

# HOUSING ELEMENT

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## TABLE OF CONTENTS

SECTION	PAGE NO.
I. Introduction.....	1
II. Inventory	
A. Characteristics of the Existing Housing Stock.....	2
1. The Age of the Housing Stock.....	2
2. Type of Dwelling Units.....	3
3. Owner-Occupied and Renter-Occupied Dwelling Units.....	4
4. The Cost of Housing: Rent for Renter-Occupied Units, Value and Monthly Cost of Owner-Occupied Units.....	5
5. Rent-to-Income Ratio for Renter-Occupied Housing Units.....	6
B. Condition of the Housing Stock.....	6
C. Subsidized Housing Developments.....	8
D. Group Homes.....	8
E. Mobile Home Parks/Subdivisions.....	8
F. Historically Significant Housing.....	9
III. Analysis .....	9
A. Population Expected to Reside in the City.....	9
1. Household Size.....	9
2. Age of Household Head.....	10
3. Income Range of Households.....	11
B. Projected Housing Needs.....	11
1. New Household Formations.....	11
2. Replacement of Substandard Units.....	12
3. Allowance for Vacancies.....	12
C. Land Requirements for the Estimated Housing Needs.....	12
D. The Private Sector and the Housing Supply.....	12
1. Single Family Housing.....	13
2. Duplex Housing.....	13
3. Multi-Family Housing.....	14
4. Middle, Upper and High Income Households.....	14
5. Moderate Income Households.....	15
6. Low Income Households.....	15
7. Very Low Income Households.....	16
E. The Housing Delivery System: Removing Impediments to Achieving Full Production.....	16
1. The Housing Delivery System.....	16
2. Land Availability.....	17

3.	Utilities, Water and Sewer, Impact Fees.....	17
4.	Qualifying Purchasers and Mortgage Interest Rates.....	17
5.	Zoning and Subdivision Approvals, Environmental Regulations...	17
IV.	General Recommendations.....	18
A.	Adequate Housing for Existing and Future Populations.....	18
1.	Adequate Housing.....	18
2.	Affordable Housing.....	19
3.	Special Needs Housing.....	21
4.	Adequate Sites for Low and Moderate Income Housing.....	22
5.	Adequate Sites for Group Homes.....	23
6.	Adequate Sites for Mobile Homes.....	23
B.	Elimination of Substandard Housing; Structural and Aesthetic Improvement of Housing; and Conservation, Rehabilitation and Clearance Areas.....	24
1.	Action Areas.....	24
2.	CDBG Target Areas.....	25
C.	Conservation of Historic Housing.....	25

**LIST OF TABLES**

NUMBER	TITLE	PAGE NO.
1	Age of the Housing Stock.....	3
2.	Type of Dwelling Units.....	4
3.	Owner vs Renter Occupied Units.....	5
4.	Cost of Housing.....	5
5.	Rent or Owner Housing Cost to Income Ratio.....	6
6.	1989 Housing Survey Results.....	8
7.	Population Projections.....	9
8.	Elderly Population Projection.....	10
9.	Income Range of Households.....	11
10.	Private Sector Activity.....	13

## **I. INTRODUCTION**

The purpose of the Housing Element is to:

1. Identify existing and projected deficits in the supply of housing;
2. Analyze housing trends and the causes, scope and nature of any housing problems; and
3. Develop appropriate goals, objectives and policies to bring about the accomplishment of the required housing, whether through private sector efforts, non-profits, public-private partnerships, or the public sector.

The Housing Element is based upon the existing Comprehensive Plan's housing element (see the Housing Element, 1980 City of Freeport Comprehensive Plan), and is designed to meet the needs of the City of Freeport while, at the same time meeting the requirements of Chapter 163, F.S. and Rule 9J-5, FAC.

This element first provides a summary overview (II. INVENTORY) of housing conditions, examining such special housing needs as low and moderate-income family housing, group homes, mobile homes, government supported housing, and historically significant housing.

Next, the housing needs of the future population of Freeport are determined and analyzed (III. ANALYSIS). A study of the housing supply and demand is presented to determine housing requirements and how they can be met. Various alternative approaches to providing the housing required in the future are examined and courses of action recommended (IV. GENERAL RECOMMENDATIONS). These actions form the basis of the goals, objectives and policies (Part I. GOALS, OBJECTIVES AND POLICIES) set forth in this element. The objectives and policies are both long-term and short-term. Both long-term and short-term objectives and policies will require periodic review and revision, since housing is subject to numerous outside impacts which can appear suddenly and significantly change the situation.

It is important to keep in mind that the Housing Element addresses needs which have in Freeport, been left almost exclusively to the operation of the private sector to fulfill. Most of the other elements of the Comprehensive Plan deal with development that falls primarily in the public sector - the street and highway system, mass transit, parks, playgrounds, water and waste disposal, other utilities and capital improvements. In most of these cases, the City of Freeport builds, operates, and maintains these facilities. Housing is quite dissimilar. The City has to date built no housing. The City's development regulations, (zoning, building codes, etc.) only guide the private sector in the development and construction of housing. The City is not involved directly in the maintenance of

housing. The private sector is primarily responsible for the operation and maintenance of the housing stock, whether owner-occupied or rental housing. The City has housing and health codes and fair housing ordinances which enforce the minimum standards, but beyond these, its role has been and is today a minor one.

The "public" responsibility for housing has always been limited by this understanding - that the private sector is the main provider and preserver of the housing stock - and although the City will see an increased role in encouraging and providing incentives for special interest housing, the primary provider and preserver of the housing stock must continue to be the private sector and this element must be read and comprehended in this context.

## **II. INVENTORY**

### **A. CHARACTERISTICS OF THE EXISTING HOUSING STOCK**

#### **1. The Age of the Housing Stock**

Because Freeport is a relatively young community, the stock of older homes build before 1950 is small. Based upon a city-wide Housing Quality Survey performed in August 1989, of the 390 housing units located in Freeport, only 73 or 18.7% of all housing units were built before 1950. Another 141 or 36.2% of units are 20-40 years old. The remainder, 176 or 45.1% are less than 20 years old. Based on the 2000 census, of the 577 housing units located in Freeport, 197 (34.1%) were built since 1990, 290 (50.3%) were built between 1960 and 1989, and only 90 (15.6%) were prior to 1959.

Most of the deteriorating and dilapidated housing units in Freeport are the oldest homes. Occupied deteriorating and dilapidated single family homes constitute only 18.5% (72) of all housing units in the City, however, the remainder of deteriorating and dilapidated housing units are mobile homes - in fact 39% of all mobile homes are considered deteriorating or dilapidated while 33.3% of occupied mobile homes are deteriorating or dilapidated.

TABLE 1 - AGE OF THE HOUSING STOCK

YEAR BUILT	TOTAL	TOTAL OCCUPIED	RENTER OCCUPIED
1990-Mar 2000	197	182	66
1980-89	111	94	22
1970-79	78	71	23
1960-69	101	90	21
1940-59	55	36	2
pre 1940	35	31	

\* Note: all data from 2000 Census.

## 2. Type of Dwelling Units

Based upon 2000 census data the City of Freeport estimates that there are 577 housing units in Freeport, of which 511 are occupied.

The attached table shows a breakdown of housing units by type for the years 1980, 1989, and 2000. An analysis of the data presented there shows that the mix of housing types has changed over the past twenty years. While 76.5% of all housing units were single family detached units in 1980, only 49.9% are today. Alternatively, while 23.5% of all housing units were mobile homes in 1980, there are 226 or 39.2 today. There was only one duplex unit in 1980 - the Live Oak apartment complex has been constructed since 1980, and consists of eight new duplex units. In 2000 there were 63 multi-family units.

TABLE 2 - TYPE OF DWELLING UNITS

	<u>TOTAL - UNITS</u>	<u>TOTAL OCCUPIED</u>	<u>TOTAL RENTER OCCUPIED</u>
<b>1980</b>			
Housing Units	293	258	28
Single Family	221	197	13
Duplex	2	2	0
3-4 units	2	0	0
5 or more	0	0	0
Mobile Homes	68	59	15
<b>1989</b>			
Housing Units	390	345	50
Single Family	243	219	15
Duplex	11	9	9
3-4 units	0	0	0
5 or more	0	0	0
Mobile Homes	136	117	26
<b>2000</b>			
Housing Units	577	511	150
Single Family	288	261	46
2-4 units	26	5	5
5-9 units	20	15	15
10 or more	17	37	35
Mobile Homes	226	193	49

### 3. Owner-Occupied and Renter-Occupied Dwelling Units

The proportion of owner-occupied to renter-occupied housing in Freeport is another area of significant change over the past twenty years. Freeport was in 1970, a community of home-owners who were predominantly from the surrounding area. In 2000; however, 48.1% of residents had a place of nativity out of the state of Florida. In fact, 5.6% of residents had lived in a different state as recently as 1975.

Many of the new residents of Freeport have opted to rent homes until they can find or afford to buy a home in the community. With the steadily increasing cost of home ownership, a significant percentage in Freeport have been unable to find the means to home ownership yet.

The attached table shows the relative proportions of owner-occupied versus renter occupied housing units for the City of Freeport between 1980 and 2000.

TABLE 3 - OWNER VS RENTER OCCUPIED UNITS

YEAR	TOTAL UNITS OCCUPIED	OWNER OCCUPIED	RENTER OCCUPIED
1980	258	230 (89.1%)	28 (10.9%)
1989	345	295 (85.5%)	50(14.5%)
2000	511	361(70.6%)	150(29.4%)

4. The Cost of Housing: Rent for Renter-Occupied Units, Value and Monthly Cost of Owner-Occupied Units

a. Monthly Gross Rent

The median monthly gross rent for renter occupied housing units in Freeport was \$408 in 2000. Of the 150 rental units in Freeport in 2000, all units with a cash rent showed a rent of between "less than \$100" and \$600 per month.

b. Value of Owner-Occupied Housing

The mean value of owner occupied housing units in 2000 was \$63,200.

c. Monthly Cost of Owner-Occupied Housing

Monthly owner costs ranged from less than \$150 to \$1,499 per month with a median owner cost of \$620.

TABLE 4 - COST OF HOUSING

<u>TYPE HOUSING</u>	<u>MONTHLY COST</u>
Rental	Mean: \$312 Median: \$408
Owner Occupied	Median w/ Mortgage: \$620 Median w/o Mortgage: \$219

5. Rent-to-Income Ratio for Renter-Occupied Housing Units

Household income was, as expected devoted increasingly to the cost of rental housing an income levels fell. While a powerful statistical analysis must be taken with a grain of salt in such a small sample, an analysis of rent-to-income ratios showed that in 2000, 17 (11.3%) households with less

than \$10,000 per year annual income paid over 35% of income in rent. Similarly, 46 (30.7%) of households with incomes between \$10,000 and \$49,999 paid over 20% of household income for rent and 20.5% paid over 35 percent.

Only in households of \$100,000 or more income did rental costs fall below 20% of income.

**TABLE 5 - RENT OR OWNER HOUSING COST TO INCOME RATIO**

<u>INCOME</u>	<u>PERCENTAGE GROSS RENT</u>				
	<20%	20-24%	25-34%	35% or more	Not computed
Less than \$10,000	3	10	7	17	18
\$10,000-\$19,999	10	4	5	4	4
\$20,000-\$34,999	11	5	4	11	2
\$35,000-\$49,999	15	4	0	0	3
\$50,000-\$74,999	7	0	0	0	0
\$75,000-\$99,999	2	0	0	0	2
\$100,000 or more	0	0	0	0	0

  

<u>INCOME</u>	<u>PERCENTAGE OWNER HOUSING COST</u>				Not computed
	<20%	20-24%	25-34%	35% or more	
Less than \$10,000	3	2	0	32	2
\$10,000-\$19,999	6	3	7	8	0
\$20,000-\$34,999	29	5	9	4	0
\$35,000-\$49,999	13	3	2	0	0
\$50,000-\$74,999	25	6	0	0	0
\$75,000-\$99,999	17	0	0	0	0
\$100,000-\$149,000	9	0	0	0	0
\$150,000 or more	0	0	0	0	0

**B. CONDITION OF THE HOUSING STOCK**

While the Census does not analyze directly housing condition, it does examine three indicators of housing quality. They are age of housing, overcrowding, and lack of complete plumbing. Age of housing has been addressed earlier: 73 (12.7% of all current units) housing units were built before 1950. Of those, 50 were built before 1940, the earliest year for which we have data. Twenty (20) housing units (3.5% of current units) have more than 1.01 persons per room and all of the housing units have complete bathroom and kitchen facilities.

A Housing Quality Survey performed in August 1989 yielded surprisingly similar results. The Housing Quality Survey examined exterior housing condition in the following categories:

1. Condition of Roof
2. Condition of Siding/Exterior Surface
3. Structural Soundness
4. Apparent Overcrowding
5. Number/Condition of Windows and Doors
6. Condition of Porches/Stairs

Housing quality was determined to be standard (indicating no or minor repairs/maintenance required in that category), substandard but repairable, and economically unrepairable for each category. A unit with one or more, but less than five substandard but repairable conditions was determined to be deteriorating, while a unit with five or more substandard but repairable conditions and/or any economically unrepairable conditions was considered to be dilapidated.

While fully 146 (37.4% of all units) housing units were deteriorating or dilapidated, many were vacant and/or abandoned. Only 111 (32.2% of occupied units) occupied units were in deteriorating or dilapidated condition. A large percentage of these units were mobile homes - fully 53 (36.3%) of the total 146 deteriorating or dilapidated units were mobile homes. A further 93 (23.8% of all units) single family households were deteriorating or dilapidated. Again, many were vacant - only 72 (20.9% of all occupied units) occupied single family households were deteriorating or dilapidated. These units were in most instances, the same housing units identified in the Census as built before 1950.

TABLE 6 - 1989 HOUSING SURVEY RESULTS

	TYPE UNIT		CONDITION	
	TOTAL	STANDARD	DETERIORATING	DILAPIDATED
Total	390	244	98	48
Occupied	345	234	81	30
Vacant	45	10	17	18
Single Family	243	150	51	42
Occupied	219	147	46	26
Vacant	24	3	5	16
Duplex & Garage Apt.	11	11	0	0
Occupied	9	9	0	0
Vacant	2	2	0	0
Mobile Home	136	83	47	6
Occupied	117	78	35	4
Vacant	19	5	12	2

**C. SUBSIDIZED HOUSING DEVELOPMENTS**

Freeport has at this time no subsidized housing developments. There are a total of 17 households who benefit from Section 8 rental assistance vouchers and certificates. A great many more (approximately 35% of Freeport residents) are eligible for assistance, but there is a long waiting list and many applicants who would prefer to live in Freeport are forced to live in DeFuniak Springs where low-income subsidized housing is available.

**D. GROUP HOMES**

There are no group homes in Freeport. There are locations, however which could be appropriate to a group home setting.

**E. MOBILE HOME PARKS/SUBDIVISIONS**

There are only two formal mobile home parks within the city limits, however there are a large number of scattered mobile homes throughout the City.

## F. HISTORICALLY SIGNIFICANT HOUSING

There is minimal historically significant housing in Freeport. While there are approximately 50 housing units that are eligible by virtue of their age to be determined historically significant, only a handful are of sufficient architectural merit to be eligible for preservation assistance or National Register listing.

## III. ANALYSIS

### A. POPULATION EXPECTED TO RESIDE IN THE CITY

#### 1. Household Size

It is reasonable to expect that the current trend toward smaller and older households will continue in Freeport. Average household size within the County as a whole has fallen from a high of 3.5 persons per household in 1960 to 3.1 persons per household in 1970 to 2.6 persons per household in 1980, and 2.43 persons per household in 2000, an average decline of 0.27% per year. Meanwhile, the percentage of residents over 65 has risen from just 10.7% of the population in 1960 to 13.1% in 1970 to 16.0% in 1980 and 15.84% in 2000. Within Freeport, the percentage is somewhat higher at 18.46% over the age of 65, which constitutes a significant aging of the population.

TABLE 7 - POPULATION PROJECTIONS

YEAR	TOTAL PROJECTED POPULATION	HOUSEHOLD SIZE	HOUSEHOLDS
1960	373	3.5	125
1970	518	3.1	167
1980	683	2.6	262
1989	859 (from housing survey)	2.49	345
1990	889	2.48	358
1995	1054	2.42	436
2000	1235	2.43	508
2005	1490	2.42	615
2010	1744	2.42	721
2020	2253	2.41	934

Population projections are based upon linear mathematical extrapolation technique. These projections are based on the 2000 Census, and the "Bureau of Economic and Business

Research (BEBR) Florida Population Studies, Population Projection by Age, Sex and Race for Florida and its Counties, 2002-2025. Census data figures were compared to current population projections based upon the number of currently occupied households of 511 multiplied by the projected number of persons based upon reduction of 2000 census calculation of 2.43 persons per household by the average rate of decline in household size in Walton County as a whole of .45% per year. The result of 1235 persons living in Freeport in 2000 compared with the 518 living in Freeport in 1970 yields a linear growth rate over the 30 year period of 4.61% per year.

2. Age of Household Head

Age distribution within Walton County has changed significantly since 1970. While only 13.1% of all residents were over 65 in 1970, by 1980, that group had grown to 16.0% and to 16.2% by 1987 and 18.46% in 2000. This is slightly higher than the 16.69% level of persons over 65 statewide in 2000, these numbers indicate that Walton County is seeing an increase in the numbers of senior citizens. With 15.8% elderly population in 2000, Freeport can expect to see increases in the elderly population that will range slightly below the Walton County growth rate of .204% per year. Using a midrange projection of .175% increase in elderly residents per year yields a projection of elderly population of:

TABLE 8 - ELDERLY POPULATION PROJECTION

YEAR	TOTAL PROJECTED POPULATION	ELDERLY PROJECTED POPULATION
1970	518	13.225% (69)
1980	683	14.1 % (96)
1989	859 (from housing survey)	15.675% (135)
1990	889	15.850% (141)
1995	1054	16.725% (170)
2000	1235	18.46%(228)
2005	1490	18.635%(278)
2010	1744	18.81%(328)
2020	2253	18.985%(428)

Population projections are based upon linear mathematical extrapolation technique. These projections are based on the 2000 Census, and the "Bureau of Economic and Business Research (BEBR) Florida Population Studies, Population

Projection by Age, Sex and Race for Florida and its Counties, 2002-2025. Census data figures were compared to current population projections based upon the number of currently occupied households of 511 multiplied by the projected number of persons based upon reduction of 2000 census calculation of 2.43 persons per household by the average rate of decline in household size in Walton County as a whole of .45% per year. The result of 1235 persons living in Freeport in 2000 compared with the 518 living in Freeport in 1970 yields a linear growth rate over the 30 year period of 4.61%% per year.

3. Income Range of Households

After correcting for inflation, the following table depicts income in Walton County over the past 20 years:

TABLE 9 - INCOME RANGE OF HOUSEHOLDS

YEAR	RAW HOUSEHOLD INCOME	CPI DEFLATOR	CORRECTED INCOME
1970	\$ 5,828	38.8	\$15,020
1980	\$14,211	82.4	\$17,246
1988	\$21,900	118.3	\$18,512
2000	\$25,735	172.2	\$14,945

**B. PROJECTED HOUSING NEEDS**

1. New Household Formations

Based upon the forgoing analysis of new household formations, Freeport needs to prepare for the provision of 38 new housing units by the year 2005, 144 housing units by 2010 and for a total of 357 new housing units by 2020 - only twenty years hence.

2. Replacement of Substandard Units

Based upon an analysis of the number of substandard units currently occupied in Freeport as revealed by the August 1989 Housing Quality Survey, there are 81 occupied deteriorating and 30 occupied dilapidated housing units located in Freeport. At a minimum, the 30 occupied

dilapidated units should be replaced and the 81 deteriorated units upgraded.

3. Allowance for Vacancies

Using the observed vacancy rate in Freeport of 4.1% for standard housing units, a total of 40 new housing units will be required in Freeport by 2005, with a total of 150 by the year 2010. A further 222 new units will be required between 2010 and 2020.

**C. LAND REQUIREMENTS FOR THE ESTIMATED HOUSING NEEDS**

Assuming a mix of medium and low density residential development of 75% low and 25% medium density and assuming that medium density development will average 8 units per gross acre and low density developments will average 3 units per gross acre, a minimum of 10 acres of low density and 1.25 acres of medium density residential land will be required by 2005. Between 2005 and 2010, 27.5 acres of low density and 3.5 acres of medium density residential land will be required. A further 55.5 acres of low density residential land and 7 acres of medium density residential land will need to be set aside for housing development between 2010 and 2020.

**D. THE PRIVATE SECTOR AND THE HOUSING SUPPLY**

There are two private home builders in the Town of Freeport and a further 11 in Walton County. The Okaloosa-Walton County area, however, has approximately 200 active home builders in operation. These builders have been active in home construction during the decade of the eighties. Much of the home construction has occurred just outside Freeport, however, leading to intense discussion of the potential for annexation of these areas. Table 8 shows the number of homes constructed and a breakdown of the type unit and cost - within the Town itself, and in the adjacent area during the decade of the eighties.

TABLE 10 - PRIVATE SECTOR ACTIVITY

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Walton County Residential Building Permits 1985-89		
	Average per Year	Average Cost/Unit
Single Family	342	\$57,968.00
Multi-family	36	

## Freeport Residential Building Permits 1980-89

	Average per Year
Single Family	3.2
Mobile Home	7.6
Multi-family	1

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### 1. Single Family Housing

The private sector has historically been most active in the field of single family housing. There are numerous reasons for this, high demand for detached housing units, higher profit levels for builders and developers, and sufficient developable land to make detached housing on fairly large lots affordable and available.

### 2. Duplex Housing

While there is a small amount of duplex housing available in Freeport, the units available are significantly less than the potential demand for units. Duplex housing typically is a compromise between the desire for a single family home and the economic realities that make ownership impossible. It is often fairly transient, though not as much as multifamily units are and represents a cost effective way of providing lower cost housing for families.

It is reasonable to assume that developers will construct duplex units if and when proper incentives are provided in terms of appropriate zoning and infrastructure site development assistance.

### 3. Multi-Family Housing

There are 63 multi-family housing units in Freeport. There is a need for multi-family units for the 41.9% of households (approximately 213 households in 2000) who live below the Section Eight income Limit of 80% of median household income. These families are eligible for rental assistance and eligible to live in publicly owned housing if such were available in Freeport.

Multi-family Housing is in low demand for middle, upper, and high income households in Freeport. As development along the coastal zone increases, there may, in ten to fifteen years arise a demand for upper income multifamily housing, but as long as land prices are low and commercial development is non-intensive, upper income families will continue to choose traditional detached single family homes.

Multi-family is a viable housing option for moderate income households in Freeport. Many families will opt to occupy multifamily housing units at least on a short-term basis if they are available. Some builder subsidy will probably be required, but not to the degree required in exclusively low income developments. Realistically, subsidized multifamily housing developments will probably contain a mix of low and moderate income households.

For many low income households, multi-family rental housing is the only housing option if they are to obtain standard housing. The private development of low income multi-family housing units must be subsidized if there is to be a sufficient supply of these units. The only true option is for families to survive in slum conditions in deteriorating and dilapidated rental housing units that are in some instances unfit for human habitation.

4. Middle, Upper and High Income House-holds

Essentially all middle, upper, and high income households in Freeport currently live in owner-occupied single family detached housing units. The private sector is meeting their needs - in fact, to a large degree, the needs of the middle, upper and high income households in Freeport are the only needs that are currently being met by private sector builders. Owner-occupied housing is certainly available for low and moderate income households as well, but there is essentially no new construction accessible to them.

5. Moderate Income Households

Moderate income households have the greatest potential to improve their housing condition in Freeport. Many are capable of obtaining mortgages if the monthly cost is within their budgets. Using the HUD guideline of 30% of gross

monthly income as a maximum for acceptable housing costs, moderate income households who earn 80-100% of median family income. In Freeport, that equates to \$20,588.00 to \$25,735.00 annual income or \$1,715.67 to \$2,144.58 per month. An acceptable housing cost including utilities, then, for moderate income households would be \$514.70 to \$643.37 per month. This allows for purchase of a home with an approximately \$41,200.00 to \$56,000.00 mortgage. This level is sufficient to allow a moderate income household to purchase a modest existing home or a new typical attached or semi-detached home. It will however become increasingly difficult to provide detached homes at this price range.

#### 6. Low income Households

In 2000, 55.4% of all rental units were rented to low and very low income persons. It seems unlikely that the rental market has changed significantly in that respect. Income levels of low income households are between 50% and 80% of median family income. That is \$12,867.50 to \$20,588.00 annual income or \$1,072.29 to \$1,715.67 per month. An acceptable housing cost including utilities, then, for low income households would be \$321.69 to \$514.70 per month. This allows for purchase of a home with an approximately \$18,800.00 to \$41,700.00 mortgage. While this level is sufficient to allow a low income household to purchase a typical attached or semi-detached home at the upper end of the low income spectrum, the only viable option for home ownership at the lower end of the spectrum is purchase of a mobile home.

It is at the level of the low income household that incentives must be provided to assist in construction of owner occupied and renter occupied housing units in Freeport. The costs of development in this environmentally conscious period are too high to allow development of low cost housing without some financial incentives to developers.

#### 7. Very Low Income Households

Where multi-family housing is a viable option for low income households, it is a necessity for very low income households. However, a developer cannot provide new units for very low

incomes without rent subsidies and/or development assistance in the form of low interest loans or grants. The cost of construction and provision of necessary infrastructure (streets, drainage, electrical service, water, sewer, etc.) is too high and more profitable construction opportunities are readily available.

Income levels of very low income households are below 50% of median family income. That is below \$12,867.50 annual income or \$1,072.29 per month. An acceptable housing cost including utilities, then, for very low income households would be 30% of gross income up to \$321.69 per month. This allows only for rental housing unless as is often the case in smaller communities, a house is inherited without debt. It is in the very low income levels that the greatest effort must be made to provide adequate housing through the use of incentives to developers of housing and possible through the provision of public housing.

## **E. THE HOUSING DELIVERY SYSTEM: REMOVING IMPEDIMENTS TO ACHIEVING FULL PRODUCTION**

### 1. The Housing Delivery System

The housing delivery system in Freeport has been to this date very much a supply/demand system. There has been no publicly owned or non-profit housing development. All housing units have been constructed by private for-profit builders or individual homeowners. Meeting the special needs of lower income or special needs residents have not been addressed because there was more profit to be made in building larger single family detached housing. A delivery system that includes incentives for development of lower income and special needs housing should be developed if these very real needs are to be met.

### 2. Land Availability

There is sufficient land available for residential development in Freeport. Of the 16.67 square miles that Freeport encompasses, only approximately 756.29 acres or 7.1% is developed residential land. Fully 3,245.85 acres are at this time vacant. The 104.75 acres needed for residential

development through the year 2020 are readily available for development.

3. Utilities, Water and Sewer, Impact Fees

Access to utilities will be a major consideration in locating new housing developments. The Town must plan to make utilities available in the areas in which new housing development is expected to occur. This topic is addressed in the Capital Improvements element in greater detail. Impact fees must be examined as a source of funding of infrastructure expansions particularly in middle and upper income developments. Waiver of impact fees are one potential incentive for development of lower income housing units.

4. Qualifying Purchasers and Mortgage Interest Rates

The City must examine ways to make information about lower income home mortgage programs and subsidized interest rates available to lower income residents. A housing assistance board may be a viable conduit for that kind of informational program.

5. Zoning and Subdivision Approvals, Environmental Regulations

The City can and should assist development by expediting permitting and zoning and subdivision approvals for targeted lower income housing units. The programs that developers must deal within to assist in funding for low income housing projects have a great deal of required paperwork and red tape and it is incumbent upon the community to cut the red tape at the local level to the greatest degree possible.

**IV. GENERAL RECOMMENDATIONS**

**A. ADEQUATE HOUSING FOR EXISTING AND FUTURE POPULATIONS**

1. Adequate Housing

Current population projections forecast a population increase from 1235 in 2000 to 2253 in 2020. These 1018 new

residents will live in 426 new households. Providing housing for these new households will require a coordinated, planned approach to housing development. While there is more than adequate land available for low density housing developments increasingly farther away from existing services and facilities, Freeport must encourage development of infill housing in established subdivisions and development of new subdivisions in areas with existing or planned infrastructure. The time is past when developers can build a housing development at some distance from existing facilities and services and assume that the City will extend and expand those facilities and services at no cost to them.

Use of land development assistance grants through CDBG and the Housing Predevelopment Trust Fund should be pursued in order to provide adequate housing for low and very low income families in areas accessible to shopping, schools and other services. Assembly of parcels and clearance of existing abandoned or unserviceable structures may be required.

Existing housing units must be kept in service through a combination of vigorous code enforcement and rehabilitation assistance programs through CDBG, the HUD Rental Rehabilitation Program, or the FmHA Housing Preservation Grant program.

The Land Development Regulations adopted in 2001 address the need for medium and high density residential development with a variety of zoning districts allowing for such uses. Flexible performance based requirements which will not necessitate a rezoning for each development and techniques for timely approval of development plans for lower income housing must be included.

## 2. Affordable Housing

A Housing Assistance Task Force, possibly consisting of members of the Planning Commission, should be appointed to assist and inform residents of potential forms of housing assistance and to consider and make recommendations for use of the following programs and policies.

a. Housing Trust Fund

Establish a Trust Fund for financing land purchase, new construction, and existing unit rehabilitation for lower income residents. This revolving loan fund would provide low interest loans to developers, contractors, and homeowners.

b. Inclusionary Zoning

Include in the Land Development Regulations a provision requiring each developer to build, provide for, or pay a fee to fund construction of a percentage of lower income affordable units relative to the number of upper income units constructed.

c. Density Bonuses

Include in the Land Development Regulations a provision to reward builders of lower income housing by allowing higher density construction thereby lowering land costs in areas with existing infrastructure in place or projected by date of occupancy. As an example:

Developments serving exclusively very low income households might receive a 25% increase in allowed units per acre.

Developments serving low and very low income households might receive a 15% increase in allowed units per acre.

Developments serving moderate income households might receive a 5% increase in allowed units per acre.

d. Publicly Owned Land Bank

Purchase of land or donation of land by private citizens or groups to the city can be used as an effective tool in promoting future housing development. By taking advantage of opportunities to purchase or have donated land for lower income

housing, the cost of land, which has become a very significant portion of housing costs can be controlled and capacity for future housing development assured. Land can be subsequently sold to private developers or used for publicly owned housing.

e. Impact Fee Waivers

While a viable impact fee schedule must be adopted to provide for infrastructure expansion, a waiver should be considered for developers of lower income housing. It may be possible to recover the loss of enterprise fund revenues through a direct grant from the Florida Affordable Housing Trust Fund.

f. Fast Track Processing

Establish a fast track processing program for approval of subdivision and development plans, zoning request, and building permits, to minimize the red tape for developers of lower income housing.

g. Not-For-Profit Development

Encourage the formation of not-for-profit developers by assisting them to obtain seed money for land purchase and pre-development costs through the Housing Pre-Development Trust Fund. Coordinate CDBG Neighborhood Revitalization and Housing demolition/relocation and land acquisition projects to assist their efforts if possible. Provide them technical assistance and priority in usage of Land Bank properties.

h. Area-Wide Housing Finance Authority

Consider joining with Walton County in forming an Area-Wide Housing Finance Authority which will have the capacity to issue mortgage revenue bonds in periods of high interest rates.

3. Special Needs Housing

a. Housing for the Handicapped

While the number of identified handicapped residents in Freeport is relatively small (only 6.5% of the total population), the City should consider encouraging inclusion of handicapped accessible units within all lower income housing developments. The provision of such units is a requirement with most state and federally assisted programs in which a developer might participate.

b. Female Headed Households with Dependent Children

Again, these households number only 5-7% (census figures have been suppressed for confidentiality). Their housing needs are generally consistent with those of their income group, with the additional need for accessible and affordable child care. Because the numbers are so small, and because two-earner families often have the same need for affordable accessible child care, the City should work to promote accessible child care not just for single mothers, but for all families.

c. Elderly Households

The observed proportional growth in the elderly (over 65) segment of Freeport's population from a level of 18.46% in 2000 to \* today and the projected growth to 18.985% by 2020 indicate a clear need for provision of safe, accessible housing for elderly households. Clustered units of a smaller size with good access to shopping, transportation, medical and other services, and recreational opportunities will need to be provided, and the Land Development Regulations will need to be written to accommodate this need.

d. Rural and Farmworker Households

The City of Freeport is by definition a rural community. All of the households in Freeport are rural and the thrust of housing development must take into account the expectation of low density housing development that such an environment encourages

while meeting the needs for lower cost housing which often demands higher densities for reduction of costs.

Freeport has no regular influx of seasonal farm workers as such. While some transient farm worker households may stay temporarily in Freeport, no housing specifically for farm workers is anticipated.

e. Minority Households

Approximately 1.8% of persons in Freeport during the 2000 Census were described by the Census as Black with another 1.6% were described as American Indian. In general, these households exhibit the housing needs conforming to their income groups and require no specific housing assistance.

f Military Households

Again, while 4-5% of residents are Federally employed, many are civilian employees. The low numbers of military households, and the advocacy provided by the military housing offices mean that military households do not need any protected status within Freeport. As with minority households, military households tend to exhibit the same housing needs as other members of their income groups.

4. Adequate Sites for Low and Moderate Income Housing

While there has been a national move away from large scale low income housing projects, and toward subsidization of individual households through HUD Section 8 and similar projects, Freeport is in the position of having many more eligible households that Section 8 certificates or vouchers to assist in housing costs.

In addition, Freeport has no existing subsidized housing available either publicly or privately owned. There are only two ways to provide sufficient lower income accessible housing in Freeport. The first is to generate sufficient incentives for a private or non-profit developer to construct lower income housing. The second alternative is to establish a housing authority and construct publicly owned lower

income housing. Of the two alternatives, the best is probably the private or non-profit developer in that liability and risk are reduced for the City.

5. Adequate Sites for Group Homes

While there are no group homes in Freeport at this time and the size of the community and level of medical services available will tend to make Freeport an unlikely site for group homes, the Land Development Code is written to allow for group homes in accordance with Chapter 80-154 (Laws of Florida) and Chapter 163-3177 Florida Statutes. Group homes for six or fewer residents will be permitted by right in low density residential zones, while larger group homes will be permitted as a conditional use in low density residential zones and by right in medium and high density residential zones.

6. Adequate Sites for Mobile Homes

The provision of adequate sites for mobile homes in Freeport will continue to be a significant need based upon the current housing type mix. With 39.2% of all dwelling units in Freeport consisting of mobile homes and the vast majority of them scattered freely in residential areas, mobile homes are a significant element in the available housing now in Freeport. Assuming that the proportion of residents living in mobile homes does not change, Freeport will need to provide 15 new sites for mobile homes by 2005, 56 new sites by 2010 and an additional 69 by 2020.

Beyond any question, mobile home parks and subdivisions must be a permitted and encouraged land use in Freeport because adequate sites for mobile homes can best be provided in the context of a planned mobile home development.

**B. ELIMINATION OF SUBSTANDARD HOUSING; STRUCTURAL AND AESTHETIC IMPROVEMENT OF HOUSING; AND CONSERVATION, REHABILITATION AND CLEARANCE AREAS**

1. Action Areas

Because of the rural nature of Freeport and the primarily radial residential development pattern along street right-of-ways, there are numerous scattered areas in which conservation and rehabilitation of housing is needed. Map 1 - on the following page shows areas of concentration of substandard housing units.

In these action areas, programs such as the Elderly Housing Rehabilitation program, the FmHA Housing Preservation Program, Section 245 Weatherization Assistance., and the CDBG Housing program should be used as appropriate to encourage the rehabilitation of owner occupied substandard housing. Renter occupied housing may be rehabilitated using Section 312 or Section 8 funds or Section 245 weatherization assistance. A vigorous code enforcement program in conjunction with making assistance available will ensure maximum participation in such a program.

In some areas, rehabilitation of structures may not be feasible and a program of demolition and redevelopment may be required. Closer interior inspection of the units will be necessary to determine the extent to which this course of action is advisable.

In addition, the following activities should be provided in identified action areas and funded out of CDBG or other City funds.

- a. Code enforcement of the Minimum Housing Code,
- b. Demolition of housing judged not feasible for rehabilitation,
- c. Rehabilitation of owner occupied or renter occupied housing using the above identified assistance,
- d. Construction of "infill" housing utilizing "affordable housing" programs,
- e. infrastructure improvements including water, sewer, street and drainage improvements using CDBG and Capital Improvement Funds.
- f. Recreation improvements using Land and Water Conservation and Florida Recreational Development Assistance and Boating Improvement Program Funds.
- g. Economic Opportunity Programs,
- h. Social service programs; day care, meals on wheels, homemaker aide, etc.

## 2. CDBG Target Areas

All of the identified action areas are CDBG eligible and should be addressed in turn for rehabilitation or redevelopment. The following activities will be concentrated in the CDBG Target Areas:

### a. Housing Conservation

Conservation of the existing standard housing stock will be primarily accomplished through private investment and enforcement of the Housing Code.

### b. Housing Rehabilitation

Rehabilitation of substandard housing units will be accomplished through a combination of private investment and the programs identified above. Units identified by vigorous code enforcement as substandard should be rehabilitated privately if possible, and with assistance if necessary.

### c. Housing Clearance

Those units identified as substandard but not feasible to rehabilitate should be demolished and the area redeveloped for new lower income housing.

## **C. CONSERVATION OF HISTORIC HOUSING**

Conservation of the small number of older homes eligible for the title of Historic Housing will be assisted in the same manner as any other income eligible housing. Appropriate consultation with the State Historical Preservation Officer will be made for any housing over 40 years old in the project areas and conservation will be consistent with his/her recommendations.