

The following pages are the results of the market rate affordable housing study directed by the Collier Board of County Commissioners.

EXECUTIVE SUMMARY

Presentation of the 2010 countywide affordable housing inventory.

OBJECTIVE:

To present the 2010 countywide affordable housing inventory to the Board of County Commissioners (BCC) – inclusive of “restricted” (restricted by regulatory requirements, e.g. Affordable Housing Agreement) and “unrestricted” (market rate) residential units.

CONSIDERATIONS:

At the June 22, 2010, Board of County Commissioners (BCC) meeting, staff was directed to inventory unrestricted residential units within the County to determine the number of units that can be categorized as “affordable” based on qualifying criteria of the State Housing Initiatives Program (SHIP), and then present the results to the Board.

To create the inventory of unrestricted affordable housing units within the County, staff conducted multiple GIS queries of the Property Appraiser’s database in order to identify the affordable mortgage ranges for the very low (50% of the County’s median income), low (80% of the County’s median income) and moderate (120% of the County’s median income) income levels (refer to specific categories in the attachment titled “Staff Analysis”).

Staff mapped the affordable housing inventory for each Commission District (and, at the request of Commissioner Fiala, who has taken the lead on this directive, for the East Naples Civic Association (ENCA) boundaries) using the following parameters, which yields twelve (12) different scenarios:

- affordable housing categories - very low, low and moderate income;
- household size - two and four persons (as agreed to by the BCC on June 22, 2010); and,
- monthly recurring debt - \$0 and \$300 (as possible representative figures of household debt, such as student loan, car payment, credit card, etc.).

The detailed results and mapping per the above parameters are provided as attachments to this Executive Summary; importantly, the explanation of the information depicted on the maps is contained within the attached “Staff Analysis.” The range of housing units, qualifying as affordable, by specified area, appears in the table below.

Area	2 -Person Household/50% of Median Income/\$300 Recurring Debt: # DUs	4 -Person Household/120% of Median Income/\$0 Recurring Debt: # DUs
District 1	1,185 (28% of total)	30,293 (24% of total)
District 2	503 (12% of total)	24,455 (19% of total)
District 3	1,068 (26% of total)	31,492 (25% of total)
District 4	691 (16% of total)	17,837 (14% of total)
District 5	762 (18% of total)	23,067 (18% of total)
Total	4,209	127,144
ENCA	1,246 (30% of total)	33,875 (27% of total)

1. The unit counts include all ownership dwelling units, except mobile home and cooperative units.

2. There are 196,241 dwelling units in the County, inclusive of all unit types and both ownership & rental.

It should be noted that the dwelling unit figures in the 120% column are cumulative, i.e. the figures in that column include those units within the 50% column and all other scenarios not shown in the table (see attached "Staff Analysis" for further explanation). The above ranges of countywide totals (4,209 and 127,144) represent 2% and 65% of the *total* dwelling units (196,241) in Collier County (includes all dwelling unit types in both ownership and rental units).

Additionally, the inventory results above provide only the *potential supply* of *unrestricted* affordable housing units based on sales data for a single year (May 2009 – May 2010). It is unknown how many of these units are actually available and how many of these units may be presently occupied by persons meeting the qualifying income levels. Further, these data do not provide the actual *demand* (need) for affordable housing units within the County.

Based upon a recent compilation of existing *restricted* units prepared for the Evaluation and Appraisal Report (EAR) using best available data, the County currently has an inventory of 7,649 (plus 3,864 units approved but not yet built) *restricted* affordable housing units. This inventory will fluctuate over time as additional units are approved and constructed within the affordable housing categories, and as affordable units reach the end of the time period for which they are required to remain at an affordable price range. Objective 1 of the Housing Element presently states, "The number of new affordable-workforce housing units shall increase by at least fifteen percent of the units approved to be built in the County per year, but not less than 1,000 units per year averaged over a five-year period in an effort to continue meeting the current and future housing needs of legal residents with very-low, low and moderate incomes, including households with special needs such as rural and farmworker housing in rural Collier County." However, the University of Florida's Shimberg Center for Housing Studies indicates a need for an additional 732 affordable housing units each year beginning in year 2010 to 2015; 881 affordable housing units each year beginning in year 2015 to 2020; 890 affordable housing units each year beginning in year 2020 to 2025; and, 856 affordable housing units each year beginning in year 2025 to 2030. As part of the EAR, staff will be recommending the Objective be changed. This inventory of unrestricted affordable housing units may also be useful in supporting the recommendation to lower the requirement in this Objective.

FISCAL IMPACT:

The information presented has no fiscal impact, as this is an informational item only.

GROWTH MANAGEMENT PLAN (GMP) IMPACT:

The information presented has no GMP impact, as this is an informational item only.

LEGAL CONSIDERATIONS:

There are no legal considerations, as this is an informational item only. -STW

RECOMMENDATION:

Recommendation that the Board of County Commissioners accept the methodology and findings in this Executive Summary and associated attachments; and, direct staff to submit these documents with the Evaluation and Appraisal Report as data and analysis that could potentially support the County's recommendation to reduce the number of restricted affordable housing units that are required to be constructed annually.

Prepared by: Michele Mosca, AICP, Principal Planner, Comprehensive Planning Section, Land Development Services Department, Growth Management Division/Planning and Regulation

Attachments: 1) Staff Analysis 2) Affordable Housing Map Series

Staff Analysis – BCC Directed Affordable Housing Project

Steps to create the inventory of “unrestricted” affordable housing units within the County:

- Conduct a GIS query from the Property Appraiser’s database of all residential sales from May 2009 through May 2010, by the closing sales price, and based on the State Housing Initiatives Program (SHIP) 2010 income limits for two and four person households, and assuming that those households have no (\$0) monthly recurring debt. The affordable mortgage for those households earning 50% (very low), 80% (low) and 120% (moderate) of the County’s median income of \$72,300 is as follows:
 - a. A 2- person household earning 50% of the median income could afford a mortgage of \$74,952; and, a 4- person household earning 50% of the median income could afford a mortgage of \$103,430.
 - b. A 2- person household earning 80% of the median income could afford a mortgage of \$143,576; and, a 4- person household earning 80% of the median income could afford a mortgage of \$189,260.
 - c. A 2- person household earning 120% of the median income could afford a mortgage of \$235,259; and, a 4- person household earning 120% of the median income could afford a mortgage of \$303,607.
- Conduct a GIS query from the Property Appraiser database of all residential sales from May 2009 through May 2010, by the closing sales price, and based on the SHIP 2010 income limits for 2 and 4 person households, and assuming that those households have a three hundred dollar (\$300.00) monthly recurring debt. The affordable mortgage for those households earning 50% (very low), 80% (low) and 120% (moderate) of the County’s median income of \$72,300 is as follows:
 - a. A 2- person household earning 50% of the median income could afford a mortgage of \$27,489; and, a 4- person household earning 50% of the median income could afford a mortgage of \$55,967.
 - b. A 2- person household earning 80% of the median income could afford a mortgage of \$96,113; and, a 4- person household earning 80% of the median income could afford a mortgage of \$141,496.
 - c. A 2- person household earning 120% of the median income could afford a mortgage of \$187,796; and, a 4- person household earning 120% of the median income could afford a mortgage of \$256,143.
- Establish a “discount” factor for the specified one-year period by comparing the Sales Price to the Total Just Values for qualifying properties (affordable housing threshold range of \$0 – \$303,607), followed by averaging the percentage change (sum of percentage change for all properties divided by the total number of properties) for those same properties; this yielded a discount factor of -12.42 percent.

- Apply the established discount factor of -12.42 to the countywide residential inventory to derive the number of affordable units at the various affordable mortgage thresholds described above.

The following two tables depict the number of unrestricted housing units categorized as affordable, organized by Commission District and the area encompassed by the East Naples Civic Association (ENCA). This data provides the potential supply of affordable housing units. However, it is unknown how many of these units are actually available; it is unknown how many of these units may be presently occupied by persons meeting the qualifying income levels; and, the data does not identify the demand (need) for affordable housing units. The need for affordable housing by geographic area may be more readily identified using the 2010 Census data, once it is released.

It should be noted that the dwelling unit figures listed in each row is cumulative. For example, in District 1, the 4-person household count within the 50% median income range includes those units within the 2-person household count within the 50% median income range, and the 4-person household count within the 120% median income range includes all units listed in the table for District 1. Similarly, the data shown on the attached maps also reflect cumulative figures.

\$300 Monthly Recurring Debt						
	50% of Median Income		80% of Median Income		120% of Median Income	
Area	2-Person Household	4-Person Household	2-Person Household	4-Person Household	2-Person Household	4-Person Household
District 1	1,185	2,389	10,422	17,180	21,540	27,768
District 2	503	1,388	3,691	10,572	16,588	21,796
District 3	1,068	2,412	9,307	18,214	24,285	29,645
District 4	691	1,787	4,680	10,479	13,779	16,486
District 5	762	2,570	8,237	14,767	19,202	22,226
Total	4,209	10,546	36,337	71,212	95,394	117,921
ENCA	1,246	2,932	12,523	22,676	27,966	32,463

The unit counts include all ownership dwelling units, except mobile home and cooperative units.
There are 196,241 dwelling units in the County, inclusive of all unit types and both ownership & rental.

Overall, the above table shows District 3 contains the largest inventory of potential affordable housing units, followed by District 1, and District 4 contains the least amount.

The following identifies each respective Commission District's highest range of affordable housing dwelling units as a percentage of the countywide dwelling unit total (196,241) in Collier County (includes all dwelling unit types in both ownership and rental units).

District 1: The highest (27,768) dwelling unit count represent 14 percent of the countywide dwelling unit sum.

District 2: The highest (21,796) dwelling unit count represent 11 percent of the countywide dwelling unit sum.

District 3: The highest (29,645) dwelling unit count represent 15 percent of the countywide dwelling unit sum.

District 4: The highest (16,486) dwelling unit count represent 8 percent of the countywide dwelling unit sum.

District 5: The highest (22,226) dwelling unit count represent 11 percent of the countywide dwelling unit sum.

\$0 Monthly Recurring Debt						
	50% of Median Income		80% of Median Income		120% of Median Income	
Area	2-Person Household	4-Person Household	2-Person Household	4-Person Household	2-Person Household	4-Person Household
District 1	5,513	11,941	17,365	21,679	26,301	30,293
District 2	2,033	4,604	11,003	16,733	20,514	24,455
District 3	5,437	11,225	18,381	24,474	27,619	31,492
District 4	2,681	5,480	10,610	13,905	15,720	17,837
District 5	4,844	9,206	14,961	19,351	21,471	23,067
Total	20,508	42,456	72,320	96,142	111,625	127,144
ENCA	6,655	14,778	22,884	28,177	31,414	33,875

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There are 196,241 dwelling units in the County, inclusive of all unit types and both ownership & rental.

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The following identifies each respective Commission District's highest range of affordable housing dwelling units as a percentage of the countywide dwelling unit total (196,241) in Collier County (includes all dwelling unit types in both ownership and rental units).

District 1: The highest (30,293) dwelling unit count represent 15 percent of the countywide dwelling unit sum.

District 2: The highest (24,455) dwelling unit count represent 13 percent of the countywide dwelling unit sum.

District 3: The highest (31,492) dwelling unit count represent 16 percent of the countywide dwelling unit sum.

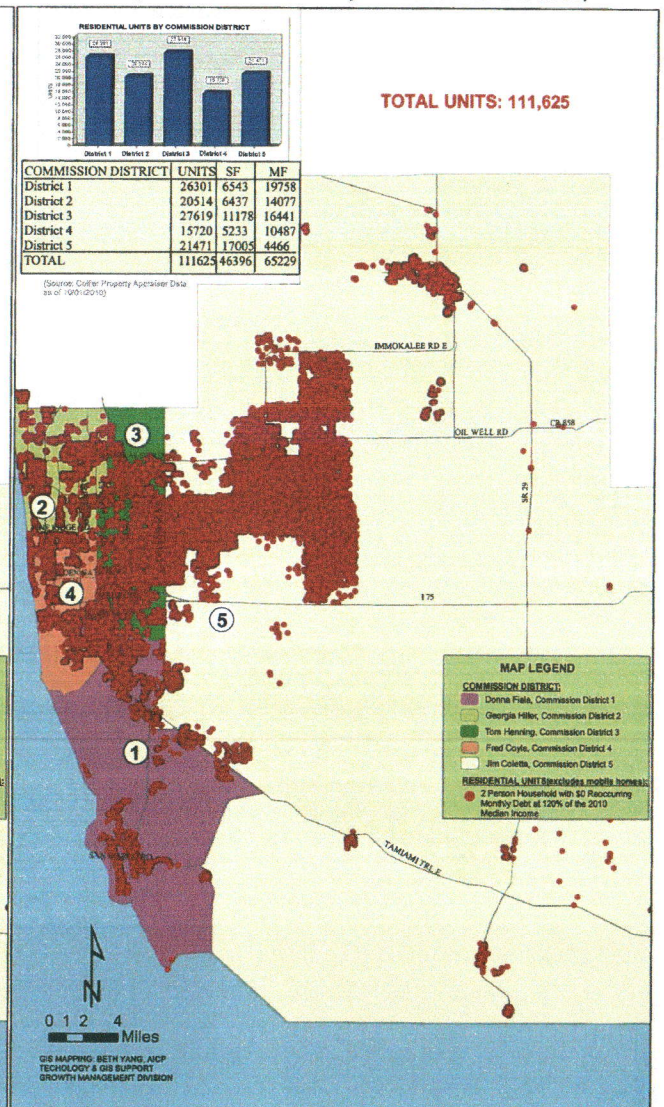
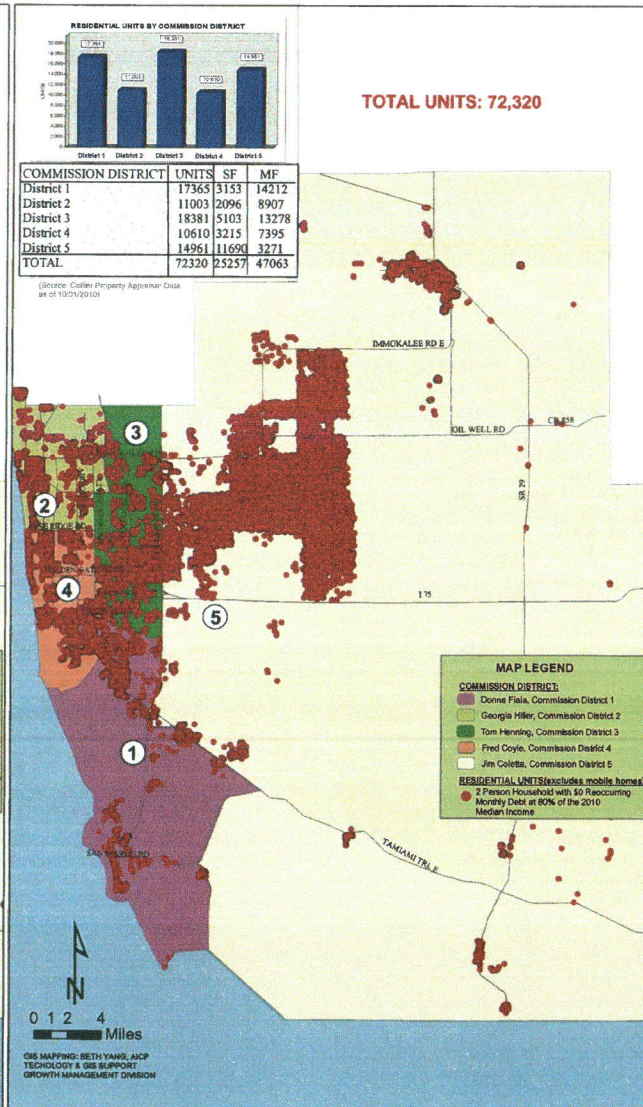
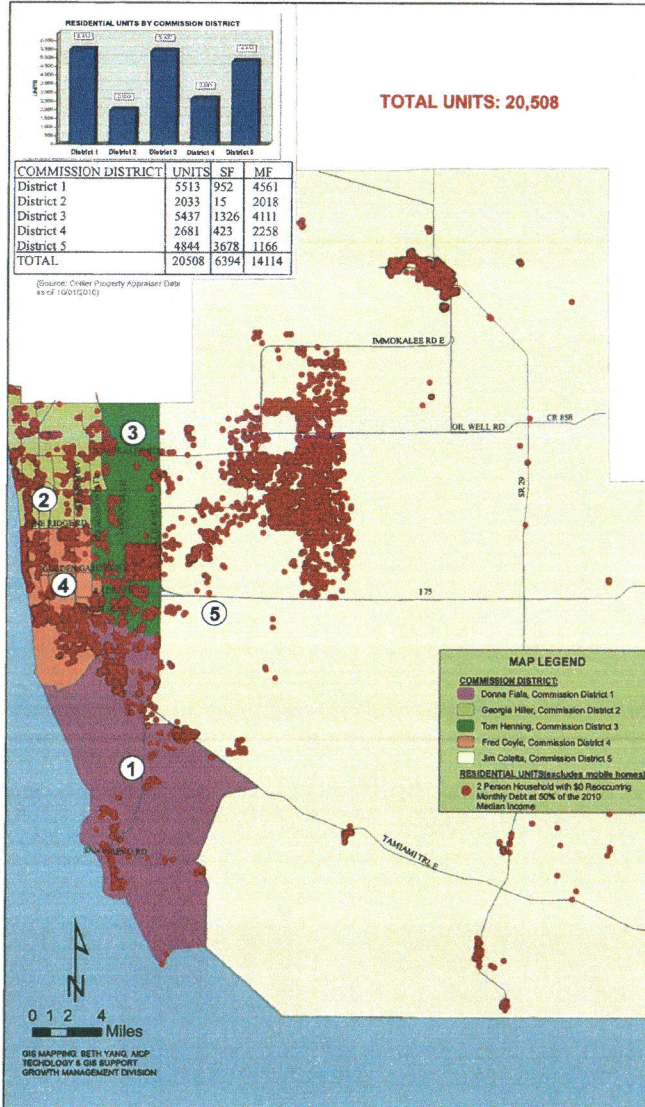
District 4: The highest (17,837) dwelling unit count represent 9 percent of the countywide dwelling unit sum.

District 5: The highest (23,067) dwelling unit count represent 12 percent of the countywide dwelling unit sum.

50% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$74,952
(Units distributed by Commission District)

80% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$143,576
(Units distributed by Commission District)

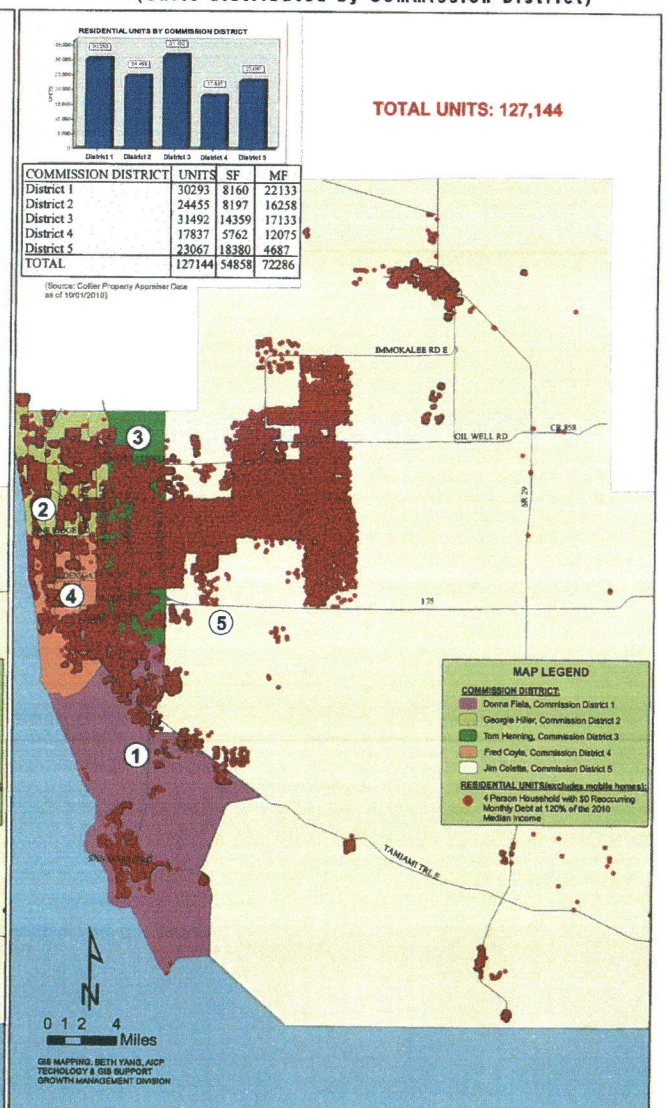
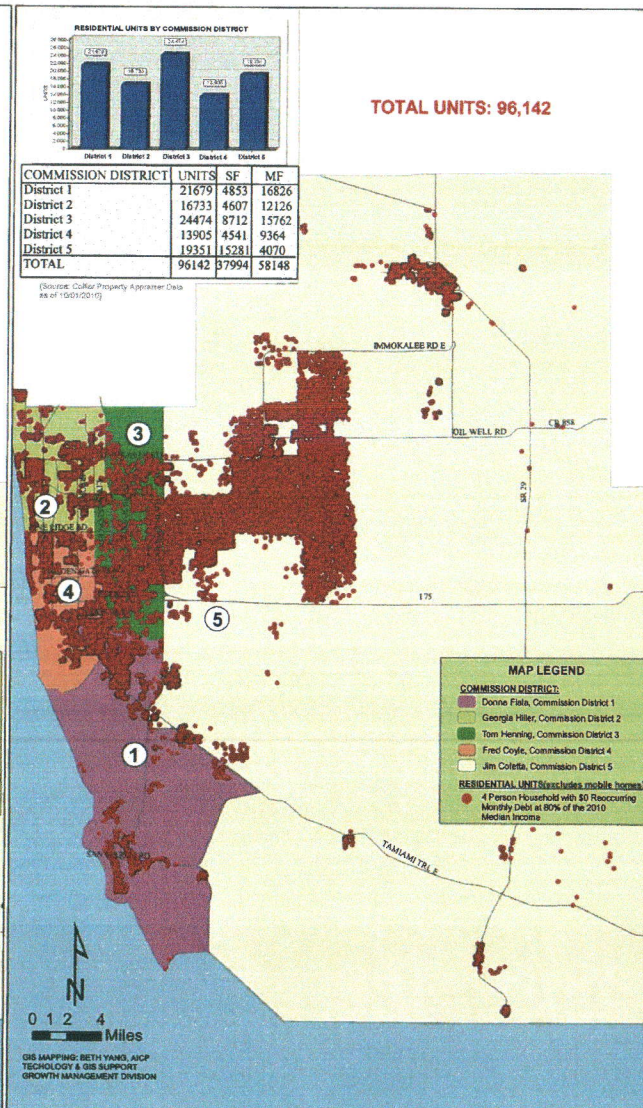
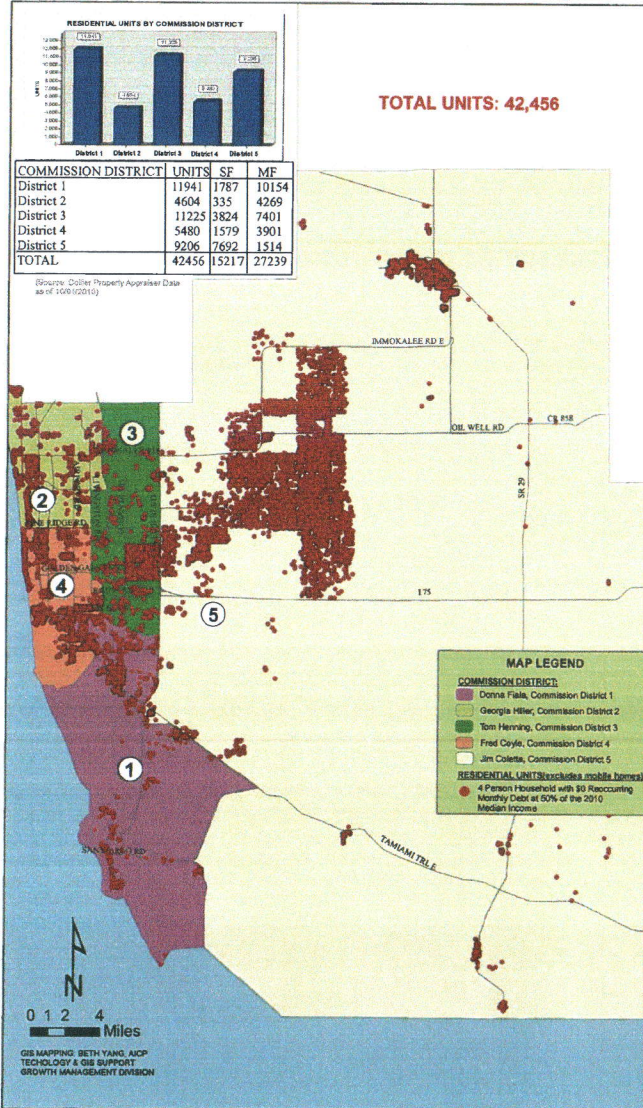
120% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$235,259
(Units distributed by Commission District)



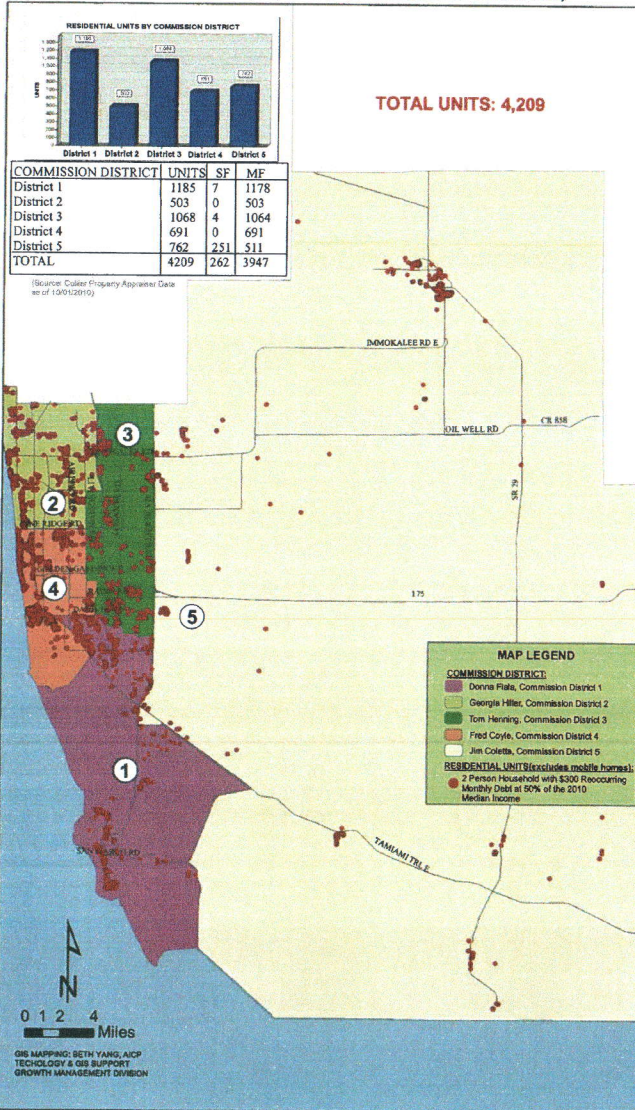
50% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$103,430
(Units distributed by Commission District)

80% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$189,260
(Units distributed by Commission District)

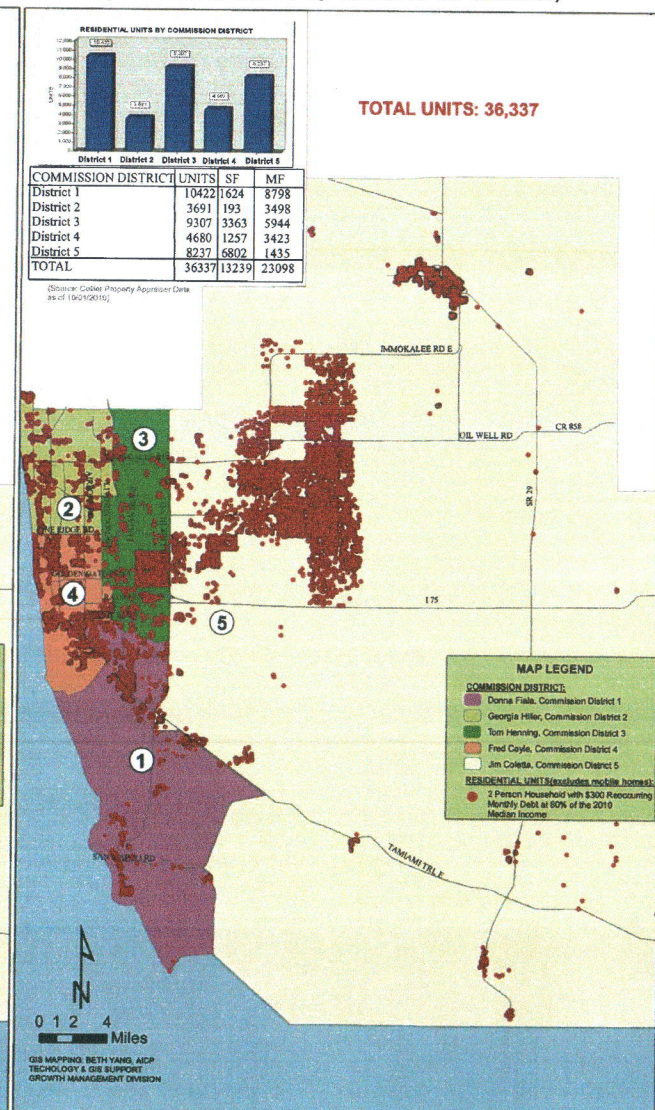
120% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$303,607
(Units distributed by Commission District)



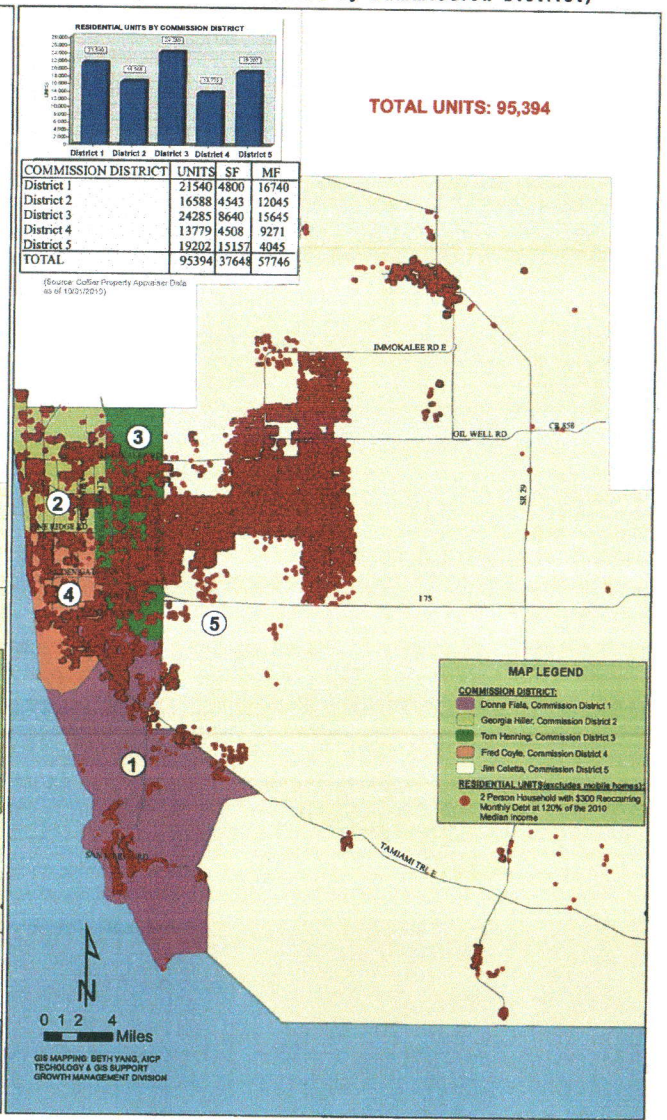
50% of the 2010 Median Income
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with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$27,489
(Units distributed by Commission District)



80% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$96,113
(Units distributed by Commission District)



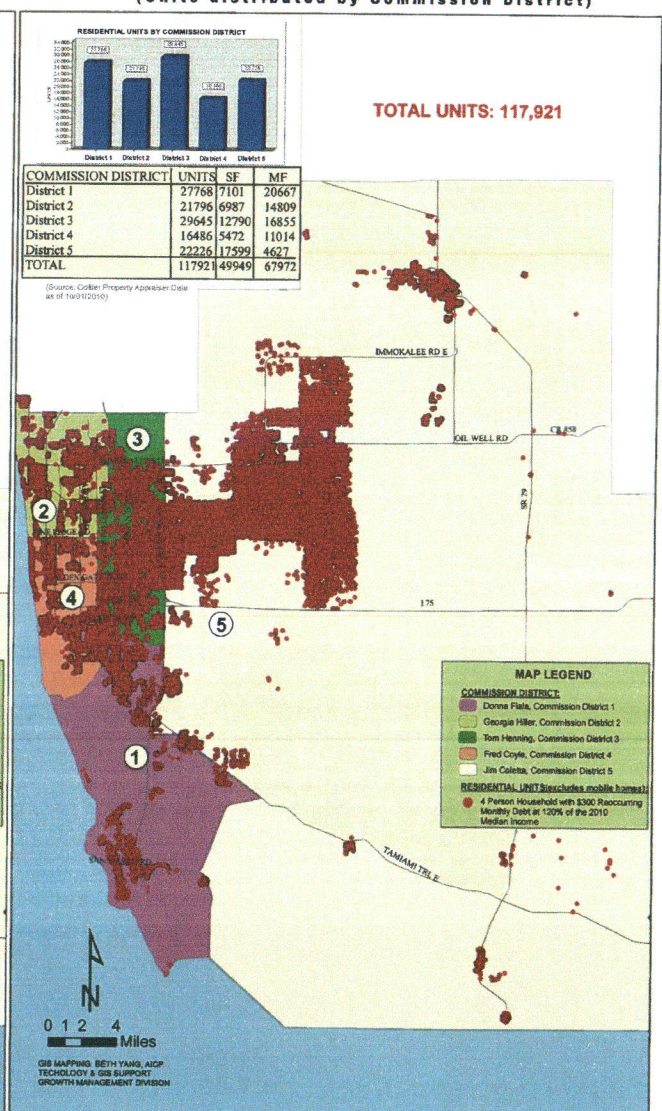
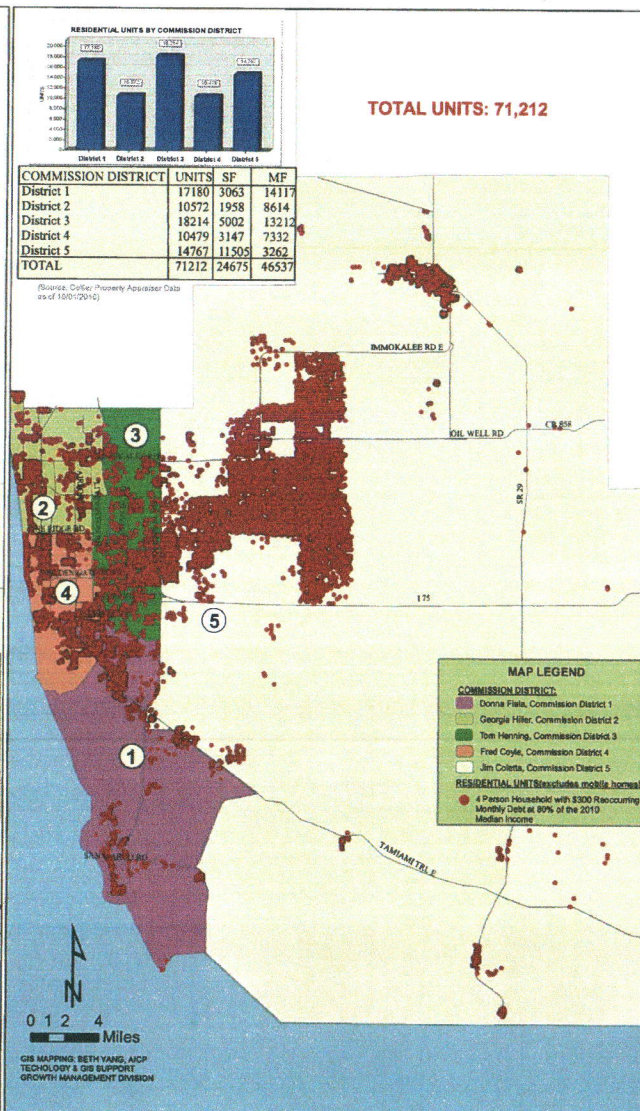
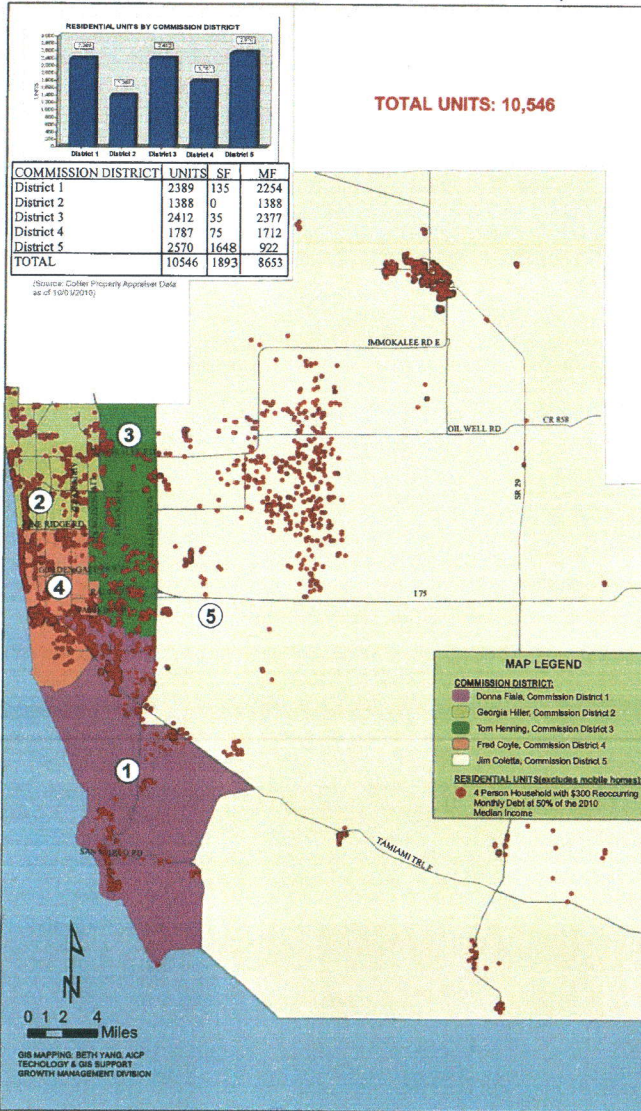
120% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$187,798
(Units distributed by Commission District)



50% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount Is \$55,967
(Units distributed by Commission District)

80% of the 2010 Median Income
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with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount Is \$141,496
(Units distributed by Commission District)

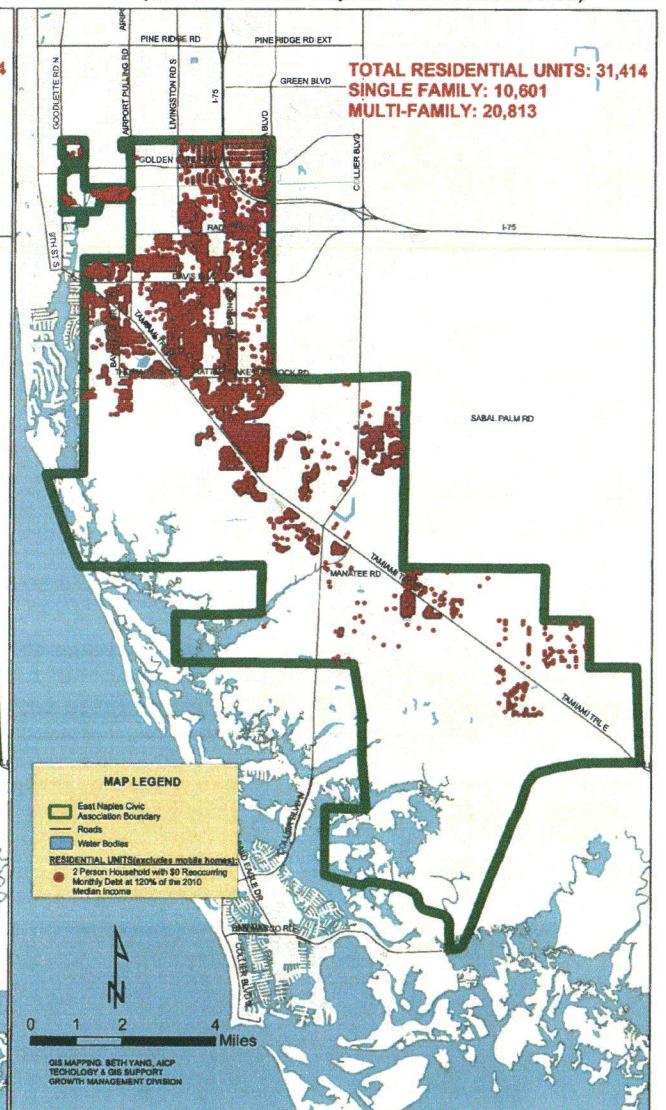
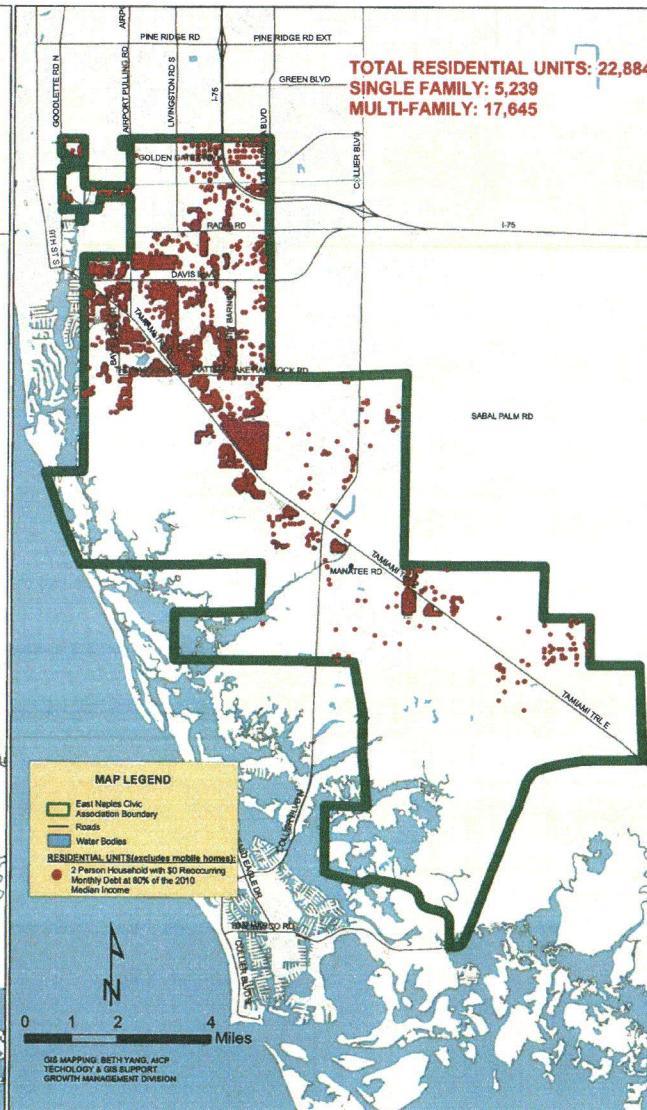
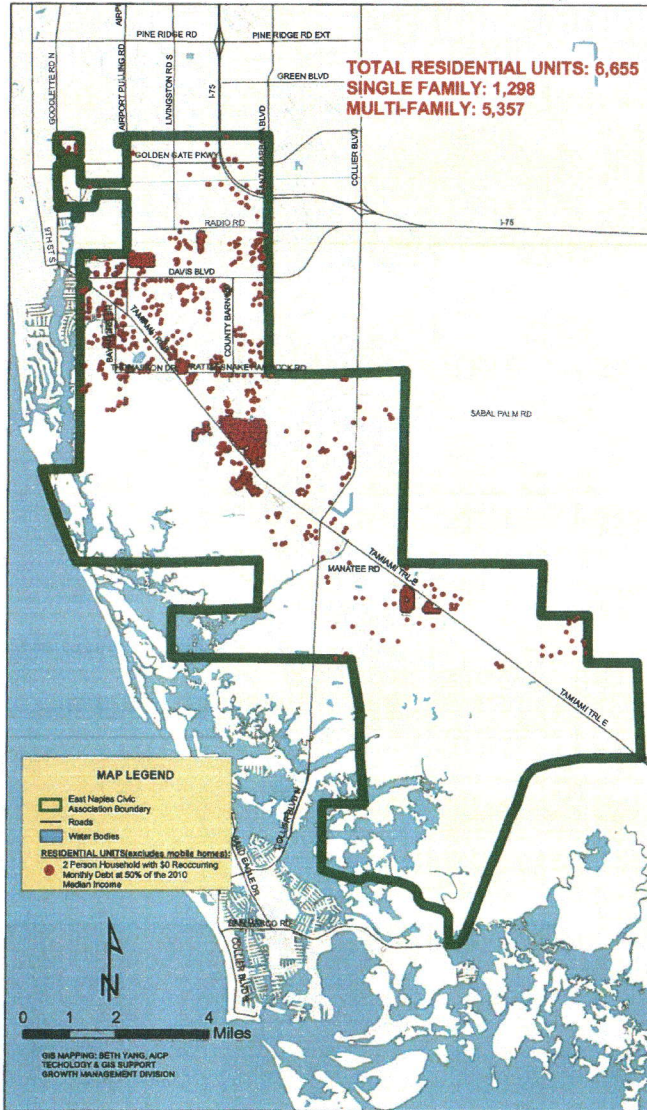
120% of the 2010 Median Income
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with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount Is \$266,143
(Units distributed by Commission District)



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of \$72,300 for a 2 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$74,952
(Units for East Naples Civic Association)

80% of the 2010 Median Income
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with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$143,576
(Units for East Naples Civic Association)

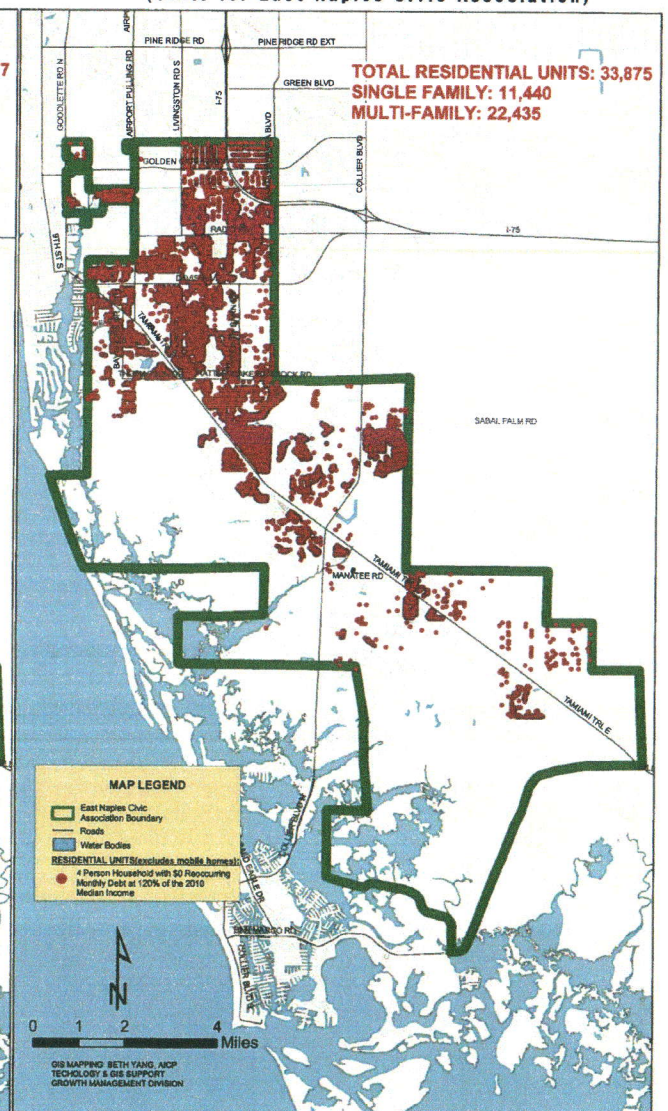
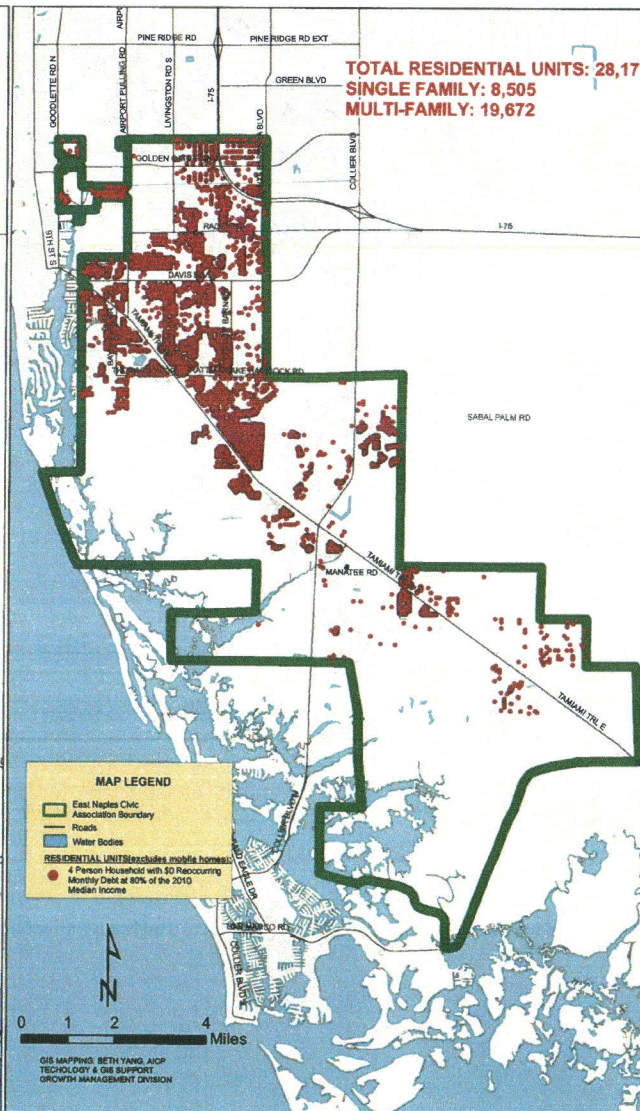
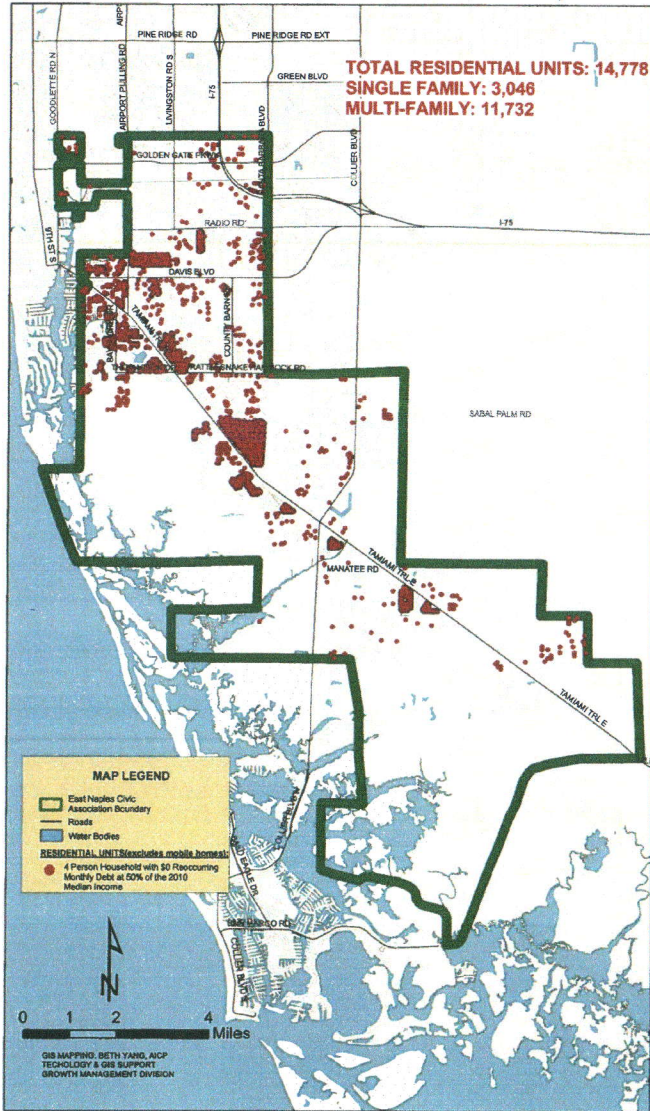
120% of the 2010 Median Income
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Debt - Affordable Mortgage Amount is \$235,259
(Units for East Naples Civic Association)



50% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$103,430
(Units for East Naples Civic Association)

80% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$0 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$189,260
(Units for East Naples Civic Association)

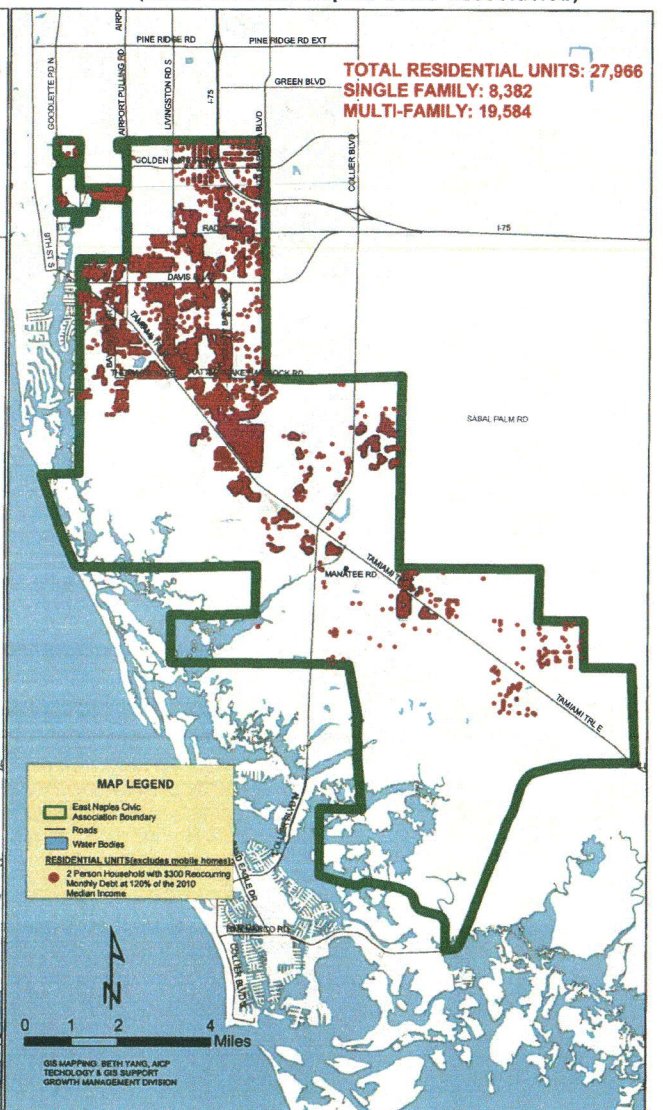
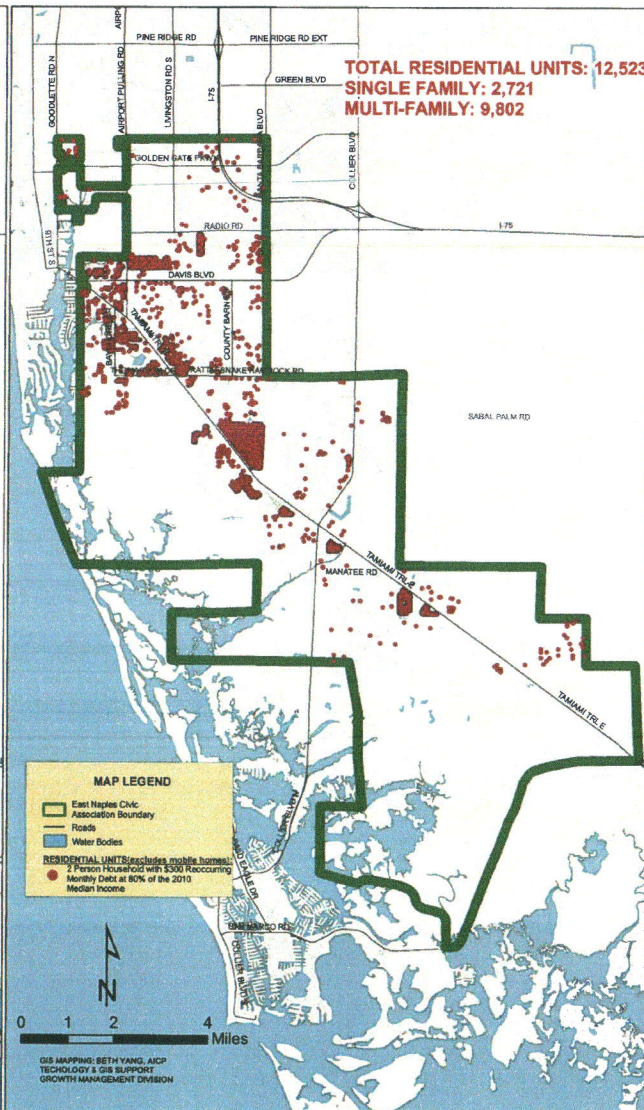
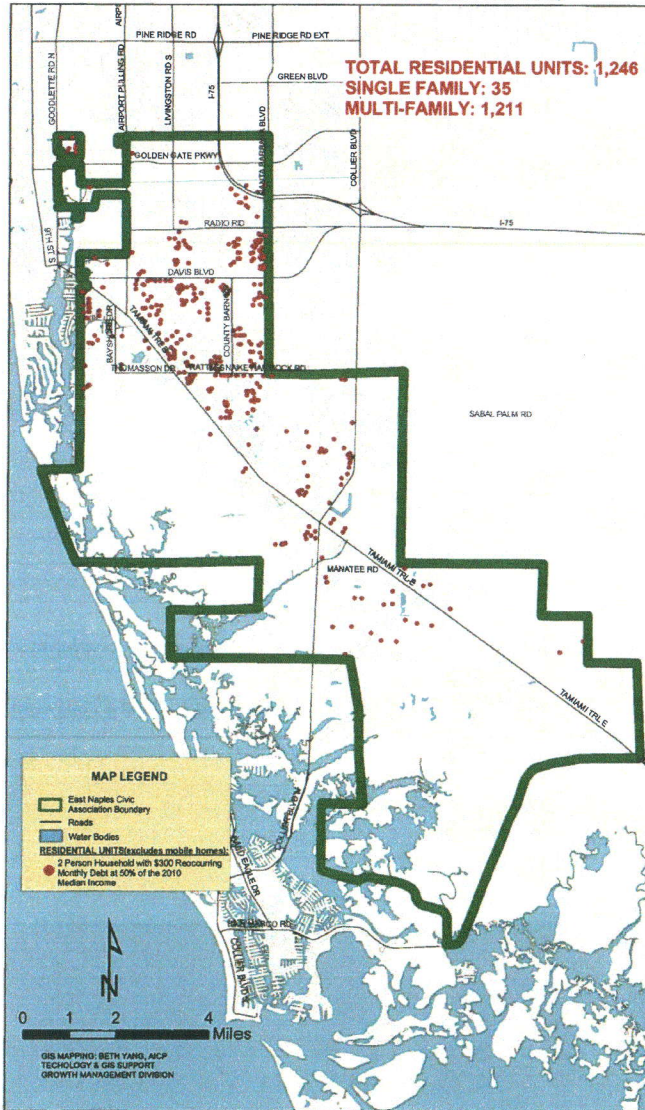
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Debt - Affordable Mortgage Amount is \$303,607
(Units for East Naples Civic Association)



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with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$27,489
(Units for East Naples Civic Association)

80% of the 2010 Median Income
of \$72,300 for a 2 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$96,113
(Units for East Naples Civic Association)

120% of the 2010 Median Income
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Debt - Affordable Mortgage Amount is \$187,796
(Units for East Naples Civic Association)



50% of the 2010 Median Income
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Debt - Affordable Mortgage Amount is \$55,967
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80% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$141,496
(Units for East Naples Civic Association)

120% of the 2010 Median Income
of \$72,300 for a 4 Person Household
with a \$300 Reoccurring Monthly
Debt - Affordable Mortgage Amount is \$256,143
(Units for East Naples Civic Association)

