

CHAPTER 5. GENERAL DISCUSSION ON DISPLACEMENT TOPICS

This section of the report provides a brief discussion on displacement regarding the loss of mobile home parks, the conversion of apartments to condominiums, and the loss of homes due to recent hurricane activity.

MOBILE HOMES

Between 1990 and 2000, there was a loss of approximately 1,300 mobile home units throughout the County. Table 5-1 shows the change in the number of mobile homes by tenure. While the number of owner-occupied units decreased, the number of investor-owned, renter-occupied units actually increased during the period.

Table 5.1 Mobile Home Stock - PBC

	1990	2000	Chg	% Chg
Owner-occupied	14,454	12,628	(1,826)	-12.6%
Renter-occupied	2,063	2,588	525	25.4%
Total	16,517	15,216	(1,301)	

Source: 1990 and 2000 Census, Strategic Planning Group, Inc., 2006.

Table 5.2 summarizes the inventory of owned and rented mobile homes and mobile home parks by Housing Sector. The supply of renter-occupied mobile homes is further identified by type of unit based on the number of bedrooms per unit.

Table 5.2. Inventory of Owned, Rented Mobile Homes and Mobile Home Parks by Housing Sector

Housing Sector	Mobile Homes - 2000						2005	
	Owned	1BR	2BR	3BR	Rented	Total	Mobile Home Parks	Capacity
A	291	2	37	4	43	334	4	314
B	46	0	0	0	0	46	0	0
C	518	7	111	13	131	649	4	609
D	73	0	0	0	0	73	0	0
E	1,249	55	84	6	145	1,394	9	2,099
F	1,361	173	173	22	368	1,729	9	1,440
G	126	9	24	27	60	186	0	0
H	109	8	68	0	76	185	1	77
I	2,800	19	336	7	362	3,162	20	4,211
J	817	15	278	15	308	1,125	14	1,037
K	3,065	31	259	15	305	3,370	17	4,378
L	356	4	28	8	40	396	2	468
M	0	0	0	0	0	0	0	0
N	907	41	91	37	169	1,076	0	0
O	27	7	17	7	31	58	0	0
P	445	36	59	17	112	557	4	208
Q	438	44	394	0	438	876	34	1,313
R	0	0	0	0	0	0	0	0
Total	12,628	451	1,959	178	2,588	15,216	118	16,154

Source: Strategic Planning Group, Inc., 2006

There are two general types of displacement with regard to mobile homes; higher-value development and hurricanes. The first is the loss of units to higher-value development. While communities desire to increase their tax base with higher-value development, the unit owners/renters are displaced from this type of affordable housing. The greatest impact would be to elderly owners in Housing Sectors E, F, I, J, K, and P and low-income families in Housing Sector Q.

The second form of displacement has been through the impact of the last two hurricane seasons. Based on data supplied by the Palm Beach Department of Public Safety, there were 2,721 mobile homes that were totally destroyed by Hurricane Wilma alone, and another 399 mobile homes that suffered major damage.

APARTMENT CONVERSION DISLOCATION

The time period of 2002-2005 saw significant apartment/condominium conversion. The four-year period resulted in a loss of over 12,000 apartments to the rental sector (Table 5.3).

Table 5.3. Apartment Conversion Dislocation – 2002-2005

Year	Units	Value	Avg Value
2002	690	\$84,700,000	\$122,754
2003	932	\$121,920,000	\$130,815
2004	2,936	\$388,600,000	\$132,357
2005	7,510	\$1,254,795,435	\$167,083
Total	12,068	\$1,850,015,435	\$153,299

Source: Real Capital Analytics and Strategic Planning Group, Inc., 2006

According to McCabe Research & Consulting, Palm Beach had 5,800 condo conversions, which is significantly higher than *Real Capital Analytics* estimates. Regardless of the exact number (which is in question), condo conversions have significantly reduced the existing rental supply. However, it has had an opposite impact on ownership housing. As shown in Table 5.3, the conversion, on average, has produced significant low/moderate-income ownership housing with the average unit value at \$167,083 in 2005.

To a large degree, condo conversions have been fueled by real estate investors, not homeowners. Starting in January 2006, the condo conversion market has slowed significantly as lenders have tightened credit requirements.

HURRICANE DISLOCATION

Strategic Planning Group, Inc. spoke with the Palm Beach Department of Public Safety, Division of Emergency Services to gather information concerning the dislocation caused by the 2004-2005 hurricane seasons.

The 2004 Hurricane season produced significant short- and long-term dislocation according to the Department, but the data is not considered to be reliable. Table 5.4 illustrates the level of damage to single-family, multi-family and mobile home units on a county-wide basis.

Table 5.4. 2004 Hurricane Impact Data – Palm Beach County

	Hurricane Frances			Hurricane Jeanne			Total
	Minor Damage	Major Damage	Destroyed	Minor Damage	Major Damage	Destroyed	
Single Family	117	12	-	2,860	452	1	3,442
Multi-Family	4	-	-	510	94	-	608
Mobile Homes	463	172	61	152	92	59	999
Total	584	184	61	3,522	638	60	5,049

Source: Palm Beach County Planning Department, 2004, Strategic Planning Group, Inc., 2006

The impact of Hurricane Wilma during the 2005 season had fairly reliable data according to the Department. As shown in Table 5.5, the impact data is presented by municipality and for the unincorporated area of the County.

Table 5.5. 2005 Hurricane Impact Data by Municipality

MUNICIPALITY	Minor			Major			Destroyed		
	Single	Multi F	Mob H	Single	Multi F	Mob H	Single	Multi F	Mob H
ATLANTIS	5	0	0	4	0	0	0	0	0
BELLE GLADE	223	37	91	63	18	94	22	9	41
BOCA RATON	1539	161	0	143	46	0	4	4	0
BOYNTON BCH	380	237	20	171	29	57	19	19	18
BRINEY BREEZES	0	0	476	0	0	9	0	0	3
CLOUD LAKE	27	4	0	1	0	0	0	0	0
DELRAY BEACH	421	74	10	308	15	10	0	75	4
GLEN RIDGE	23	2	0	1	0	0	1	0	0
GOLF	49	0	0	0	0	0	0	0	0
GREENACRES	219	280	98	2	0	28	0	19	0
GULFSTREAM	50	0	0	6	2	0	0	0	0
HAVERHILL	103	0	0	1	0	0	0	0	0
HIGHLAND BEACH	15	0	0	244	103	30	0	0	0
HYPOLUXO	75	100	8	0	0	21	0	0	12
JUNO BEACH	1	0	0	0	2	8	0	0	1
JUPITER	2,750	0	0	13	0	0	14	0	0
JUPITER INLET COLONY	240	0	0	0	0	0	0	0	0
LAKE CLARKE SHORES	197	3	0	113	13	0	0	0	0
LAKE PARK	199	34	0	34	12	0	0	0	0
LAKE WORTH	2,119	279	49	32	12	0	1	0	26
LANTANA	183	40	38	0	0	0	0	0	4
MANALAPAN	111	13	0	35	7	0	0	0	0
MANGONIA PARK	41	0	0	0	0	0	0	0	0
NORTH PALM BEACH	18	3	0	9	5	0	0	0	0
OCEAN RIDGE	202	114	0	25	23	0	0	0	0
PAHOKEE	365	54	11	36	18	3	65	50	57
PALM BEACH, TOWN OF	36	12	0	0	3	0	0	0	0
PALM BEACH GARDENS	2,905	250	250	28	24	24	0	0	12
PALM BEACH SHORES	30	2	0	1	8	0	0	0	0
PALM SPRINGS	817	992	29	120	460	44	0	0	5
RIVIERA BCH	1036	132	0	11	12	0	3	0	1
ROYAL PALM BEACH	181	10	0	87	53	0	0	0	0
SOUTH BAY	450	138	48	88	9	10	30	2	31
SOUTH PALM BEACH	0	244	0	0	205	0	0	0	0
TEQUESTA	81	6	0	6	2	0	0	0	0
WELLINGTON	3219	505	8	325	2	0	4	0	0
WEST PALM BEACH	4,710	1,049	54	82	80	61	0	6	10
UNINCORPORATED	11,224	4,399	3,347	467	412	0	0	0	2,097
	34,244	9,174	4,537	2,456	1,575	399	163	184	2,322

Hurricane Wilma directly impacted over 55,054 residential units and displaced the residents of all 55,054 units. The Riviera Beach Housing Authority also reported severe damage to approximately 100 units of their 150-unit supply.

- Minor impacts are defined as making a unit uninhabitable and with damages of less than 10% of the home's replacement cost or fair market value.
- Major impact is defined as making a unit uninhabitable with damages between 11%-74% of the home's replacement cost or fair market value.
- Destroyed is defined as making a unit uninhabitable with damages in excess of 75% of the home's replacement cost or fair market value.

In terms of housing supply it is assumed that destroyed units are fully deducted from the County's housing inventory, while major impacts indicated that the units are removed for at least six months.

The impact on both short- and mid-term dislocation are significant in the County. While FEMA is supposed to assist all impacted families; reality shows that lower-income families are disproportionately impacted. FEMA did not create any self sustaining relocation sites (EGS) for placement of new trailers; rather, they relied on using vacancies in existing trailer parks or apartments.

One major problem is that older trailers are not built to current standards. These units cannot be relocated within the County. Second, in order to secure alternative housing, families need to go through the normal apartment approval process which includes security related background checks, financial credit checks, and they must provide first and last months rent plus a security deposit. FEMA does not provide assistance with security deposits or first/last months rent. Third, apartments usually require a minimum lease of seven months which might be longer than required for minor and even some major impacted families. Those families that seem to be the hardest hit when dealing with FEMA regulations are low-income and retiree households.