

# HOUSING ELEMENT DATA AND ANALYSIS

## INTRODUCTION

This Element has been prepared to meet the requirements of the Florida Community Planning Act. It includes: goals, objectives and policies; inventories of existing housing and its condition; inventories of subsidized housing, group homes, and historically significant housing; and, projections of population, households and housing need.

This Element of the Plan has been developed based upon:

1. Analysis of information about the Town's housing inventory and its characteristics provided by the U.S. Census Bureau, Palm Beach County and the University of Florida's Shimborg Center, and compared to Countywide statistics, as appropriate;
2. Analysis of information pertaining to housing and the built-out status of the Town with relatively little redevelopment potential;
3. Analysis of the extent of housing need of anticipated populations in the community, the need for replacement housing, and maintenance of existing housing;
4. Analysis of the amount of land necessary, if any, to accommodate total estimated housing need;
5. Analysis of the part of the housing need that can be expected to be met by the private sector and the private sector housing delivery process.

**SUMMARIZED IN SECTION RELATED TO STATE STATUTE REQUIREMENTS**

# HOUSING ELEMENT DATA AND ANALYSIS

## EXECUTIVE SUMMARY REINSERTED

### COMMUNITY CHARACTER, GROWTH, HOUSING INVENTORY, AND VACANCY RATES

The Town of Palm Beach is unique in many ways, and its role has changed over the years. Initially, it was the principal urban settlement in the County; now it is a community of special character, with activities and economics quite different from those of the remainder of the County. Housing in the Town is, therefore, also unique in that the housing problems typical in many areas are not evident in the Town of Palm Beach. In fact, the statistical evidence of any housing problem is very slight -- noticeable only when contrasted with the overall housing quality for which the Town of Palm Beach is so well known.

The Town of Palm Beach experienced its greatest growth between 1950 and 1970, when its resident population increased from 3,886 to 9,086. Since then, population growth has been less dramatic and recently has been declining. The 2010 U.S. Census indicated that the Town's population was 8,161. Estimates by the University of Florida place the 2016 population at 8,040. Future growth will be limited by the small amount of vacant land available for development and limited redevelopment opportunities left in the Town.

During the winter season, November through April, the Island's population swells to a peak that is higher than its normal residential population as a result of the influx of seasonal residents and tourists. Following is a table representing the latest housing characteristics of the Town:

TABLE 3  
RESIDENT POPULATION & HOUSING CHARACTERISTICS  
2010-2025

CHARACTERISTIC	2010-	2016	2025
RESIDENT POPULATION	8,161 <sup>1</sup>	8,040 <sup>3</sup>	8,425 <sup>4</sup>
POPULATION PER HOUSEHOLD	1.74 <sup>2</sup>	N/A	N/A
ALL HOUSING UNITS	8,857 <sup>1</sup>	N/A	N/A
Occupied year-round units	4,690 <sup>1</sup>	N/A	N/A
Seasonally vacant or held for occasional use	3,627 <sup>1</sup>	N/A	N/A
Vacant for Sale or Rent	540 <sup>1</sup>	N/A	N/A

## HOUSING ELEMENT DATA AND ANALYSIS

Source: <sup>1</sup>2010 U.S. Census corrected figure; <sup>2</sup>2010 U.S. Census; <sup>3</sup>Univ. of Florida, Bureau of Economic and Business Research; <sup>4</sup>Palm Beach County, 2015

From October 2011 through August 2016, the Town issued 159 building permits for construction of new single-family residential dwelling units, and 160 permits for demolition of single-family residential dwelling units. There has been no net gain in single-family residential dwelling units in the Town in the last five (5) years.

According to the U.S. Census, there were 8,857 dwelling units in the Town in 2010. Of the total dwelling units, 4,184 (47.2%) units were vacant of which 39.9% (approximately 3,534) units were vacant and considered used for seasonal, recreational, or occasional use and the other 7.3% were either for sale, for rent, or other vacant.

Based on the U.S. Census 2010-2014 American Community Survey, Multi-family units represented 72.2% of the Town's housing inventory during this timeframe; the remainder were single-family structures. There are no mobile home dwelling units in the Town.

The 2010 U.S. Census found that 86.3% of occupied units were owner-occupied within the Town of Palm Beach. Homeownership rates are higher in the Town of Palm Beach than in Palm Beach County which had a 71.4% owner-occupied rate in 2010.

While over 63% of the housing units in the Town were constructed since 1960, a significant percentage was built prior to 1940 — 19.2% compared to only 1.6% throughout the County as a whole. Many of the older structures have been identified by the Town and the State as having historical and architectural significance, and have been designated as historic structures.

Since the Town is fortunate in having no serious housing problems, the Town's program takes a different focus from that employed in a community beset with such problems. The Town's challenge is to maintain, in good and sound condition, its existing housing stock.

### HOUSING COSTS

Housing costs and land values in Palm Beach are very high compared with other areas of the State. This is because of the unique character of development having taken place in the Town since its inception. The limited amount of developable vacant land ensures the continuation of high housing costs in the Town.

Based on the U.S. Census 2010-2014 American Community Survey, the estimated median monthly rental rates in the median estimated value of owner-occupied units in Palm Beach County during the timeframe was \$194,600, it was \$931,700 in the Town of Palm Beach.

### UPDATED DATA BELOW

# HOUSING ELEMENT DATA AND ANALYSIS

## SPECIAL HOUSING TYPES

~~There are no subsidized rental housing projects or group homes licensed by the State in the Town.~~

~~The Town has identified and surveyed 1162 sites which are listed on the Florida Site File which is maintained by the Florida Department of State, Division of Historical Resources. The Town has designated 320 landmarks as of May 2017.~~

~~The Town has an active Landmarks Preservation Program established through Ordinance No. 1-79, and amended Ordinance 2-84, and has a Landmarks Preservation Commission for the purpose of establishing, regulating, preserving, and protecting historic districts and landmark structures within the Town of Palm Beach. As of May 11, 2017, the Town has designated 320 landmarked sites, and landmarked 12 vistas and districts which are protected by Ordinance 2-84, as amended.~~

## HOUSING NEED

~~Present vacancy rates are adequate to provide reasonable opportunity for housing choices.~~

Substandard housing is nonexistent, and no units are expected to deteriorate to a dilapidated state requiring demolition during the planning period. Therefore, no replacement housing will be necessary. Similarly, there are no rural or farm worker households in the Town, nor are any expected in the future. There is no readily available information on the number of handicapped households in the Town. However, the Town adheres to the State Code regarding provision of facilities for the handicapped.

**Since ~~the~~ The** Town's population is projected to remain steady **or increase slightly** over the next **10-20** year planning period, the existing housing supply should be adequate to handle the housing needs of the community. Renovation and redevelopment of existing housing units is expected to continue.

## THE PRIVATE SECTOR AND HOUSING SUPPLY

Palm Beach is recognized as a high-cost housing area. **According to the November 16, 2023 BeachesMLS data, the median sales price for year to date was \$9.12 million for a single family home and \$1.325 million dollars for Townhouses and Condos. In 2014 the average just value of a single family home in Palm Beach was \$4.8 million and the average just value of a multi-family home was \$584,977.** No rental housing is expected to be constructed, nor any housing valued below \$150,000. Current trends in the Town have included the combination of smaller lots into larger properties as well as larger estates being subdivided. Another trend has been the combination of condominium units into a larger unit through a unity of title.

## HOUSING ELEMENT DATA AND ANALYSIS

### THE HOUSING DELIVERY SYSTEM

The housing delivery system is comprised of two (2) principal components. The public sector has varying control over the availability of land, provision of utilities and infrastructure, and regulation of land uses through zoning, subdivision regulations and environmental restrictions. The private sector's primary responsibilities lie in the areas of financing and construction.

The Town provides the public infrastructure necessary to support varying types of housing. Similarly, it has designated a variety of density levels and land use types throughout the Town in order to provide for housing of differing types and prices. However, with virtually no residential land in the Town left undeveloped, there is little the Town can do to provide for additional housing.

While the Town has imposed certain restrictions and requirements on development, including housing, these are necessary in light of the environmental fragility of a barrier island and to preserve the unique character of the Town. For example, open space and landscape requirements may affect the cost of housing, but are necessary to achieve the community's objectives in other Plan Elements. In this greater context, none of the Town's land development regulations are seen to have any significant adverse effects upon the provision of housing in the Town.

The private sector has always proven capable and efficient in the development of land and provision of financing for housing in the Town. Since the amount of development expected to occur over the planning period is relatively minor, no problems are foreseen in the housing delivery process and no specific improvements have been identified as necessary to increase its efficiency.

# HOUSING ELEMENT DATA AND ANALYSIS

## STATE OF FLORIDA HOUSING ELEMENT REQUIREMENTS

In the State of Florida, every local government is mandated to include a Housing Element in its comprehensive plan. The Housing Element must consist of “principles, guidelines, standards, and strategies” to plan for the provision of adequate housing for all current and anticipated populations. The Housing Element should also provide for specific programs that call for partnerships with the private and nonprofit sectors to address housing needs, streamline the permitting process, and minimize costs and delays for affordable housing. The Housing Element requires, where applicable, the identification of historically significant housing for the purposes of conservation, rehabilitation and when necessary, for the replacement.

Pursuant to state law, the principles, guidelines, standards, and strategies of the Housing Element must be based on data and analysis prepared on housing needs based upon the number and distribution of dwelling units by the following data.

- ✓ Unit Type
- ✓ Tenure
- ✓ Age
- ✓ Rent
- ✓ Value
- ✓ Monthly cost of owner-occupied units
- ✓ Rent or cost to income ratio
- ✓ Number of dwelling units that are substandard.

Section 163.3177, (6) (f)1. A housing element consisting of principles, guidelines, standards, and strategies to be followed in:

- a. The provision of housing for all current and anticipated future residents of the jurisdiction.
- b. The elimination of substandard dwelling conditions.
- c. The structural and aesthetic improvement of existing housing.
- d. The provision of adequate sites for future housing, including affordable workforce housing.
- e. Provision for relocation housing and of historically significant buildings for purposes of conservation, rehabilitation, or replacement.
- f. The formulation of housing implementation programs.
- g. The creation or preservation of affordable housing to minimize the need for additional local services and avoid concentration of affordable housing in one area.

Chapter 163 Florida Statutes

## HOUSING ELEMENT DATA AND ANALYSIS

The methodology used to estimate the condition of housing, a projection of the anticipated number of households by size, income range, and the age of residents derived from the population projections must also be included in the data and analysis. Based upon the findings, the Housing Element may be modified to reflect the development trends of a community. The purpose of the Housing Element is to guide plans, policies, and regulations necessary to ensure the availability of housing supply is consistent with the historical character and the identity of the Town of Palm Beach.

### **TOWN OF PALM BEACH HOUSING STYLES AND DEVELOPMENT PATTERN**

Although the first families to arrive on the island were recorded in 1876, the beginning of the real estate boom in Palm Beach began in 1892. Pioneer Charles Clarke, who saw the island from the Atlantic Ocean while on his yacht, purchased two (2) and a half acre of land. In 1893, Mr. Clarke bought his second property, the Dimick Hotel, and 20 more acres reaching from the Lake Worth Lagoon to the Atlantic Ocean. Following suit was Henry Flagler, who had also visited the area by boat while scouring the mainland for land in which to extend his railroad south to Miami.

Town settlement began to take root following the completion of the Royal Poinciana Hotel by Henry Flagler in 1894. The overwhelming popularity of this grand hotel, which was the largest wooden structure in the world, comprised 1,150 rooms with six (6) stories and two (2) attic dormer floors.<sup>1</sup> With Flagler's railroad spur completed in 1895, providing rail from the mainland onto the island, tourists were granted easier access to the hotel and the island. The Royal Poinciana Hotel quickly established the Town as the "American Riviera", prompting the construction of grandiose winter residences for the wealthy well into the mid-1920s.



Flagler's Rail Spur from West Palm Beach

<sup>1</sup> Town of Palm Beach, 2010 Historic Sites Survey



# HOUSING ELEMENT DATA AND ANALYSIS

In 1901, Flagler's success inspired him to build another hotel, the Palm Beach Inn. The original Palm Beach Inn burned in 1903 and was rebuilt. The all-wood building burned again in 1925, which was then demolished and was replaced by the magnificent structure renamed the renowned Breakers, which continues to serve as a Palm Beach landmark today. The early real estate development consisted of clearing the densely vegetated land to subdivide for the sale of lots and home sites to winter visitors. The Bradley Brothers, J.R. and E.R., were the first to plan a

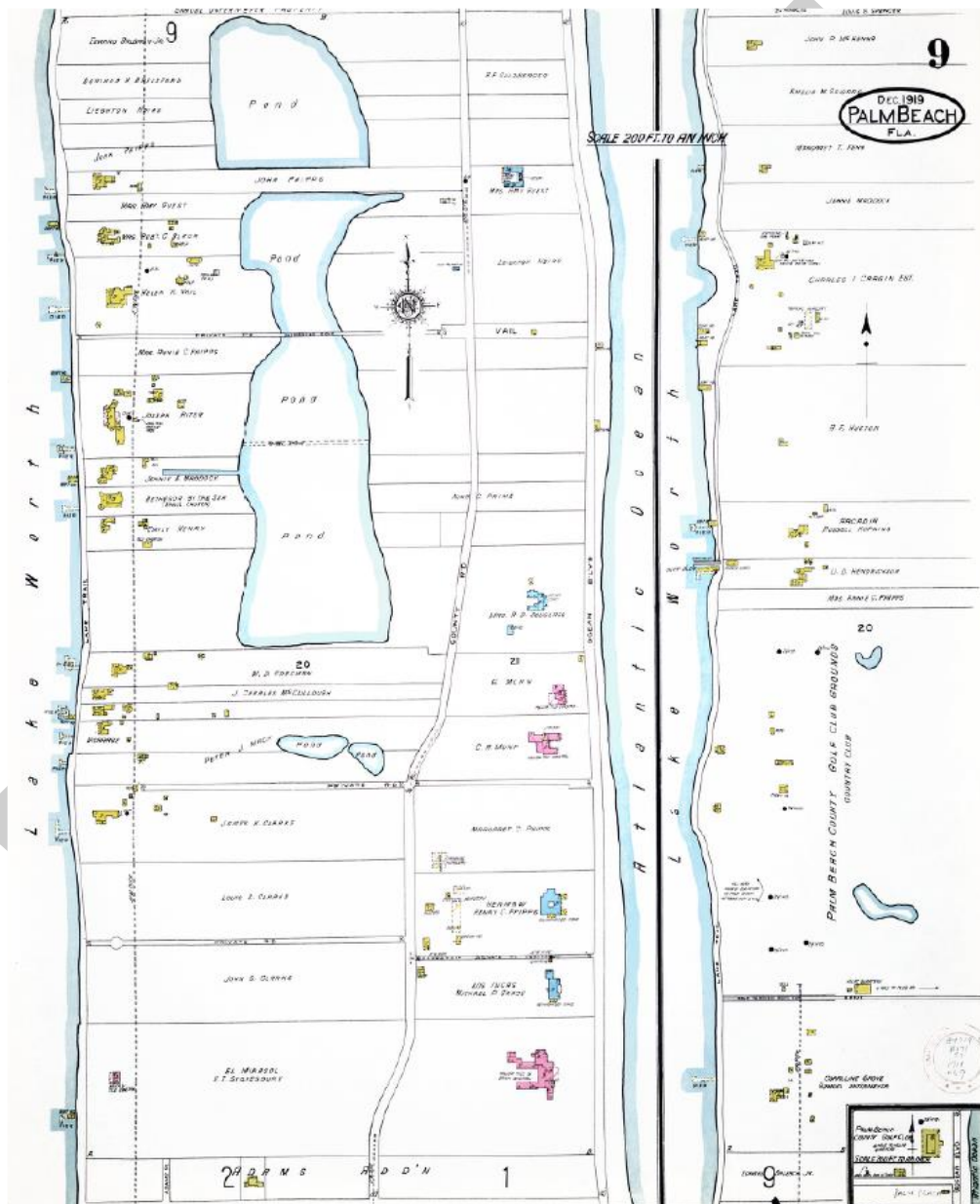


Exhibit 2-1 Sanborn Map #9



## HOUSING ELEMENT DATA AND ANALYSIS

subdivision consisting of 230, 50-foot lots along Sunset Avenue from the lake to the ocean to be called “Floral Park”. The Bradley Brothers filled in the extension marsh area denoted on Exhibit 2-1 Sanborn Plat #9 as ponds.

E.N. “Cap” Dimick, the Town’s first elected Mayor, then purchased 150 acres in the area from Worth Avenue to just north of Royal Palm Boulevard called “Royal Park” laid out on the Sanborn Maps of 1919 and shown below in Exhibit 2-2. The site preparation for Floral Park, the Royal Park area, include dealing with remote, low lying and swampy. As such, filling in the land was



Exhibit 2-2 Sanborn Map #7

## HOUSING ELEMENT DATA AND ANALYSIS

necessary, and the work was challenging. Dimick would also go on improve the area with electricity, roads, water mains, sewers, landscaping, streetlamps, and landscaping.<sup>2</sup>

In 1918, Addison Mizner came to Palm Beach by invitation from Paris Singer, of the Singer sewing fortune. Mr. Singer had purchased a lot from Dimick's "Royal Park" and had a small bungalow built on Peruvian Avenue. Mizner would transform the bungalow into a Chinese villa. With the success of the conversion, Singer and Mizner would team to complete the exclusive "Everglades Club". The Everglades Club moved the social scene into an exclusive private realm and introduced the Mediterranean Revival style architecture to Palm Beach.<sup>3</sup>



The Everglades Club - circa 1920

During the 1920s, other great architects settled in Palm Beach, including Swiss-born architect, Maurice Fatio, and Austrian born John Volk. Fatio opened an architectural firm in Phipps Plaza and practiced until his passing in 1943. Volk formed the partnership of Craig, Stevens and Volk. Volk completed over 1,000 architectural commissions in his lifetime and was the most prolific of the great architects of Palm Beach.<sup>4</sup>

Following the Great Depression of 1929, the architecture, scale, and massing of homes on the island began to adapt to the economic conditions of the nation. Smaller houses and modest construction replaced the opulent mansions of the early boom. Housing styles were changing from the large Mediterranean houses to British Colonial, Bermuda, Georgian and Monterey styles. Room sizes were reduced, and the garage became an important and often necessary feature of the home. This trend would continue into the 1930s and building construction would lag until post World War II.<sup>5</sup>

A year prior to the banking collapse, Palm Beach residents saw the need for planning and architectural control as a way to keep their community beautiful and livable. The Town would establish the "Art Jury", composed of famous architects and landscape architects of the Town. The approval of the Art Jury was essential for any new project, as well as any structural and design modifications.

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<sup>2</sup> Ibid

<sup>3</sup> 2010 Site Survey of the Town of Palm Beach

<sup>4</sup> Ibid

<sup>5</sup> Town of Palm Beach Landmarks Manual

## HOUSING ELEMENT DATA AND ANALYSIS

As time progressed, the Town Council decided to establish a more formal architectural commission to prevent “construction of inferior quality and appearance that could degrade and depreciate the image, beauty, and reputation of Palm Beach with adverse consequences for the entire town.”<sup>6</sup> Today’s Architectural Review Commission (ARCOM) consists of seven (7) members, two (2) of which are required to be state-registered architects and one (1) landscape architect. In brief, ARCOM is charged with consideration of approval of a building permit for building plans that are, among more detailed criteria provided for in Code Section 18-205 in conformity of the following.

- ✓ Good taste and design and, in general, contributes to the image of the town as a place of beauty, spaciousness, balance, taste, fitness, charm and high quality.
- ✓ Not excessively dissimilar to any other structure existing or for which a permit has been issued or to any other structure included in the same permit application within 200 feet of the proposed site in respect to one or more of the following features of exterior design and appearance.

It is imperative to note that during World War II, the Town residents and businesses contributed greatly to the soldiers. A group called the “Volunteers for Victory” was formed to provide medical, housing and relaxation for our country’s military. The Breakers served as a hospital during the



The Breakers “Ream General Hospital” 1945

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<sup>6</sup> Ordinance No. 08-70 Architectural Commission

## HOUSING ELEMENT DATA AND ANALYSIS

war. In 1943, it became Ream General Hospital. It is named after William Joy Ream, a Major in the Medical Corps who was considered the first “flying surgeon” in the US Army.<sup>7</sup>

Palm Beach did flourish after World War II and again, housing styles changed. Many of the large estates of the 1920s were torn down and subdivided into smaller lots. In fact, in 1947, the Stotesbury Estate “El Mirasol”, designed by Addison Mizner and pictured here, was demolished. The only element that was spared was the entrance gate, which was deemed a historic landmark in the years following. Today, the land is comprised of a 14-lot ranch-style development known as El Mirasol Estates.<sup>8</sup>

Following World War II, many Palm Beach dwellings were replaced with low-rise apartment buildings and in the Town’s southend high density condominiums. Compounding the issue, the September 1947 Hurricane dramatically altered the landscape of the southend of Palm Beach. Prior to the storm, South Ocean Boulevard (SR A1A). had traversed along the ocean side of the island but following the storm, the road was realigned along the lake. The subsequent road realignment significantly increased the buildable land on the property, and eventually oceanfront and lakefront villas, along with apartment buildings, were constructed as a part of the complex.<sup>9</sup>



El Mirasol circa 1920

According to the USGS maps from as late as 1945, little development occurred south of Sloan’s Curve. By 1952, however, nearly every parcel shown on the (1919) Sanborn maps had been developed. Some included the Sea Breeze, Ambassador Lake and Ambassador South, Carlyle House, the Palm Beacher, Sutton Place, the Cove, Palm Beach Oasis, La Palma, the Patrician of Palm Beach, La Bonne Vie, and Atriums of Palm Beach. Many of these were originally constructed as hotels and apartment buildings and were later converted to condominiums.<sup>10</sup>

Mirroring national trends, Palm Beach also experienced increased housing demands, even before the war ended, although it was not as intense as other areas. It was during this decade that Palm

<sup>7</sup> Library Of Congress, " The Breakers Hotel, Places of Healing Hotels"

<sup>8</sup> Old House Journal Updated June 21, 2021 "8 Great Addison Mizner Buildings"

<sup>9</sup> Environmental Services, Inc. "Town of Palm Beach Historic Site Survey" 2020

<sup>10</sup> Ibid



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Beach experienced its largest post-war population boom. Construction also increased; the annual totals for building permits between 1945 and 1955 increased from \$1 million to \$6 million.<sup>11</sup>

~~The addition of air conditioning in residential structures, which began around 1950, significantly impacted the number of people who relocated to Florida, as well as other states in the Sunbelt.~~

Between 1950 and 1960, Florida had the fastest growing population, with an increase of 78.7%. In 1960, it was the 10th largest state, in population, increasing to just over 6,000. Until the 1960s, Palm Beach's greatest building boom was considered 1925, but in 1962, permit costs exceeded it, largely driven by apartment complexes and office buildings in Midtown. In 1963, the state passed the Condominium Act, allowing for their construction.<sup>12</sup> Historic buildings in Palm Beach model typical architectural styles with some regional adaptations to climate, materials, design, and function. ~~The earliest structures in the Town consisted of temporary thatch buildings, while settlers established their claims and could save money to build proper homes and structures. Materials from throughout the country became more readily available as faster transportation became accessible via train and automobiles. As communications developed, methods of construction and styles of buildings expanded.~~<sup>13</sup> The various architectural styles that began during the early years of development in the Town are described in the following pages and include those still prevalent today. ~~All images have been obtained from the Environmental Services, Inc. report title "Town of Palm Beach Historic Site Survey" 2020.~~ These architectural styles are representative of resources from the early settlement period to beyond the established period of significance. These time periods also include representations of the post-World War II era and contemporary or mid-century modern architectural styles.<sup>14</sup>

~~As stated, the Town of Palm Beach's housing represents a diversity of architecture that reflects the evolution of the Town's settlement. The following are examples of each of the architectural styles within the Town of Palm Beach, all images have been obtained from the Environmental Services, Inc. report title "Town of Palm Beach Historic Site Survey" 2020.~~

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<sup>11</sup> Ibid

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<sup>14</sup> Ibid

# HOUSING ELEMENT DATA AND ANALYSIS



Moorish Revival- 1835-1915



British Colonial - 1880-1955



Colonial Revival - 1880-1955



Georgian Revival - 1880-1995



Shingle - 1880-1910



Mediterranean Revival - 1880-1940



## HOUSING ELEMENT DATA AND ANALYSIS



Frame Vernacular - 1885-1960



Mission - 1890-1920



Tudor - 1890- 1940



Neo-Classical Revival - 1895-1955



Dutch Colonial Revival - 1895-1930



Bungalow - 1905-1930



# HOUSING ELEMENT DATA AND ANALYSIS



International - 1925- present



Minimal Traditional - 1935-1950



Palm Beach Regency - 1920- 1980



Art Deco and Art Moderne - 1920-1940



Ranch -1935- 1975



Mid-Century Modern - 1945-1990

# HOUSING ELEMENT DATA AND ANALYSIS

## THE TOWN OF PALM BEACH HOUSING ELEMENT

The Town of Palm Beach Housing Element is an analysis of the housing stock from settlement to present. The historical perspective allows an understanding that the Town of Palm Beach began as a community of those who had the resources to settle and build a town for the affluent, distinguished, as well as philanthropic. That distinction remains today, and it is the mission of Town leadership, residents, and staff to uphold.

As required by Chapter 163,3177, F.S., as it pertains to the data related to the Housing Element, following the early years of growth in the 1920s, the Town of Palm Beach experienced its greatest growth between 1950 and 1970, when its resident population increased from 3,886 to 9,086. Since then, population growth is characterized by a slow grown trend. The 2010 U.S. Census indicated that the Town's population was 8,348 and increased to 9,245 by 2020.

During the winter season, November through April, the Town's population swells to a peak that is higher than its normal residential population as a result of the influx of seasonal residents and tourists. Future growth will be limited by the small amount of vacant land available for development, and mainly based on redevelopment opportunities. In order to effectively guide and direct future land uses within the Town of Palm Beach, it is necessary to have a clear understanding of existing housing conditions.

Data provided in the following tables have been gathered based upon the U.S Census Bureau data provided by the Decennial Census and the American Community Survey (ACS), characteristics of existing housing in the Town. As summarized in Table 2-1, according to the 2020 U.S. Census, there were 9,256 housing units from which 54.60% of the units were occupied. In comparison with 2010, there was an increase in occupancy possible due to the pandemic Covid 19 impact that caused a growth of permanent residents in the Town. Vacant units are considered for seasonal, recreational, or occasional use.

**Table 2-1. Housing Occupancy**

<u>Housing Occupancy</u>	<u>Town of Palm Beach</u>			
	<u>2010</u>		<u>2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Total housing units</u>	<u>9,091</u>	<u>100%</u>	<u>9,256</u>	<u>100%</u>
<u>Occupied housing units</u>	<u>4,799</u>	<u>52.78%</u>	<u>5,051</u>	<u>54.60%</u>
<u>Vacant housing units</u>	<u>4,292</u>	<u>47.22%</u>	<u>4,205</u>	<u>45.40%</u>
<u>Vacant for sale</u>	<u>220</u>	<u>(X)</u>	<u>139</u>	<u>(X)</u>
<u>Vacant for rent</u>	<u>260</u>	<u>(X)</u>	<u>187</u>	<u>(X)</u>

Source: U.S. Census Bureau 2010 and 2020 Decennial Census

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Table 2-2 indicates that between 2010 in 2020, Palm Beach saw a slight shift in the number of owner-occupied and renter-occupied units. Owner-occupied units decreased by 5.39 percent, while renter-occupied units increase by 5.39 percent during that time. By 2020, 82.45 percent of all occupied housing units in Palm Beach were owner-occupied, in contrast with 17.55 percent occupied by renters.

**Table 2-2. Housing Tenure**

<u>Housing Tenure</u>	<u>Town of Palm Beach</u>			
	<u>2010</u>		<u>2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Occupied housing units</u>	<u>4,799</u>	<u>100%</u>	<u>5,051</u>	<u>100%</u>
<u>Owner-occupied</u>	<u>4,215</u>	<u>87.84%</u>	<u>4,165</u>	<u>82.45%</u>
<u>Renter-occupied</u>	<u>584</u>	<u>12.16%</u>	<u>886</u>	<u>17.55%</u>

Source: U.S. Census Bureau 2010 and 2020 Decennial Census

Table 2-3 is based on data from the U.S. Census, American Community Survey (ACS). It indicates that 25% of the housing supply are single-family units; and 61.4 % of the supply belongs to building with more than 20 or more units.

**Table 2-3. Number of Units in Structure**

<u>Number of Units in Structure</u>	<u>Town of Palm Beach</u>			
	<u>2006-2010</u>		<u>2016-2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Total housing units</u>	<u>9,580</u>	<u>100%</u>	<u>9,841</u>	<u>100%</u>
<u>1-unit, detached</u>	<u>2,394</u>	<u>25.0%</u>	<u>2,519</u>	<u>25.6%</u>
<u>1-unit, attached</u>	<u>287</u>	<u>3.0%</u>	<u>204</u>	<u>2.1%</u>
<u>2 units</u>	<u>65</u>	<u>0.7%</u>	<u>158</u>	<u>1.6%</u>
<u>3 or 4 units</u>	<u>185</u>	<u>1.9%</u>	<u>201</u>	<u>2.0%</u>
<u>5 to 9 units</u>	<u>205</u>	<u>2.1%</u>	<u>186</u>	<u>1.9%</u>
<u>10 to 19 units</u>	<u>428</u>	<u>4.5%</u>	<u>530</u>	<u>5.4%</u>
<u>20 or more units</u>	<u>6,016</u>	<u>62.8%</u>	<u>6,043</u>	<u>61.4%</u>
<u>Mobile Home</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>
<u>Boat, RV, van, etc.</u>	<u>0</u>	<u>0.0%</u>	<u>0</u>	<u>0.0%</u>

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates; U.S. Census Bureau 2016-2020 American Community Survey 5-Year Estimates.



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As summarized in Table 2-4, the majority of Palm Beach’s housing supply (6,552 units-66.6%) was built between 1960 and 1989. Due to the age of the structures, these sites are considered potential redevelopment opportunities for the housing market. Additionally, 12.2% of the residential structures were built in 1939 or earlier, thereby contributing to the historical significance of the Town. The Historical Preservation Element of the Comprehensive Plan includes further description of the historic homes of the Town.

**Table 2-4. Year Structure Built**

<u>Year Structure Built</u>	<u>Town of Palm Beach</u>	
	<u>2020</u>	
	<u>Estimate</u>	<u>Percent</u>
<u>Total housing units</u>	<u>9,841</u>	<u>100%</u>
<u>Built 2010 or later</u>	<u>201</u>	<u>2.1%</u>
<u>Built 2000 to 2009</u>	<u>328</u>	<u>3.3%</u>
<u>Built 1990 to 1999</u>	<u>396</u>	<u>4.0%</u>
<u>Built 1980 to 1989</u>	<u>1,761</u>	<u>17.9</u>
<u>Built 1970 to 1979</u>	<u>2,253</u>	<u>23.3%</u>
<u>Built 1960 to 1969</u>	<u>2,538</u>	<u>25.8%</u>
<u>Built 1950 to 1959</u>	<u>596</u>	<u>5.4%</u>
<u>Built 1940 to 1949</u>	<u>529</u>	<u>5.4%</u>
<u>Built 1939 or earlier</u>	<u>1,204</u>	<u>12.2%</u>

Source: U.S. Census Bureau, 2016-2020 American Community Survey 5-Year Estimates

Based on the U.S. Census, 2016-2020 American Community Survey, 56.1% of the housing supply value is \$1,000,000 or more, see Table 2-5. Also, this bracket experienced an increase of number of units from 1,983 to 2,369 units. The median owner-occupied housing value in the Town is \$1,211,900 in comparison with the median housing value in Palm Beach County of \$316,600. The multimillion dollar homes that characterize the island are part of the character and historic identity of this community.

The most recent Site Survey was conducted in 2020. In addition to documentation of historic structures, the survey process also includes evaluating the condition of each building, using assessment standards established by the U. S. Department of the Interior. A subjective evaluation, the condition of each building was evaluated based upon a visual inspection of the structural integrity, roof profile and surfacing, the integrity of the exterior wall fabric, porches, fenestration and window treatments, foundation, and the general appearance of the building. Not permitted onto private property, the surveyors inspected each building from the rights of way. No attempt was made to examine the interiors of buildings, or closely inspect the foundation or wall systems

## HOUSING ELEMENT DATA AND ANALYSIS

for the extent of integrity, deterioration, or insect infestation. Consequently, some buildings evaluated as "good" may upon further inspection be found in a "fair," or even "deteriorated" condition. In like manner, some buildings labeled as fair may indeed possess substantial integrity of wall framing with only inconsequential exterior fabric deterioration.<sup>15</sup>

Interestingly, the U.S Census also indicates that 8.9% (378 units) of the owner-occupied units have a value of \$300,000 or less. These units might be located on structures that were built in the 1960s, 70s, or 80s that are considered for potential redevelopment. It is believed that many of these aging buildings, located in the southend and mainly condominiums, are facing a steep assessment increase due to the need for major building upgrades required by recent legislation passed after the collapse of the Surfside condominium.

**Table 2-5. Housing Value**

<u>Housing Value</u>	<u>Town of Palm Beach</u>			
	<u>2006-2010</u>		<u>2016-2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Owner-occupied units</u>	<u>4,125</u>	<u>100%</u>	<u>4,226</u>	<u>100%</u>
<u>Less than \$50,000</u>	<u>77</u>	<u>1.9%</u>	<u>52</u>	<u>1.2%</u>
<u>\$50,000 to \$99,999</u>	<u>52</u>	<u>1.3%</u>	<u>31</u>	<u>0.7%</u>
<u>\$100,000 to \$149,999</u>	<u>43</u>	<u>1.0%</u>	<u>101</u>	<u>2.4%</u>
<u>\$150,000 to \$199,999</u>	<u>124</u>	<u>3.0%</u>	<u>66</u>	<u>1.6%</u>
<u>\$200,000 to \$299,999</u>	<u>185</u>	<u>4.5%</u>	<u>128</u>	<u>3.0%</u>
<u>\$300,000 to \$499,999</u>	<u>549</u>	<u>13.3%</u>	<u>465</u>	<u>11.0%</u>
<u>\$500,000 to \$999,999</u>	<u>1,112</u>	<u>27.0%</u>	<u>1,014</u>	<u>24.0%</u>
<u>\$1,000,000 or more</u>	<u>1,983</u>	<u>48.1%</u>	<u>2,369</u>	<u>56.1%</u>
<u>Median (dollars)</u>	<u>941,200</u>	<u>(x)</u>	<u>1,211,900</u>	<u>(x)</u>

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates,  
U.S. Census Bureau 2016-2020 American Community Survey 5-Year Estimates

Tables 2-6 and 2-7 present information regarding Mortgage Status and Gross Rent. Both tables indicate an increase in number of units because of the population growth on these two periods. Most of the current housing supply belongs to owners without a mortgage (74.6%), this is correlated to the fact that most of the units were built between 1960 and 1990, and long-time residents have paid off their mortgages. In terms of gross rent, Table 3-7, shows that there were 142 additional occupied rental units in the 2016-2020 period.

<sup>15</sup> Ibid

## HOUSING ELEMENT DATA AND ANALYSIS

The analysis on a national level and applied to the Town, indicates that the increase may be attributed to the 2020 migration to Florida due to Covid and the option available for working remotely.

**Table 2-6. Mortgage Status**

<u>Mortgage Status</u>	<u>Town of Palm Beach</u>			
	<u>2006-2010</u>		<u>2016-2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Owner-occupied units</u>	<u>4,125</u>	<u>4,125</u>	<u>4,226</u>	<u>100%</u>
<u>Housing units with a mortgage</u>	<u>1,344</u>	<u>32.6%</u>	<u>1,073</u>	<u>25.4%</u>
<u>Housing units without a mortgage</u>	<u>2,781</u>	<u>67.4%</u>	<u>3,153</u>	<u>74.6%</u>

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, U.S. Census Bureau 2016-2020 American Community Survey 5-Year Estimates

**Table 2-7. Gross Rent**

<u>Gross Rent</u>	<u>Town of Palm Beach</u>			
	<u>2006-2010</u>		<u>2016-2020</u>	
	<u>Estimate</u>	<u>Percent</u>	<u>Estimate</u>	<u>Percent</u>
<u>Occupied units paying rent</u>	<u>593</u>	<u>100%</u>	<u>735</u>	<u>100%</u>
<u>Less than \$500</u>	<u>0</u>	<u>0.0%</u>	<u>31</u>	<u>4.2%</u>
<u>\$500 to \$999</u>	<u>67</u>	<u>11.3%</u>	<u>57</u>	<u>7.8%</u>
<u>\$1,000 to \$1,499</u>	<u>182</u>	<u>30.7%</u>	<u>130</u>	<u>17.7%</u>
<u>\$1,500 or more</u>	<u>344</u>	<u>58.0%</u>	<u>517</u>	<u>70.4%</u>
<u>No rent paid</u>	<u>169</u>	<u>(x)</u>	<u>76</u>	<u>(x)</u>
<u>Median (dollars)</u>	<u>1,625</u>	<u>(x)</u>	<u>1,724</u>	<u>(x)</u>

Source: U.S. Census Bureau, 2006-2010 American Community Survey 5-Year Estimates, U.S. Census Bureau 2016-2020 American Community Survey 5-Year Estimates

According to the Planning, Zoning and Building Department, and displayed on Table 2-8, the Town issued the following number of permits from January 2018 to January 2023. The data demonstrates that building permits have increased as well as the corresponding building permit revenue. Please note, that beginning in 2020, the building permit process changed to combine all sub-contractor permits with the general contractor permit. As a result, the data is misleading as it may reflect less building permits. However, the construction value based upon permit fee represents an ongoing progression in redevelopment activity in the Town.

## HOUSING ELEMENT DATA AND ANALYSIS

**Table 2-8. Building Permit Numbers and Value**

YEAR	Number of Permits	Permit Fee	Construction Value
<b>2017-2018</b>	11,060	\$8,975,730	\$346,043,274
<b>2018-2019</b>	9,263	\$11,447,287	\$340,796,896
<b>2019-2020</b>	7,307	\$9,532,107	\$282,979,440
<b>2020-2021</b>	8,666	\$12,175,092	\$398,208,367
<b>2021-2022</b>	9,083	\$13,982,534	\$470,998,176
<b>2022-2023</b>	7,647*	\$16,763,595*	\$566,823,791

\*As of September 1, 2023

The Town is generally built out. As such, the Town of Palm Beach will experience redevelopment rather than infill development. However, there is speculation that the older condominiums will be impacted by recent legislation. More specifically, Governor DeSantis signed Senate Bill 4D (“SB 4D”) relating to building safety into law on May 26, 2022. The bill was proposed and passed following the collapse of the Champlain Towers South condominium in Surfside, Florida in June 2021. The Senate Bill 4D enacts measures with the goal of helping to ensure that condominiums are safely maintained and structurally sound to reduce any possible threat to the public health, safety, or welfare. The bill includes several changes to existing law that may affect liability claims against property owners as well as first-party property insurance claims in Florida.

Senate Bill (SB-4D) established a statewide inspection program, requiring condominium and cooperative associations to conduct milestone structural inspections in two (2) phases and perform structural integrity reserve studies to ensure that condominium and cooperative buildings are safe for continued use.<sup>16</sup>

A summary of the Phase One Milestone Inspections is as follows.

1. Milestone inspections can be performed by team of professionals with the Florida-based architect or engineer acting as the design professional in responsible charge of work and reports signed and sealed by team members.
2. Require visual inspection of primary structural members and systems.
3. Identify any substantial structural deterioration that negatively affects the building’s general condition, integrity, or life-safety of occupants.
4. Document whether unsafe or dangerous conditions were observed.

<sup>16</sup> Florida SB 4-D Building Safety Law, Thornton Tomasetti



## HOUSING ELEMENT DATA AND ANALYSIS

5. Report to include determination of any items requiring further inspection and necessary maintenance, repair or replacement of structural components.
6. The association is responsible for costs in which governing documents say the association must maintain, not necessarily all costs from inspection.

SB 4-D DEADLINES		
Phase One Milestone Inspection		
Distance from Coastline	Building Age	Deadline
3 miles or less	25 years or older	Dec. 31, 2024, then every 10 years.
	Under 25 years	Dec. 31 of 25th year, then every 10 years.
More than 3 miles	30 years or older	Dec. 31, 2024, then every 10 years.
	Under 30 years	Dec. 31 of 30th year, then every 10 years.
Any	Any	Within 180 days of written notice from a local enforcement agency.
Dates and provisions subject to clarification and updates by the legislature and recommendations of the Florida Building Commission.		

Snapshot of SB-4-D Deadlines

Phase-Two Milestone Inspections involve the following.

1. Following Phase 1, a Florida-licensed engineer or architect is required to perform a phase-one inspection, a phase-two milestone inspection is necessary, it may involve materials testing, probing or removal of finishes, or non-destructive testing such as ground penetrating radar.
2. A report describing the manner and type of inspections, stating whether unsafe or dangerous conditions were observed, identifying, and describing the extent of any substantial structural deterioration, and recommending maintenance, repairs or replacement of structural components as appropriate.
3. Failure to progress required repairs within a year of the phase-two inspection report submission requires the municipal authority to assess if the building is safe for continued occupancy.<sup>17</sup>

The structural integrity reserve studies require reserves to be funded and the study then determines

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<sup>17</sup> Ibid

## HOUSING ELEMENT DATA AND ANALYSIS

the reserve funds required for future major repairs and replacement of the common area based on visual inspection of the common areas. The requirements of the individual study per building includes the following.

1. Visual inspection performed by an individual certified as a reserve specialist or professional reserve analyst by the Community Associations Institute or the Association of Professional Reserve Analysts.
2. Identification of common area elements inspected.
3. Estimated remaining useful life of each element.
4. Replacement cost or deferred maintenance expense of each element.
5. Recommended annual reserve amount needed for replacement or deferred maintenance expense of each element.
6. Studies must be maintained for at least 15 years after completion. Residential condominiums three stories or higher must have structural integrity reserve study every 10 years.

SB 4-D DEADLINES		
Structural Integrity Reserve Study		
Distance from Coastline	Building Age	Deadline
Any	Associations existing on July 1, 2022, that are controlled by non-developer unit owners	Dec. 31, 2024, then every 10 years.

Snapshot of SB 4-D Reserve Study Requirements

With regard to the existing housing supply in the Town of Palm Beach, it is expected that with the Town's quality of housing and the Town being a desired community in which to live, future demand by redevelopment of existing single family housing units will continue. Further, with rigid local and state regulations pertaining to building safety, additional housing options may result through the rebuilding of some of aging condominium buildings located in the southend.

## HOUSING ELEMENT DATA AND ANALYSIS

Additionally, there are no concentrations of deteriorated structures or blighted areas in the Town, nor are any expected during the planning period. The high value of the real estate in the Town, its exclusive appeal, dynamic history, and the vigilance of the local government, residents and Town staff will continue to maintain a high standard of property conditions.

According to Census data, the Town's population is projected to grow over the next 20-year planning horizon as data gathered is demonstrated.

**Table 2-9. Permanent and Seasonal Population (2010-2050)**

<u>Palm Beach</u>	<u>2010</u>	<u>2020</u>	<u>2030</u>	<u>2040</u>	<u>2050</u>
<u>Population/Population Projection</u>	<u>8,348</u>	<u>9,245</u>	<u>9,809</u>	<u>10,139</u>	<u>10,322</u>
<u>Seasonal</u>	<u>6,311</u>	<u>6,595</u>	<u>6,707</u>	<u>6,821</u>	<u>6,937</u>
<u>Total</u>	<u>14,659</u>	<u>15,840</u>	<u>16,516</u>	<u>16,960</u>	<u>17,259</u>

Source: 2010 and 2020 U.S. Census, Shimberg Center of Housing Studies, University of Florida.

### **PATH FORWARD**

Palm Beach is a community that is known for a high standard of living, prestigious housing and stewardship of the natural landscape that contributes to the high Quality of Life for residents. The present housing analysis and consideration of the 20-year planning horizon required to anticipate the needs of Town residents, indicates that the Town should focus on specific policies to maintain and enhance its current housing supply, **and plan for future housing demand**. It is recommended that the Town maintain and enhance the current housing stock through the Town's zoning and land development regulations, overseen by ARCOM and LPC.

Additionally, the Town should continue protecting the historic architecture and charm of residential structures and promote future landmark preservation designations (see Historic Preservation Element). As the site surveys are critical to monitoring existing and evaluating potential new landmark designations, the Town should continue to conduct Historic Site Surveys. With regard to the Town's multi-level residential structures, the Town will need to evaluate the impacts of Senate Bill 4D regarding safety of existing condominiums on the Southend. **Additionally, the Southend is anticipated to have redevelopment pressures. Therefore, a vision for the Southend through a public engagement process is recommended.**

### **RECOMMENDATIONS**

Chapter 163.3177(f) F.S requires that the means for accomplishing the following objectives be

## HOUSING ELEMENT DATA AND ANALYSIS

included in the Plan.

*1. Provision of housing with supporting infrastructure for all current and anticipated residents.*

The Town has provided, and will continue to provide, an adequate level of infrastructure to support the current and anticipated populations.

It has been shown that provision of housing for low and moderate income households has historically been provided by the private sector through both the open market and provision of on-site housing for domestic employees. It has been shown that the private sector is providing, and will continue to provide, adequate housing for its existing and anticipated low and moderate income households.

The Town will continue to allow, and encourage, provision of on-site living accommodations for domestic employees.

*2. The elimination of substandard housing conditions and for the structural and aesthetic improvement of housing.*

There is no significant amount of substandard housing in the Town of Palm Beach, nor is existing housing likely to deteriorate to substandard condition during the planning period. The Town has a Code Enforcement Board and staff assigned to enforcement of the Town's Code of Ordinances, as well as an Architectural Commission which is charged with ensuring the continuance and improvement of the aesthetic and architectural character of structures in the Town. In addition, 315 structures are afforded protection via the Landmarks Preservation Ordinance which established a Landmarks Preservation Commission to regulate changes to "Landmarked" structures and protects them from "demolition by neglect."

*3. The provision of adequate sites for future housing; including affordable workforce housing, and housing for low, very low-, and moderate-income families, and for mobile homes.*

Item 1, previous, describes the Town's method of providing housing for low- and moderate-income households. This same source of housing will provide the sites necessary to address the housing needs of low- and moderate-income households in the Town.

However, beyond the ability of the private sector to provide on-site locations for housing for its domestic and maintenance help, the unique character of the Town's land uses, lack of vacant land and the economic realities regarding the cost of land in the Town, will likely prevent provision of additional sites for new construction of rental and for sale housing for low- and moderate-income housing in the Town.

## HOUSING ELEMENT DATA AND ANALYSIS

The economic reality in the Town is that land costs are so high, and the remaining land so limited, that new construction of rental and for sale housing specifically targeted to the low- and moderate-income segment is not possible. However, previous data and analysis have clearly shown that more than the needed number of affordable housing units are provided for low- and moderate-income households in the Town.

Since the Town is virtually fully developed, with only scattered vacant lots available for new construction of residential units, there are no individual locations which have been specifically designated for manufactured housing. Consequently, the Town allows manufactured housing in all of its residential zoning districts. All manufactured housing units must meet all of the housing standards of the Town of Palm Beach including adherence to hurricane protection codes and architectural review.

*4. The provision of adequate sites in residential areas or areas of residential character for group homes and foster care facilities licensed or funded by the Florida Department of Health and Rehabilitative Services.*

The Town allows group homes and foster care facilities licensed or funded by the Florida Department of Health and Rehabilitative Services, housing up to six persons (Chapter 419, F.S), **in its lower moderate density residential zoning districts; and allows such uses without limitation as to the number of persons in its higher density residential districts. The Town has adopted principles and criteria to guide the location of such facilities in the Town.**

*5. The identification of historically significant and other housing for purposes of conservation, rehabilitation or replacement.*

Palm Beach has no concentrations of deteriorating housing. The socio-economic profile of Palm Beach suggests that Town residents are unlikely to allow existing housing stock to deteriorate.

There are a large number of residential structures of historical or architectural significance in Palm Beach. The Town's Historic Structures survey has been updated to include structures not previously surveyed and a protection process has been developed which will be used by the Landmarks Preservation Commission to evaluate and designate other sites and/or structures.