3%
West Seminole	8.6%	5.1%	-3.5%
Northeast Volusia	14.6%	14.0%	-0.7%
Southeast Volusia	22.1%	18.7%	-3.3%
Central Volusia	10.3%	7.7%	-2.6%
Northwest Volusia	19.8%	16.1%	-3.7%
Southwest Volusia	10.7%	7.6%	-3.1%

Almost all of the subregions experienced decreasing vacancy rates over the last decade. (See Table 3-2 on the previous page.) Only two subregions -- North Brevard and South Lake -- had an increase in vacancy rates. Subregions with high vacancy rates also tend to have a high percentage of those vacancies classified as seasonal and recreational homes. Ten subregions had vacancy rates above 10% -- all of those subregions reported between 48% and 75% of those vacancies as seasonal or recreational homes.

**TABLE 3-3
VACANCY RATES**

East Central Florida Counties, 1990 and 2000

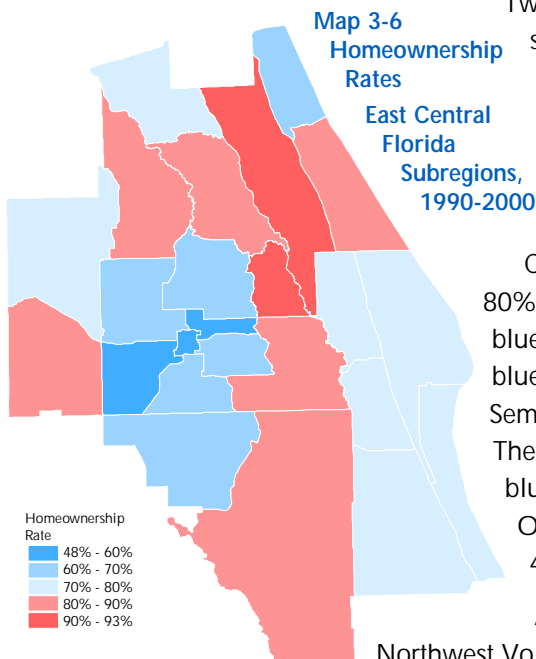
County	1990	2000	Difference
Brevard	12.8%	10.8%	-2.1%
Lake	16.0%	14.0%	-2.0%
Orange	9.8%	6.9%	-2.9%
Osceola	18.4%	15.7%	-2.7%
Seminole	8.6%	5.1%	-3.5%
Volusia	15.2%	12.8%	-2.4%

The subregions in Orange and Seminole had uniformly low vacancy rates, and those counties had the largest overall vacancy rate decreases in the region, leaving them with vacancy rates significantly lower than in the other counties. (See Table 3-3.)

Not only did vacancy rates decrease throughout the region, but the actual *number* of owner and rental vacancies decreased over the past decade. Total vacancies in the region decreased by 964 units, from 110,263 to 109,299. *Vacant for sale* units decreased by 2,040, from 17,502 to 15,462 units (an 11.7% decrease), while *vacant for rent* units decreased from 34,631 to 27,653, a decrease of 6,978 units (a 20% decrease). *Seasonal* vacancies increased by 14,398, from 35,526 to 49,924 units.

Tenure

Owner-occupied housing. Owner-occupied units represented 69.6% of the occupied housing units in the region in 2000, up from 66.8% in 1990. This rate is 0.5% lower than Florida as a whole, the same difference in homeownership that existed between the region and the state in 1990.



Two rural subregions, East Seminole and Central Volusia (the subregions shown in dark red on Map 3-6), had the highest percent of owner-occupied units in the region (92.3% and 90.3%, respectively). Several subregions had ownership rates between 80% and 90% (shown in light red), including Northeast and South Lake; Southeast and Southwest Volusia; Southeast Osceola; and East Orange. All Brevard County subregions had homeownership rates between 70% and 80%, as did Northwest Lake and Northwest Volusia (shown in light blue). Areas with 60% to 70% homeownership (shown in medium blue) included Northeast Volusia; Northwest Orange and West Seminole; South and Southeast Orange; and Northwest Osceola. The areas with the lowest homeownership rates (shown in dark blue) are primarily near Orlando's urban core, with Central Orange having the lowest homeownership rate in the region, at 48.6%.

All of the subregions, with the exception of Northeast Lake, Northwest Volusia, and Southeast and Southwest Orange, experienced an increase in homeownership rate between 1990 and 2000.

Renter-occupied housing. Renter-occupied units represented the remaining 30.4% of the region's occupied housing units in 2000 and are more prevalent in the urban areas, especially areas with a concentration of service-related employment. Table 3-4

shows the percent change in renter-occupied units (as a percentage of total occupied units) in each subregion over the decade. While most of the subregions showed an increase in homeownership (and therefore a decrease in percentage of renter-occupied units), four subregions had a decrease in their rate of homeownership. These included the relatively rural subregions of Northeast Lake (-0.3%) and Northwest Volusia (-3.6%), as well as the Northeast (-0.9%) and Southwest Orange (-4.5%) subregions. Northeast Orange experienced strong rental construction -- almost 5,000 units over the last decade -- particularly near the University of Central Florida, while Southwest Orange saw rental construction near area attractions.

Regionwide, owner-occupied units increased at a much faster pace than rental units (34.7% compared to 18.4%, respectively), contributing to the pressure on the region's rental stock.

Housing Value

All of the counties experienced an increase in housing value, the most dramatic in Lake County at 49.3%. (See table 3-5.) All cities in the region (except Palm Shores in Brevard) saw increased housing values over the decade. Brevard's cities showed modest increases in value, ranging from 34.5% in West Melbourne to 14.1% in Cape Canaveral. Cities in Lake and Orange counties showed more dramatic increases: Lake cities had increases in median value as high as 84.1% in Minneola, while the median housing value in Oakland in Orange County more than doubled over the decade. In both Osceola and Seminole counties, the highest median value increase was just over 42%, while in Volusia, DeBary experienced a 74.2% increase in median housing value.

Chart 3-4 shows the percentage of housing in each county that is valued under \$100,000, between \$100,000 and \$250,000, and over \$250,000. The percentage of housing valued at

TABLE 3-5
MEDIAN HOUSING VALUE

East Central Florida Counties, 1990 and 2000

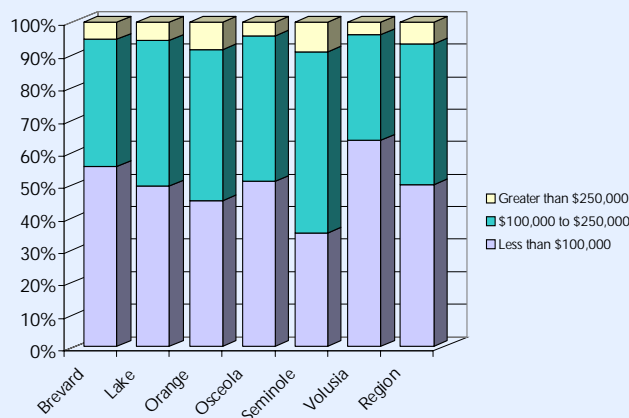
County	1990	2000	Increase
Brevard	\$74,600	\$94,400	26.5%
Lake	\$67,400	\$100,600	49.3%
Orange	\$81,000	\$107,500	32.7%
Osceola	\$74,700	\$99,300	32.9%
Seminole	\$91,100	\$119,900	31.6%
Volusia	\$69,200	\$87,300	26.2%

TABLE 3-4
RENTER-OCCUPIED HOUSING UNITS

East Central Florida Subregions, 1990 and 2000

Subregion	1990	2000	Difference
North Brevard	29.3%	25.6%	-3.7%
Central Brevard	25.6%	21.0%	-4.6%
South Brevard	32.0%	26.2%	-5.8%
Brevard Beaches	35.4%	28.9%	-6.5%
Merritt Island	27.0%	23.3%	-3.7%
Northeast Lake	12.8%	13.1%	0.3%
Northwest Lake	21.6%	18.8%	-2.8%
South Lake	28.4%	19.8%	-8.6%
Central Orange	53.0%	51.4%	-1.6%
Northwest Orange	31.9%	30.1%	-1.8%
Northeast Orange	44.2%	45.1%	0.9%
Southeast Orange	41.3%	38.8%	-2.5%
South Orange	41.8%	36.4%	-5.5%
Southwest Orange	41.4%	45.9%	4.5%
East Orange	22.6%	19.9%	-2.7%
Northwest Osceola	34.8%	32.7%	-2.1%
Southeast Osceola	20.2%	17.9%	-2.3%
West Seminole	33.6%	31.2%	-2.4%
East Seminole	12.0%	9.7%	-2.3%
Northeast Volusia	37.5%	35.0%	-2.4%
Southeast Volusia	22.8%	19.2%	-3.7%
Central Volusia	11.7%	7.7%	-4.1%

Chart 3-4
Housing Value, Counties and Region
2000



under \$100,000 ranges from 35.0% in Seminole to 63.6% in Volusia. Over half of Seminole's housing (55.6%) is valued between \$100,000 to \$250,000, far more than the next highest county, Orange, with 46.2% of its housing in that range. Orange and Seminole combined have 46.1% of the region's housing, but 61.2% of the region's over \$250,000 stock and only 38.6% of the region's under \$100,000 housing stock.

Affordability

The region's housing supply directly affects housing affordability. When demand is high and the supply is tight, the price of housing increases. When the increase in household income does not keep pace with the increases in the price of housing, the housing stock becomes less affordable and takes up a larger portion of a household's economic resources. The lack of affordable housing in the area affects not only the household budget, but also has larger economic repercussions. A tight housing market may result in labor force shortages if

potential workers cannot find housing within their means. Families that have less disposable income have less money to reinvest back into other areas of the economy. Therefore, it is critical to a sustainable regional economy to have a wide array of housing and rental options for households with varying needs.

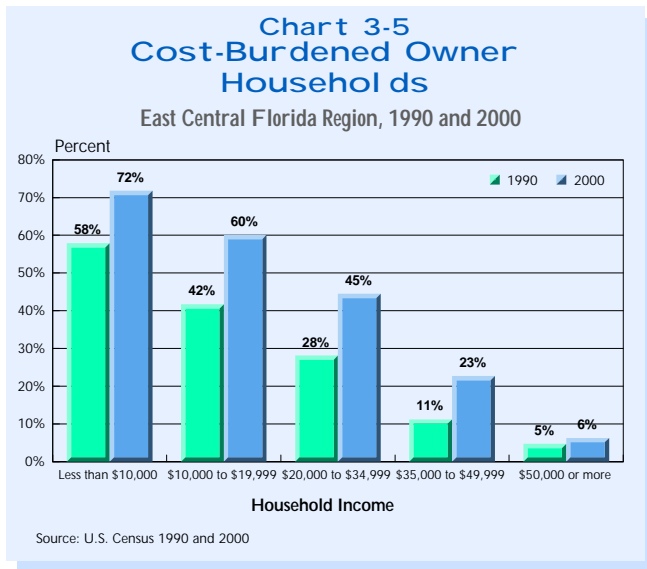
TABLE 3-6
MEDIAN HOUSING COST AND RENT AS A PERCENT OF HOUSEHOLD INCOME

East Central Florida Counties, 1990 and 2000

County	Cost with a mortgage		Cost without a mortgage		Rent	
	1990	2000	1990	2000	1990	2000
Brevard	21.0	21.6	11.5	9.9	26.0	26.2
Lake	21.6	21.9	11.5	9.9	25.0	26.5
Orange	22.5	22.9	12.0	10.5	27.0	27.3
Osceola	22.8	23.8	11.8	11.5	28.0	28.8
Seminole	22.0	21.4	11.9	9.9	26.0	25.8
Volusia	23.2	22.9	12.2	10.6	29.0	28.1

Affordable homeownership. Table 3-6 shows the median cost and rent as a percentage of household income by county in 1990 and 2000. Median costs for owners with a mortgage rose only slightly in Brevard, Lake, Orange and Osceola, while Seminole and Volusia showed a slight decrease. Osceola County, with the highest percentage in

both 1990 and 2000, also showed the largest increase, 1.0%. For units without a mortgage, the median owner cost decreased in every county in the region.

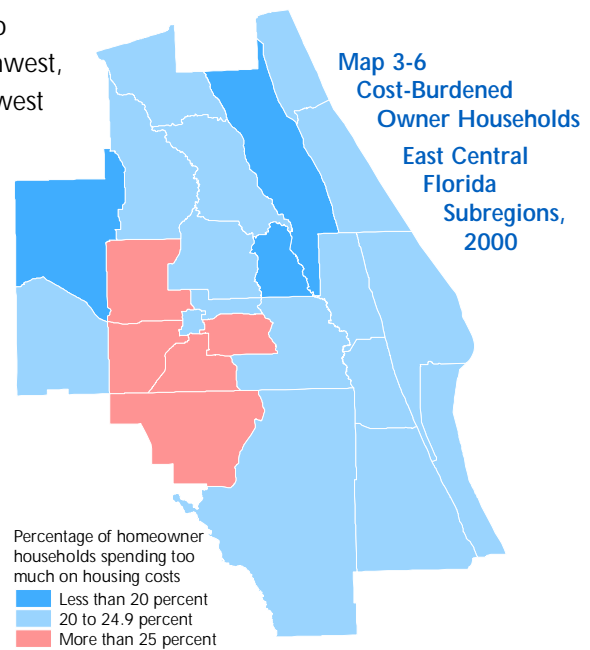


An increasing number of homeowners in the region *are* spending too much for housing, however. A household spending more than 30% of its income for housing is considered to be *cost-burdened*. Chart 3-5 shows the percentage of homeowners in each income category who were cost-burdened in 1990 and 2000. In all income groups, the percentage of cost-burdened households increased over the past decade. In the lowest income group, who earned less than \$10,000 annually, over 70% of the owner households spent too much for housing, an increase of 14% over 1990. The next two income groups also show dramatic

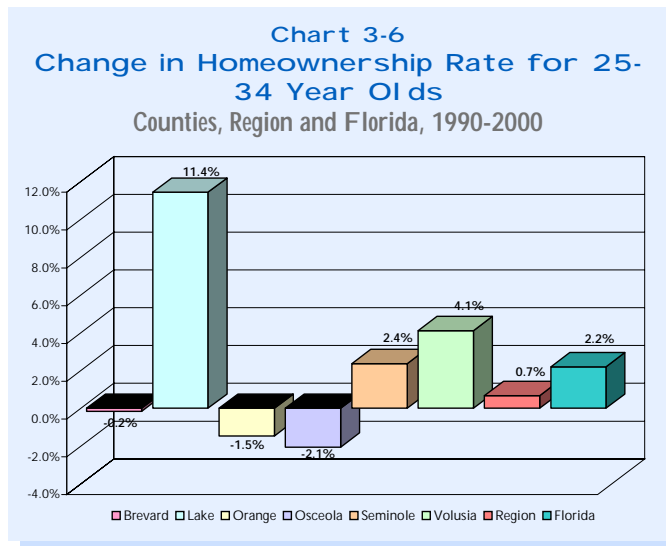
increases in cost-burdened owner households -- 18% increases in both the \$10,000 to \$19,999 income group and the \$20,000 to \$34,999 income group. Even in the next income group, who earned between \$35,000 and \$49,999, the percentage of cost-burdened households more than doubled.

Map 3-6 shows the location of households who are cost-burdened. In most of the region,

between 20 and 25 percent of homeowners are paying too much for their housing. The fast-growing areas of Northwest, Southeast, Southwest and South Orange, as well as Northwest Osceola, have higher percentages of cost-burdened owner households. The rural subregions of East Seminole and Central Volusia have lower percentages of cost-burdened owner households, as does Northwest Lake.



The age at which people buy their first homes is another way to measure an area's housing affordability. Chart 3-6 shows the change in homeownership rate from 1990 to 2000 for households where the householder was between 25 and 34 years of age. The state's homeownership rate for 25 to 34 year olds increased by 2.2% -- 44.1% of households with householders in this age range in 1990 were homeowners, and this figure increased to 46.3% by 2000. Within the region, Lake County showed the most dramatic increase -- from 51.8% in 1990 to 63.2% in 2000, an increase of 11.4%. Brevard, Orange and Osceola counties had decreases in the percentage of households in this age group that were homeowners. Brevard decreased only slightly, from 47.5% in 1990 to 47.3% in 2000. Orange and Osceola decreased by 1.5% and 2.1%, respectively. Orange had the lowest percentage in 2000 -- 39.9% of households in the 25-34 age group were homeowners.



Affordable rental housing. The National Low Income Housing Coalition (NLIHC) publishes an annual report entitled *Out of Reach: The Growing Gap Between Housing Costs and Income of Poor People in the United States*.

This study documents the affordability of rental housing on a nationwide basis. The report has been published annually since 1998.

In 2002, metro Orlando's housing wage was \$15.71, 12% higher than Florida's housing wage of \$13.98. Brevard's and Volusia's both were lower than Florida's, at \$11.75 and \$12.04 respectively. The housing wage is the amount a full-time worker must earn per hour in order to afford the area's fair market rent (FMR), given that no more than 30% of a person's income should be spent on housing costs. (These housing wages are all for a 2-bedroom apartment.) When the housing wage is compared to the minimum wage, the disparity between real wages and housing costs becomes apparent.

Metro Orlando had the fourth largest increase in 2-

TABLE 3-7
INCREASE IN 2-BEDROOM HOUSING WAGE
10 HIGHEST INCREASES NATIONALLY
2001 TO 2002

Metropolitan Statistical Area	Increase
Baltimore, MD	22.68%
Jersey City, NJ	17.95%
Cincinnati, OH-KY-IN	14.90%
Orlando, FL	14.43%
Norfolk-Virginia Beach-Newport News, VA-NC	13.94%
Modesto, CA	13.49%
Richmond-Petersburg, VA	12.53%
Des Moines, IA	11.94%
Vallejo-Fairfield-Napa, CA	11.38%

TABLE 3-8
2-BEDROOM HOUSING WAGE

Florida and East Central Florida Metro Areas, 2001 to 2003

Metro Area	2001	2002	% inc.	2003	% inc.
Daytona	\$11.73	\$12.04	2.6%	\$12.08	0.3%
Melbourne-Titusville-Palm Bay	\$11.46	\$11.75	2.5%	\$11.79	0.3%
Orlando	\$13.73	\$15.71	14.4%	\$15.77	0.4%
Florida	\$13.35	\$13.98	4.7%	\$14.26	2.0%

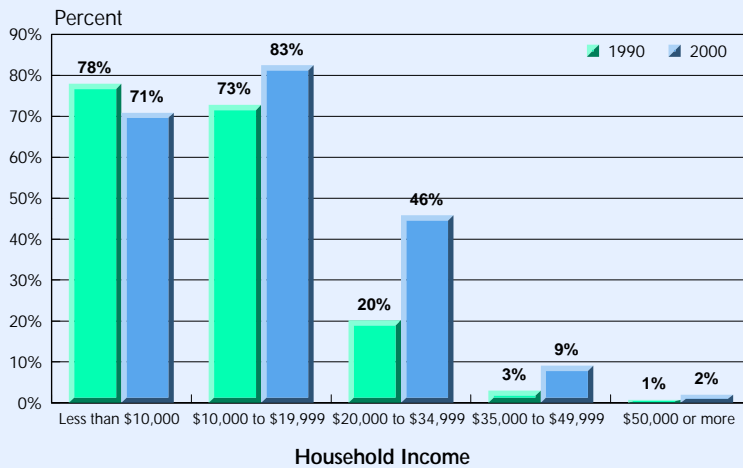
Source: Out of Reach 2001, 2002 and 2003, nlihc.org.

bedroom housing wage of all metropolitan areas in the country between 2001 and 2002 -- 14.4%. (See table 3-7.) Florida's increase was 4.7% over that time period, and Brevard's and Volusia's were 2.6% and 2.5%, respectively. Between 2002 and 2003 the increases were much smaller for all of the region's metropolitan areas. (See Table 3-8.) A worker earning the minimum wage of \$5.15 per hour in 2003 would have had to work 122 hours per week to

be able to afford the fair market rent in the Orlando metropolitan area, or 92 or 94 hours per week to afford the fair market rent in Brevard or Volusia, respectively.

Chart 3-7 shows, by income level, what proportion of the region's renter households were cost-burdened in 1990 and 2000. Surprisingly, the lowest income group -- who earned less

Chart 3-7
Cost-Burdened Renter Households
East Central Florida Region, 1990 and 2000



Source: U.S. Census 1990 and 2000

than \$10,000 annually -- showed a decrease in the percentage of cost-burdened households, from 78% to 71%. All other income groups, however, showed an increasing percentage of cost-burdened households. The most dramatic increase was in the \$20,000 to \$34,999 income group, where the percentage of cost-burdened households rose from 20% to 46%.

The problem remains most severe for the lower income groups, however -- more than 3 of every 5 renter households spending too much for housing (78,632 households) earned less than \$20,000 in 2000.

Map 3-7 highlights these disparities between rent and income

geographically in the region. One-third of the region's renter households earned less than \$20,000 in 2000, according to the Census. The Census reported that over 40% of the region's renter households (123,429 households) were spending too much for rent. Nine of the twenty-four subregions had in excess of 40% of their renter households spending too much for rent. The rural subregions had the lowest percentages, but even among the rural subregions, only East Seminole had less than one-quarter of its renter households spending too much for rent (21.2%), and only East Orange had less than 30% of its renter households spending too much for rent (29.7%). All of the urban and suburban subregions reported in excess of one-third of their renter households as cost-burdened. The subregion with the highest proportion of cost-burdened households was Northeast Orange (44.9%).

The Challenges Ahead

The region faces a number of serious challenges with regard to its housing stock. High on

the list is the need for a diversity of housing types -- including multi-family, rental, first-time homebuyer, and housing affordable to people with a range of incomes -- throughout the region. This diversity is especially crucial to the economy in terms of attracting workers, keeping wages competitive, and leaving residents with adequate discretionary income for non-housing goods and services. Fiscal concerns -- especially school costs -- often influence local decisions about growth in general, and affordable housing in particular. But affordable housing is an essential part of a community's infrastructure and it must be provided for the region to continue to grow and thrive.

