

1 **Chapter IV-SD**
2 **HOUSING ELEMENT**
3 **SUPPORT DOCUMENT**

4
5 **INTRODUCTION**

6 This Housing Element Support Document contains the support data and analysis for the town of Ponce
7 Inlet's Housing Element. The Housing Element is intended to provide guidance to town officials in order
8 for them to develop programs and policies that demonstrate their commitment to provide suitable housing
9 which meets the needs of the existing and future residents of Ponce Inlet.

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11 Inclusive of this introduction, this Document consists of three sections. The second section is an
12 inventory of housing characteristics and conditions. Finally, there is an analysis of these characteristics
13 and conditions and a projection of future housing needs in Ponce Inlet.

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15 **INVENTORY OF HOUSING CHARACTERISTICS**

16 **Occupancy and Tenure**

17 This section discusses housing type, tenure and occupancy based on the Florida Housing Data
18 Clearinghouse dated 2000 and 2005. , It is the most recent housing information available that can
19 provide a reliable benchmark for developing more current information.

20
21 In 2000, the U.S. Bureau of the Census and the Florida Housing Data Clearinghouse reported that Ponce
22 Inlet had a total of 2,095 housing units. Table IV-SD-1 compares the town and county distribution of
23 housing units by type in 2000 with the distribution in 1990. As exhibited in this Table, 50.5 percent of the
24 town's 1990 housing stock consisted of single-family homes which accounted for the highest percentage
25 of dwelling units. Although the absolute number of single-family residences increased between 1990 and
26 2000, the percent of single-family units dropped to 37.8 percent. In the county as a whole, there were
27 59.9 percent and 62.2 percent single-family units in years 1990 and 2000 respectively. In 2000, mobile
28 homes only accounted for 0.3 percent of the housing units in Ponce Inlet as compared to 11.5 percent in

29 the county. The Development Services Department staff of the town has stated with certainty that there
30 are no mobile homes in Ponce Inlet as of January 2007.

31
32 In 1990, Ponce Inlet had nearly the same number of single-family homes as multi-family units (682 as
33 compared to 652, respectively). However, in 2000 the number of multi-family units was nearly double the
34 number of single-family units (1,296 as compared to 793). In 2000, Ponce Inlet had a much higher
35 proportion of multi-family units than the county. The town had 61.9 percent multi-family units while the
36 county had 25.9 percent. The town's Building Department has researched its certificate of occupancy
37 (C.O.) data since April 1, 2000 (the date of the last U.S. Census). For the purposes of the
38 Comprehensive Plan analysis, the Town examined its utilities department records for number of units
39 being served with water service. Comparing the building permit and utility records, the Town determined
40 that as of April 2006 the town's housing stock consisted of 1,951 multi-family units and 883 single family
41 dwelling. Thus, the proportion of multi-family to single family units has changed to approximately 69
42 percent multi-family and 31 percent single family homes. The town has no means by which it can
43 compare this 2006 data with that of the county, as this information is not available. The town's
44 percentage of multi-family units should begin to stabilize since the majority of land zoned for these types
45 of units is either developed or under development.

46
47 Vacancy rates in Ponce Inlet were higher than the county. As shown in Table IV-SD-2, Ponce Inlet had a
48 2000 vacancy rate of 42.1 percent as compared to the county's 12.8 percent. The largest category of
49 vacant units in both cases is "seasonal/recreational/occasional use". Of the town's total vacant units, 784,
50 or 37.4 percent, were categorized as "seasonal/recreational/occasional use." This is
51 more than five times greater than the county's 7.4 percent for this category. This category includes
52 condominium units that are seasonal and held for occasional use by the owner. When this category is
53 removed from the count, it generates a more realistic vacancy rate of 4.7 percent in Ponce Inlet and 5.4
54 percent in Volusia County.

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Table IV-SD-1
Ponce Inlet and Volusia County, Florida
YEAR-ROUND HOUSING UNITS
BY TYPE: 1990 AND 2000

Type of Unit	<i>Ponce Inlet</i>				Type of Unit	<i>Volusia County</i>			
	1990	% of Total	2000	% of Total		1990	% of Total	2000	% of Total
Single Family	682	50.5	793	37.8	Single Family	108,337	59.9	131,875	62.2
*Multi-Family	652	48.3	1296	61.9	*Multi-Family	43,389	27.3	54,882	25.9
Mobile Home	2	0.2	6	0.3	Mobile Home	21,508	11.9	24,272	11.5
Other	14	1.0	0	0.0	Other	1,738	0.9	909	0.4
Total	1,350	100.0	2,095	100.0	Total	180,972	100.0	211,938	100.0

Source: U.S. Bureau of the Census, 2000. * Two or more units per structure.

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Table IV-SD-2
Ponce Inlet and Volusia County, Florida
OCCUPANCY AND TENURE: 2000

	<i>Ponce Inlet</i>		<i>Volusia County</i>	
	Number	Percent	Number	Percent
<u>Occupied Housing Units</u>	<u>1,213</u>	<u>57.9</u>	<u>184,723</u>	<u>87.2</u>
<u>Owner Occupied</u>	<u>1,097</u>	<u>52.4</u>	<u>139,058</u>	<u>65.6</u>
<u>Renter Occupied</u>	<u>116</u>	<u>5.5</u>	<u>45,665</u>	<u>21.5</u>
<u>Vacant Housing Units</u>	<u>882</u>	<u>42.1</u>	<u>27,251</u>	<u>12.8</u>
<u>For Rent</u>	<u>83</u>	<u>4.0</u>	<u>4,039</u>	<u>1.9</u>
<u>For Sale Only</u>	<u>6</u>	<u>0.3</u>	<u>2,864</u>	<u>1.4</u>
<u>Rented or Sold not Occupied</u>	<u>4</u>	<u>0.2</u>	<u>1,341</u>	<u>0.6</u>
<u>For Seasonal/Recreational/ Occasional Use</u>	<u>784</u>	<u>37.4</u>	<u>15,585</u>	<u>7.4</u>
<u>For Migrant Workers</u>	<u>0</u>	<u>0.0</u>	<u>11</u>	<u>0.0</u>
<u>Other Vacant</u>	<u>5</u>	<u>0.2</u>	<u>3,375</u>	<u>1.6</u>
Total Housing Units	2,095	100.0	211,938	100.0

Source: U.S. Bureau of the Census, 2000.

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Housing Conditions

93 Based upon the 2000 Census, Ponce Inlet did not have any housing units that meet the U.S.
94 Department of Housing and Urban Development's (HUD) four indicators for substandard housing
95 conditions. These indicators are:

96 • Lacking complete plumbing for exclusive use;

97 • Lacking kitchen facilities for exclusive use;

98 • Lacking central heating; and

99 • Overcrowded (more than 1.51 persons per room).

100 The 2000 Census contains the following information relative to Ponce Inlet's substandard housing
101 conditions:

102 • Lacking complete plumbing – 0

103 • Lacking complete kitchen for exclusive use – 0

104 • Lacking central heating – 9 (The town has determined that housing units lacking central
105 heating are not substandard because, with central Florida's temperate climate, heating is not a
106 life safety factor.)

107 • Overcrowded – 0

108
109 Housing conditions in Ponce Inlet have been determined through a windshield survey that was initially
110 conducted in July, 2003 and updated in November of 2006. Based on this survey, it is estimated that
111 eight homes are substandard. Of the eight substandard homes, none were in a state of major
112 deterioration and therefore suitable for rehabilitation. The one dilapidated home that was in violation of
113 the town's building codes was demolished in November 2006.

114
115 The definitions of these categories are as follows:

116 **Standard**

117 No visible deficiencies except minor items such as peeling paint and torn or missing screens.
118 Roof lines, foundation, siding and other major systems are sound and show no visible
119 deterioration sagging, cracks, etc.

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121 **Substandard**

122 Visible deficiencies in the structural condition of the building, such as sagging roof or porch or

123 severely rotted eaves. If the house exhibited a combination of three or more minor deficiencies, it
124 was considered to be in a state of major deterioration and, therefore, suitable for rehabilitation.

125 **Dilapidated**

126 Serious visible deficiencies such as collapsed roof or sagging foundation. If, in the judgment
127 of the survey team, rehabilitation was estimated to cost in excess of 50 percent of the
128 replacement value of the house, it was considered dilapidated.

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130 **Age of Housing**

131 As can be seen in Table IV-SD-3, Ponce Inlet has a relatively new housing stock with 69 percent of the
132 existing housing constructed since 1980, as compared to 48.7 percent for the county for the same
133 period. A small percentage (5.8%) of the residences was built in Ponce Inlet prior to 1970, whereas for
134 the same period, the county exhibited a much higher proportion (28.1%). The remainder of the units
135 (approximately 25.2 percent) was built between 1970 and 1979. This is similar to the county's
136 percentage, which was 23.1 percent for the decade of the 1970's.

137
138 The age of Ponce Inlet's housing stock as compared to the county suggests two important points. First,
139 it indicates that rehabilitation of older housing should be a minor concern, since the majority of the
140 housing stock is relatively new. Second, this comparison dramatizes the rate of residential
141 development that has taken place in Ponce Inlet since 1990 relative to that of the county. Between
142 1990 and 2000, the period during which 38.5 percent of the Ponce Inlet's housing stock was
143 constructed; only 19.1 percent of Volusia County's housing stock was built.

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TABLE IV-SD-3

PONCE INLET AND VOLUSIA COUNTY, FLORIDA
AGE OF YEAR ROUND HOUSING: 2000

Year Built	Ponce Inlet		Volusia County	
	Number	Percent	Number	Percent
1999 to March 2000	104	5.0	4,466	2.1
1995 to 1998	355	16.9	14,258	6.7
1990 to 1994	348	16.6	21,908	10.3
1980 to 1989	639	30.5	62,727	29.6
1970 to 1979	527	25.2	49,042	23.2
1960 to 1969	70	3.3	24,978	11.8
1940 to 1959	44	2.1	26,894	12.7
1939 or earlier	8	0.4	7,665	3.6
Total	2095	100.0	211,938	100.0

Source: U.S. Bureau of the Census, 2000

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Cost of Housing

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The cost of housing as shown by the value of owner occupied homes and contract rents are shown in Table IV-SD-4. These cost data are based on the 2000 Census. There is strong empirical evidence that significant cost escalation (e.g., doubling or even tripling of some prices) has occurred in the Ponce Inlet housing market since 2000. Ponce Inlet's year 2000 median housing value of owner occupied housing units was \$167,477. This was more than double the county's 2000 median housing value of \$83,011. According to data obtained by the Volusia County Department of Economic Development, the average value of homes in Ponce Inlet in 2006 was \$470,908. By comparison, housing throughout the county was estimated to have an average value of \$243,420 in 2006.

Slightly more than 16 percent of the town's owner-occupied homes in 2000 were valued at less than \$100,000. For this same year, the county had nearly 67 percent of its owner-occupied residences valued at less than \$100,000. On the other hand, nearly 57 percent of the town's owner-occupied homes in 2000 were valued at \$150,000 or more while the county had only 14.5 percent valued at \$150,000 or more.

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TABLE IV-SD-4
PONCE INLET AND VOLUSIA COUNTY, FLORIDA
OWNER OCCUPIED HOME VALUES
AND SPECIFIED RENTER OCCUPIED RENTAL VALUES: 2000

Owner-Occupied Dwelling Units (DU's)				
	<i>Ponce Inlet</i>		<i>Volusia County</i>	
Home Value	DU's	Percent	DU's	Percent
Less than \$50,000	4	0.5	22,690	16.3
\$50,000 to \$99,999	174	15.9	70,230	50.5
\$100,000 to \$149,000	295	26.9	25,954	18.7
\$150,000 to \$199,999	216	19.7	10,417	7.5
\$200,000 to \$299,999	220	20.1	6,562	4.7
\$300,000 to \$499,999	144	13.1	2,226	1.6
\$500,000 to \$999,999	29	2.6	724	0.5
\$1,000,000 or more	15	1.4	234	0.2
Total Dwelling Units	1,097	100.0	139,037	100.0
<i>Median Home Value</i>	<i>\$167,477</i>	<i>(x)</i>	<i>\$83,011</i>	<i>(x)</i>
<i>Average Home Value</i>	<i>\$215,604</i>	<i>(x)</i>	<i>\$102,009</i>	<i>(x)</i>
Renter-Occupied Dwelling Units (DU's)				
Contract Rent	DU's	Percent	DU's	Percent
\$0 to \$199	0	0.0	2,740	6.0
\$200 to \$499	0	0.0	19,119	42.0
\$500 to \$749	29	25.0	16,423	36.1
\$750 to \$999	13	11.2	2,892	6.4
\$1,000 to \$1,499	28	24.1	1,351	3.0
\$1,500 to \$1,999	14	12.1	676	1.5
\$2,000 or more	0	0.0	123	0.3
<i>With Cash Rent</i>	<i>84</i>	<i>72.4</i>	<i>43,324</i>	<i>95.3</i>
<i>No Cash Rent</i>	<i>32</i>	<i>27.6</i>	<i>2,153</i>	<i>4.7</i>
Total Dwelling Units	116	100.0	45,477	100.0
<i>Median Rent</i>	<i>\$1,000</i>	<i>(x)</i>	<i>\$498</i>	<i>(x)</i>
<i>Average Rent</i>	<i>\$1,030</i>	<i>(x)</i>	<i>\$524</i>	<i>(x)</i>

Source: U.S. Bureau of the Census, 2000 (x) Not applicable

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Rental units exhibited similar disparities when compared to the county. In 2000, the median rent in Ponce Inlet was \$1,000, while that of the county was \$498. In the county, 48 percent of the rental units rented for less than \$500 as compared to none in Ponce Inlet. Ponce Inlet rental units in the \$1,000 or more range exhibited the highest percentage (36.2%) as compared to the county's 4.8 percent for the same rental range. As can be seen from the foregoing, Ponce Inlet is a community with a high housing

215 market value as compared to the county. For the most part, these values can be attributed to the
216 town's prime location at the southern end of a barrier island and having both ocean and riverfront
217 property.

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219 Table IV-5-SD shows the year 2000 monthly mortgage status and selected monthly owner costs of
220 specified owner-occupied housing units. Ponce Inlet's median monthly owner cost with a mortgage
221 was \$1,154 in 2000 as compared to the county's cost of \$845. In addition, 44.6 percent of the owner-
222 occupied units were not mortgaged as compared to the county's 32.6 percent.

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224 As indicated in Table IV-SD-5, 37.6 percent of Ponce Inlet's owners had monthly mortgage costs
225 below \$1,000, as compared to the county which had 65.9 percent. Additionally, of the town's 781
226 specified owner-occupied housing units, 348 units or 44.6 percent were not mortgaged, as
227 compared to the county's 32.6 percent. This is particularly significant in view of the fact that 38.5
228 percent of the town's housing units were built between 1990 and March of 2000. According to the
229 Florida Department of Community Affairs, the rent-to-income ratio for rental-occupied housing which
230 costs more than 30 percent of the occupant's household income is not "affordable." Owner-
231 occupied housing is self-regulating in this regard, in that it is difficult to obtain a mortgage if the
232 projected monthly housing costs (mortgage, taxes, insurance, and utilities) exceed 30 percent of the
233 family's income. Rental housing, on the other hand, is not self-regulating when compared to owner-
234 occupied housing.

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236 Table IV-SD-6 shows, by ranges, the rent paid by Ponce Inlet's households expressed as a percentage
237 of total household income. Of the 116 households that rented housing in 2000, 38 households or 32.8
238 percent of the total households paid 30 percent or more of their incomes for rent.

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Table IV-SD-5
Ponce Inlet and Volusia County Florida
SELECTED MONTHLY OWNER COSTS
OF SPECIFIED OWNER OCCUPIED HOUSING UNITS AND
MONTHLY MORTGAGE STATUS: 2000

Monthly Specified Owner Occupied Housing Unit (HU) Cost	Ponce Inlet		Volusia County	
	HU's	Percent	HU's	Percent
With Mortgage	433	55.4	73,291	67.4
Less than \$300	0	0.0	487	0.7
\$300 to \$499	8	1.8	5,567	7.6
\$500 to \$699	66	15.3	16,767	22.9
\$700 to \$999	89	20.5	25,458	34.7
\$1,000 to \$1,499	129	29.8	17,873	24.4
\$1,500 to \$1,999	39	9.0	4,654	6.4
\$2,000 or more	102	23.6	2,485	3.4
Without a Mortgage	348	44.6	35,377	32.6
Less than \$100 to \$249	34	9.8	14,209	40.2
\$250 to \$399	138	39.7	14,715	41.6
\$400 to \$699	130	37.4	5,441	15.4
\$700 or More	46	13.2	1,012	2.9
Total Specified Owner Occupied HU's	781	100.0	108,668	100.0
<i>Median Cost - Owner Occupied HU's with a Mortgage</i>	<i>\$1,154</i>	<i>(x)</i>	<i>\$845</i>	<i>(x)</i>
<i>Median Cost- Owner Occupied HU's not Mortgaged</i>	<i>\$403</i>	<i>(x)</i>	<i>\$276</i>	<i>(x)</i>

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Source: U.S Bureau of Census, 2000 (x) Not applicable

Table IV-SD-6
Ponce Inlet, Florida
RENT-TO-INCOME-RATIO FOR
RENTER-OCCUPIED HOUSING UNITS: 2000

Rent-to- Income Ratio	Income Range				
	Less than \$10,000	\$10,000 to \$19,999	\$20,000 to \$34,999	\$35,000 to \$49,999	\$50,000 or More
Less than 20%	0	0	0	6	21
20% to 24%	0	0	0	0	6
25% to 29%	0	0	0	4	4
30% to 34 %	0	0	7	10	0
35% or More	0	10	8	3	0
Not Computed	4	4	8	8	8

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Source: U.S. Bureau of the Census, 2000

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Income Distribution

Distribution of family income is presented in Table IV-7-SD. The median family income for Ponce Inlet in 2000 was \$58,828, while the county's was \$41,767. Slightly more than 22 percent of the town's families had an income of over \$100,000, as compared to the county which had nine percent. It should also be noted that the Volusia County Department of Economic Development reported recently (in 2006) that the median household income in Ponce Inlet had increased to \$65,728. This represents an almost 12 percent increase in the median household income level in the town in six years.

**Table IV-SD-7
 Ponce Inlet and Volusia County, Florida
 FAMILY INCOME: 2000**

	<i>Ponce Inlet</i>		<i>Volusia County</i>	
	Families	Percent	Families	Percent
Less than \$10,000	21	2.4	6,107	5.1
\$10,000 to \$14,999	23	2.6	5,916	4.9
\$15,000 to \$19,999	40	4.6	7,437	6.2
\$20,000 to \$24,999	33	3.8	9,039	7.5
\$25,000 to \$29,999	53	6.1	9,662	8.0
\$30,000 to \$34,999	57	6.5	9,614	7.9
\$35,000 to \$39,999	43	4.9	9,423	7.8
\$40,000 to \$44,999	33	3.8	8,173	6.8
\$45,000 to \$49,999	66	7.6	7,497	6.2
\$50,000 to \$59,999	75	8.6	13,140	10.9
\$60,000 to \$74,999	97	11.1	12,975	10.7
\$75,000 to \$99,999	139	15.9	10,845	9.0
\$100,000 to \$124,999	71	8.1	4,767	3.9
\$125,000 to \$149,999	20	2.3	2,086	1.7
\$150,000 to \$199,999	47	5.4	2,027	1.7
\$200,000 or more	55	6.3	2,012	1.7
Total	873	100.0	120,720	100.0
<i>Median Income</i>	<i>\$58,828</i>	<i>(x)</i>	<i>\$41,767</i>	<i>(x)</i>

Source: U.S. Bureau of the Census, 2000 (x) not applicable

Age Distribution

A distribution of the 2000 population by age group is presented in Table IV-SD-8. The data in this Table reveal that nearly 54 percent of the 2000 population in Ponce Inlet was over the age of 55. It is considered likely that the town's future population will continue to be predominantly in the over 55 age group. Thirty-three percent of the 2000 population was over the age of 65, indicating Ponce Inlet's high degree of popularity with retirees.

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**Table IV-8-SD
 Ponce Inlet, Florida
 POPULATION BY AGE: 2005**

<u>Age Cohort</u>	<u>Number</u>	<u>Percent</u>
0-4	69	2.1
5-9	85	3.0
10-14	84	2.7
15-19	147	3.3
20-24	87	2.1
25-29	59	2.1
30-34	72	3.1
35-39	98	4.3
40-44	166	6.1
45-49	216	7.1
50-54	302	10.3
55-59	373	10.1
60-64	412	10.6
65-69	331	10.8
70-74	279	9.8
75+	467	7.3
		3.7
		1.4
Total	3247	100.0

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Source: Florida Housing Data Clearinghouse

Affordable Housing Needs Summary:

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Based on the Florida Housing Data Clearinghouse, the number of households that are low-income (incomes below 80% of area median) and severely cost-burdened (paying 50% or more for mortgage costs or rent) for Ponce Inlet are shown below. The Clearinghouse provides estimates and projections of the number of these households by tenure for the years 2005-2030.

337 This indicator encompasses a broad range of households likely experiencing distress because of their
338 housing costs. With their low incomes, the large portion of income taken up by housing costs is likely to
339 limit these households' ability to afford other necessities.

340 Moreover, the 80% of median income figure is a traditional measure of eligibility for programmatic
341 housing assistance. For example, all beneficiaries of the federal public housing program and federal
342 HOME program must have incomes below this amount.

343 The need indicator can serve as an approximation of the total number of households that would benefit
344 from some type of housing assistance, particularly if homeless and migrant households are added.
345 Such assistance could include the construction of new affordable housing units, but it could also
346 include the provision of subsidies to make current units more affordable.

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Table IV-9-SD

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Town of Ponce Inlet Affordable Housing Need Summary 2005-2030						
Number of severely cost burdened (50%+) households with income less than 80% AMI by tenure						
Tenure	2005	2010	2015	2020	2025	2030
owner	116	148	176	206	236	262
renter	25	33	38	45	52	55

Source: Florida Housing Data Clearinghouse.

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351 Based on the 2005 data from the Florida Housing Data Clearinghouse, 131 families were severely cost
352 burdened based on their percentage of income to mortgage or rent in 2005. That number is expected
353 to rise to 288 families by 2025 and 317 families by 2030. Based on an average household size of 2.1
354 persons, and the Town's estimated 2005 population of 3,247 persons, approximately 8% of the
355 households were severely cost burdened in 2005, This percentage will remain at 8% in 2030 based on
356 [the](#) future population projection for permanent residents.

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358 According to the Volusia County 2006 Evaluation and Appraisal Report, in 1993 Volusia County Council
359 passed Resolution No. 93-308 to approve the Affordable Housing Incentive Plan, and adopted the
360 Volusia County Housing Initiative Partnership Ordinance No. 93-3. In February 2003, the Community
361 Assistance Housing Activity developed a form for expediting the building permit process in Volusia

362 County, which is offered to all building contractors for new construction and rehabilitation of affordable
363 housing units in Volusia County. The form identifies affordable housing projects, and offers priority
364 assistance to reduce time to process local permits. Approximately 96 forms have been issued to
365 builders by the Community Assistance Housing Activity to-date

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367 As a significant issue, Volusia County assessed the economic affect of the county's jobs to housing
368 imbalance. In that analysis, the EAR noted that Volusia County as a region has historically had an
369 abundance of affordable housing and overall housing choices. This affordability is attributable to the
370 County being underpriced compared to some neighboring counties and other areas in Florida.
371 However, due to recent increases in property values, affordable workforce housing is increasingly
372 becoming an issue. The decrease in affordable workforce housing could be a potential deterrent for
373 employers considering locating in the County.

374 As also noted in the Volusia County EAR, according to the National Association of Home
375 Builders/Wells Fargo Housing Opportunity Index (HOI), a negative change occurred in Volusia
376 County's affordability ranking. The HOI is a measure of the percentage of homes sold in a given area
377 that are affordable to families earning the area's median income during a specific quarter. Currently,
378 the Deltona-Daytona Beach-Ormond Beach Metro Area (i.e., Volusia County) is ranked 101 nationally
379 and 36 regionally on the HOI for the 1st Quarter of 2005 (data is are not available from 2002 - 2004).
380 This is a decrease from the previous national ranking of 22 and regional ranking of 6 in the 1st Quarter
381 of 1995 (time of the 1st County EAR), and a national ranking of 3 and a regional ranking of 2 in the 1st
382 Quarter of 1991. By the 1st Quarter of 2008, the region's regions ranking had fallen in ranking further,
383 to 143 nationally and 57 regionally. The However, the trend of affordability between 2005 and 2008
384 show a bell-curve shaped movement, with rising median prices and a lower opportunity index changing
385 to a lower median price and higher opportunity index. The change in national and regional ranking
386 appears to be more influenced by the affects of the struggling housing market in other regions of the
387 County and Region, as opposed to the rise in costs locally.

388
389 Volusia County Housing Element Policy 5.1.2 states, "For those residents of modest economic means,
390 Volusia County shall continue to provide housing assistance through programs outlined in the
391 Consolidated Plan with incentives to encourage private sector participation." The County's EAR
392 reported that, "Housing assistance has been successfully provided to very low and low-income
393 renters/homeowners/potential homeowner households making less than 80% of median income using
394 State Housing Initiatives Partnership (SHIP) and Federal CDBG and HOME funding (see Housing

395 Element review). Beginning in FY 2003/2004, local guidelines for State housing assistance funding
396 (SHIP program) were amended to permit financial assistance to residents of “modest economic
397 means” (up to 120% of median income). Excluding the current year statistics, 16 moderate-income
398 households have received housing assistance. Approximately 96 forms for expediting the building
399 permit process have been issued to builders by the Housing Activity to date.”

400

401 The County Ear states that Volusia County shall continue to provide housing assistance through
402 programs outlined in the Consolidated Plan with incentives to encourage private sector participation. It
403 further found that housing assistance has been successfully provided to very low and low-income
404 renters/homeowners/potential homeowner households making less than 80% of median income.”

405 The EAR also considered the County’s other housing policies, including those that call for
406 intergovernmental coordination with municipalities. County Housing Policy 5.2.1 states that, “Volusia
407 County shall work with municipalities to redevelop existing commercial areas and districts in an effort
408 to strengthen the local economy (facilitate job creation and incubate small business growth) and to
409 improve the aesthetic and functional value of the built environment (reinvestment in existing
410 infrastructure and ensuring future sustainable development).” Although some employment exists in
411 Ponce Inlet, the higher wage economic positions sought in the County Plan are not likely to be
412 generated in the Town of Ponce Inlet.

413

414 **SUMMARY:**

415 Given the Town’s relatively low percentage of burdened households, and its limited growth potential,
416 programs to address affordable housing should be explored in other parts of the region where housing
417 goals can be better met. To Tye that end, the Town should coordinate its efforts with Volusia County
418 which has an established housing program.

419

420

421

422

423 **Group Homes**

424 Since the adoption of the town’s 1990 Comprehensive Plan, the State of Florida has categorized group
425 homes into four types of group care facilities. These are: assisted living facilities, adult family care
426 homes, adult day care and nursing homes. These facilities are defined as follows:

- 427 • **Assisted Living Facilities** – Any building or buildings, section or distinct part of a building,
428 private home, boarding home, home for the aged, or other residential facility, whether operated
429 for profit or not, which undertakes through its ownership or management to provide housing,
430 meals and one or more personal services for a period exceeding 24 hours to one or more
431 adults who are not relatives of the owner or administrator.
- 432 • **Adult Family Care Home** – A full-time, family-type living arrangement in a private home, under
433 which a person who owns or rents the home provides room, board and personal care on a 24
434 hour basis for no more than five disabled adults or frail elders who are not relatives. The
435 following family-type living arrangements are not required to be licensed as an adult family care
436 home: (a) an arrangement whereby the person who owns or rents the home provides room,
437 board and personal services for not more than two adults who do not receive state
438 supplementation under F.S.,§ 409.212. The person who provides the housing, meals and
439 personal care must own or rent the home and reside therein; or (b) an arrangement whereby
440 the person who owns or rents the home provides room, board and personal services only to
441 his or her relatives.
- 442 • **Adult Day Care** – Any building, buildings or part of a building, whether operated for profit or
443 not, in which is provided through its ownership or management, for part of a day, basic
444 services to three or more persons who are 18 years of age or older, who are not related to the
445 owner or operator by blood or marriage, and who require such services.
- 446 • **Nursing Home** – Any institution, building, residence, private home, or other place, whether
447 operated for profit or not (including a place operated by the town or county), which undertakes
448 through its ownership or management to provide for a period exceeding 24 hour nursing care,
449 personal care or custodial care for three or more persons not related to the owner or manager
450 by blood or marriage, who by reason of illness, physical infirmity or advanced age require such
451 services, but does not include any place providing care and treatment primarily for the acutely
452 ill. A facility offering services for fewer than three persons is within the meaning of this
453 definition if it holds itself out to the public to be an establishment which regularly provides such
454 services.

455
456 Generally, these facilities include the supervision and care necessary to meet the physical, emotional
457 and social needs of the residents. If licensing is required, this is done by the Florida Department of
458 Health and Rehabilitative Services (HRS). According to HRS records there are no group care facilities
459 licensed in Ponce Inlet.

460
461 Due to concerns for hurricane evacuation safety, only small scale group care facilities are

462 appropriate in the town. Large and medium size group care facilities would be problematic on a
463 barrier island because of evacuation constraints.

464

465

466

467 **Subsidized Housing Developments**

468 Currently, there are no direct governmental subsidies for housing in Ponce Inlet.

469

470 **Mobile Homes**

471 There are no mobile home parks, mobile home subdivision, mobile home condominiums or mobile
472 home cooperatives in Ponce Inlet. Such developments are not permitted by the town's land
473 development regulations because they are extremely vulnerable to barrier island storm conditions.

474

475 According to the 2000 Census, there were six mobile homes in the town. The housing conditions
476 windshield survey, conducted in July 2003, revealed only one mobile home which is located on
477 Battelle property and that is used for storage. A more recent survey was conducted in November of
478 2006 and it was found that there are no mobile homes in the town being used for residential
479 purposes.

480

481 Unless constructed to meet the manufactured building requirements of F.S. Chapter 553, mobile
482 homes are not permitted within the town. This prohibition is consistent with the county's and other
483 communities' mobile home permitting requirements for the barrier island which is vulnerable to major
484 or catastrophic hurricane disasters.

485

486 **Historically Significant Housing**

487 On August 5, 1998 the U.S. Department of the Interior and the National Park Service named the light
488 house station a National Historic Landmark district (NLD). According the historic site survey
489 prepared by New South Associates (November, 2007), "This NLD lies completely within the survey
490 boundaries and consists of five, brick, vernacular style structures – one of which is the lighthouse
491 tower, three of which are living quarters for lighthouse staff, and the last being the oil house –
492 constructed in 1887." These structures, including the three used for living quarters are being
493 maintained consistent with their requirements for retaining their NLD status.

494

495 The New South study also identified other potentially significant historic structures, including several
496 deemed eligible for register on the National Register of Historic Places (NRHP) and others that may be
497 eligible for local landmark status.. Some are worthy of consideration due to their age, architectural style

498 and/or role played in the town's history. The New South survey assessed the built environment, and
499 noted that early Cracker-style architecture dominated most of the early development of the Town.
500 Ranch style homes from the mid-twentieth century are also common. The survey recommended four
501 residential structures for nominations for the National Register of Historic Places (NRHP), . One was
502 based on its cracker-style architecture and social history, and three based on their ranch-style
503 architecture and association with mid-twentieth century residential development in the Town. No areas
504 were found eligible as NRHP historic districts. Several other sites and structures were noted
505 significant on a local level, although not eligible for NRHP listing, including the Meyers-Davis house
506 located at 143 Beach Street, which is now town owned. .

507

508 The Town had adopted Land Use and Development Code requirements for locally designated historic
509 landmarks and archeological sites. The Town Code also established a Historic & Archaeological
510 Preservation Board which reviews and recommends applications for local landmarks and applications
511 for modifications or disturbances to historic structures or archeological resources. This advisory board
512 also implements programs of education and other relevant task to ensure that the town's historic and
513 archeological resources are protected. All structures fifty (50) years and older must be reviewed for
514 their potential historical resources if significant exterior modifications are proposed. There are
515 currently approximately thirty nine (39) residential structures that qualify based on their age for this
516 review.

517

518

519 **Building Permit Activity**

520 Building permit activity in Ponce Inlet between 2000 and 2006 resulted in occupancy certificates for an
521 additional 802 dwelling units, of which 126 are single family and 676 are multi-family units. Between
522 1990 and 2000, more multifamily units were built than single-family houses. The increase in multifamily
523 housing can be attributed mainly to the recent completion of the Harbour Village Planned Unit
524 Development (PUD). It is to be noted that little additional vacant land is available within the town for
525 high density housing. According to the build-out analysis contained in the Future Land Use Element
526 Support Document, a potential for only an additional 171 multi-family units are possible. Therefore,
527 multifamily building permits should taper off, and build-out should occur within the 2026 planning
528 period. The following section deals with the likely development scenario that is expected to be played
529 out between 2007 and 2026.

530

531 **ANALYSIS OF HOUSING DATA**

532 This section analyzes the housing data presented above. Its purpose is to ensure that the housing
533 needs of the projected population of Ponce Inlet can be met. As a part of this analysis, land
534 requirements, infrastructure and the private sector housing delivery process will be examined.

535
536 **Housing for Resident Population**

537 Future housing needs for the resident population is based on the projected population growth trends
538 and build-out analysis presented in the Future Land Use Element (FLUE) Support Document. The
539 concept of build out has been incorporated into that document. This was established in recognition of
540 the town's limited availability of buildable vacant land; the inability and lack of desire to annex vacant
541 land; and the constraints imposed by the need for hurricane safety and evacuation, adequate
542 delivery of services, and natural resource protection.

543
544 Based upon the FLUE Support Document analysis, approximately 97 acres of vacant land is
545 available and designated for future housing development. These acres provide for the possible
546 development of 300 single family homes and 171 multi-family units prior to build out. Depending on
547 annual growth rates and market trends, the town's projected build out could occur anywhere between
548 2016 and 2026. These units are anticipated to be adequate for future population needs. One potential
549 result of being close to build out is an escalation in housing prices which can lead to an affordability
550 issue in the town's housing market. The tendency toward this scenario which has begun to occur will
551 be analyzed in detail later in this section.

552
553 **Housing for Seasonal Population**

554 Another element of housing demand is created by the seasonal population. The definition of seasonal
555 population in Chapter 9J-5 of the Florida Administrative Code includes tourists, migrant farm workers and
556 other short-term and long-term visitors who are not residents. The U.S. Bureau of Census considers
557 anyone living in a locality for more than half of the year to be a full time resident. The inverse of this
558 definition then is that everyone living in a locality for six months or less is a seasonal inhabitant. The
559 seasonal population of a community typically is housed in transient units such as motel rooms, or in
560 "second homes" owned by the occupant, but only used occasionally.

561
562 In Ponce Inlet's case, its seasonal population does not consist of any migrant farm workers. Additionally,
563 except for a small seasonal population that may occupy single family dwellings, the majority resides in
564 multi-family condominium units. The data presented in the previous section under "Occupancy and
565 Tenure" stated that 37.4 percent of the year 2000 housing stock in Ponce Inlet was used on a seasonal
566 basis. Additionally, 84 single family housing units (slightly more than four percent of the year 2000

567 housing stock) were vacant and it can be assumed that some of these units were used by seasonal
568 residents.

569 The rental of seasonal housing is restricted by Subsection 5.7 of the town's Land Use and Development
570 Code (LUDC). Historically, a major portion of Ponce Inlet's seasonal housing has consisted of short-term
571 rentals (i.e., rentals with a duration of less than 30 days). The current LUDC prohibits short-term rental
572 housing within the town except for certain areas previously designated as "high density multifamily" on the
573 Future Land Use map. These areas have been granted "nonconforming use" status.

574 Additional land area for seasonal housing units is not provided for within the town's comprehensive plan
575 because all of the buildable vacant land is designated for single family, multi-family or commercial use
576 and the constraints imposed by the need for hurricane safety and evacuation, adequate delivery of
577 services, and natural resource protection.

579
580

581 **Household Size**

582 The current average number of persons per household in Ponce Inlet is 2.1. In the future, the average
583 household size in Ponce Inlet is not expected to fluctuate significantly The community consists of a mix of
584 ages; however, an influx of younger families with children does not appear to be likely to occur.

585
586 **Total Housing Units**

587 The housing needs of the town’s anticipated population are made up of three components:

- 588
- 589 • Availability of vacant buildable residential land
 - 590 • Replacements for demolition and redevelopment.
 - 591 • Maintenance of a vacancy rate.

592
593 As presented in the FLUE Support Document, there is only a small amount of vacant land left for
594 residential development. Based on the projections, it is estimated that the town’s buildable vacant land
595 supply can accommodate approximately 300 additional single family housing units.

596
597 The FLUE Support Document also states that approximately 171 multifamily units could theoretically be
598 constructed within high density residential designated areas or riverfront commercial areas. It is possible
599 that a limited number of under-developed sites (parcels whose development is less than the underlying
600 density designation ion the Future Land Use Map) could redevelop with additional units. However, it is
601 equally possible that some vacant sites will develop at densities below those assumed in the
602 Comprehensive Plan. Overall, these patterns are likely to be approximately equal, and not have a
603 statistical impact on future build-out assumptions. Additionally, the town has a very high percentage of
604 seasonal housing, so it has an adequate vacancy rate.

605
606 Redevelopment of dilapidated housing is not an issue during the build out period. However, there may be
607 a need to preserve and protect the character of some of the town’s older residential neighbors as a result
608 of housing redevelopment where existing older homes in stable neighborhoods are torn down and
609 replaced with larger homes. Such redevelopment is often referred to as “tear downs” or “rebuilt.”

610
611 Tear downs raise a multitude of issues, including short and long-term compatibility. Tear downs can be
612 both a scourge and a blessing. Replacement structures that differ dramatically in size, footprint, mass,
613 or height are often out of character and scale with the rest of the neighborhood. These are sometimes
614 facetiously referred to as “starter castles,” “faux chateaux,” or “Hummer houses.” On the other hand,
615 when viewed over the long term, tear downs have the potential to result in higher-order architecture,
616 more functional site design, or other changes that can benefit the neighborhood and town. When

617 considered in this light, tear downs are a natural progression in the evolution of neighborhoods. To
618 ensure that new structures maintain and improve neighborhood character, the town enacted a “floor
619 area ratio” ordinance, the purpose of which is to prohibit the construction of residences that are
620 disproportionately large for their lot area.

621
622 **Housing Affordability and Availability**

623 The cost of housing is high in the town. A median value of \$167,477 was reported in the 2000 Census
624 for owner occupied dwelling units, with only 178 of these valued under \$100,000. The Census also
625 reported median rent at \$1,000, with only 29 units with contract rent under \$750. And, as was stated
626 above, the Volusia County Department of Economic Development reported that the average value of a
627 Ponce Inlet home in 2006 was \$470,908.

628
629 The reason for the high cost of housing includes the town’s desirable quality of life and the high cost of
630 land due to the limited supply of vacant developable land. As stated earlier, only an additional 471
631 dwelling units are projected to be added to the town’s housing stock at build out. Approximately 270 of
632 the additional units are anticipated as infill development on existing single family lots. The remaining
633 301 units consist of approximately multifamily units that could be developed on vacant multifamily
634 designated land or multifamily designated underdeveloped land with existing single family units.

635
636 The inventory of existing vacant residential lots revealed that there are few lots valued at less than
637 \$300,000 with virtually no lots valued under \$200,000. These phenomenal lot prices (for lots that are
638 7,000 to 10,000 square feet) increased rapidly in value in the first half of the decade, consistent with
639 the residential market throughout Florida. Several factors are attributed to this period, including low
640 interest rates, investor speculation and overall demand.

641
642 While one cannot predict the future of market trends, the number of prospective buyers for the few
643 remaining lots in the Town is expected to be high. However, discussions with realtors who are actively
644 engaged in the Ponce Inlet market reveal that house lots that are for sale are staying on the market
645 considerably longer than they did when interest rates were lower. The residential market in Volusia
646 County declined in 2006 and through 2007, with falling average values and sales. Although
647 projections are mixed, the number of prospective buyers for Florida waterfront lots, homes and
648 condominiums is believed to remain strong. Finally, as has been mentioned several times in this
649 document, the number of buildable lots in Ponce Inlet is dwindling.

650
651

652 The high land values are an important factor in assessing opportunities for providing affordable
653 housing. The extremely high cost of vacant land and the market for high end housing has contributed
654 to the lack of very low, low and moderate cost housing that could be provided by the private sector.
655 Additionally, the limited land available to develop new housing presents a significant constraint to the
656 provision of housing for very low, low and moderate income people.

657
658 It is evident from the analysis of the existing housing stock and the vacant developable land inventory,
659 that the private sector is unable to provide housing in the town that is affordable to very low, low and
660 moderate income households. In fact, assistance programs are generally unable to cost effectively
661 bridge the gap between the money available for housing by very low, low and moderate income
662 households and the high cost of housing (to purchase or rent) in Ponce Inlet. Since housing is a
663 regional resource, Ponce Inlet will cooperate with other local governments to address housing needs
664 identified on a countywide and regional basis. Therefore, any of the town's special housing needs are
665 best satisfied by the housing stock outside of the town in the larger regional housing market.

666
667 **Housing Need and the Private Sector**

668 It is anticipated that all of the projected housing units in Ponce Inlet will be met through the build out
669 period by private sector initiatives, assuming current housing market and economic conditions continue.
670 Subsidized housing developments do not exist in Ponce Inlet, and the need for such housing is unlikely to
671 be met given practical financial constraints. Many developers have been attracted to Ponce Inlet to take
672 advantage of the area's popularity with the retirement market. The typical home buyer is either a retiree
673 entering the market with a substantial cash basis from savings and the sale of a previous home or a buyer
674 who may be acquiring a second home as a long-term investment. The private sector has been
675 successful in meeting the town's elderly retirement housing demand in the past and will continue to meet
676 the demand through the build out period.

677
678 **The Housing Delivery Process**

679 The housing delivery process is a complex combination of roles and responsibilities involving a vast array
680 of public and private sector organizations. Among the primary participants in the process are local
681 government, land developers and builders, banks and lenders and real estate brokers. The role of Ponce
682 Inlet in the housing delivery process lies primarily in the following four areas:

- 683 • Land use and zoning;
- 684 • Subdivision regulations;
- 685 • Permitting systems; and
- 686 • Provision of infrastructure.

687
688 The town has provided adequate areas for future residential development. The town has designated the
689 majority of its remaining undeveloped buildable land for residential use and has applied residential zoning
690 to accommodate the additional residential units expected to be constructed during the build out period.

691
692 The planning, zoning and building operations all operate at an efficient level. What little undeveloped
693 residential land remains that could be subdivided will primarily occur as minor subdivisions. Additionally,
694 timely review and approval/disapproval recommendations by staff to the planning commission are greatly
695 aided by the town's one-stop review process. The town's development review team, comprised of the
696 town's key personnel, reviews all development proposals. This process allows a developer to receive all
697 comments and requests from the team at one time rather than at various times and from each individual.
698 This process provides a timely, efficient and comprehensive review of developments.

699
700 Infrastructure does not represent a major concern in terms of housing delivery. The majority of new
701 housing will be constructed on vacant lots in existing subdivisions with public water and sewer facilities.
702 In addition, should a new subdivision be proposed, the town has a policy of requiring developers to
703 provide any necessary infrastructure extensions or improvements.

704
705 Private financing has not proved to be a problem in Ponce Inlet. The town is attractive to persons moving
706 to Florida to retire and second home buyers. Many retirees have cash from the sale of their former
707 homes, and second home buyers are able to secure financing privately. Over 52 percent of the residents
708 are owners and over 65 percent are 55 years of age or older. The financing issues typically associated
709 with a young population (i.e., first-time homebuyers and lack of down payment funds) are not issues in
710 Ponce Inlet.

711
712 The market-driven private sector can provide housing units to households demonstrating effective
713 demand. Effective demand is a function of the ability of households to purchase (or rent) a home and the
714 developer's profit and return requirements. The developer is a businessperson and cannot afford to
715 provide housing units at a cost less than his required rate of return. Usually, as the price and status of the
716 home decreases, so does the profit margin. Therefore, at a specific low selling price of a home, it is no
717 longer profitable for the developer to build the home and the product is not supplied. Thus, ineffective
718 demand occurs when lower income families demand housing units but developers cannot provide the
719 units at a satisfactory return and profit margin. The only means that ineffective demand households have
720 of affording units is by way of assistance programs offered to developers. As described earlier,
721 assistance programs are either not available or generally unable to cost effectively bridge the gap
722 between the money available for housing by very low, low and moderate income households and the

723 high cost of (to purchase or rent) housing in Ponce Inlet.

724

725

726

727

CHAPTER IV HOUSING ELEMENT

728

729

INTRODUCTION

730

731

732

733

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735

736

737

This element presents an evaluation of the needs of the existing and future residents of Ponce Inlet for suitable housing; and it outlines a strategy for promoting housing construction, primarily through efforts of the private sector, to meet such needs. It considers not only the number of housing units required to satisfy the needs, but also the affordability of housing for the various household income levels and the preferences of households for particular housing types.

738

739

740

741

Since housing construction is dependent on the availability of suitable land and sufficient utilities capacity, it was particularly important that this element be closely coordinated with the Town's Future Land Use and Utilities elements.

742

743

744

745

746

It should be noted that this element relies heavily on 9 year old 1980 Census data which we recognize to be of questionable value for assessing the characteristics of the town's current population. The population has increased more than sixty percent (60%) since 1980, mostly by in migration, making it probable that socio-economic characteristics of the population have shifted significantly.

747

CHARACTERISTICS OF THE EXISTING HOUSING STOCK

748

749

Number and Type of Dwelling Units

750

751

752

753

754

755

756

A housing count conducted by the Town in the Spring of 1987 identified 1,150 year round housing units. This represents an increase of 424 housing units over the 1980 Census count. Table IV-1 compares the distribution of housing units by type in 1987 with the distribution in 1980. As indicated there, multi family units account for fifty five percent (55%) of all housing units—up from forty eight percent (48%) in 1980. Based on this trend and the existence of a substantial inventory of vacant land zoned for multi family development, it is anticipated that multi family units will account for a slightly greater share of housing units in the future.

757

758

759

760

761

**TABLE IV-1
YEAR-ROUND HOUSING UNITS BY TYPE: 1980 AND 1987
TOWN OF PONCE INLET, FLORIDA**

Type of Unit	1980	% of Total	1987	% of Total
Single Family	375	51.7	517	45
Multi-Family	350	48.2	633	55
Mobile	1	0.1	0	0

Home

Total 726 1,150

762 _____
 763 Source: 1980 Census.

764
 765 Age of the Housing Stock

766
 767 Only about 135 of the Town's 1,150 housing units existed prior to 1970. Thus, nearly ninety percent (90%) of
 768 the current housing stock is less than 18 years old. More than one third (37%) of the current housing stock is
 769 less than 8 years old.

770
 771 Occupancy and Tenure Characteristics

772
 773 The 1980 Census reported that only 416 housing units, or fifty six percent (56%) of the total housing stock, were
 774 "occupied". (see Table IV 2). In this sense, occupied meant inhabited by a person or persons claiming that
 775 location as their principal residence. These persons are termed "permanent residents", and are differentiated from
 776 "seasonal residents". The remaining 310 housing units were counted as "vacant", representing a forty three
 777 percent (43%) vacancy rate. A typical vacancy rate, reflecting normal turnover, would be about five percent
 778 (5%). The extreme variance here is explained by the large number of housing units (primarily condominiums)
 779 that are held for seasonal and/or occasional use. According to the Census, thirty seven percent (37%) of all
 780 vacant housing units were held for occasional use; thirty percent (30%) were for rent; and twenty percent (20%)
 781 were for sale. Considering only those vacant housing units that were noted as being for rent or sale, the vacancy
 782 rate would still have been high at about twenty one percent (21%) of the total housing stock. Over building of
 783 condominiums may have been the cause of this high vacancy rate.

784
 785 Nearly eighty two percent (82%) of all non condominium housing units (primarily detached, single family units)
 786 are occupied, while only twenty eight percent (28%) of all condominiums are occupied. This difference is not
 787 surprising, given the advantages of condominiums for use as seasonal residences.

788
 789 Of all occupied non condominium housing units, approximately seventy two percent (72%) are owner occupied.
 790 Only sixty five percent (65%) of all occupied condominium units are owner occupied.

791
 792 Examination of tenure by race is not possible because the Census Bureau has not released this data due to the
 793 small number of reporting units.

794
 795 **TABLE IV-2**
 796 **OCCUPANCY AND TENURE: 1980**
 797 **TOWN OF PONCE INLET, FLORIDA**

	Non- Condominium Housing Units	Condominiu m Housing Units	Total
Housing Units	390	341	731

Occupied	319	97	416
Owner	280	63	343
Renter	39	34	73
Vacant Year-Round	-	-	310
For Sale	5	57	62
For Rent	-	-	94
Occasional Use	-	-	116
Other Vacant	-	-	38

799 _____
800 Source: 1980 Census.
801

802 Cost of Housing: Rent, Value, and Monthly Cost of Owner-Occupied Units
803

804 1. Monthly Gross Rent. The median monthly gross rent for renter-occupied housing units in Ponce
805 Inlet was \$285 in 1980, as reported in the U.S. Census. Median rent for the County as a whole was \$205. Of the
806 71 rented units surveyed, nearly twenty percent (20%) were rented for no cash rent. About forty-four percent
807 (44%) were rented for \$200 to \$299; eleven percent (11%) were rented for \$300 to \$399; and eighteen percent
808 (18%) were rented for more than \$400. Table IV-3 shows the number of households falling into the various rent
809 ranges.
810

811 2. Value of Owner-Occupied Housing. In 1980, the median value of the Town's 280 owner-
812 occupied, non-condominium housing units was \$69,600. The median value of the 63 owner-occupied,
813 condominiums was \$64,683. Table IV-4 shows the distribution of owner-occupied, non-condominium units by
814 value ranges for Ponce Inlet and Volusia County. As indicated there, less than eleven percent (11%) of the
815 Town's units fell below the median value of Volusia County's owner-occupied, non-condominium units. Nearly
816 half of the Town's units were valued at \$50,000 to \$79,999. More than eighty percent (80%) of the Town's units
817 were valued at \$50,000 or higher.
818

819 3. Monthly Cost of Owner-Occupied, Non-condominium Housing. The 1980 Census reported that
820 the median monthly cost of owner-occupied, non-condominium housing was \$407 for mortgaged units, and \$159
821 for units not mortgaged. This cost includes payments for real estate taxes, property insurance, utilities, and
822 mortgage payments.
823

824 Table IV-5 shows the owner costs by mortgage status for non-condominium units. As indicated there, nearly
825 37% of all owners had monthly costs below \$250. An additional 45% had monthly costs below \$500. Only
826 about twenty percent (20%) had monthly costs of \$500 or more.
827

828 **TABLE IV-3**
829 **MONTHLY GROSS RENT OF RENTER-OCCUPIED UNITS: 1980**
830 **TOWN OF PONCE INLET AND VOLUSIA COUNTY, FLORIDA**
831

	Ponce Inlet		Volusia County	
	No.	%	No.	%
No-Cash	14	19.7	1,540	6.3

Rent				
\$0 to \$99	1	1.4	2,043	8.4
\$100 to \$119	0	0.0	1,070	4.4
\$120 to \$149	0	0.0	1,923	7.9
\$150 to \$169	4	5.6	2,462	10.1
\$170 to \$199	0	0.0	3,282	13.4
\$200 to \$249	6	8.5	5,422	22.2
\$250 to \$299	25	35.2	3,280	13.4
\$300 to \$399	8	11.3	2,335	9.6
\$400 to \$499	7	9.9	678	2.8
\$500 and Over	6	8.5	390	1.6
Total	71	100	24,425	100

832 _____
833 Source: 1980 Census.
834

835 **TABLE IV-4**
836 **VALUE OF OWNER-OCCUPIED, NON-CONDOMINIUM HOUSING: 1980**
837 **TOWN OF PONCE INLET AND VOLUSIA COUNTY, FLORIDA**
838

Value	Ponce Inlet		Volusia County	
	No.	%	No.	%
Less than \$10,000	0	0.0	1,340	2.3
\$10,000 to \$14,999	0	0.0	1,644	2.9
\$15,000 to \$19,999	3	1.2	2,742	4.8
\$20,000 to \$24,999	0	0.0	4,461	7.8
\$25,000 to \$29,999	3	1.2	5,905	10.3
\$30,000 to \$34,999	4	1.5	6,323	11.1
\$35,000 to \$39,999	18	6.9	6,259	11.0
\$40,000 to \$49,999	23	8.8	10,325	18.1
\$50,000 to \$79,999	121	46.5	13,781	24.2
\$80,000 to \$99,999	36	13.8	2,069	3.6
\$100,000 to \$199,999	41	15.8	1,968	3.5
\$200,000 +	11	4.2	238	0.4

839	Total	260	100	57,055	100
	Median	\$69,600		\$39,900	
	Mean	\$81,413		\$45,473	

840
841 Source: 1980 Census.

842
843 **TABLE IV-5**
844 **MONTHLY OWNER COSTS OF NON-CONDOMINIUM HOUSING UNITS: 1980**
845 **TOWN OF PONCE INLET, FLORIDA**
846

Mortgage Status and Selected Monthly Owner Costs Owner-Occupied Housing Units	Ponce Inlet		Volusia County	
	No.	%	No.	%
	248	100.0	57,046	100
With a Mortgage	166	66.9	34,589	61
Less than \$100	0	0.0	381	1
\$100 to \$149	0	0.0	2,056	4
\$150 to \$199	6	2.4	4,303	8
\$200 to \$249	3	1.2	5,476	10
\$250 to \$299	14	5.6	4,944	9
\$300 to \$349	28	11.3	4,284	8
\$350 to \$399	29	11.7	3,710	7
\$400 to \$449	23	9.3	2,858	5
\$450 to \$499	13	5.2	2,245	3.9
\$500 to \$599	27	10.9	2,272	4
\$600 to \$749	18	7.3	1,296	2
\$750+	5	2	764	1.3
Median	\$407		\$302	
Not Mortgaged	82	33.1	22,457	39.4
Less than \$50	0	0	1,294	2.3
\$50 to \$74	5	2	4,808	8.4
\$75 to \$99	6	2.4	5,946	10.4
\$100 to \$149	25	10.1	7,264	12.7
\$150 to \$199	28	11.3	2,291	4
\$200 to \$249	14	5.6	511	0.9
\$250+	4	1.6	343	0.6
Median	\$159		\$97	

847
848 Source: 1980 Census.
849

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~~Of the Town's 248 owner-occupied housing units, 82 units or thirty three percent (33%) were not mortgaged. This is particularly significant in view of the fact that nearly ninety percent (90%) of the Town's housing stock, and at least 46% of the non-condominium housing units, were less than 10 years old in 1980.~~

~~4. Rent to Income Ratio for Renter Occupied Housing Units. According to the Department of Community Affairs (DCA), rental housing which costs more than thirty percent (30%) of the occupant's household income is not "affordable". Owned housing is self regulating (in this regard), in that it is difficult to obtain a mortgage if the projected monthly housing costs (mortgage, taxes, insurance, and utilities) exceed thirty percent (30%) of the family's income. Rental housing has no similar regulator.~~

~~Table IV 6 shows by ranges, the rent paid by Ponce Inlet's households expressed as a percentage of total household income. Of the 73 households that rented housing in 1980, 13 (17.8% of the total) paid more than thirty five percent (35%) of their incomes for rent. All but one of these households had income ranging from \$5,000 to \$9,999.~~

867 Condition of the Housing Stock

868

869 A housing conditions survey, conducted by the Town in March, 1987, revealed that all housing units were in
 870 "standard" condition. In this sense, the term "standard" means the housing has no defects or only slight
 871 deficiencies that can be corrected through normal maintenance (e.g., needs paint).

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TABLE IV-6
RENT-TO-INCOME-RATIO FOR RENTER-OCCUPIED HOUSING UNITS: 1980
TOWN OF PONCE INLET, FLORIDA

	Income Range				
	Less than \$5,000 0	\$5,000 to \$9,999 0	\$10,000 to \$14,999 9	\$15,000 to \$19,999 9	\$20,000 or More 0
Less than 20%	0.0	0.0	0.0	0.0	32.9
20% to 24%	0.0	0.0	0.0	4.1	0.0
25% to 34%	0.0	4.1	13.7	0.0	5.5
35% or More	1.4	16.4	0.0	0.0	0.0
Not Computed	1.4	13.7	6.8	0.0	0.0

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878

879

Source: 1980 Census.

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The "windshield" survey evaluated each housing unit on the basis of structural condition (i.e., integrity of roof, exterior walls, porches, and other main structural elements), condition of doors, windows, architectural details, and surface finishes. Each housing unit was then assigned to one of three categories on the basis of the following criteria:

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* Standard: Any unit that has no structural defects, no more than slight non structural deficiencies that would be expected to be corrected through normal maintenance.

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* Marginal: Any unit that has defects or deficiencies that would not be corrected through normal maintenance, but would still provide safe and secure shelter. Such units may require replacement of boards, windows, or roof shingles.

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* Dilapidated: Housing that does not provide safe and secure shelter because of major defects, such as openings in exterior walls or roof, sagging floors or roof, leaning exterior walls, etc. Extensive repairs or replacement is necessary.

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The advantage of using a windshield survey of exterior conditions to determine whether a housing is "standard" is that it does not intrude upon the occupant of the property, and it is relatively quick and inexpensive. In addition, it has been found that exterior conditions generally correlate with interior conditions.

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901

902

The 1980 Census provides certain indicators of interior conditions considered to be substandard, and the target of home improvement/rehabilitation efforts. These are units: a) lacking complete plumbing for exclusive use; b) lacking complete kitchen facilities; c) lacking central heating; and d) over crowded. The findings for Ponce Inlet

903 are summarized in Table IV-7. It should be noted that more than one of these conditions may occur in the same
904 housing unit.

905
906 Subsidized Housing Developments

907
908 No direct governmental subsidies for housing are being received in Ponce Inlet.

909
910 Group Homes

911
912 No group homes have been established in Ponce Inlet.

913
914 **TABLE IV-7**
915 **CONDITION OF YEAR-ROUND HOUSING STOCK: 1980**
916 **TOWN OF PONCE INLET, FLORIDA**
917

Condition	Housing Units	% of Total
Lacking Complete Plumbing	1	0.1
Lacking Complete Kitchens	3	0.4
Lacking Heating Equipment	0	0.0
More than 1.01 Person Per Room		
Owner-Occupied	1	0.1
Renter-Occupied	3	0.4

918
919 Source: 1980 Census.

920
921 Mobile Home Parks

922
923 There are no mobile home parks, subdivisions, condominiums, and cooperatives in Ponce Inlet. The Town's
924 zoning regulations do not provide for mobile home parks or subdivisions.

925
926 Historically Significant Housing

927
928 None of the Town's homes have been placed on the National Register of Historic Places. However, there are
929 several that are worthy of consideration due to their age, architectural style, and/or role played in the Town's
930 history. One that is particularly interesting is the "Pacetti" house, built by one of the Town's earliest inhabitants.
931 Mr. Pacetti later sold part of the lands adjacent to the house to the Federal Government for construction of the
932 Ponce Inlet Lighthouse. Another of Pacetti's houses still exists, and is currently occupied by the Battelle
933 Research Institute. The Preston house and the Davis house (formerly the Town's post office) are both over 100
934 years old. All of these structures are located in an area that the Town is considering designating an historic
935 district.

936
937 **ANALYSIS OF HOUSING NEEDS**

938
939 Future Population

940

941 This section takes a detailed look at the Town's future population, including the anticipated number of people and
 942 households, the size of households, the age of the heads of households, and the income ranges of these
 943 households. These projections are required to determine the future housing needs of the Town's residents.
 944

945 1. ——— Permanent and Seasonal Resident Population. The Town's permanent resident population is projected to
 946 be 2,290 in 1995 and 3,690 in the year 2010 (see Chapter I, for the projection methodology). This increase
 947 represents an average annual addition of about 95 persons.
 948

949 The peak "seasonal resident" population, estimated to be about 1,000 in 1987, is projected to reach 1,475 in 1995
 950 and 2,400 in 2010. The average annual increase is about 60 persons. This group is comprised primarily of
 951 "winter residents" and "vacationers". They are expected to occupy year round housing, as is now the case.
 952

953 2. ——— Household Size. The 1980 Census reported 416 households in the Town, with an average household
 954 size of 2.41 persons. Average household size for the County as a whole was slightly lower at 2.39 persons.
 955 From 1980 to 1986, the average household size for the County decreased two and nine tenths percent (2.9%) to
 956 2.32 persons according to estimates by the University of Florida, Bureau of Economic and Business Research
 957 (BEBR). The cause of this decline was a falling birth rate, increasing divorce rate, the large number of older
 958 persons moving into the State, and the growing tendency for single persons to live alone.
 959

960 It is assumed that the average household size for Ponce Inlet decreased at the same rate (2.9%) to 2.34 persons in
 961 1986. A continuing decline is not likely since this household size already approaches the average household size
 962 in Florida counties with the most prevalent retirement populations. This 2.34 persons per household figure will
 963 be used throughout the planning period.
 964

965 Table IV-8 presents a breakdown of the anticipated number of households in the years 1995 and 2010 by
 966 household size. This breakdown was derived as follows:
 967

968 The projected population was divided by the expected average household size (2.34) to determine the number of
 969 households for each projection year. Then the percentage of total households represented by each household size
 970 range in 1980 was projected into the future, assuming a moderate change in the relative size of each household
 971 size range. The percentage of total households represented by one and two person households was assumed to
 972 increase slightly due primarily to continuing strong in migration of retirees. The percentage of households with
 973 3 or more persons was assumed to decrease slightly.
 974

975 The next step was to apply these percentages to the total households figures to determine the number of
 976 households of each size range for each projection year. Finally, the numbers of households in each size range
 977 was multiplied by the average household size for that range.
 978

979 **TABLE IV-8**
 980 **HOUSEHOLD PROJECTIONS BY SIZE: 1980, 1986, 1995, AND 2010**
 981 **TOWN OF PONCE INLET, FLORIDA**
 982

	1980		1986		1995		2010	
	(Act.)		(Est.)		(Proj.)		(Proj.)	
Persons Per Household	No.	%	No.	%	No.	%	No.	%
1	75	18.	120	19.	205	20.9	330	20.9

		0		8					
2	202	48.6	302	49.7	490	50.1	790	50.1	
3-4	119	28.6	160	26.4	255	26.0	410	26.0	
5+	20	4.8	25	4.1	40	4.0	64	4.0	
Total	416	100	607	100	979	100	1,577	100	
Average Household Size	2.41		2.34		2.34		2.34		

984
985 Source: Volusia Council of Governments.

986
987
988 3. Income Range of Households. Projections of the income ranges of future households is required to
989 determine the type of housing needed by those future households. Income affects the type of housing, the size
990 and cost of the units, and the lot sizes.

991
992 This element will speak of "affordable housing". In this context, affordable housing means housing which costs
993 less than thirty percent (30%) of the household's income. Thus, it is a relative term. Affordable housing for a
994 household with an annual income of \$24,000 would be a home costing less than \$600 per month, including
995 mortgage payment, taxes, maintenance, and utilities. But for a household with an annual income of \$50,000, a
996 home costing as much as \$1,250 per month is considered affordable.

997
998 It should be understood that this widely used "affordability equation" is flawed when used in Ponce Inlet. The
999 equation does not consider the high percentage of retirees who have available large personal savings, proceeds
1000 from the sale of a previously owned home, and other equity which may be available for purchasing a new home.

1001
1002 The income groups described in Table IV-9 were selected to conform generally with the limits in various public
1003 assistance programs. As a result, we can determine the types of programs which can be utilized to provide
1004 affordable housing. This table is based on 1986 family income estimates for Volusia County. Recent income
1005 estimates for Ponce Inlet residents are not available.

1006
1007 The projected number of households falling into the various income groups, as shown in Table IV-10 was
1008 determined by extrapolating the 1980 distribution to 1995 and 2010. The probability of erring using this method
1009 in a small, but rapidly growing community, is great. However, there is no method that could produce more
1010 reliable results under these circumstances. The 1990 Census will provide a basis for adjustment, if necessary.

1011
1012 The change in the number of households in each income class is shown in Table IV-11. It has been assumed that
1013 there will be no significant change in the relative proportion of households in each income range.

1014
1015 **TABLE IV-9**
1016 **INCOME LIMITS OF INCOME GROUPS: 1986**
1017 **VOLUSIA COUNTY, FLORIDA**

Ratio to Income Limits

Income Group	Median Family Income	of Group
Very Low	Less than 50%	Less than \$13,950
Low	50% to 80%	\$13,950 to \$22,320
Moderate	80% to 120%	\$22,320 to \$33,480
Middle	120% to 150%	\$33,480 to \$41,850
Upper Middle-High	150%+	More than \$41,850
Median Family Income (Volusia County, 1986)		\$27,900*

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Source: HUD Federal Assistance Limits for 1986.
* Median family income estimates for Ponce Inlet are not available

TABLE IV-10
PROJECTIONS OF HOUSEHOLDS BY INCOME GROUP: 1980, 1986, 1995, AND 2010
TOWN OF PONCE INLET, FLORIDA

Income Group	1980		1986		1995		2010	
	No.	%	No.	%	No.	%	No.	%
Very Low	73	17.5	103	17.5	171	17.5	276	17.5
Low	96	23.1	136	23.1	226	23.1	364	23.1
Moderate	113	27.2	160	27.2	266	27.2	429	27.2
Middle	46	11.1	66	11.1	109	11.1	175	11.1
Upper Middle-High	88	21.1	125	21.1	207	21.1	333	21.1
Total	416	100	590	100	979	100	1,577	100

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Median Family Income*—\$27,900

*NOTE: Median family income for 1986, 1995, and 2010 is \$27,900, assuming constant 1986 dollars.
Source: Volusia Council of Governments.

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TABLE IV-11
CHANGE IN NUMBER OF HOUSEHOLDS BY INCOME GROUP: 1980-2010
TOWN OF PONCE INLET, FLORIDA

Income Group	1980	1987	1996	1987
	1986	1995	2010	2010
	(Est.)	(Proj.)	(Proj.)	(Proj.)
))))
Very Low	30	68	105	173
Low	40	90	138	228
Moderate	47	106	163	269
Middle	20	43	66	109
Upper Middle-High	37	82	126	208
Total	174	389	598	987
Household Per Annum	29	43	43	43

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Source: Volusia Council of Governments.

TABLE IV-12
HOUSING NEED FOR PROJECTED RESIDENT POPULATION
BY TYPE AND TENURE: PERIOD ENDING 1995 AND 2010
TOWN OF PONCE INLET, FLORIDA

Income Group	1986-1995				1996-2010			
	Owner		Renter		Owner		Renter	
	SF	MF	SF	MF	SF	MF	SF	MF
Very Low	16	11	25	16	19	13	47	26
Low	32	22	22	14	22	33	50	33
Moderate	47	32	16	11	71	3	30	19
Middle	22	15	4	2	32	21	7	6
Upper Middle-High	46	31	3	2	67	47	8	4
Total	163	111	70	45	211	157	142	88

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1049
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1051

Source: Volusia Council of Governments

Projected Housing Needs

1052
1053 The preceding section projected changes in the number of households by income group and size of household.
1054 Those projections are the basis on which future housing needs are determined. But first, certain assumptions had
1055 to be made regarding the relationship of income and the size of households to the type and cost of dwelling units
1056 required.

1057
1058 In the future, the distribution between owner occupancy and rental occupancy is presumed to shift slightly from
1059 the current split—eighty three percent (83%) owner occupancy and seventeen percent (17%) rental occupancy.
1060 Owner occupancy may decline to a level of seventy eight percent (78%) in 1995 and seventy three percent (73%)
1061 in 2010.

1062
1063 It is presumed the current ratios of occupied single family and multi family dwelling units to total units will shift
1064 in the direction of multi family units. Accounting for twenty three percent (23%) of all occupied units in 1980,
1065 multi family units are assumed to increase their share to thirty percent (30%) in 1995 and thirty five percent
1066 (35%) in the year 2010. Multi family units accounted for forty eight percent (48%) of all year round housing
1067 units in 1980, but only twenty three percent (23%) of "occupied" housing units. Single family dwellings will be
1068 in the form of clusters, zero lot line, and conventional subdivision layouts.

1069
1070 Table IV-12 shows the housing units projections for 1995 and 2010 based on these presumptions.

1071
1072 It should be noted that these numbers do not account for vacancies, replacement of dilapidated units, or the
1073 housing "needs" of the seasonal population. The 1980 Census reported that 21% of all housing units were vacant
1074 units offered for sale or rent. This is an extremely high vacancy rate, probably the result of the units being held
1075 for seasonal or occasional use (especially condominiums). For the future planning periods, vacancy rates of three
1076 percent (3%) for owner occupied housing and eight percent (8%) for rental housing are used.

1077
1078 Replacement units for those demolished or deteriorated are not included in the table. As previously noted, most
1079 housing in Ponce Inlet is less than 20 years old; therefore, very few replacement housing units will be needed
1080 prior to 2010. (Note that no redevelopment areas have been identified.)

1081
1082 Housing Construction Needs

1083
1084 Combining the number of housing units needed for new households with an allowance for vacancies,
1085 replacement of substandard units, and seasonal housing yields the number of new housing units that must be
1086 added to the current housing stock for a healthy housing market. Table IV-13 summarizes these housing
1087 construction needs for Ponce Inlet for the period from 1986 to 2010. Since new construction over the past 6
1088 years has averaged 60 units per year, it would appear that the private market has the capacity to produce the
1089 needed units.

1090
1091 Land Requirements for the Projected Housing Needs

1092
1093 Land for the Town's projected housing must be available within the present Town limits, since annexation of
1094 additional land is not expected. A land use survey conducted in the Spring of 1987 determined that 787 acres of
1095 land remained undeveloped. The major part of this land was already zoned to permit residential development at
1096 densities from about 3 dwelling units per acre (du/a) to 40 du/a. Included in that acreage were about 375 vacant
1097 single family lots averaging about 1/4 acre in size. Combined, these lots account for about 100 acres, leaving
1098 some 680 acres for additional development.

1099
1100 **TABLE IV-13**
1101 **HOUSING CONSTRUCTION NEEDS: 1986-1995 AND 1996-2010**
1102 **TOWN OF PONCE INLET, FLORIDA**

1103

Factor	1986-1995		1996-2010		1986-2010
	Annual	Total	Annual	Total	Total
Units Required for New Household Formations	43	390	40	600	990
Units Required for Seasonal Residence	24	215	28	415	630
Replacement of Substandard Units:					
Existing Substandard Units	0	0	0	0	0
Future Substandard Units	0	0	0	0	0
Allowance for Vacancies	5	40	5	70	110
Total	72	645	73	1,085	1,730

1104

Source: Volusia Council of Governments.

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The need for single family housing has been projected at about 30 units per year. Thus, the existing supply of vacant single family lots will be exhausted within 12-13 years. However, private market operations are expected to subdivide enough of the remaining 680 acres of vacant land to meet the need for single family housing through the year 2010. Assuming a 3 du/a average density (including an allowance for streets and utility easements), only about 105 acres will need to be subdivided for single family residential development projected through the year 2010. However, in order to allow a high degree of freedom of choice, at least double that amount of land should be available for single family development.

The projected rate of development of multi family units is about 46 per year. Assuming a continuation of the current 20 du/a average density for multi family development, 2 acres per year or a total of 50 acres of multi-family development would meet the need through 2010.

From this analysis, it appears that there is sufficient vacant, developable land available within the current Town limits to accommodate the projected year 2010 permanent and seasonal resident population.

Need for Relocation Housing

The Town does not foresee a need for the provision of relocation housing. The existing housing stock is relatively new, and is expected to remain in sound condition throughout the planning period. Further, the Future Land Use Plan does not propose any non-residential uses in areas where residences now exist.

The Private Sector and the Housing Supply

Table IV-14 shows the number of single family and multi family dwelling units authorized by building permits over the past 8 years. Single family units averaged 44 per year, while multi family units averaged only 19 per year.

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TABLE IV-14
NEW HOUSING UNITS AUTHORIZED BY BUILDING PERMITS: 1979-1986
TOWN OF PONCE INLET, FLORIDA

Year	Single-Family	Multi-Family
1979	52	33
1980	33	11
1981*	3	0
1982	89	12
1983	21	56
1984	39	0
1985	37	26
1986	37	0
Total	311	138
Annual Average	44	17

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*NOTE: Not a complete year.

Source: Ponce Inlet Building Department.

The value of construction over that period is not known. However, from October 1, 1986, through September 30, 1987, permits were issued for 31 single-family units averaging \$95,100, and 12 multi-family units averaging \$100,400.

1. ~~Single-Family, Detached Housing.~~ Real estate listings in Ponce Inlet indicate the availability of conventional 3-bedroom single-family housing in subdivisions for \$80,000 to \$120,000. Small, older homes may be offered for less; but these are so few that they should not be considered significant.

Riverfront and oceanfront single-family homes typically sell for more than \$200,000.

2. ~~Single-Family, Attached Housing.~~ Single-family, attached housing units are generally represented by "townhouses". Prices for these units range from \$70,000 to \$90,000. Oceanfront townhouses are considerably higher -- \$100,000 to \$130,000.

3. ~~Multi-Family Housing.~~ In most communities, multi-family housing offers a lower cost housing alternative. However, because most multi-family housing in Ponce Inlet is located on the ocean, prices generally run as high as the single-family, detached housing. Two-bedroom units average about \$95,000 to \$100,000. Three-bedroom units may sell for \$125,000 or more.

The private sector is expected to continue to provide new housing in response to the market demand just as it has in the past. For the private sector to function, there must be a profit potential. Profit potential is the difference between the anticipated development cost and rent (for simplicity, rent includes purchase money). Rent is

1164 limited by the purchaser's ability to pay. A rough estimate of this is provided by our household income
1165 projections. The purchaser's ability to pay can be improved by the issuance of rent subsidies.

1166
1167 On the other side of the profit equation is the cost. Cost reflects a wide range of factors including the availability
1168 of land. Privately owned, developable land does exist in sufficient quantity to meet the projected needs through
1169 the planning horizon. However, at that point, the Town will be nearing "buildout". The dwindling supply of
1170 land will likely drive prices up at a faster rate than has been experienced in the past.

1171
1172 Regulatory requirements can also have a marked impact on housing costs. Most regulations are necessary to
1173 protect the public health, safety and welfare. However, excessive or unnecessary requirements should not be
1174 imposed. The traditional regulatory approach is to specify minimum acceptable requirements for all development
1175 regardless of need. The recent trend, however, is toward performance oriented regulations which match the
1176 requirements to the anticipated impact. For example, sidewalks may not be needed on short cul de sacs where
1177 the level of vehicular traffic is so light that pedestrians can safely use the street. Ponce Inlet has revised most of
1178 its land development regulations within the last five years. Although the regulations are not performance-
1179 oriented in the strict sense, they have been stripped of many requirements believed to be unnecessary.

1180
1181 Zoning does not hinder effective operation of the private sector housing delivery process. The current zoning
1182 pattern generally mirrors the broad range of types and intensities of housing proposed on the Future Land Use
1183 Plan to accommodate the year 2010 population. Single family dwellings are permitted on lots as small as 6,500
1184 square feet. Multi family dwellings are permitted to a maximum density of 40 dwelling units per acre.

1185
1186 Because financing charges are usually involved in land subdivision and housing construction, the length of time
1187 required for development approval can significantly affect housing cost. The time required for residential site
1188 plan review and approval normally runs three to four months in Ponce Inlet. Review and approval of a
1189 residential subdivision may take slightly longer. While these times are not considered by the Town to be
1190 unreasonable, efforts to eliminate unnecessary delays are continuing.

1191
1192 Despite the Town's efforts to improve the regulatory process, the cost of housing is still high relative to county-
1193 wide averages. This is due to the relatively high cost of land. Proximity to the ocean and inlet and the
1194 abundance of significant natural and historic resources makes Ponce Inlet a highly desirable location.

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1196 1. Middle, Upper Middle, and High Income Households. The private sector can, unassisted,
1197 provide the housing needed by households in the middle income and upper middle high income ranges. All
1198 households in these ranges have income of \$33,400 or more. Using the 30% of income rule, a maximum of
1199 \$835 would be available for housing for a household with income of \$33,400. This amount is adequate for
1200 purchase and upkeep of a \$78,000 home, and more than adequate for most rental housing.¹

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1202 ¹-Assuming a 30 year, 10% fixed rate mortgage.

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1204 2. Moderate Income Households. These households have incomes falling between \$22,300 and
1205 \$33,480. Applying the 30% of income rule, affordable housing would cost no more than \$557 for households at
1206 the low end of the range and \$835 at the high end.

1207
1208 The housing choice for these households, particularly at the low end of the range, is very limited. A \$45,000
1209 house would have a monthly cost of approximately \$550, including utilities, real estate taxes, and property
1210 insurance. Very little housing in Ponce Inlet sells for less than \$70,000. Very little rental housing is available
1211 for this amount.

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1213 At the high end of this income range, the least expensive townhouses and multi family units would be barely
1214 affordable for purchase. The selection of rental housing may be only slightly better.

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~~The annual requirement for housing in this range is 12 units (7 single family and 5 multi family). It is not likely that this requirement can be met with new, private sector housing construction, nor by the housing filtration process.~~

~~3. ——— Low and Very Low Income Households. ——— Households in this range have annual incomes less than \$22,300. The most that can be spent on housing is \$557. There simply is not a significant inventory of housing available in the Town for less than this amount — as rental or purchase properties. This is due to the relatively high cost of land in the Town.~~

~~As suggested by the wide disparity between the cost of existing housing and the ability of low and moderate income households to pay, housing for these households cannot be provided within the Town unless substantial cost subsidies are provided. A more practical and cost effective way to provide suitable housing would be to provide for such housing where land costs are more reasonable.~~

~~A county wide housing assistance trust fund could be established to provide low interest loans to fund construction and rehabilitation of low and moderate income housing. There seems to be considerable interest in this approach. A soon to be released report from the Volusia County Affordable Housing Task Force is expected to support it. Many revenue sources can be dedicated in whole or in part to the trust fund. However, revenues from a surtax on real property transfer documents might be the most promising. Dade County was authorized by special legislation to levy such a surtax to fund a housing assistance trust fund. A general bill that would allow Volusia County to levy the surtax will be considered during the Spring 1990 legislative session.~~

~~The Town reviewed the inventory of publicly owned lands in Ponce Inlet to determine if any could be sold, leased or exchanged for construction of affordable housing. None were found to be suitable.~~

~~Consideration has been given to adopting inclusionary zoning provisions which would allow slight density bonuses for residential developments in exchange for inclusion of affordable housing. However, this approach is inconsistent with the general intent of the Town to discourage further density increases.~~

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