

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

WORKSHOP SUMMARY

Meeting Date: January 28, 2025

Department: Housing & Economic Development

I. EXECUTIVE BRIEF

Title: Current and 10-Year Affordable Housing Demand Report for Palm Beach County

Summary: The Department of Housing & Economic Development contracted with Florida International University (FIU) to prepare a Current and 10-Year Affordable Housing Demand Report (Report). The Report calculates the number of affordable/workforce housing units required in Palm Beach County to meet the current supply shortfall and to meet the demand over the next ten (10) years.

Palm Beach County has experienced an unprecedented affordable housing crisis since the COVID pandemic with increasing owner and renter prices, historic property appreciation, and a diminished housing supply. The ten (10) year housing demand is based on projected population, employment, and household income. Housing demand is expressed in terms of the number of households in various income groups between 0 - 140% of Palm Beach County's Area Median Income (AMI). Countywide (HJF)

Background and Policy Issues: N/A

Attachment:

- 1) Current and 10-Year Affordable Housing Demand Report for Palm Beach County

Recommended By: Jonathan Brian 12/30/2024
Department Director Date

Approved By: [Signature] 1/17/25
Assistant County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2025	2026	2027	2028	2029
Capital Expenditures					
Operating Costs					
External Revenues					
Program Income					
In-Kind Match (County)					
NET FISCAL IMPACT					

# ADDITIONAL FTE POSITIONS (Cumulative)					
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Is Item Included In Current Budget? Yes _____ No _____
 Does this Item include the use of Federal funds? Yes _____ No _____
 Does this Item include the use of State funds? Yes _____ No _____

Budget Account No.:

Fund _____ Dept. _____ Unit _____ Object _____ Program Code/Period _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

No fiscal impact.

C. Departmental Fiscal Review:

 Valerie Alleyne, Division Director II
 Finance and Administrative Services, DHED

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development and Control Comments:

Lucretia 1/15/2025 Brandi Mack 1/16/25
 OFMB DA 1/15 DA/1/15 Contract Development and Control

B. Legal Sufficiency:

[Signature] 1/16/25
 Assistant County Attorney

C. Other Department Review:

 Department Director

Current and 10-Year Affordable Housing Demand Report for Palm Beach County

SEPTEMBER 2024



Jorge M. Pérez
Metropolitan Center
Steven J. Green
School of International
& Public Affairs



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A. Introduction

Palm Beach County requested that the Jorge M. Pérez Metropolitan Center (JPMC) at Florida International University (FIU) prepare a report to calculate the number of additional affordable/workforce housing units required in Palm Beach County to meet the current supply shortfall and to meet the demand over the next ten years.

Palm Beach County and South Florida have experienced an unprecedented housing affordability crisis since the COVID pandemic. Both owner and renter prices have dramatically appreciated during this period fueled by investor activity and a diminished housing supply. To help address the housing affordability crisis, Palm Beach County voters on November 8, 2022 approved the issuance of Workforce/Affordable Housing General Obligation Bonds (Bonds) in an amount not to exceed \$200M for the purpose of financing all or a portion of newly created workforce and affordable housing within the county.

B. Study Approach and Methodology

The JPMC was tasked with determining Palm Beach County's existing and 10-year affordable housing demand based on current and projected population, employment, and household income. Housing demand is expressed in terms of the number of households in various income groups between 0-140% of Palm Beach County's Area Median Income (AMI). The major household income categories by AMI are as follows:

- Extremely Low Income: 0 – 30%
 - Very Low Income: 31 – 50%
 - Low Income: 51 – 80%
 - Moderate Income: 81 – 121%
 - Middle Income: 121 – 140%
- 

In conducting the study, the JPMC used both public and proprietary housing, population, and employment data. Public data includes the 2022 U.S. Census Microdata Access Tool (MDAT)/American Community Survey (ACS), the 2024 Bureau of Economic and Business Research (BEBR) Projections of Florida Population by County, 2025–2050, the 2021 Palm Beach County's Population Allocation Model, and the Florida Department of Commerce's Employment Projections (EP) for Palm Beach County. Proprietary data includes the Greater Miami Florida Association of Realtors, and the Palm Beach County Quarterly Housing Report, 2Q/2024 by Reinhold P. Wolff Economic Research, Inc.

C. Application of Area Median Income (AMI)

The U.S. Department of Housing and Urban Development (HUD) annually calculates the area median income (AMI) for every geographic region in the country using data from the US Census-based American Community Survey (ACS). The area median income is the midpoint of income distribution for a metropolitan statistical area (MSA), meaning that half of the households in a MSA earn more than the median and half earn less than the median. A household's income is calculated by its gross income, which is the total income received before taxes and other payroll deductions. This metric is important because many of HUD's and the State of Florida's housing programs are based on the AMI of a MSA. The AMI is used to calculate the maximum allowable rent (30% of the income) for many of

the most significant housing programs, including Community Development Block Grant (CDBG), Section 8, and Low Income Housing Tax Credit (LIHTC) programs.

Palm Beach County's 2024 Area Median Income (AMI) of \$104,000 is second only to Collier County (\$104,400) in the State of Florida. The AMIs of Palm Beach and Collier Counties are skewed somewhat by the inclusion of wealthy municipalities and enclaves in the calculations. This can potentially distort the application of AMI in housing production by creating mismatches between affordable housing being offered and what many local residents in need of affordable housing actually earn. However, New York University's (NYU) Furman Center has studied the conflicting arguments on the application of AMIs and concluded that the methodology used to calculate AMI is less problematic and that state and local governments can make policy choices that target certain household income categories. The AMI should serve as a guidepost for policymakers in defining and prioritizing eligibility for local affordable housing program assistance. Local policymakers are free to lower the income levels local housing programs will serve. For example, local governments can target households at 30% or 50% of AMI versus higher household income categories. The tradeoff, according to the Furman Center, is that lower income household income targeting results in a greater subsidy needed per unit, meaning potentially fewer units built if overall resources devoted to subsidized housing are fixed.

Due to the fact that Palm Beach County has a very high AMI, the study also analyzed affordable housing need based on the U.S. Census median household income (MHI) and employment earnings and projections which provides a fuller understanding of the housing needs of Palm Beach County's working residents and households. This analysis is provided in the study's appendix. In performing the 10-Year projections, the JPMC was asked by Palm Beach County to breakout the major household income categories from 0-140% AMI into 10 percent household income increment ranges. The analysis provides this detailed breakout for both the AMI and MHI analysis

D. Palm Beach County's Existing Affordable Housing Demand/Supply

The first step in the housing affordability study involved conducting an affordable housing demand/supply analysis to determine Palm Beach County's existing affordable housing needs by tenure. The analysis was performed using both the 2024 AMI and 2022 ACS median household income (MHI). The existing affordable housing demand/supply analysis serves as the baseline for the 10-year projection.

For owner units, the affordability of home purchase was calculated at the standard 3:1 median home value-to-median household income ratio. For renter units, affordability was calculated using the < 30 percent of household income/housing standard. Values were set at the median owner value and gross rent according to 2022 ACS estimates.

AMI Calculation

According to the housing affordability analysis using AMI, Palm Beach County has an affordability gap of 106,363 owner-occupied units, of which, 88,452 (83.1%) units are households earning less than 60% of AMI.

Table 1: Palm Beach County Existing Affordable Housing Demand/Supply Analysis: Owners by AMI

HH Income Category	Total Households (Demand)	Home Purchase at Affordable Price Levels		Number of Owner Units Within Affordable Price Range (Supply)	Surplus/Gap within Affordable Price Range
0 - 30% Median \$0 - \$31,320	69,718	- \$0	30% Median \$93,960	0 - 30% Median 26,936	-42,782
30.01 - 40% Median \$31,321 - \$41,760	28,034	30.01% Median \$93,961	40% Median \$125,280	30.01 - 40% Median 11,080	-16,954
40.01 - 50% Median \$41,761 - \$52,200	29,998	40.01% Median \$125,281	50% Median \$156,600	41.01 - 50% Median 13,792	-16,206
50.01 - 60% Median \$52,201 - \$62,640	24,648	50.01% Median \$156,601	60% Median \$187,920	51.01 - 60% Median 12,138	-12,510
60.01 - 70% Median \$62,641 - \$73,080	21,579	60.01% Median \$187,921	70% Median \$219,240	61.01 - 70% Median 19,178	-2,401
70.01 - 80% Median \$73,081 - \$83,520	24,270	70.01% Median \$219,241	80% Median \$250,560	71.01 - 80% Median 28,426	4,156
80.01 - 90% Median \$83,521 - \$93,960	17,454	80.01% Median \$250,561	90% Median \$281,880	81.01 - 90% Median 12,070	-5,384
90.01 - 100% Median* \$93,961 - \$104,400	23,358	90.01% Median \$281,881	100% Median \$313,200	91.01 - 100% Median 29,917	6,559
100.01 - 110% Median \$104,401 - \$114,840	18,538	100.01% Median \$313,201	110% Median \$344,520	101.01 - 110% Median 11,014	-7,524
110.01 - 120% Median \$114,841 - \$125,280	17,401	110.01% Median \$344,521	120% Median \$375,840	111.01 - 120% Median 27,148	9,747
120.01 - 130% Median \$125,281 - \$135,720	14,669	120.01% Median \$375,841	130% Median \$407,160	121.01 - 130% Median 31,405	16,736
130.01 - 140% Median \$135,721 - \$146,160	11,143	130.01% Median \$407,161	140% Median \$438,480	130.01 - 140% Median 8,541	-2,602

Source: 2022 U.S. Census Microdata Access Tool (MDAT).

*This study utilizes Housing and Urban Development's (HUD) AMI estimation of a 4-person family earning a Moderate income as the basis for calculation. <https://discover.pbcgov.org/HED/PDF/MHI/2022%20Income%20Limits%20for%20PBC%204.27.2022.pdf>

(Annual Household Income) x 3 = Affordable Home Purchase Price

The existing affordable housing demand/supply analysis found that Palm Beach County has an affordability gap of 37,537 renter housing units, of which, 34,413 (91.6%) units are households earning less than 30% of AMI.

Table 2: Palm Beach County Existing Affordable Housing Demand/Supply Analysis: Renters by AMI

HH Income Category	Number of Renter Households (Demand)	Affordable Rent Levels		Number of Renter Units Within Affordable Price Range (Supply)	Surplus/Gap within Affordable Price Range
0 - 30% Median \$0 - \$31,320	46,321	- \$0	30% Median \$783	0-30% Median 11,908	-34,413
30.01 - 40% Median \$31,321 - \$41,760	15,963	30.01% Median \$784	40% Median \$1,044	30.01 - 40% Median 13,302	-2,661
40.01 - 50% Median \$41,761 - \$52,200	19,155	40.01% Median \$1,045	50% Median \$1,305	40.01 - 50% Median 19,065	-90
50.01 - 60% Median \$52,201 - \$62,640	13,910	50.01% Median \$1,306	60% Median \$1,566	50.01 - 60% Median 23,600	9,690
60.01 - 70% Median \$62,641 - \$73,080	13,876	60.01% Median \$1,567	70% Median \$1,827	60.01 - 70% Median 29,631	15,755
70.01 - 80% Median \$73,081 - \$83,520	11,549	70.01% Median \$1,828	80% Median \$2,088	70.01 - 80% Median 19,117	7,568
80.01 - 90% Median \$83,521 - \$93,960	9,317	80.01% Median \$2,089	90% Median \$2,349	80.01 - 90% Median 20,377	11,060
90.01 - 100% Median* \$93,961 - \$104,400	7,933	90.01% Median \$2,350	100% Median \$2,610	90.01 - 100% Median 10,492	2,559
100.01 - 110% Median \$104,401 - \$114,840	3,994	100.01% Median \$2,611	110% Median \$2,871	100.01 - 110% Median 6,951	2,957
110.01 - 120% Median \$114,841 - \$125,280	5,182	110.01% Median \$2,872	120% Median \$3,132	110.01 - 120% Median 5,282	100
120.01 - 130% Median \$125,281 - \$135,720	3,507	120.01% Median \$3,133	130% Median \$3,393	120.01% - 130% Median 4,489	982
130.01 - 140% \$135,721 - \$146,160	2,651	130.01% Median \$3,394	140% Median \$3,654	130.01 - 140% Median 2,278	-373

Source: 2022 U.S. Census Microdata Access Tool (MDAT).

*This study utilizes Housing and Urban Development's (HUD) AMI estimation of a 4-person family earning a Moderate income as the basis for calculation. <https://discover.pbcgov.org/HED/PDF/MHI/2022%20Income%20Limits%20for%20PBC%204.27.2022.pdf>

(Monthly Household Income) x .30 = Affordable Rent Price

Summary

The analysis found that the owner affordability gap is similar using both the AMI and MHI calculations. The AMI calculation found a gap of 106,363 owner units compared to 104,556 units applying the MHI calculation. The noticeable difference is that the AMI calculations found that 83.1% of the unit gap is households earning less than 60% of AMI compared to the MHI calculation, which found 80.1% of the unit gap are households earning less than 80% of MHI.

The analysis found significant differences between AMI and MHI calculations in determining affordable renter housing demand/supply. The AMI calculation found a gap of 37,537 renter units compared to 65,672 units applying the MHI calculation. Further, the AMI calculations found 76.3% of the total unit gap at households earning less than 30% of AMI compared to 47.5% of households earning less than 60% of MHI and another 52.5% of earning 130+% of MHI.

E. Palm Beach County's Housing Supply

Palm Beach County's affordable housing supply and demand imbalance is worsened by a deficient level of new housing construction activity that has not kept pace with the County's population growth since 2010. According to the 2022 ACS estimates, Palm Beach County has a housing supply of 708,303 units comprised primarily of 1-unit, detached structures. An estimated 76% of Palm Beach County residential structures were built prior to 2000.

Table 3: Housing Occupancy

	Count	Percent
Total housing units	708,303	-
Occupied housing units	589,593	83.2%
Vacant housing units	118,709	16.8%
Homeowner vacancy rate	-	1.4%
Rental vacancy rate	-	6.8%

Source: U.S. Census Bureau ACS 2022, 5-Year Est.

Table 4: Housing Structures

	Count	Percent
1-unit, detached	321,828	45.5%
1-unit, Attached	79,730	11.3%
2 units	19,177	2.7%
3 or 4 units	46,202	6.5%
5 to 9 units	44,740	6.3%
10 to 19 units	44,254	6.3%
20 or more units	132,948	18.8%
Mobile home	19,079	2.7%

Source: U.S. Census Bureau ACS 2022, 5-Year Est.

Table 5: Year Structure Built

	Count	Percent
2020 or later	3,672	0.5%
2010 to 2019	46,661	6.7%
2000 to 2009	110,442	15.8%
1990 to 1999	115,274	16.5%
1980 to 1989	190,712	27.2%
1970 to 1979	132,876	19.0%
1960 to 1960	54,805	7.8%
1950 to 1950	34,187	4.9%
1939 or earlier	11,551	1.6%

Source: U.S. Census Bureau ACS 2022, 5-Year Est.

According to Reinhold P. Wolff Economic Research, Inc.'s 2Q/2024 Palm Beach County Quarterly Housing Report, the county has averaged 6,135 new housing starts annually since 2013. Single-family housing comprises 56% of all new units since 2013.

Table 6: New Housing Units Authorized by Building Permits Palm Beach County 2013 - 2024			
Year	Single-Family Units	Multi-Family Units	Total
2013	2,756	2,554	5,310
2014	4,049	3,213	7,262
2015	3,737	1,984	5,721
2016	3,780	3,557	7,337
2017	2,792	1,959	4,751
2018	2,969	1,991	4,960
2019	3,062	2,341	5,403
2020	4,244	3,255	7,499
2021	4,042	3,717	7,759
2022	3,173	2,945	6,118
2023	3,205	2,163	5,368
2023 (Thru March)	724	1,148	1,872
2024 (Thru March)	631	575	1,206
Percent Change			
2021 vs 2020	- 4.8%	+ 14.2%	+ 3.5%
2022 vs 2021	- 21.5%	- 20.8%	- 21.1%
2023 vs 2022	+ 1.0%	- 26.6%	- 12.3%

Source: Reinhold P. Wolff Economic Research, Inc., 2024.

F. Palm Beach County Population and Housing Demand Projections

The final step in determining Palm Beach County's future housing affordability needs is to analyze current population trends and 10-year projections.

Palm Beach County prepares the "Population Allocation Model" every other year as a tool for long-range service delivery planning in Palm Beach County. The Office of Economic and Demographic Research (OEDR) publishes the projections prepared by the University of Florida's Bureau of Economic and Business Research (BEBR). Palm Beach County utilizes the OEDR/BEBR medium range projections for the County's Population Allocation Model.

The table below provides Palm Beach County OEDR population growth trends since 2012 and population projection estimates provided by BEBR through 2035. To determine housing demand, a column is added to the OEDR/BEBR population estimates/projections showing average household size. The calculation of annual population growth divided by average household size provides an annual estimate of new housing unit demand.

Table 7: Palm Beach County Population Growth and New Housing Unit Demand

Year	Population	Population Growth from Previous Year	% Change	Avg. HH Size	New Housing Unit Demand
2012	1,335,415	9,657	0.73%	2.49	5,897
2013	1,345,652	10,237	0.77%	2.51	6,030
2014	1,360,238	14,586	1.08%	2.53	7,847
2015	1,378,417	18,179	1.34%	2.54	7,769
2016	1,391,741	13,324	0.97%	2.56	7,793
2017	1,414,144	22,403	1.61%	2.59	10,817
2018	1,433,417	19,273	1.36%	2.6	7,502
2019	1,447,857	14,440	1.01%	2.61	7,184
2020	1,466,494	18,637	1.29%	2.58	7,224
2021	1,481,233	14,739	1.00%	2.54	5,803
2022	1,494,805	13,572	90.00%	2.5	5,429
2023*	1,532,718*	37,913*	2.53%*	2.54***	14,926*
2025**	1,567,500**	34,782**	2.26%*	2.54***	13,693**
2030**	1,643,400**	75,900**	4.84%*	2.54***	29,882**
2035**	1,700,000**	56,600**	3.44%*	2.54***	22,283**

*BEBR 2023 population estimate

**BEBR population projections 2025-2050

***Future average household size estimate

Sources: Palm Beach County Office of Economic and Demographic Research Population Allocation Model; University of Florida's Bureau of Economic and Business Research Projections of Florida Population by County, 2025–2050; U.S. Census, American Community Survey, 2012-2022; calculations by Jorge M. Pérez Metropolitan Center at Florida International University.

Based on BEBR's population projections, Palm Beach County's population will increase by 205,195 persons from 2022-2035 averaging 15,784 new persons annually. Using the current (2002) average household size of 2.54 persons per household, Palm Beach County's projected population growth will create a new housing demand for 80,785 households by 2035 averaging 6,214 new households annually.

G. Contributing Factors Affecting Future Affordable Housing Demand and Supply

Since 2020, unprecedented changes have occurred in South Florida's housing market that have impacted both owner and rental housing supply and demand and overall affordability. The contributing market factors and conditions have included rampant investor buying, increasing renter housing demand, low rental vacancy rates, skyrocketing rent asking prices, and a general lack of affordable housing production.

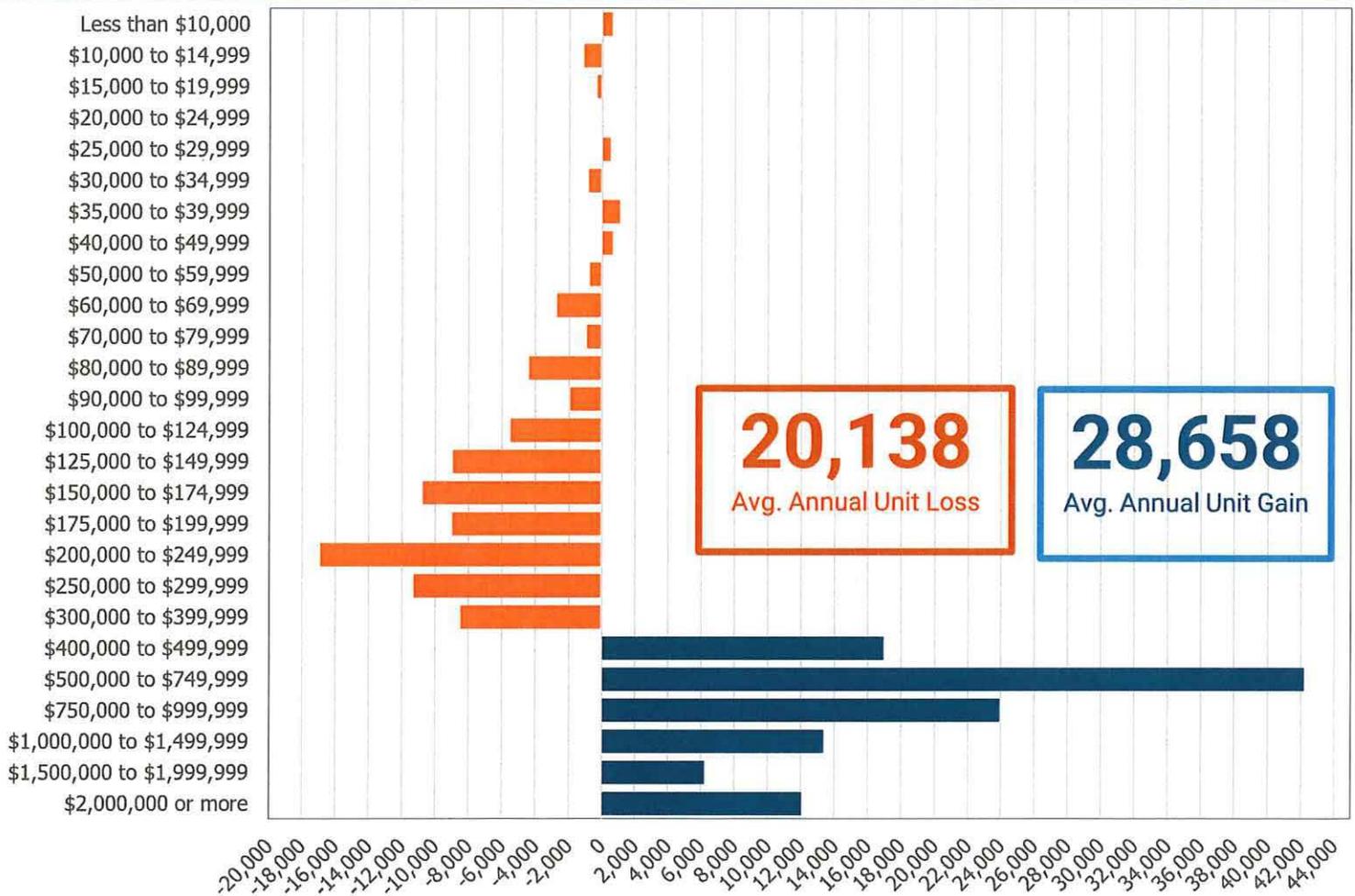
The "value" of occupied housing units is an important determinant of housing accessibility and affordability. Housing values fluctuated significantly in many housing markets during the previous housing bubble (2005-2007), followed by the subsequent collapse and economic recession. However, recent trends in the housing market show unprecedented increases in the value of both owner and rental housing in Palm Beach County. As such, Palm Beach County's existing and future affordable housing demand is not just a production issue. From 2021-2022, Palm Beach County lost, due to market appreciation, an increasing number of units affordable to potential owners and renters. The supply of owner and renter units affordable to households has declined rapidly in both absolute numbers and as a percentage of the total housing supply.

Table 8: Palm Beach County Affordable Owner-Unit Loss through Appreciation

Housing Units by Value	Below \$400,000		\$400,000+	
	Total # of Units	Unit Gain/Loss	Total # of Units	Unit Gain/Loss
2018	268,850		120,810	
2019	268,995	145	126,683	5,873
2020	268,322	-673	122,951	-3,732
2021	237,846	-30,476	181,290	58,339
2022	188,298	-49,548	235,440	54,150

Source: U.S. Census Bureau ACS 2022, 5-Year Est.

Owner-Occupied Units: Supply Change by Value Palm Beach County 2018-2022



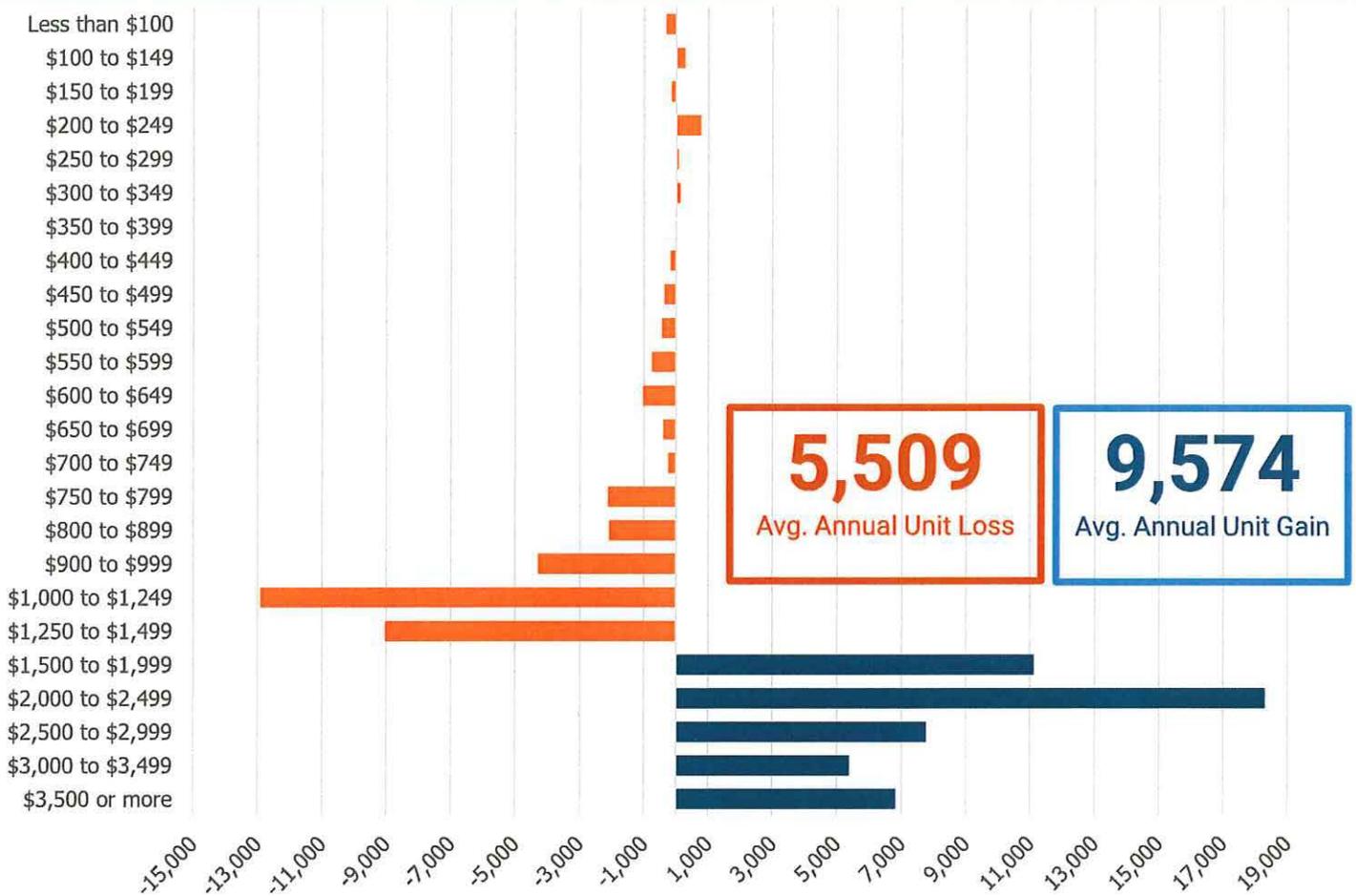
Source: U.S. Census Bureau, ACS 5-Year Estimates 2018-2022

Table 9: Palm Beach County Affordable Renter-Unit Loss through Appreciation

Housing Units by Value	Below \$2,000		\$2,000+	
	Total # of Units	Unit Gain/Loss	Total # of Units	Unit Gain/Loss
2018	133,318		23,396	
2019	135,245	1,927	32,180	8,784
2020	137,174	1,929	30,217	-1,963
2021	130,321	-6,853	38,058	7,841
2022	111,282	-19,039	61,693	23,635

Source: U.S. Census Bureau ACS 2022, 5-Year Est.

Renter-Occupied Units: Supply Change by Value Palm Beach County 2018-2022



Source: U.S. Census Bureau, ACS 5-Year Estimates 2018-2022

The loss of affordable owner and renter housing due to market appreciation has been excessive since 2021, which is when the onset of outside investor buying in Palm Beach County and South Florida began.

The effects of investor buying and market appreciation will continue to play out for at least the next 2-3 years. The Bureau of Economic and Business Research (BEBR) at the University of Florida addressed the issue of market appreciation in their April 9, 2024 report, *Domestic Migration to South Florida by Metropolitan Area, County, and Small Area*. According to BEBR, the recent wave of migration into Palm Beach County and other parts of South Florida is characterized by domestic migrants who have had notably higher incomes than in the past. Using data from the American Community Survey (ACS) and Internal Revenue Service (IRS), BEBR analyzed migration flows, migration rates, and the income of migrants. The research found that most domestic migrants in recent years have come from the New York City metropolitan area. This migration flow to South Florida is greater in terms of both the number of overall migrants and their incomes compared to 10 years ago. The most populous migration flows also had the highest average incomes. According to BEBR, the future growth of the region will depend on the extent to which South Florida remains a popular migration destination from those out-of-state sending areas. Significantly, if Palm Beach County and South Florida continue to attract high-income migrants at the rate of recent years, the local population with lower incomes will be likely be impacted by rising housing costs and gentrification, in general.

H. Calculating Palm Beach County's 10-Year Housing Affordability Demand

Projecting Palm Beach County's 10-year housing affordability demand involves two steps: 1) addressing the current housing affordability shortfall or gap by household income category, and 2) calculating additional affordable housing demand by household income category based on projected population growth.

The prior affordable housing demand/supply analysis determined that Palm Beach County has an existing affordable housing shortfall/gap of 106,363 owner units and 37,537 renter housing units totaling 151,454 housing units. The analysis found that the gap for owner units is largely comprised (88,452 units/83.1%) of units affordable to households earning less than 60% of AMI. The renter gap is largely comprised (34,413 units/76.3%) of units affordable to households earning less than 30% of AMI.

The calculation for Palm Beach County's future housing affordability demand is based on the proportion of the county's projected population growth of 205,195 persons/82,078 households that have household incomes that fall within the 0-140% AMI range. The number one driver of population gain/loss is employment. Essentially, people follow jobs. Counties and regions with high employment growth and opportunity can generate significant population migration. Likewise, areas that undergo employment loss and economic downturns typically experience population outmigration. FloridaCommerce provides Employment Projections (EP) through the Bureau of Workforce Statistics and Economic Research (WSER). WSER produces annually 8-year employment projections for all industries and occupations. The data used to create these projections are from the following sources:

- Quarterly Census of Employment and Wages (QCEW)
- Occupational Employment Statistics (OES)
- Current Population Survey (CPS)

The 2023-3031 Employment Projections statistical program includes projections for "Occupations Gaining the Most New Jobs" for Palm Beach County

Table 10: Palm Beach County Employment Projections, Most New Jobs by Occupational Sector, 2023 -3031

Occupational Title	Employment		Percent Growth	Job Openings				2022 Median Hourly Wage (\$)
	2023	2031		Growth	Exits	Transfers	Total	
General and Operations Managers	15,580	17,148	10.1	1,568	3,007	8,339	12,914	42.99
Lawyers	7,266	8,440	16.2	1,174	1,583	1,346	4,103	50.15
Stockers and Order Fillers	12,882	14,031	8.9	1,149	6,897	11,439	19,485	15.36
Fast Food and Counter Workers	13,155	14,231	8.2	1,076	11,878	11,802	24,756	12.79
Retail Salespersons	23,685	24,757	4.5	1,072	12,452	15,701	29,225	14.17
Landscaping and Groundskeeping Workers	12,263	13,326	8.7	1,063	4,886	8,440	14,389	16.30
Sales Representatives of Services, Except Advertising, Insurance, Financial Services, and Travel	8,920	9,959	11.6	1,039	2,136	5,979	9,154	29.52
Registered Nurses	13,744	14,689	6.9	945	3,646	2,824	7,415	38.03
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	9,910	10,813	9.1	903	5,757	5,818	12,478	13.21
Security Guards	8,965	9,848	9.8	883	4,536	5,813	11,232	14.06
Accountants and Auditors	8,044	8,919	10.9	875	2,067	3,770	6,712	37.30
Medical Assistants	4,345	5,197	19.6	852	1,762	3,529	6,143	18.12
Market Research Analysts and Marketing Specialists	3,688	4,451	20.7	763	942	2,239	3,944	31.94
Maintenance and Repair Workers, General	9,161	9,902	8.1	741	3,129	4,240	8,110	18.60
Management Analysts	4,061	4,665	14.9	604	1,252	1,911	3,767	38.09
Construction Laborers	6,278	6,868	9.4	590	1,867	3,261	5,718	17.99
Medical and Health Services Managers	2,415	3,003	24.3	588	606	1,090	2,284	49.89
Home Health and Personal Care Aides	5,535	6,099	10.2	564	3,772	3,259	7,595	13.69
Paralegals and Legal Assistants	2,778	3,333	20.0	555	1,019	1,621	3,195	28.67
Financial Managers	3,049	3,592	17.8	543	651	1,326	2,520	69.41

Source: Bureau of Workforce Statistics and Economic Research, 8-Year Projections, 2024.

The "10-year" and "annual" affordable housing demand projections include both "existing demand" based on the prior affordable housing demand and supply analysis which is viewed as "unmet demand" and a "future demand" calculation based on Palm Beach County's population projections. Existing and future demand estimates are calculated according to tenure and by proportion of affordable housing demand by each household income category.

In projecting Palm Beach County's 10-year housing affordability demand, AMI calculations for existing affordable housing demand are combined with BEBR's population projections and new household estimates for the period 2025-3034. FloridaCommerce Employment Projections were used to apportion household income categories by AMI using occupation and wage data.

Palm Beach County's 10-year (2025-2034) housing affordability demand projections total 149,250 owner units and 52,530 renter units. Annual housing affordability demand projections through 2025-2034 totals 14,925 owner units and 5,253 renter units.

In determining the greatest projected housing affordability demand it should be noted that Palm Beach County households earning 80% or less AMI comprise 68% of all existing households (289,023 households) earning between 0% to 140% of AMI. This includes 168,249 existing owner households and 120,774 existing renter households. These high household numbers account for the significant affordable housing supply gaps found in the prior analysis.

Palm Beach County's existing and projected housing affordability demand must also factor in unprecedented housing appreciation that has occurred in the last four years that the U.S. Census does not fully capture. Notably, according to Miami Realtors, the median price of a single-family home in Palm Beach County increased from \$425,000 in the last quarter of 2000 to \$600,000 in the last quarter of 2024, which represents a 41.2% increase in four years.

Likewise, townhomes/condominiums in Palm Beach County increased from \$220,000 to \$310,000 during that period, representing a 40.9% increase. The average rent for a two-bedroom apartment also greatly appreciated during this period increasing from \$1,899 in 2021 to \$2,833 in 2024, representing 49.2% increase.

The rise in the median home prices and average rent in Palm Beach County have made housing affordability a challenge for all households within the 140% AMI income bracket. Projecting housing appreciation and its effect on housing affordability during the 2025-2034 time period, it should be noted that home prices and rents leveled off in 2024. The median home price for a single-family home in Palm Beach County increased by only 0.6% year-over-year in 2024 and 0.5% year-over-year for townhomes/condominiums. The average rent in Palm Beach County decreased by 5.7% year-over-year.

At this point in time, Palm Beach County can factor in a "normal" housing appreciation rate of 3-5% annually in projecting future housing affordability. The challenge for Palm Beach County is to address the existing housing affordability demand backlog over the next ten years.

Appendix:

Median Household Income (MHI) Analysis

Table 11: Palm Beach County Existing Affordable Housing Demand/Supply Analysis: Owners by MHI

According to the housing affordability analysis using MHI, Palm Beach County has an affordability gap of 104,556 owner-occupied units, of which, 83,751 (80.1%) units are households earning less than 80% of MHI.

HH Income Category	Total Owner Households (Demand)	Home Purchase at Affordable Price Levels		Number of Owner Units Within Affordable Price Range (Supply)	Surplus/Gap within Affordable Price Range
0 - 30% Median \$0 - \$22,820	44,537	0% Median \$0	30% Median \$68,482	0 - 30% Median 18,865	-25,672
30.01 - 40% Median \$22,821 - \$30,426	23,214	30.01% \$68,483	40% Median \$91,279	30.01 - 40% Median 8,024	-15,190
40.01 - 50% Median \$30,427 - \$38,033	19,203	40.01% \$91,302	50% Median \$114,122	41.01 - 50% Median 7,641	-11,562
50.01 - 60% Median \$38,034 - \$45,640	22,498	50.01% \$114,122	60% Median \$136,919	51.01 - 60% Median 7,118	-15,380
60.01 - 70% Median \$45,641 - \$53,246	19,323	60.01% \$136,942	70% Median \$159,739	61.01 - 70% Median 10,281	-9,042
70.01 - 80% Median \$53,247 - \$60,853	17,830	70.01% \$159,761	80% Median \$182,558	71.01 - 80% Median 10,925	-6,905
80.01 - 90% Median \$60,854 - \$68,459	16,833	80.01% \$182,581	90% Median \$205,378	81.01 - 90% Median 17,724	891
90.01 - 100% Median \$68,460 - \$76,066	17,880	90.01% \$205,401	100% Median \$228,198	91.01 - 100% Median 7,069	-10,811
100.01 - 110% Median \$76,067 - \$83,673	16,997	100.01% \$228,221	110% Median \$251,018	101.01 - 110% Median 23,903	6,906
110.01 - 120% Median \$83,674 - \$91,279	13,341	110.01% \$251,041	120% Median \$273,838	111.01 - 120% Median 4,484	-8,857
120.01 - 130% Median \$91,280 - \$98,886	12,738	120.01% \$273,860	130% Median \$296,657	121.01 - 130% Median 11,601	-1,137
130.01 - 140% Median \$98,887 - \$106,492	18,638	130.01% \$296,658	140% Median \$319,477	130.01 - 140% Median 26,372	7,734

Table 12: Palm Beach County Existing Affordable Housing Demand/Supply Analysis: Renters by MHI

According to the housing affordability analysis using MHI, Palm Beach County has an affordability gap of 36,181 renter units, of which 100 percent of units are households earning less than 70% of MHI with the largest concentration (43.1%) are household earning less than 30% of MHI.

HH Income Category	Total Renter Households (Demand)	Affordable Rent Levels		Number of Renter Units Within Affordable Price Range (Supply)	Surplus/Gap within Affordable Price Range
0 - 30% Median \$0 - \$16,467	20,383	0% Median \$0	30% Median \$412	0-30% Median 4,779	-15,604
30.01 - 40% Median \$16,468 - \$21,956	7,205	30.01% Median \$413	40% Median \$549	30.01 - 40% Median 1,744	-5,461
40.01 - 50% Median \$21,957 - \$27,446	11,733	40.01% Median \$550	50% Median \$686	40.01 - 50% Median 2,363	-9,370
50.01 - 60% Median \$27,447 - \$32,935	10,061	50.01% Median \$687	60% Median \$823	50.01 - 60% Median 5,304	-4,757
60.01 - 70% Median \$32,936 - \$38,424	7,976	60.01% Median \$824	70% Median \$961	60.01 - 70% Median 6,987	-989
70.01 - 80% Median \$38,425 - \$43,913	7,302	70.01% Median \$962	80% Median \$1,098	70.01 - 80% Median 7,435	133
80.01 - 90% Median \$43,914 - \$49,402	8,340	80.01% Median \$1,099	90% Median \$1,235	80.01 - 90% Median 9,533	1,193
90.01 - 100% Median \$49,403 - \$54,891	10,907	90.01% Median \$1,236	100% Median \$1,372	90.01 - 100% Median 11,340	433
100.01 - 110% Median \$54,892 - \$60,380	9,486	100.01% Median \$1,373	110% Median \$1,510	100.01 - 110% Median 14,193	4,707
110.01 - 120% Median \$60,381 - \$65,869	5,870	110.01% Median \$1,511	120% Median \$1,647	110.01 - 120% Median 14,151	8,281
120.01 - 130% Median \$65,870 - \$71,358	7,690	120.01% Median \$1,648	130% Median \$1,784	120.01% - 130% Median 14,976	7,286
130.01 - 140% Median \$71,359 - \$76,847	6,183	130.01% Median \$1,785	140% Median \$1,921	130.01 - 140% Median 13,178	6,995