



HOUSING IMPACT STUDY 2018

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Introduction and Key Findings

Leveraging a Changing Housing Landscape

By every measure, the Village of Wellington is a great place to live. Village residents have high incomes, access to regionally competitive schools, high quality amenities, a great overall quality of life and a unique identity as a world center of equestrian competition. If the housing market and development conditions in the region remained the same over the next 30 years, then why would Wellington want to change a thing?

The truth is that nothing ever stays the same. In fact, we are living in a housing market that is undergoing more fundamental changes than has happened in the last 30 years. Growth patterns, demographic changes, and environmental considerations are rapidly changing consumer demand for housing types, location and performance.

Wellington has the luxury of some interesting choices. It can always choose to “freeze-dry” its present housing mix and land use patterns, and hope that broader market changes have minimal impact on the Village. The risk in adopting this strategy is that if market conditions continue along their current path (and they show no signs of diminishing), the Village risks becoming out-of-step with the rest of the market, at which point quality of life and property values may suffer.

Alternatively, ***Village of Wellington Housing Impact Study*** is the first installation of a two-part ***Housing and Economic Impact Study*** that will serve as the underpinnings for the Village of Wellington’s future strategic planning. Rather than wait for change and hope everything works out, its purpose is to develop a meaningful sense of existing and future housing market demand so that the Village can ***leverage*** these trends to maintain and grow Wellington’s competitive position, sustainability, value, identity, and high quality of life. The Housing and Economic Impact Study has two major goals:

- The study is ultimately about adapting to a changing housing and economic environment to maintain Wellington’s unique character. Its findings will have importance in projecting future development and redevelopment, and will weigh heavily in policymaking and decisions that will guide housing approvals, community redevelopment, and strategic planning for the next 30 years; and
- Provide clear strategies for the allocation of resources, recommending the appropriate allocation of financial resources from the Village’s budget to housing and other funding sources such as grants from the U.S. Department of Housing and Urban Development, the State of Florida and Palm Beach County.

Key Trends Impacting Wellington’s Housing Market

Major demographic, economic, and development trends will be impacting the demand for, and future value of, Wellington’s housing supply. ***A competitive housing market will augment Wellington’s economic development position in Western Palm Beach County by offering young and older working professionals a range of housing choices and opportunities.*** The key trends impacting future market conditions in Wellington are as follows:

Changes in Housing Preference

The two largest components of the nation’s age demographic — millennials (ages 16 to 34), and baby-boomers (ages 54 to 70) — are significantly driving changes in demand for different types and locations of

housing. ***Interestingly, both age groups are seeking housing with similar characteristics.*** Both millennial and 55+ households are seeking:

- Rental, rather than owner housing, even for single family homes;
- Smaller size housing units;
- A shift to multi-family housing;
- Neighborhoods in close proximity to shopping, conveniences, recreation and entertainment;
- Locations requiring less drive time to work and in proximity (less than ½ mile) to mass transit, and a mix of alternative transportation modes, including bicycles and walking. Millennials are the first generation since the invention of the automobile to drive fewer miles than their parents. Car ownership per household is also dropping, driven by millennials, and these trends are accelerating; and
- More outdoor amenities, including garden plots, walking/jogging trails, parks, outdoor pools, and local drug/convenience stores.

The Shift to Rental Housing

National and regional markets have been undergoing a significant shift from owner occupancy to rental housing. In addition to the demographic forces described above, household income declines and tightening of credit for home mortgages have driven a growing number of households into rental housing.

From 2009 to 2016, rental housing grew from 33 to over 36 percent of all occupied housing units, a 10 percent increase in the rate of rental housing, and a 5 percent decline in the rate of owner occupancy. The total number of rental units across the U.S. grew by 15 percent, while the total number of owner occupied units declined by 1 percent over the same period.

The shift across Pam Beach County has been decidedly larger in scope. From 2009 to 2016 the share of rental housing jumped from 26 to 31 percent of total housing, a 20 percent increase. The total number of rental units increased by 27 percent, while the total number of owner-occupied units ***declined*** by 2 percent over the period.

Wellington's share of rental housing is well below the County and the U.S., at 23.5 percent. However, the growth rate of rental housing has been faster in Wellington than in the County and the United States. From 2009 to 2016 the share of rental housing in Wellington grew from 20.1 to 23.5 percent, a 17 percent increase in the rate of rentals. At the same time, the share of owner-occupied units shrank by 4 percent. The total number of rental units in Wellington grew by 37 percent, while the number of owner-occupied units grew 13 percent.

Aging in Place

America is growing older at an unprecedented rate. Today, there are more than 35 million Americans age 65 and older, and that number is expected to rise to nearly 55 million by the year 2020 — a 65 percent increase. Most important, however, is the fact that these older adults are overwhelmingly choosing to stay in their own homes and communities as they age. Just last year, AARP surveyed Americans over 50 and discovered that 89 percent wanted to stay in their own homes as long as possible. Wellington's demographics are "graying," with significant potential impacts on both the demand and supply of the Village's housing stock. Developing its mix of housing units to address the housing choices and needs of baby boomers will need to be a critical part of its mix of housing policy strategies.

Income Shifts and the Distribution of Household Income.

A basic premise of all housing markets is the need to create and maintain a “spectrum” of housing choice and opportunity for local residents. This axiom establishes that housing choice and needs differ in most communities due to a variety of factors including: household income, population age, proximity of employment and owner/renter preferences. Since the housing bubble of the last decade and subsequent economic recession, there has been a growing recognition of the important link between housing supply and economic growth.

Household income shifts since the recession are reshaping housing demand. Despite growing employment and shrinking unemployment rates since the recession, real median household income growth across the US has been relatively flat. Immediately after the recession, the incomes of households in the bottom 60 percent of income dropped precipitously. Since the recovery, the incomes of the bottom 60 percent of household have improved modestly — 2 percent or less — while the incomes of the top two income quintiles has increased by at least 12 percent.

The same pattern has occurred in Wellington. ***Wellington is fortunate to have one of the highest median household incomes in the state.*** At \$83,270, the Village’s median household income is 150 percent that of the entire County. However, since 2012 Wellington has seen the number of its households in the middle of the income spectrum (\$50,000 to \$75,000 annual income) decline by over 12 percent (from 19 to 15 percent of all households), while households at the bottom (\$50,000 per year or less), increased from 27 to almost 29 percent of all households. Households at the top of the income spectrum in Wellington — those earning more than \$75,000 per year — grew from 53 to 56 percent of all households from 2012 to 2016. This continued shift in income distribution will impact housing demand in Wellington, as well as employment, economic development needs, and services into the future.

A Boom in Surrounding Development

After a surge in housing construction in Wellington from 2000 to 2009, the rate of housing development within Wellington has slowed significantly since 2010. However, development has boomed in Wellington’s surrounding communities. New and proposed residential projects in Western and Central Palm Beach County will add more than 19,000 new dwelling units and 50,000 new residents in the next 20 years. The Village of Wellington must have a competitive housing market.

Strong demand for the area as a place to live has continued to move housing values upward. However, the population and spending growth surrounding Wellington may put significant pressure on the Village’s remaining large vacant and underutilized properties to be redeveloped as large-scale retail complexes. It is uncertain at this point, without a closer look at the Village economy, that additional retail development within the Village is the highest and best use for these properties.

Increasing Transportation Congestion

According to the Texas A&M University ***Urban Mobility Scorecard***, the costs of traffic congestion are reaching crisis proportions in many metro areas in the US. Palm Beach County is part of the Miami Metro area, which ranks as the 6th most congested metro in the US in terms of total annual travel delay, and 6th in terms of its annual cost of congestion, estimated at over \$4.4 Billion.

Traffic congestion has multiple costs, including wasted work hours, lower worker productivity, increased infrastructure repair costs, and increased air pollutants. Congestion is an issue across the County. From 2011 to 2016 the total miles of roadway in the County grew by only 1.6 percent, but the daily vehicle miles traveled across the County increased by 16.4 percent over the same period.

The volume of development growing in and around Wellington, in addition to existing land use patterns reinforcing east-west commutes to the County’s major employment centers, have driven the County’s 2 percent overall increase in mean travel time from 2010 to 2016. According to U.S. Census estimates,

23,396 (81.1 percent) of Wellington workers commute to work by car, truck or van and drive alone. Only 342 workers (1.2 percent) use public transportation, excluding taxicabs. The mean travel time to work is 28.2 minutes one way. Wellington's worker commute time (28.2 minutes) is several minutes longer on average than Palm Beach County's (25.2 minutes one way). Although the mean travel time for all Wellington workers declined by 5 percent from 2010 to 2016, only 34 percent of workers who live in the Village travel less than 20 minutes one way, compared to 39 percent for the rest of the County. An estimated 65 percent of Wellington's workers travel more than 20 minutes each way to work, compared to only 60 percent for the rest of the County.

As the pace of development surrounding Wellington continues, increased commute times and travel delays could have significant negative impacts on Wellington, including home values. Future strategies, based on the findings of the forthcoming ***Economic Competitiveness Analysis***, will need to consider the relationship between workplace location, housing choice, and costs to reduce vehicle miles traveled in order to maintain Wellington's desirability as a place to live.

Getting Serious About Climate Change

South Florida will be one of the regions most impacted by climate change and sea level rise. However, in the current political dynamic, the responsibility for actively and aggressively implementing policy strategies to reduce carbon emissions and deal with the increasing rate of major climatic shocks has fallen to local government. Wellington, like all communities across the state, will need to shoulder its share of leadership and responsibility for solving climate change, implementing sustainable policy strategies in its land use, development, transportation and housing policies.

Key Local Market Characteristics

The major trends affecting housing demand will play out against the characteristics of Wellington's housing supply. Carefully planned choices to adopt policy that leverages these changes are the key to the Village's continued success and desirability as a place to live, work and grow. Current key characteristics of the Village's housing market include the following:

Population Shifts

Wellington is overwhelmingly a community of families. An estimated 78 percent of the Village's households are families, compared to only 62.5 percent for the County. The age distribution of its population indicates that it is more settled, it has fewer families with young children, and families are choosing to stay as their children grow up longer than in the rest of the County.

The Village has seen growth in its population of adults aged 35 to 54, compared to the County. The Village's high median household income at least partially reflects this fact, as this age group represents the prime earnings age for workers. In addition, although the median age for the Village is slightly less than the County, its growth rate in the 55+ age segment is considerably faster than the County. Simultaneously, the Village's portion of children (aged 17 and under) has shrunk, and at a rate lower than the County's.

A Highly Educated Population

Wellington's residents are extremely well educated. Almost 27 percent of Village residents have a bachelor's degree, and 17.6 percent have a graduate or professional degree, compared to 21.5 and 12.7 percent for the County, respectively. Nationally, only 18 percent of adults over age 25 have a bachelor's and 11 percent have a graduate or professional degree.

Drop in Labor Force Participation

Labor force participation, or the percentage of workers age 16 and over who actively work or seek full or part-time work shrank in Wellington from 2012 to 2016, from 68 to 65 percent, while the County held constant for the period at 60 percent. This may reflect changes in the Village's age distribution, especially its growth in the 65+ segment (10 to 14 percent of total population from 2012 to 2016).

Limited Choice in Wellington's Housing Market

Overall demand for housing in Wellington remains strong. However, relative to the demographics of the County, changing housing preferences, and the Village's own changing age structure, the housing stock represents a limited spectrum of choices.

According to U.S. Census estimates, there are 24,529 total housing units in the Village of Wellington up from 22,691 units (8.1 percent increase) since 2012. Significantly, only 6.7 percent of Wellington's housing units are in structures of 10 units or more. An estimated 79.7 percent of Wellington's housing inventory are 1-unit detached (71.3 percent) and 1-unit attached (8.5 percent) structures. By contrast, 24.7 percent of Palm Beach County's housing units are in structures of 10 units or more and only 56 percent in 1-unit attached and detached structures. ***Only 19 percent of Wellington's housing units are 1-2 bedrooms compared to 50 percent in Palm Beach County.***

Seasonal Vacancies, Short-Term Rentals, and Neighborhood Stability

Seasonal vacancies, or units kept off the market for use by private owners, represents 54.4 percent of the Village's housing stock, and growing. While somewhat lower than the County (61.4 percent), this represents a significant chunk of the Village's housing stock. Given Wellington's high proportion of single-family homes, a significant portion of its seasonal and regular rentals are a key part of the Village's single-family home inventory.

Under Florida's Homeowner Bill of Rights Statute, State law restricts municipalities that did not have zoning addressing short-term (vacation, etc.) rentals before 2010 to enact new zoning to restrict the location of vacation rentals within their boundaries. Wellington has no such zoning restrictions.

While Wellington may be a desirable place to vacation, especially during equestrian season, short-term rentals in traditional, especially single-family, neighborhoods can be problematic and disruptive. While there is little that the Village can do to control short-term rental locations, the purchase and conversion of single-family homes to vacation rentals needs to be actively inventoried and monitored so as not to damage surrounding property values.

Housing Price Growth and Housing Age

Wellington experienced a robust housing construction boom from 2000 through 2009, adding considerable new stock to its housing supply. Housing prices in the Village have generally moved upward in synch with the rest of the County, yet Wellington's market has both strong and weak price segments.

Wellington's housing stock is also dramatically newer than the County overall. An estimated 46.3 percent of the Village's housing units were built after 2000, compared to only 18.2 percent of all units built after 2000 across the rest of the County.

The Village's median housing price, at \$327,700 places it in the top third of the County's housing sub-markets. However, even with its very high median income, its housing prices may be moving out of synch with local incomes. The Village has a huge percentage of units — 82.1 percent — that are more than \$200,000, while only 54.9 percent of units across the County cost more than \$200,000.

However, housing price jumps are largely based on the age of units in Wellington. Owner-units built after 2000 have a median value of \$387,300 which is 118 percent of the Village median value of owner-occupied

units. Units built after 2010 have a median value of \$596,100, which is 182 percent of the Village median value.

As is the case with the County, there is a significant drop-off in median values for owner units constructed prior to 1990. The median value of owner-occupied units in Wellington built between 1980-1989 is 86 percent of the value of units built from 1990-1999. The lower median value of owner-occupied units built prior to 1990 is significant as these units comprise 39 percent (6,133 units) of Wellington's owner-occupied housing.

The age and condition of a significant share of Wellington's owner-occupied housing presents both a challenge and an opportunity. The challenge is to ensure these properties are properly maintained so they do not lose additional value and impact neighborhood housing values. The opportunity is that older, well-maintained single-family housing can provide value from a price point standpoint to prospective homebuyers, including first-time homebuyers.

Housing Preference, Location and Affordability

With location, housing type and affordability the determining factors of housing market demand, it becomes incumbent on communities to provide an adequate supply of associated housing. From both an economic and livability standpoint, communities that can offer a spectrum of choices within this market framework will hold a distinct competitiveness.

The Village of Wellington's housing supply and mix is significantly limited relative to the surrounding Central Palm Beach County housing market. Wellington's share of rental housing is well below the County at 23.5 percent. Further, only 6.7 percent of Wellington's housing units are in structures of 10 units or more and only 19 percent of Wellington's housing units are 1-2 bedrooms compared to 50 percent in Palm Beach County.

Regarding affordability, a housing supply/demand analysis for owner units in the Village of Wellington shows an expected gap in the supply of owner units within the "low" household income category (51-80 percent of median). However, the analysis found a supply surplus of owner units within the "moderate" (81-120 percent of median) and "workforce" (121-150 percent of median) household income categories. However, ***the analysis found a significant gap in the supply of affordable renter units in the "workforce" (121-150 percent of median) household income category.***

Another important housing market variable is the extent to which a community's housing supply provides adequate choice and affordability for its resident workers. Affordable housing is essential to a healthy, vibrant and competitive community. Retail and service industries, schools, and hospitals are impacted by the existence of worker housing in a community as worker housing is crucial to maintaining and recruiting an adequate labor force. It also helps to attract new businesses by providing a range of housing options for existing and future employees.

A wage analysis of occupation groups found that most essential workers earn annual wages below Wellington's median household income and most, including elementary and secondary teachers, librarians, nursing assistants, emergency medical technicians and paramedics and police, fire and ambulance dispatchers earn below 80 percent (\$66,616) of Wellington's median household income. A further wage analysis of workers in Palm Beach County's growing "Creative Design" sector found that most annual mean wages fall within Wellington's "low," "moderate" and "workforce" household income categories. Computer user support specialists, graphic and interior designers earn less than 80 percent (\$66,616) of Wellington's median household income.

The Need for a "Balanced" Housing Market

Creating a greater mix of housing types is in keeping with the "Sustainable Wellington" planning theme. A Sustainable Wellington focuses on ways to maintain the Village's great hometown by identifying initiatives

and programs that enhance our existing assets by balancing the need for protecting our residential lifestyle with development of a strong economic base.

Expanding on the “Sustainable Wellington” themes, the objective for creating a balanced and competitive housing market would be the development and/or redevelopment of a network of livable neighborhoods and districts. Livable neighborhood strategies can be transformative by providing resident access to life, work, and play. What makes a neighborhood truly livable are the two important qualities of access and convenience.

The Village of Wellington, as a livable community and potential employment hub, is well-positioned to provide a mix of more desirable housing options than surrounding areas in Central Palm Beach County. However, in order to be competitive in the housing market, Wellington will need expand its mix of multi-family housing to offer generational groups, i.e. millennials, baby boomers, and occupation groups, i.e. essential and creative design workers, a more balanced choice of housing. Clearly, Wellington’s competitive position in the housing market would be greatly enhanced with more 1-2 bedroom apartment units located in areas of the Village ideally suited for higher densities and mixed-use.

Methodology and Scope of Analysis

The *Village of Wellington Housing Impact Study* provides an assessment of current housing market supply and demand conditions and trend analysis. The methodology provides several layers of population, economic and housing analysis based on population trends, employment, housing supply and demand. The study includes the following elements:

- **Population Characteristics:** This section provides a current assessment of the Village of Wellington's population trends including household composition, age and educational attainment values;
- **Economic Characteristics:** This section provides a current assessment of the Village of Wellington's economy including household income, poverty, labor force, occupations and commuter patterns;
- **Housing Supply and Demand Analysis:** This section analyzes the affordability levels of the Village of Wellington's owner and renter housing based on current housing values in relation to household income and population incomes;
- **Housing and Economic Impacts:** The concluding section provides the key findings from the prior analysis to determine the level of housing and economic impacts. These findings will then serve as the underpinnings for the Village's strategic planning process.

Population Characteristics

Population Change

According to U.S. Census estimates, the Village of Wellington has a current population of 61,371 residents. The Village's population has increased by 8.8 percent (4,980 residents) since 2012. The Village's population growth rate exceeded Palm Beach County's 5.6 percent population growth rate during this period.

Wellington's median age of 41.3 is slightly lower than Palm Beach County (44.3), but recent trends show the Village aging at a faster rate than the County. From 2012-2016, Wellington's population 55+ and 65+ increased by 31.7 and 52.7 percent, respectively. An estimated 47.4 percent of Wellington's population is of working age (18-54), which is slightly higher than the County (45.5 percent).

Table 1: Age Demographics

	Wellington					Palm Beach County				
	2012		2016		Difference	2012		2016		Difference
Total Population	56,391		61,371		8.8%	1,324,085		1,398,757		5.6%
Age										
Under 5 years	2,923	5.2%	3,036	4.9%	3.9%	70,611	5.3%	72,216	5.2%	2.3%
5 to 17 years	12,644	22.4%	12,814	20.9%	1.3%	198,506	15.0%	202,514	14.5%	2.0%
18 to 34 years	9,484	16.8%	10,192	16.6%	7.5%	253,392	19.1%	273,457	19.6%	7.9%
35 to 54 years	18,847	33.4%	18,876	30.8%	0.2%	353,319	26.7%	355,119	25.4%	0.5%
55 and over	12,493	22.2%	16,453	26.8%	31.7%	448,257	33.9%	495,451	35.4%	10.5%
18 and over	40,824	72.4%	45,521	74.2%	11.5%	1,054,968	79.7%	1,124,027	80.4%	6.5%
65 and over	5,960	10.6%	9,100	14.8%	52.7%	287,366	21.7%	318,068	22.7%	10.7%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

There are currently 20,301 households in the Village of Wellington, of which, 15,844 (78 percent) are family households. Households with children under 18 years of age comprise 37.5 percent of all households. Between 2012 and 2016, both total households and family households have increased by 9.5 percent and 8.9 percent, respectively.

Table 2: Households and Families

	Wellington				Palm Beach County			
	2012		2016		2012		2016	
Total Households	18,536		20,301	9.5%	523,891		538,549	2.8%
Family Households	14,543	78.5%	15,844	78.0%	324,073	61.9%	336,708	62.5%
With own children under 18 years	7,228	39.0%	7,611	37.5%	126,533	24.2%	126,516	23.5%
Married-couple family	12,007	64.8%	12,820	63.1%	240,258	45.9%	246,415	45.8%
With own children under 18 year	5,726	30.9%	6,037	29.7%	80,873	15.4%	11,509	2.1%
Female householder, no husband	2,021	10.9%	2,053	10.1%	61,829	11.8%	64,769	12.0%
With own children under 18 year	1,219	6.6%	1,281	6.3%	34,755	6.6%	33,532	6.2%
Nonfamily Households	3,993	21.5%	4,457	22.0%	199,818	38.1%	201,301	37.4%
Householder Living alone	2,931	73.4%	3,646	81.8%	165,050	82.6%	166,073	82.5%
Householder 65 years and over	1,090	27.3%	1,636	36.7%	79,927	40.0%	86,358	42.9%
Average Household Size	3.04		3.02				2.56	
Average Family Size	3.42		3.46				3.22	

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Educational Attainment

According to U.S. Census estimates, 44.4 percent of the Village of Wellington's population 25 years of age and over has a bachelor's degree or higher. Only 4.9 percent of population has less than a high school diploma. The Village's overall educational attainment is significantly higher than Palm Beach County where 34.2 percent of the population 25+ year of age has a bachelor's degree or higher and 12.1 percent have less than a high school diploma.

Table 3: Educational Attainment

	Wellington					Palm Beach County				
	2012		2016		Difference	2012		2016		Difference
Population 25 years and over	36,266		40,548		11.8%	948,582		1,013,381		6.8%
Less than 9th grade	897	2.5%	693	1.7%	-22.7%	42,910	4.5%	59,311	5.9%	38.2%
9th to 12th, no diploma	1,410	3.9%	1,313	3.2%	-6.9%	64,969	6.8%	62,851	6.2%	-3.3%
High school graduate (includes equivalency)	7,573	20.9%	8,071	19.9%	6.6%	246,974	26.0%	254,487	25.1%	3.0%
Some college, no degree	7,843	21.6%	7,965	19.6%	1.6%	196,958	20.8%	201,041	19.8%	2.1%
Associate's degree	3,367	9.3%	4,452	11.0%	32.2%	74,941	7.9%	89,228	8.8%	19.1%
Bachelor's degree	8,750	24.1%	10,919	26.9%	24.8%	193,066	20.4%	217,583	21.5%	12.7%
Graduate or professional degree	6,139	16.9%	7,135	17.6%	16.2%	115,589	12.2%	128,880	12.7%	11.5%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Economic Characteristics

Income

According to U.S. Census estimates, the Village of Wellington's current median household income is \$83,270 which is 5.7 percent greater than in 2012 (\$78,783). Wellington's median family income is \$93,921 which is 8.9 percent higher than in 2012 (\$86,268). U.S. Census figures show an increase in two household income groups from 2012 to 2016. Households earning less than \$50,000 have increased by 18.7 percent (943 households), while households earning greater than \$100,000 have increased by 18.4 percent (1,288 households). Significantly, households earning greater than \$200,000 have increased by 24 percent (430 households).

The Village of Wellington's median household and family incomes are significantly higher than Palm Beach County's median household (\$55,271) and family (\$68,427) incomes.

Table 4: Household Income

	2012				2016			
	Wellington		Palm Beach County		Wellington		Palm Beach County	
Households	18,536		523,891		20,301		538,549	
Less than \$10,000	654	3.5%	33,723	6.4%	684	3.4%	33,160	6.2%
\$10,000 to \$14,999	441	2.4%	26,966	5.1%	406	2.0%	24,834	4.6%
\$15,000 to \$24,999	975	5.3%	57,328	10.9%	1,203	5.9%	58,435	10.9%
\$25,000 to \$34,999	995	5.4%	56,007	10.7%	1,249	6.2%	55,660	10.3%
\$35,000 to \$49,999	1,983	10.7%	75,038	14.3%	2,244	11.1%	72,825	13.5%
\$50,000 to \$74,999	3,553	19.2%	93,283	17.8%	3,121	15.4%	94,198	17.5%
\$75,000 to \$99,999	2,941	15.9%	58,621	11.2%	3,112	15.3%	61,648	11.4%
\$100,000 to \$149,999	3,691	19.9%	65,739	12.5%	4,210	20.7%	69,797	9.9%
\$150,000 to \$199,999	1,518	8.2%	24,745	4.7%	1,857	9.1%	29,031	3.7%
\$200,000 or more	1,785	9.6%	32,441	6.2%	2,215	10.9%	38,961	4.7%
Median household income	\$78,783		\$52,806		\$83,270		\$55,277	
Mean household income	\$104,357		\$80,467		\$109,017		\$85,839	

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Labor Force

According to U.S. Census estimates, 65.4 percent (31,373 residents) of the Village of Wellington's population age 16 and over are in the labor force, which is down slightly from 68.9 percent in terms of the overall population since 2012, but an increase in the number of resident in the labor force (1,787). Palm Beach County has a lower labor force participation rate of 60 percent though the total number of County residents in the labor force has increased significantly since 2012.

Table 5: Labor Force Participation

	2012				2016			
	Wellington		Palm Beach County		Wellington		Palm Beach County	
Total Population	56,391		1,324,085		61,371		1,398,757	
Poverty Rate	5.7%		9.9%		6.7%		10.5%	
Labor Force Participation								
Total Population 16+	42,926		1,088,135		47,963		1,156,597	
Population in Labor Force	29,591	68.9%	655,961	60.3%	31,378	65.4%	694,060	60.0%
Employed Population	27,183	63.3%	581,920	53.5%	29,280	61.0%	636,646	55.0%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

The Village of Wellington's employed population 16 years and older is primarily employed in management, business, science and art occupations (46.0 percent) followed by sales and office occupations (26.8 percent) and service occupations (17.2 percent). In comparison, Palm Beach County's workers are primarily employed in management, business, science and art occupations (35.9 percent), followed by sales and office occupations (25.9 percent) and service occupations (22.0 percent). According to the U.S. Census, "occupation" describes the kind of work a person does on the job. The highest median earnings are in management, business, science and art occupations (\$47,637), with the lowest in service occupations (\$16,607). The median earnings for sales and office occupations is \$28,020.

Table 6: Occupations

	2012				2016			
	Wellington		Palm Beach County		Wellington		Palm Beach County	
Total Civilian employed population 16+	27,183		581,920		29,280		636,646	
Management, business, science, and arts occupations	12,218	44.9%	205,323	35.3%	13,483	46.0%	228,377	35.9%
Service occupations	4,046	14.9%	125,155	21.5%	5,039	17.2%	139,875	22.0%
Sales and office occupations	7,652	28.1%	155,736	26.8%	7,847	26.8%	165,164	25.9%
Natural resources, construction, and maintenance occupations	1,952	7.2%	53,531	9.2%	1,603	5.5%	57,450	9.0%
Production, transportation, and material moving occupations	1,315	4.8%	42,175	7.2%	1,308	4.5%	45,780	7.2%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Commuter Characteristics

According to U.S. Census ACS estimates, 23,396 (81.1 percent) Village of Wellington's workers commute to work by car, truck or van and drove alone. Only 342 workers (1.2 percent) use public transportation, excluding taxicabs. The mean travel time to work is 28.2 minutes one way. Wellington's worker commute time is several minutes longer on average than for Palm Beach County's commuters (28.2 minutes vs. 25.2 minutes one way).

Table 7: Travel Time to Work

	2012		2016	
	Wellington	Palm Beach County	Wellington	Palm Beach County
Less than 10 minutes	12.1%	10.0%	9.4%	10.9%
10 to 14 minutes	10.9%	13.0%	13.3%	14.5%
15 to 19 minutes	11.7%	16.8%	10.7%	16.8%
20 to 24 minutes	10.7%	16.6%	10.7%	16.5%
25 to 29 minutes	7.2%	7.6%	4.9%	6.9%
30 to 34 minutes	17.0%	16.6%	20.4%	15.7%
35 to 44 minutes	11.2%	6.3%	11.3%	6.5%
45 to 59 minutes	11.0%	6.8%	11.9%	6.1%
60 or more minutes	8.1%	6.3%	7.4%	6.1%
Mean travel time to work (minutes)	28.2	25.2	29	24.5

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Table 8: Commute to Work

	2012				2016			
	Wellington		Palm Beach County		Wellington		Palm Beach	
Workers 16 years and over	26,634		569,765		28,834		626,367	
Car, truck, or van -- drove alone	21,463	80.6%	449,781	78.9%	23,396	81.1%	492,621	78.6%
Car, truck, or van -- carpooled	2,436	9.1%	59,307	10.4%	2,433	8.4%	60,017	9.6%
Public transportation (excluding taxicab)	138	0.5%	9,181	1.6%	342	1.2%	12,447	2.0%
Walked	176	0.7%	9,121	1.6%	154	0.5%	9,305	1.5%
Other means	662	2.5%	11,470	2.0%	492	1.7%	12,807	2.0%
Worked at home	1,759	6.6%	30,905	5.4%	2,017	7.0%	39,170	6.3%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Table 9: Place of Work

	2012		2016	
	Wellington	Palm Beach County	Wellington	Palm Beach County
Workers 16 years and over who did not work at home	26,817	587,197	24,875	538,860
Living in a place	100%	65%	100%	66%
Worked in place of residence	25%	18%	27%	18%
Worked outside place of residence	75%	47%	73%	47%
Not living in a place	0%	35%	0%	35%

Source: 2008-2012, 2012-2016 American Community Survey 5-Year Estimates

Housing Characteristics

A Shift from Home Ownership to Rental Housing

National and regional markets have been undergoing a significant shift from owner occupancy to rental housing. In addition to the demographic forces described above, household income declines and tightening of credit for home mortgages have driven a growing number of households into rental housing.

From 2009 to 2016, rental housing grew from 33 to over 36 percent of all occupied housing units, a 10 percent increase in the rate of rental housing, and a 5 percent decline in the rate of owner occupancy. The total number of rental units across the US grew by 15 percent, while the total number of owner occupied units declined by 1 percent over the same period.

The shift across Palm Beach County has been decidedly more marked. From 2009 to 2016 the share of rental housing jumped from 26 to 31 percent, a 20 percent increase. The total number of rental units increased 27 percent while the total number of owner occupied units declined by 2 percent over the period.

Wellington's share of rental housing is well below the County and the U.S., at 23.5 percent. However, the growth rate of rental housing has been faster in Wellington than in the County and the US. From 2009 to 2016 the share of rental housing in Wellington grew from 20.1 to 23.5 percent, 17 percent increase in the rate of rentals. At the same time, the share of owner occupied units shrank by 4 percent. The total number of rental units in Wellington grew by 37 percent while the number of owner occupied units grew 13 percent.

Housing Inventory and Tenure

According to U.S. Census estimates, there are 24,529 total housing units in the Village of Wellington, up from 22,691 units (8.1 percent increase) since 2012. Significantly, only 6.7 percent of Wellington's housing units are in structures of 10 units or more. An estimated 79.7 percent of Wellington's housing inventory are 1-unit detached (71.3 percent) and 1-unit attached (8.5 percent) structures. By contrast, 24.7 percent of Palm Beach County's housing units are in structures of 10 units or more and only 56 percent in 1-unit attached and detached structures. Only 19 percent of Wellington's housing units are 1-2 bedrooms compared to 50 percent in Palm Beach County.

According to U.S. Census estimates, 76.5 percent (15,540 units) of Wellington's occupied housing units are owner-occupied with an estimated 23.5 percent of occupied units (4,761 units) renter-occupied. The percentage of owner-occupied housing units in Wellington is significantly higher than Palm Beach County (68.6 percent), as a whole.

Table 10: Housing Inventory, 2016

Housing Inventory	Wellington		Palm Beach County	
	24,529		674,975	
1-unit, detached	17,462	71.2%	309,617	45.9%
1-unit, attached	2,076	8.5%	68,282	10.1%
2 units	807	3.3%	19,369	2.9%
3 or 4 units	1,382	5.6%	48,359	7.2%
5 to 9 units	928	3.8%	42,389	6.3%
10 to 19 units	576	2.3%	43,357	6.4%
20 or more units	1,072	4.4%	123,694	18.3%
Mobile home	203	0.8%	19,643	2.9%
Boat, RV, van, etc.	23	0.1%	265	0.0%
Occupied housing units	20,301	82.8%	538,549	79.8%
Owner-occupied	15,540	76.5%	369,536	68.6%
Renter-occupied	4,761	23.5%	169,013	31.4%
Vacant housing units	4,228	17.2%	136,426	20.2%
For rent	429	10.1%	14,131	10.4%
Rented, not occupied	426	10.1%	3,768	2.8%
For sale only	259	6.1%	8,218	6.0%
Sold, not occupied	176	4.2%	7,583	5.6%
For seasonal, recreational, or occasional use	2,302	54.4%	83,735	61.4%
Other vacant	612	14.5%	18,681	13.7%

Source: 2012-2016 American Community Survey 5-Year Estimates

Housing Vacancy Status

An estimated 17.2 percent (4,228 units) of Wellington's housing supply is vacant. The overall vacancy rate for Palm Beach County is 20.2 percent. The largest percentage of vacant housing units in both Wellington and Palm Beach County are "seasonal" vacancies which comprise 54.4 percent (2,302 units) of vacancies in Wellington and 61.4 percent (83,735 units) in Palm Beach County. Seasonal vacancies have increased from 7.8 percent of Wellington's housing supply in 2007 to 9.4 percent in 2016. This represents an increase of 637 seasonal vacant units.

Housing Age

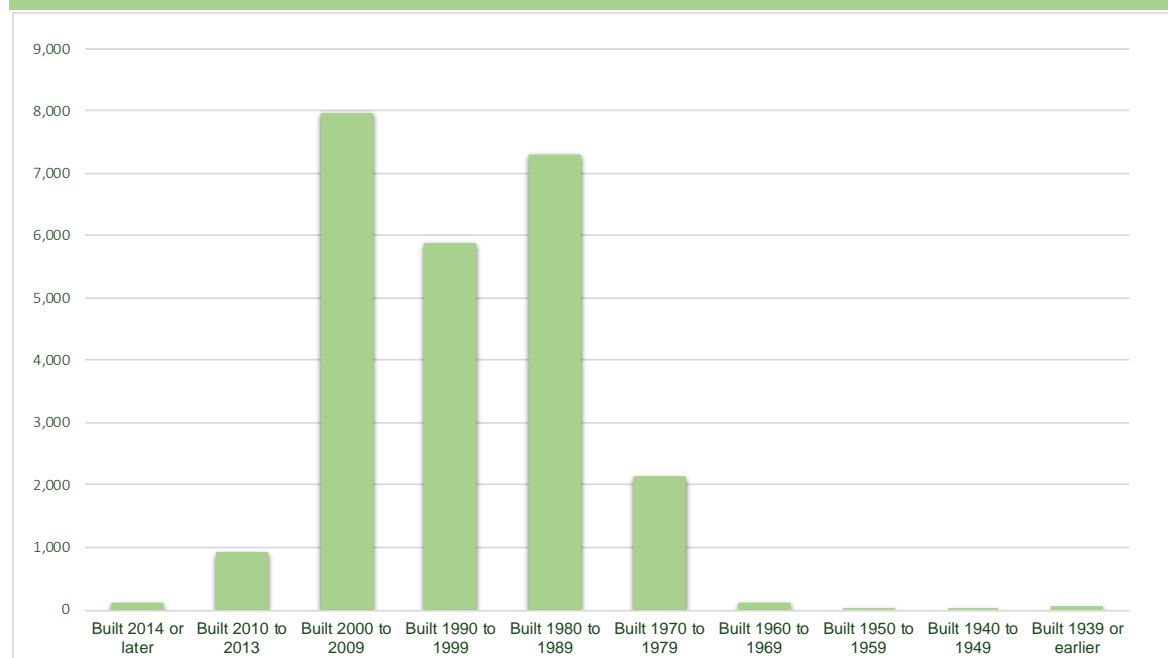
The age of the housing stock is an important variable in assessing the overall characteristics of a local housing market. The older housing stock, particularly older rental housing, often has code and deferred maintenance issues that can impact the longevity of the housing structure which, in turn, impacts the housing supply in terms of accessibility and affordability. The Village of Wellington's housing supply is relatively older with 36.8 percent (7,963 units) of the housing constructed since 2000. The Village's major housing construction period occurred between 1980 and 1999 when 53.7 percent (13,177 units) of the existing housing inventory was built.

Table 11: Year Structure Built, 2016

	Village of Wellington		Palm Beach County	
Total housing units	24,529		674,975	
Built 2014 or later	102	0.4%	2,353	0.3%
Built 2010 to 2013	920	3.8%	7,753	1.1%
Built 2000 to 2009	7,963	32.5%	113,226	16.8%
Built 1990 to 1999	5,890	24.0%	119,689	17.7%
Built 1980 to 1989	7,287	29.7%	190,062	28.2%
Built 1970 to 1979	2,143	8.7%	133,082	19.7%
Built 1960 to 1969	128	0.5%	54,786	8.1%
Built 1950 to 1959	25	0.1%	34,124	5.1%
Built 1940 to 1949	26	0.1%	8,675	1.3%
Built 1939 or earlier	45	0.2%	11,225	1.7%

Source: 2012-2016 American Community Survey 5-Year Estimates

Figure 1: Year Structure Built



Source: 2012-2016 American Community Survey 5-Year Estimates

Housing Values

As previously noted, a basic premise of all housing markets is there should exist a spectrum of housing choice and opportunity for local residents. This axiom establishes that housing choice and needs differ in most communities due to a variety of factors, including: employment mix, household income, population age, proximity of employment and mere preference. Local housing and labor markets are inextricably linked to one another. Industries are served by local housing markets that provide choices and opportunities for both current and future workers.

The “value” of owner-occupied housing units is an important determinant of housing accessibility and affordability. Housing values have fluctuated significantly in many housing markets during the past decade due initially to the previous housing bubble (2005 -2007) followed by the subsequent collapse and economic recession. However, recent trends in the housing market show steady increases in the value of both owner and rental housing in Palm Beach County and the Village of Wellington.

Table 12: Owner-Occupied Housing Units, 2016				
	Village of Wellington		Palm Beach County	
Owner-occupied unit:	15,540		369,536	
Less than \$50,000	301	1.9%	30,454	8.2%
\$50,000 to \$99,999	266	1.7%	47,259	12.8%
\$100,000 to \$149,999	869	5.6%	43,884	11.9%
\$150,000 to \$199,999	1,345	8.7%	45,219	12.2%
\$200,000 to \$299,999	3,891	25.0%	74,727	20.2%
\$300,000 to \$499,999	5,958	38.3%	77,475	21.0%
\$500,000 to \$999,999	2,471	15.9%	36,012	9.7%
\$1,000,000 or more	439	2.8%	14,506	3.9%
Median Value	327,700		222,700	

Source: 2012-2016 American Community Survey 5-Year Estimates

According to U.S. Census estimates, the median value for an owner-occupied home in the Village of Wellington is \$327,700 compared to \$222,194 in Palm Beach County. The median owner value in both the Village of Wellington and Palm Beach County is reflective of when the structure was built. Structures built from 2010 to 2013 in Wellington have a median value of \$596,100 and \$452,800 in Palm Beach County. Structures built post-2014 in the County have a median value of \$660,900.

Table 13: Median Housing Value by Year Structure Built, 2016

	Wellington		Palm Beach County	
Median Housing Value	\$327,700		\$222,700	
Built 2014 or later	-	-	\$660,900	297%
Built 2010 to 2013	\$596,100	182%	\$452,800	203%
Built 2000 to 2009	\$387,300	118%	\$324,900	146%
Built 1990 to 1999	\$322,200	98%	\$269,900	121%
Built 1980 to 1989	\$281,500	86%	\$189,700	85%
Built 1970 to 1979	\$234,000	71%	\$143,800	65%
Built 1960 to 1969	\$221,700	68%	\$165,000	74%
Built 1950 to 1959	\$187,500	57%	\$159,400	72%
Built 1940 to 1949	\$278,600	85%	\$147,100	66%
Built 1939 or earlier	-	-	\$231,700	104%

Source: 2012-2016 American Community Survey 5-Year Estimates

Rental Housing

The current median gross rent in the Village of Wellington is \$1,551 compared to \$1,201 in Palm Beach County. The highest rents are generally for units built since 2010 and the lower rents for units built prior to 1990.

Table 14: Median Gross Rent, 2016

	Village of Wellington		Palm Beach County	
Occupied units paying rent	4,467		161,194	
Less than \$500	-	0.0%	6,988	4.3%
\$500 to \$999	464	10.4%	43,887	27.2%
\$1,000 to \$1,499	1,641	36.7%	63,750	39.5%
\$1,500 to \$1,999	1,251	28.0%	29,302	18.2%
\$2,000 to \$2,499	561	12.6%	10,137	6.3%
\$2,500 to \$2,999	425	9.5%	3,850	2.4%
\$3,000 or more	125	2.8%	3,280	2.0%
No rent paid	294		7,819	
Median Gross Rent	1,551		1,206	

Source: 2012-2016 American Community Survey 5-Year Estimates

Palm Beach County Housing Market

Development Trends

Following the housing bubble burst and subsequent recession, new housing development permit activity in Palm Beach County grew sluggish from 2008 through 2010. However, new housing development permit activity has steadily increased since 2011. Palm Beach County had an increase in both single- and multi-family housing permit activity in the past six years. Despite the increase in new housing development permit activity in the past few years, Palm Beach County's single- and multi-family housing starts are down from a peak in 2003 and 2004, of 10,788 single-family units (2003) and 4,578 multi-family units (2004).

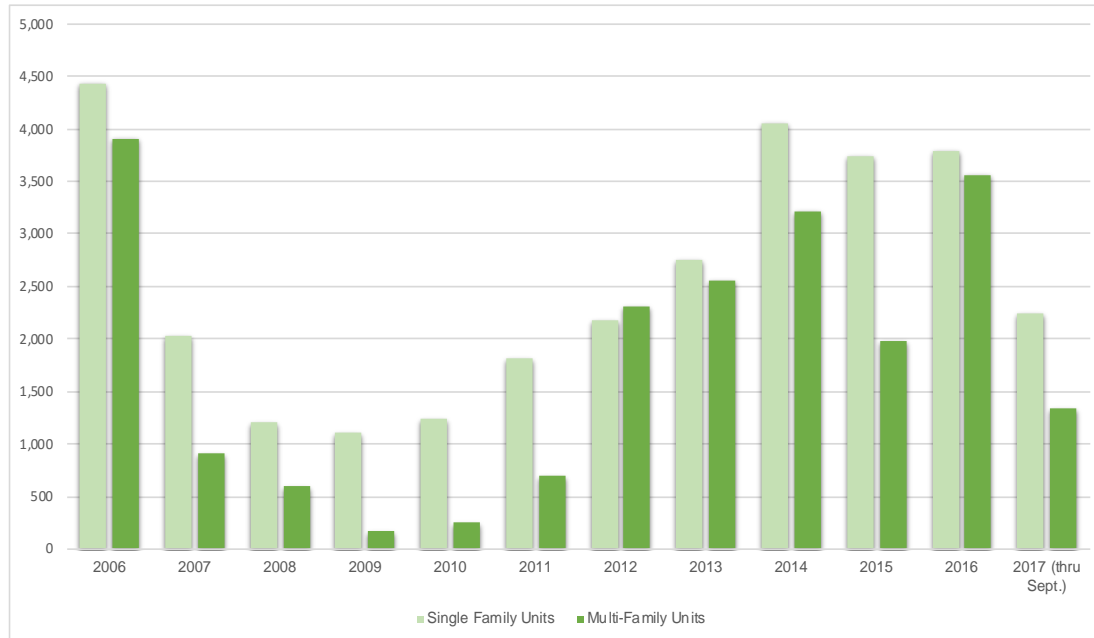
Table 15: New Housing Units Authorized by Building Permits

Year	Palm Beach County		
	Single Family Units	Multi-Family Units	Total
2006	4,426	3,911	8,337
2007	2,033	905	2,938
2008	1,202	592	1,794
2009	1,102	165	1,267
2010	1,248	258	1,506
2011	1,810	692	2,502
2012	2,181	2,314	4,495
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 (thru Sept.)	2,245	1,337	3,582
% Change 2011-2012	20.5%	234.4%	79.7%
% Change 2012-2013	26.4%	10.4%	18.1%
% Change 2013-2014	46.9%	25.8%	36.8%
% Change 2014-2015	-7.7%	-38.3%	-21.2%
% Change 2015-2016	1.2%	79.3%	28.2%
% Change 2006-2016	-14.6%	-9.1%	-12.0%

Source: Reinhold P. Wolff Economic Research, Inc.

The Palm Beach County forecast for housing starts is showing a 10.1 percent (518 units) year-over-year increase in 2018. However, both single- and multi-family starts were substantially down in 2017, so the 2018 forecast is not indicative of a significant uptick in housing starts.

Figure 2: Palm Beach County New Housing Starts Authorized by building Permits



Source: Reinhold P. Wolff Economic Research.

Table 16: New Housing Units Authorized by Building Permits

	2014	2015	2016	2017	2018
Single Family					
1st Quarter	615	709	527	770	845
2nd Quarter	1,483	788	1,403	769	835
3rd Quarter	1,424	841	1,322	885	845
4th Quarter	527	1,399	528	890 F	925
Total	4,049	3,737	3,780	3,314 F	3,450
% Change from prior year	46.9%	-7.7%	1.2%	-17.1%	10.0%
Multi-Family					
1st Quarter	607	569	765	465	545
2nd Quarter	790	164	1,078	226	420
3rd Quarter	751	513	914	646	515
4th Quarter	1,065	738	800	680 F	740
Total	3,213	1,984	3,557	2,017 F	2,220
% Change from prior year	25.8%	-38.3%	79.3%	-43.3%	11.1%
Total Starts					
1st Quarter	1,222	1,278	1,292	1,235	1,390
2nd Quarter	2,273	952	2,481	932	1,255
3rd Quarter	2,175	1,354	2,236	1,415	1,360
4th Quarter	1,592	2,137	1,328	1,570 F	1,665
Total	7,262	5,721	7,337	5,152 F	5,670
% Change from prior year	36.8%	-21.2%	28.2%	-29.8%	10.1%

Source: Reinhold P. Wolff Economic Research, Inc.

Building permit records for the Village of Wellington show only 1,300 new residential permits from 2007-2017. The permits were for 109 attached, single-family units, 1,116 detached, single-family unit and 85 multi-family units.

Table 17: Village of Wellington Building Permits Issued by Type, 2007-2017

Type	# of Permits	Percentage	Permit Valuation
Total	2,514		\$941,485,073
Detached accessory unit	246	9.8%	\$33,406,150
Model home, temporary	22	0.9%	\$55,800
New amusement, social and recreation	20	0.8%	\$22,119,054
New churches and other religious	3	0.1%	\$6,198,000
New hospitals and institutions	20	0.8%	\$17,885,674
New hotels/motels, etc.	1	0.0%	\$10,000,000
New office/bank plaza	46	1.8%	\$65,410,461
New other, non-residential	23	0.9%	\$9,054,451
New residential	1,310	52.1%	\$568,486,488
Attached	109	8.3%	\$11,953,946
Detached	1,116	85.2%	\$498,739,886
Multi-family	85	6.5%	\$57,792,656
New schools and educational	5	0.2%	\$7,688,975
New stores and customer service	1	0.0%	\$505,000
Stable	256	10.2%	\$127,710,973
Non-residential	158	61.7%	\$55,531,325
With residence	98	38.3%	\$72,179,648
Tenant build-out	561	22.3%	\$72,964,047

Source: Village of Wellington

Current Market Trends

According to the Florida Association of Realtors, the median sale price of existing single-family homes, townhomes and condos in Palm Beach County have steadily increased since 2011. The latest November 2016-2017 year-over-year sales data showed a 10.0 percent increase in the median sale price of single family homes and a 7.5 percent increase in the median sale price of townhomes and condos. Both the \$330,000 median sales price of existing single-family homes and \$172,000 median sales price of townhomes and condos are the highest since 2008.

The Association of Realtors analysis of housing market activity in Palm Beach County showed a slight decrease in the inventory of single-family homes and a 4.9-month supply. Condominiums and townhomes showed a slight increase in inventory and a 5.9-month supply.

Table 18: Monthly Market Summary – Palm Beach County

Single Family Homes			
	November 2017	November 2016	Percent Change
Closed sales	1,243	1,225	1.5%
Paid in cash	427	465	-8.2%
Median sale price	\$330,000	\$300,000	10.0%
Average sale price	\$526,973	\$394,469	33.6%
Dollar volume	\$655.0 million	\$483.2 million	35.6%
Med. pct. of orig. list price received	94.7%	94.8%	-0.1%
Median time to contract	57 days	50 days	14.0%
Median time to sale	101 days	95 days	6.3%
New pending sales	1,409	1,442	-2.3%
New listings	1,839	1,945	-5.4%
Pending inventory	2,469	2,716	-9.1%
Inventory (active listings)	7,058	7,380	-4.4%
Months supply of inventory	4.9	5.0	-2.0%

Townhouses and Condos			
Closed sales	958	905	5.9%
Paid in cash	555	539	3.0%
Median sale price	\$172,000	\$160,000	7.5%
Average sale price	\$232,123	\$246,117	-5.7%
Dollar volume	\$222.4 million	\$222.7 million	-0.2%
Med. pct. of orig. list price received	93.9%	94.3%	-0.4%
Median time to contract	56 days	50 days	12.0%
Median time to sale	94 days	97 days	-3.1%
New pending sales	1,137	1,071	6.2%
New listings	1,809	1,629	11.0%
Pending inventory	2,033	1,979	2.7%
Inventory (active listings)	6,424	6,159	4.3%
Months supply of inventory	5.9	5.6	5.4%

Source: MIAMI Association of REALTORS®

According to recent housing market statistics from Reinhold P. Wolf Economic Research Inc., there were 5,885 existing single-family homes sold during 3Q 2017 compared to 142 new homes sold for all of 2012. The increase in new homes sold through 3Q 2013 is still well below the 2002-2007 annual average of 3,949 units.

The 3Q 2017 median sales price of existing single-family homes in Palm Beach County was \$341,157, which represents a 20 percent increase in the 2012 median sale price of \$309,676. The largest number of sales were in the \$300,000-\$399,999 (24.5 percent) and \$200,000-\$299,999 price ranges (24.2 percent). Most existing single-family homes sales were in the Western Boynton Beach submarket (1,212 sales/\$329,544 median sales price) followed by the Palm Beach Gardens/North Palm Beach submarket (699 sales/\$421,999 median sales price). The Wellington/Western Lake Worth submarket had 316 sales with a median sales price of \$353,029.

Figure 3: Median Sale Price, Existing Single-Family Homes, Palm Beach County Q3 2017

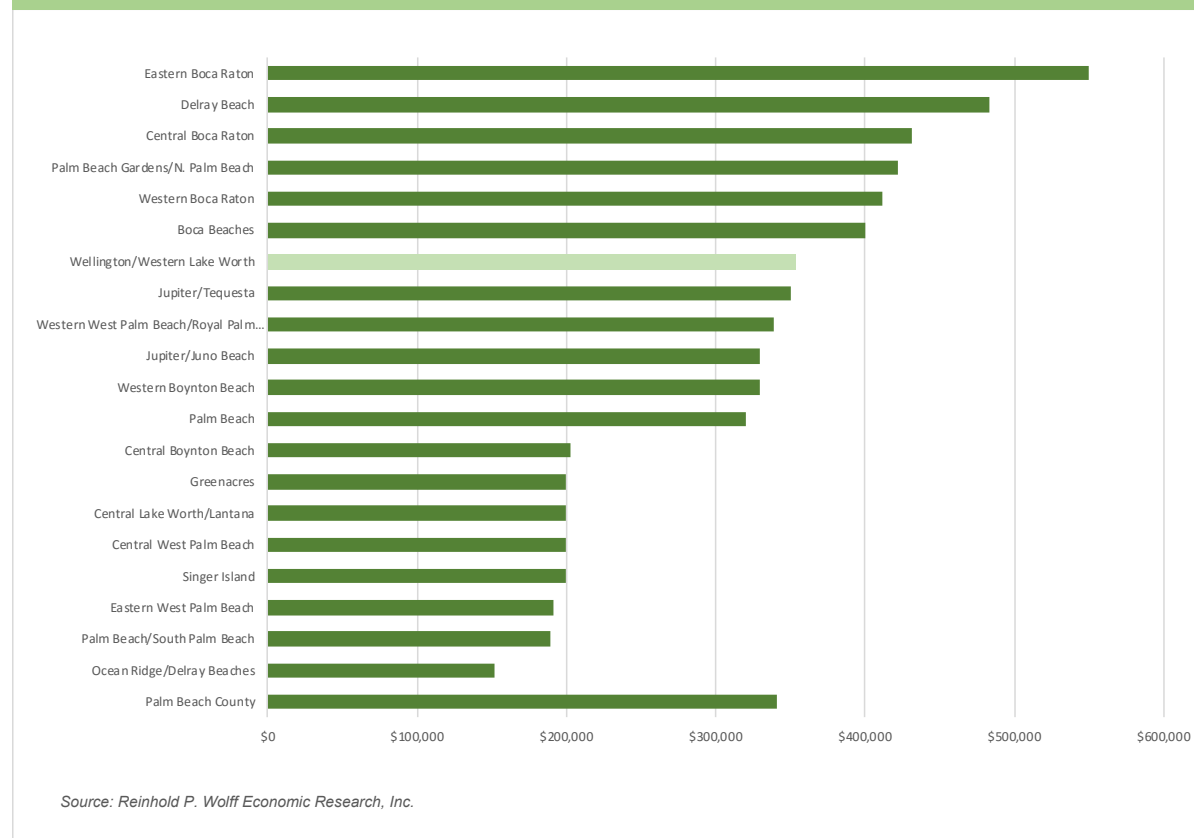


Table 19: Existing Single-Family Home Sales, Palm Beach County, 3rd Quarter 2017

Area	Under \$150,000	\$150,000- \$199,999	\$200,000- \$299,99	\$300,000- \$399,999	\$400,000- \$499,999	Units Resold by Price Range					Total	Median Price		
						\$500,000- \$599,999	\$600,000- \$699,999	\$700,000- \$799,999	\$800,000 or More					
Palm Beach County	472	450	1,427	1,442	809	423	237	141	484	5,885	31	10	484	\$341,157
Jupiter/Tequesta	14	11	120	149	61	31	14	10	30	440	30	10	30	\$350,335
Palm Beach Gardens/North Palm Beach	32	26	108	156	125	106	59	31	56	699	56	31	56	\$421,999
Jupiter/Juno Beach	2	3	29	50	8	4	1	1	0	98	0	1	0	\$329,999
Singer Island	2	2	24	3	4	0	0	0	1	36	0	0	1	\$200,002
Central West Palm Beach	23	23	64	32	18	8	4	1	5	178	4	1	5	\$200,014
Western West Palm Beach/Royal Palm Beach	84	40	83	65	50	32	19	11	81	465	19	11	81	\$339,230
Eastern West Palm Beach	41	20	20	13	5	2	4	0	10	115	4	0	10	\$191,249
Palm Beach	7	9	21	5	0	1	0	1	32	76	0	1	32	\$319,999
Palm Beach/South Palm Beach	44	40	42	10	8	2	2	0	2	150	2	0	2	\$188,749
Central Lake Worth/Lantana	36	46	128	51	12	6	5	2	13	299	5	2	13	\$200,021
Greenacres	51	75	223	94	46	20	10	3	8	530	10	3	8	\$200,046
Wellington/Western Lake Worth	13	7	68	132	51	20	5	4	16	316	5	4	16	\$353,029
Ocean Ridge/Delray Beaches	10	11	0	0	0	0	0	0	0	21	0	0	0	\$152,272
Central Boynton Beach	14	16	17	2	1	0	2	1	8	61	2	1	8	\$202,940
Western Boynton Beach	66	92	331	396	178	66	31	23	29	1,212	31	23	29	\$329,544
Delray Beach	12	8	33	43	33	25	12	13	68	247	12	13	68	\$483,332
Boca Beaches	0	1	2	11	3	0	0	1	10	28	0	1	10	\$399,999
Eastern Boca Raton	2	4	14	39	35	14	15	10	69	202	15	10	69	\$549,999
Central Boca Raton	3	6	10	56	52	22	14	9	11	183	14	9	11	\$431,730
Western Boca Raton	16	10	90	135	119	64	40	20	35	529	40	20	35	\$411,344

Source: Reinhold P. Wolff Economic Research, Inc.

Table 20: Existing Condominium Unit Sales, Palm Beach County, 3rd Quarter in 2017

Area	Under \$100,000	Units Resold by Price Range										Total	Median Price
		\$100,000- \$149,999	\$150,000- \$199,99	\$200,000- \$299,999	\$300,000- \$399,999	\$400,000- \$549,999	\$550,000- \$699,999	\$700,000 or More					
Palm Beach County	1,449	879	600	542	195	168	90	202	4,125	\$134,987			
Jupiter/Tequesta	8	40	53	68	21	14	5	13	222	\$214,705			
Palm Beach Gardens/North Palm Beach	58	47	35	39	19	13	5	8	224	\$159,999			
Jupiter/Juno Beach	2	4	19	23	22	14	4	10	98	\$304,544			
Singer Island	0	2	2	12	13	24	17	22	92	\$504,249			
Central West Palm Beach	272	93	12	4	0	0	0	10	391	Under \$100,000			
Western West Palm Beach/Royal Palm Beach	22	21	0	0	0	0	1	2	46	\$102,380			
Eastern West Palm Beach	51	46	35	45	16	11	3	3	210	\$161,428			
Palm Beach	0	0	3	15	7	10	5	28	68	\$534,999			
Palm Beach/South Palm Beach	46	5	21	44	14	11	9	18	168	\$227,272			
Central Lake Worth/Lantana	6	4	3	5	0	0	0	4	22	\$166,666			
Greenacres	284	85	11	10	4	0	1	5	400	Under \$100,000			
Wellington/Western Lake Worth	60	8	18	16	2	1	0	0	105	Under \$100,000			
Ocean Ridge/Delray Beaches	53	12	6	8	3	2	3	6	93	Under \$100,000			
Central Boynton Beach	5	4	15	6	0	0	0	0	30	\$169,999			
Western Boynton Beach	141	197	135	71	8	6	1	7	566	\$136,040			
Delray Beach	252	133	74	37	27	22	15	16	576	\$113,533			
Boca Beaches	5	8	8	8	5	11	10	18	73	\$434,090			
Eastern Boca Raton	9	38	55	46	17	24	9	32	230	\$228,260			
Central Boca Raton	16	26	44	62	17	4	2	0	171	\$199,431			
Western Boca Raton	159	106	51	23	0	1	0	0	340	\$105,188			

Source: Reinhold P. Wolff Economic Research, Inc.

According to recent housing market statistics from Reinhold P. Wolf Economic Research Inc., there were 4,125 sales of existing condominium units in 3Q 2017. Existing condos with a median sales price of under \$100,000 comprised 35.1 percent (1,449 sales) of all sales. The median sales price of existing condominiums varies significantly among Palm Beach County's submarkets. The highest median sale prices were in the Palm Beach (\$534,999) and Singer Island (\$504,249) submarkets. However, the most amount of sales were in the Delray Beach (576 sales/\$113,533 sales) and Western Boynton Beach submarkets (566 sales/\$136,040 median sales price). The Wellington/West Lake Worth submarket had 105 sales with a median sales price of under \$100,000.

Rental Market Activity

According to Reinhold Wolff Economics Research, the overall average rent in Palm Beach County in 3Q 2017 was \$1,671 which represents a 4.6 percent year-over-year increase. Average rents range from \$1,409 for an efficiency apartment to \$2,836 for a four-bedroom unit. One- and two-bedroom apartments comprise 84 percent of the units surveyed.

The most expensive rental submarkets in Palm Beach County are Delray Beach (\$2,170/2BR) and East Boca Raton (\$2,104/2BR). The average two-bedroom rent in the Wellington/Western Lake Worth submarket is \$1,710.

Table 21: Monthly Average Rents by Area and Bedroom

Area	# Bedrooms	# Units in Sample	Average Monthly Rent
Jupiter/Tequesta/Palm Beach Gardens/N. Palm Beach	1	1,627	\$1,447
	2	2,905	\$1,733
	3	1,151	\$1,938
Central West Palm Beach/Royal Palm Beach	1	1,618	\$1,260
	2	2,017	\$1,399
	3	277	\$1,715
Eastern West Palm Beach	1	457	\$1,280
	2	688	\$1,794
	3	136	\$1,983
Central Lake Worth/Lantana	1	870	\$1,135
	2	1,389	\$1,352
	3	266	\$1,693
Greenacres	1	393	\$1,099
	2	888	\$1,315
	3	290	\$1,559
Wellington/Western Lake Worth	1	491	\$1,422
	2	1,038	\$1,710
	3	485	\$2,019
Boynton Beach/Boynton Beach East	1	2,379	\$1,362
	2	4,162	\$1,583
	3	1,052	\$1,909
Delray Beach	1	968	\$1,825
	2	1,869	\$2,170
	3	634	\$2,240
East Boca Raton	1	848	\$1,651
	2	1,129	\$2,104
	3	360	\$2,781
Central Boca Raton/West Boca Raton	1	1,894	\$1,543
	2	2,601	\$1,890
	3	659	\$2,430
Palm Beach County	All apartments	35,931	\$1,671
	Efficiency	166	\$1,409
	One-bedroom	11,545	\$1,423
	Two-bedroom	18,686	\$1,704
	Three-bedroom	5,310	\$2,051
	Four-bedroom	224	\$2,836

Source: Reinhold P. Wolff Economic Research, Inc.

Table 22: Rental Apartment Vacancies in Palm Beach County: Buildings 18+ months

Date	Palm Beach County		
	# Units Surveyed	# Units Vacant	Percent Vacant
November 2016	34,337	1,185	3.5%
August 2017	35,743	2,194	6.1%
November 2017	35,931	2,172	6.0%

Source: Reinhold P. Wolff Economic Research, Inc.

Table 23: Apartment Vacancy Rates by Area, Buildings 18-months or older, November 2017

Area	# Units Surveyed	# Vacant Units	Percent Vacant
Palm Beach County	35,931	2,172	6.0%
Jupiter/Tequesta/Palm Beach Gardens/North Palm Beach	5,748	362	6.3%
Central West Palm Beach/Royal Palm Beach	3,912	289	7.4%
Eastern West Palm Beach	1,297	70	5.4%
Central Lake Worth/Lantana	2,541	222	8.7%
Greenacres	1,571	106	6.7%
Wellington/Western Lake Worth	2,045	86	4.2%
Boynton Beach/Boynton Beach East	7,593	472	6.2%
Delray Beach	3,521	196	5.6%
East Boca Raton	2,483	137	5.5%
Central Boca Raton/West Boca Raton	5,220	232	4.4%

Source: Reinhold P. Wolff Economic Research, Inc.

According to Reinhold Wolff's recent market survey of Palm Beach County, there has been a steady increase in the number of new multi-family, renter units completed since December 2016. The number of multi-family units (2,405 units) completed in 3Q 2017 was the highest since 2008. The steady increase in multi-family housing through 2017 has resulted in an increase in vacant units.

Table 24: Palm Beach County Inventory of New Rental Apartment Units

Date	Number of Projects Surveyed¹	Number of Units Completed²	Number of Units Vacant³
September, 2013	9	1,686	807
December, 2013	8	2,082	716
March, 2014	8	2,006	519
June, 2014	5	1,245	310
September, 2014	7	1,160	542
December, 2014	8	1,565	871
March, 2015	9	2,310	897
June, 2015	8	2,393	759
September, 2015	7	1,177	373
December, 2015	5	1,663	281
March, 2016	3	1,146	314
June, 2016	3	510	215
September, 2016	5	840	298
December, 2016	6	1,084	762
March, 2017	9	1,407	697
June, 2017	11	2,358	950
September, 2017	11	2,405	979

¹ Survey includes all known projects with one or more new, never before occupied unit. Fully occupied projects are not included.

² The number of units completed in projects having one or more vacant, never before occupied units.

³ Number of new, never before occupied units.

Source: Reinhold P. Wolff Economic Research, Inc.

Housing Demand and Affordability

A basic premise of all housing markets is there should exist a spectrum of housing choice and opportunity for local residents. This axiom establishes that housing choice and needs differ in most communities due to a variety of factors, including: employment mix, household income, population age, proximity of employment and mere preference. Local housing and labor markets are inextricably linked to one another. Industries are served by local housing markets that provide choices and opportunities for both current and future workers.

Housing affordability is generally defined as the capacity of households to consume housing services and, specifically, the relationship between household incomes and prevailing housing prices and rents. The standard most used by various units of government is that households should spend no more than 30 percent of their income on housing. Families who pay more than 30 percent of their income for housing are considered cost-burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. This is also the standard definition for housing programs administered by the Department of Housing and Urban Development (HUD) and most state programs, including various housing programs administered through the State of Florida's Housing Finance Corporation (FHFC) and Department of Economic Opportunity (DEO). However, this definition of housing affordability has its limitations because of the inability to determine whether households spend more than 30 percent of their income on housing by necessity or choice. Specifically, the definition does not consider that upper income and smaller households can afford to spend much more than 30 percent of their incomes on housing and still have enough income left over to satisfy other basic needs, whereas low income households that pay even 10 percent of their incomes on housing costs may be forced to forgo essential medical care and healthy food.

Other Housing Affordability Indicators

Affordable Housing Indices

One measure of housing affordability is the cost of homeownership, commonly conveyed through housing affordability indices. These indices generally indicate that affordability increased substantially toward the end of the last decade, primarily as a result of lower interest rates during that period. A housing affordability index for an area brings together the price and the income elements that contribute to housing affordability. The following describes the most recognized affordability indices:

National Association of Realtors (NAR) Index

The most common index is that produced by the National Association of Realtors (NAR). The affordability index measures whether or not a typical family could qualify for a mortgage loan on a typical home. A typical home is defined as the national median-priced, existing single-family home as calculated by NAR. The typical family is defined as one earning the median family income as reported by the U.S. Bureau of the Census. The prevailing mortgage interest rate is the effective rate on loans closed on existing homes from the Federal Housing Finance Board. These components are used to determine if the median income family can qualify for a mortgage on a typical home. To interpret the indices, a value of 100 means that a family with the median income has exactly enough income to qualify for a mortgage on a median-priced home. An index above 100 signifies that family earning the median income has more than enough income to qualify for a mortgage loan on a median-priced home, assuming a 20 percent down payment. For example, a composite Housing Affordability Index (HAI) of 120.0 means a family earning the median family

income has 120 percent of the income necessary to qualify for a conventional loan covering 80 percent of a median-priced existing single-family home. An increase in the HAI, then, shows that this family is more able to afford the median priced home. The calculation assumes a down payment of 20 percent of the home price and it assumes a qualifying ratio of 25 percent. That means the monthly principal and interest (P&I) payment cannot exceed 25 percent of the median family monthly income.

Single-family Home - Median Household Income Ratio

The “median house price-income ratio” used by the National Association of Realtors (NAR) and other housing analysts is a key economic indicator in assessing local market trends and vitality. During the height of the “housing bubble”, the median house price-to-income ratio more than tripled in many high priced metropolitan markets such as New York City, Boston, Los Angeles and South Florida. In Palm Beach County, the median house price-to-income ratio rose from 4:1 to 7:1 during this period. Currently, Palm Beach County’s median house price-to-income ratio is 6:1 and 4.5:1 in the Village of Wellington.

Housing Opportunity Index

The National Association of Home Builders (NAHB) has developed a “Housing Opportunity Index”, which is defined as the share of homes affordable for median household incomes for each metropolitan statistical area (MSA). The NAHB Index has certain intuitive limitations, however, as housing affordability scores are generally more favorable in metropolitan areas that are rated as “least desirable places to live” according to Places Rated Almanac.

Housing and Transportation Affordability Index

As noted above, housing affordability is generally defined as the capacity of households to consume housing services and, specifically, the relationship between household incomes and prevailing housing prices and rents. The standard HUD definition that households should spend no more than 30 percent of their income on housing costs is most frequently used by various units of government. However, a number of housing studies in recent years have shown a clear correlation between workforce housing demand and transportation costs. The critical link between housing and transportation costs has significant implications with respect to housing choice and affordability. Housing and transportation costs can severely limit a working household’s choice both in terms of housing and job location. Rising gas and overall transportation costs have significant impacts on both homeowners and renters. The location of affordable rental housing is particularly relevant as proximity to job centers and access to transit is vital to a renter dominated workforce principally comprised of low- and moderate income households.

The Housing and Transportation Affordability Index (H+T Index) developed by the Center for Neighborhood Technology (CNT) demonstrates the inadequacy of traditional measures of housing cost burden. While housing alone is traditionally considered affordable when consuming no more than 30 percent of income, the H+T Index limits the combined costs of transportation and housing consuming to no more than 45 percent of household income. Why does this matter? According to CNT, a typical household’s transportation costs can range from 12 percent of household income in communities with compact development and access to transit options, to more than 32 percent in the far exurbs.

Unfortunately, new data show that workers have further distanced themselves from their jobs. According to the U.S. Census Bureau, the number of “extreme commuters,” those who travel ninety minutes or more each way, has reached 3.5 million, almost double their number in 1990. Statistics show that South Florida’s sprawl development pattern has significantly increased commute times. In 1990, 210,802 South Florida workers commuted 45+ minutes to their place of employment. According to 2010 U.S. Census figures, that number has more than doubled to 429,963 workers.

Currently, the level of cost-burdened renter and owner units in the Village of Wellington are similar to that of Palm Beach County. According to 2016 U.S. Census estimates, 34.1 percent of renters and 26.0 percent of owners in Wellington are cost burdened (>30 percent of household income on housing costs). In Palm Beach County, 35.5 percent of renters and 25.4 percent of owners are cost-burdened.

Table 25: Cost Burden Analysis

	Wellington		Palm Beach County	
Cost Burdened Renter Households				
Total Renter Occupied Households	4,761		169,013	
Median gross rent as a percentage of household income	34.1%		35.5%	
Total renter occupied housing units that pay 30% or more of their household income on rent	2,533	53.2%	94,664	56.0%
Total renter occupied housing units that pay 50% or more of their household income on rent	1,389	29.2%	50,821	30.1%
Cost Burdened Owner Households				
Total Owner Occupied Households**	10,702		205,759	
Median monthly owner costs as a percentage of household income	26.0%		25.4%	
Total owner occupied housing units that pay 30% or more of their household income on mortgage payments	3,975	37.1%	84,620	41.1%
Total owner occupied housing units that pay 50% or more of their household income on mortgage payments	1,753	16.4%	39,240	19.1%

**With a mortgage

Source: 2012-2016 American Community Survey 5-Year Estimates

The following provides a “housing affordability analysis” based on current U.S. Census estimates of median household income and owner/renter-occupied unit values in Wellington. Affordability calculations for renter housing were performed for each household income category ranging from “Extremely Low” (< 30 percent of median) to “Middle” (81-120 percent of median). For owner units, affordability calculations were performed for household income categories starting at the “Low” household income category (51-80 percent of median) to the “Upper” household income category (121+ percent of median). Household income categories below 50 percent of median were excluded from the owner affordability calculations as households with incomes at this level would have extreme difficulty meeting lending underwriting standards and would also require a substantial public subsidy. The housing affordability analysis for owner units found a significant affordability gap at the “Low” household income category and a lesser gap in the “Moderate” household income category. An affordable surplus exists at both the “Middle” and “Upper” household income categories.

The housing affordability analysis for renter units in Wellington shows significant gaps in the “Extremely Low” and “Very Low” household income categories with a surplus at all other income categories.

Table 26: Housing Affordability Analysis

Owners						
Village of Wellington				Palm Beach County		
Median Family Income (MFI)				\$93,921		
Median Owner-Occupied Value				\$327,700		
Household Income Categories	Income	Affordable Home Purchase Price	Gap/Surplus	Income	Affordable Home Purchase Price	Gap/Surplus
Low-Income (51-80% of MFI)	\$75,137	\$225,410	\$102,290	\$54,742	\$164,225	\$58,475
Moderate-Income (81-100% of MFI)	\$93,921	\$281,763	\$45,937	\$68,427	\$205,281	\$17,419
Middle-Income (101-120% of MFI)	\$112,705	\$338,116	\$10,416	\$82,112	\$246,337	\$23,637
Upper-Income (121% or greater of MFI)	\$113,644	\$340,933	\$13,233	\$82,797	\$248,390	\$25,690

Renters						
Village of Wellington				Palm Beach County		
Median Family Income (MFI)				\$93,921		
Median Gross Rent				\$1,551		
Household Income Categories	Income	Affordable Rent	Gap/Surplus	Income	Affordable Rent	Gap/Surplus
Extremely Low-Income (0-30% of MFI)	\$28,176	\$704	\$847	\$20,528	\$513	\$693
Very Low-Income (31-50% of MFI)	\$46,961	\$1,174	\$377	\$34,214	\$855	\$351
Low-Income (51-80% of MFI)	\$75,137	\$1,878	\$327	\$54,742	\$1,369	\$163
Moderate-Income (81-100% of MFI)	\$93,921	\$2,348	\$797	\$68,427	\$1,711	\$505
Middle-Income (101-120% of MFI)	\$112,705	\$2,818	\$1,267	\$82,112	\$2,053	\$847
Upper-Income (121% or greater of MFI)	\$113,644	\$2,841	\$1,290	\$82,797	\$2,070	\$864

Source: US Census, ACS, 2016 5-Year Estimates

Housing Preference, Location and Affordability by Population Groups

Location and Affordability - The Key Drivers of Housing Demand

Even with all these differences, there are important similarities in preferences among the generations with studies now finding all generations preferring the single-family detached home option. Also, and in contradiction to prior studies, the different generations also agree on matter of location, as the majority of home buyers don't want to live in city centers.

Recent studies by the Joint Center for Housing Studies at Harvard and the Department of Housing and Urban Development (HUD) found the majority of millennials want to live in the suburbs. They have already started buying outside urban areas and base their homebuying decisions mainly on affordability. So, while millennials still want to live closer to employment, commercial and social centers, affordable homebuying opportunity is the leading demand factor. In fact, a recent Zillow survey found millennials were more likely to associate homeownership with the “American Dream” than Generation X or baby boomers, despite the fact the homeownership rate in 2016 for the under 35-year-old population hit an all-time low of 31 percent down from 43 percent in 2005.

Housing Supply and Demand

With location, housing type and affordability the determining factors of housing market demand, it becomes incumbent on communities to provide an adequate supply of associated housing. From both an economic and livability standpoint, communities that can offer a spectrum of choices within this market framework will hold a distinct competitiveness.

As previously noted, the Village of Wellington's housing supply and mix is significantly limited relative to the surrounding Central Palm Beach County housing market. Wellington's share of rental housing is well below the County at 23.5 percent. Further, only 6.7 percent of Wellington's housing units are in structures of 10 units or more and only 19 percent of Wellington's housing units are 1-2 bedrooms compared to 50 percent in Palm Beach County. As such, the Village of Wellington will need to focus on the development and/or redevelopment of housing to increase market demand and overall competitiveness. The first and primary market variable is determining the supply and demand for owner and renter housing within the price range of Wellington's existing households.

Using Wellington's established household income categories and 2012-2016 ACS estimates, separate owner and renter housing supply/demand analyses were performed. For owner units, homebuyer affordability 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 cost standard. Values were set at the median owner value and gross rent according to 2012-2016 ACS estimates. The housing supply and demand analysis for owner housing includes all households (owners/renters) in the Village with incomes between 51-150 percent of the Village's median household income of \$83,270. Households with incomes less than 51 percent of median were not included in this calculation, as home purchase would be prohibitive without significant public subsidies. In this analysis, renters are perceived as potential owners as most local government housing programs include first time homebuyer assistance generally targeting renters somewhere between 50-120 percent of the median household income. In the supply/demand analysis for renter units only existing Wellington renters units are included in the calculations.

The supply/demand analysis for owner units in the Village of Wellington shows an expected gap in the supply of owner units within the “low” household income category (51-80 percent of median). However, the analysis found a supply surplus of owner units within the “moderate” (81-120 percent of median) and “workforce” (121-150 percent of median) household income categories.

Table 27: Owner Housing Supply and Demand Analysis Village of Wellington

HH Income Category	HH Income Range	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
Low Income	51-80% Median		51% Median	80% Median	51-80% Median	
	\$42,468 - \$66,616	2143	127404	199857	1,381 (9%)	-762 units
Moderate Income	81-120% Median		81% Median	120% Median	81-120% Median	
	\$66,617- \$99,924	3142	199851	299772	3,890 (6%)	748 units
Workforce Income	121-150% Median		121% Median	150% Median	121-150% Median	
	\$99,925 - \$124,905	1811	299775	374715	2,304 (15%)	493 units

Source: U.S. Census, American Community Survey, 2012-2016; table and calculations prepared by the FIU Metropolitan Center.

The housing supply and demand analysis for renter units in the Village of Wellington showed a small surplus of affordable renter units in the “low” (51-80 percent of median) and “moderate” (81-120 percent of median) household income categories. **However, the analysis found a significant gap in the supply of affordable renter units in the “workforce” (121-150 percent of median) household income category.**

Table 28. Renter Housing Supply and Demand Analysis: Village of Wellington

HH Income Category	HH Income Range	Number of Renter Households (Demand)	Affordable Rent Levels		Number of Renter Units Within Affordable Price Range (Supply)	Surplus/Gap within Affordable Rent Range
Low Income	51-80% Median		51% Median	80% Median	51-80% Median	
	\$42,468 - \$66,616	1,722	\$1,062	\$1,665	1,870 units (42%)	148 units
Moderate Income	81-120% Median		81% Median	120% Median	81-120% Median	
	\$66,617- \$99,924	1,022	\$1,666	\$2,498	1,386 units (31%)	364 units
Workforce Income	121-150% Median				121-150% Median	
	\$99,925 - \$124,905	526	\$2,499	\$3,123	25 units (< 1%)	(501 units)

Source: U.S. Census, American Community Survey, 2012-2016; table and calculations prepared by the FIU Metropolitan Center.

Worker Housing and Economic Competitiveness

The second key housing market variable is the extent to which a community’s housing supply provides adequate choice and affordability for its resident workers. Affordable housing is essential to a healthy, vibrant and competitive community. Retail and service industries, schools, and hospitals are impacted by the existence of worker housing in a community as worker housing is crucial to maintaining and recruiting an adequate labor force. It also helps to attract new businesses by providing a range of housing options for existing and future employees.

Important to all communities is the need to provide affordable and desirable housing to accommodate the local industry and “vital” workers - teachers, emergency service workers, nurses and retail clerks - many of whom find that most existing and newly constructed housing is priced beyond their reach. This forces workers to live further away from jobs and significantly increasing their commute times and costs. When people can afford to live closer to their jobs, entire communities reap the benefits. Commute times and traffic congestion ease, neighborhoods are more diverse and provide the opportunity for families to live and grow in one place over time, while economies strengthen by helping employers attract and retain essential workers.

A wage analysis of occupation groups found that most essential workers earn annual wages below Wellington’s median household income and most, including elementary and secondary teachers, librarians, nursing assistants, emergency medical technicians and paramedics and police, fire and ambulance dispatchers earn below 80 percent (\$66,616) of Wellington’s median household income.

Table 29: Annual Mean Wage: Leading Professional Occupations in Palm Beach County

Occupation	Annual Mean Wage	<50% MHI \$41,625	<80% MHI \$66,116	<100% MHI \$83,270	<120% MHI \$99,924
Elementary School Teachers	\$46,590		X		
Secondary School Teachers	\$54,700		X		
Librarians	\$57,390		X		
Register Nurses	\$66,530			X	
Nursing Assistants	\$25,270	X			
Police and Sheriff Patrol Officers	\$72,100			X	
Emergency Medical Technicians and Paramedics	\$3,377,974		X		
Firefighters	\$67,475			X	
Police, Fire and Ambulance Dispatchers	\$55,474		X		

Source: Bureau of Labor Statistics, Occupational Employment Statistics (OES), May, 2017, West Palm Beach-Boca Raton-Delray Beach, FL Metropolitan Division. Florida Department of Economic Opportunity, Florida Occupational Employment & Wages, 2017, West Palm Beach-Boca Raton-Boynton Beach MSA. Florida Occupational Employment & Wages Annual Mean Wage based on forty-hour work week; table prepared by FIU Metropolitan Center.

A further wage analysis of workers in Palm Beach County’s growing “Creative Design” sector found that most annual mean wages fall within Wellington’s “low,” “moderate” and “workforce” household income categories. Computer user support specialists, graphic and interior designers earn less than 80 percent (\$66,616) of Wellington’s median household income.

So, while housing affordability has been a constant concern for service sector workers who comprise the majority of Palm Beach County’s labor force, it has also limited the choices for young professionals in many

professional and new technology occupations. A recent FIU Metropolitan Center study found that creative design workers, i.e. computer systems designers, life science workers, educators and artists, who are often saddled with significant debt from student loans, are forced to live away from the more expensive employment centers in downtown areas or have moved to other more affordable locations outside of South Florida.

Table 30: Annual Mean Wage: Leading Creative Design Occupations in Palm Beach County

Occupation	Annual Mean Wage	<50% MHI \$41,635	<80% MHI \$66,116	<100% MHI \$83,270	<120% MHI \$99,924
Business Operations Specialists	\$72,460			X	
Computer User Support Specialists	\$47,430		X		
Software Developers	\$94,160				X
Computer Systems Analysts	\$79,080			X	
Civil Engineers	\$95,070				X
Graphic Designers	\$52,160		X		
Interior Designers	\$58,610		X		

Source: Bureau of Labor Statistics, Occupational Employment Statistics (OES), May, 2017, West Palm Beach-Boca Raton-Delray Beach, FL Metropolitan Division. Florida Department of Economic Opportunity, Florida Occupational Employment & Wages, 2017, West Palm Beach-Boca Raton-Boynton Beach MSA. Florida Occupational Employment & Wages Annual Mean Wage based on forty-hour work week; table prepared by FIU Metropolitan Center.

Creating a Balanced Housing Market

As previously noted, the Village of Wellington's housing supply and mix is fairly limited relative to the surrounding Central Palm Beach County housing market. Thus, Wellington will need to offer an expanded choice of housing types and locations to be competitive from both an economic and livability standpoint.

Creating a greater mix of housing types is in keeping with the "Sustainable Wellington" planning theme. A Sustainable Wellington focuses on ways to maintain the Village's great hometown by identifying initiatives and programs that enhance our existing assets by balancing the need for protecting our residential lifestyle with development of a strong economic base. Expanding on the "Sustainable Wellington" themes, the objective for creating a balanced and competitive housing market would be the development and/or redevelopment of a network of livable neighborhoods and districts. Livable neighborhood strategies can be transformative by providing resident access to life, work, and play. What makes a neighborhood truly livable are the two important qualities of access and convenience.

The Village of Wellington, as a livable community and potential employment hub, is well-positioned to provide a mix of more desirable housing options than surrounding areas in Central Palm Beach County. However, in order to be competitive in the housing market, Wellington will need expand its mix of multi-family housing to offer generational groups, i.e. millennials, baby boomers, and occupation groups, i.e. essential and creative design workers, a more balanced choice of housing. Clearly, Wellington's competitive position in the housing market would be greatly enhanced with more 1-2 bedroom apartment units located in areas of the Village ideally suited for higher densities and mixed-use.