

Affordable Rental Housing Trends: Tampa-St. Petersburg-Clearwater MSA

This brief provides an analysis of rental housing affordability trends in the Tampa-St. Petersburg-Clearwater Metropolitan Statistical Area (MSA), also referred to as the “Tampa Bay area” below. This area includes Hillsborough, Pinellas, Hernando, and Pasco Counties. The brief is based on an update of the [2016 Rental Market Study](#). All figures are based on data from the 2000 U.S. Census and the 2005, 2010, and 2015 American Community Survey.

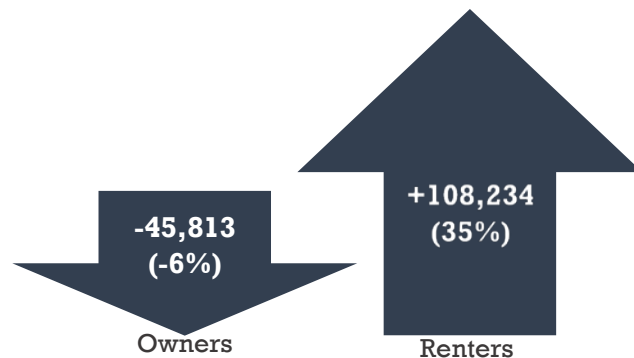
For the purposes of this brief, a “low-income” household is one with an income at or below 60 percent of the area median income (AMI), adjusted for household size. A housing unit is considered “affordable” if gross rent (rent + utilities) costs no more than 40 percent of household income. Households paying more than that amount are considered to be “cost burdened.” Student-headed, non-family households are excluded.

In 2005, there were 83,784 low-income, cost burdened renter households in the Tampa Bay area. This increased to 107,295 in 2010 and to 113,368 in 2015. This represents a 35 percent increase in renters in need from 2005 to 2015, even though total households (owners and renters at all income levels) grew by just 13 percent in the region during this time.

More Tampa Bay households are renting.

The Tampa Bay area added 108,234 renter households between 2005 and 2015. These include new households formed, households moving to the region, and homeowners shifting to renting. The region lost 45,813 owner households during the same period. The homeownership rate fell from 71 percent in 2005 to 64 percent in 2015. The drop off in the homeownership rate was particularly sharp for households headed by someone under age 55: from 62 percent in 2005 to 50 percent in 2015.

Figure 1. Change in Homeowners and Renters, Tampa-St. Petersburg-Clearwater MSA, 2005-2015



Source: U.S. Census Bureau, 2005/2015 American Community Survey 1-Year Public Use Microdata Sample

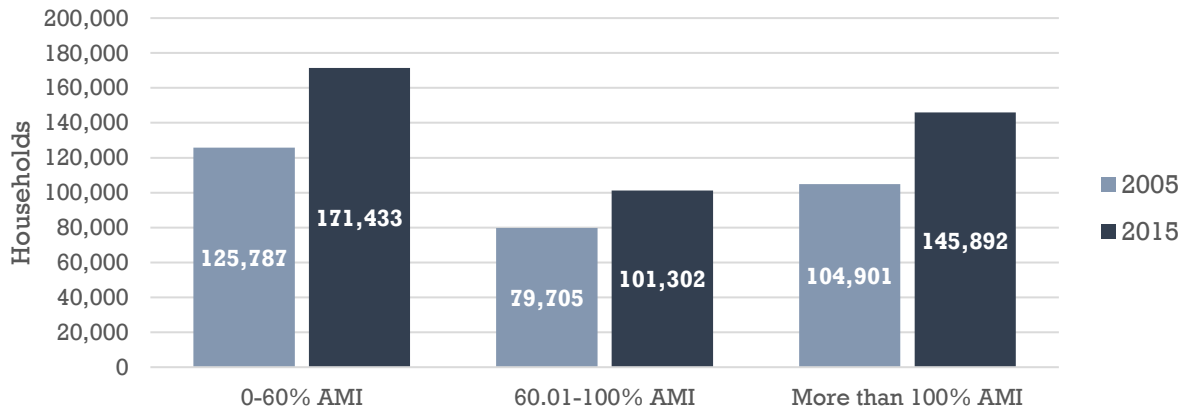
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Renting is up for both lower and higher income households.

Between 2005 and 2015, the Tampa Bay area added 45,646 low-income renters (0-60 percent AMI). The region also added 40,991 renter households with incomes above 100 percent AMI. The region added renters in the middle range (60-100 percent AMI), but in lower numbers: 21,597 additional households.

Figure 2. Renter Households by Income, Tampa-St. Petersburg-Clearwater MSA, 2005 & 2015

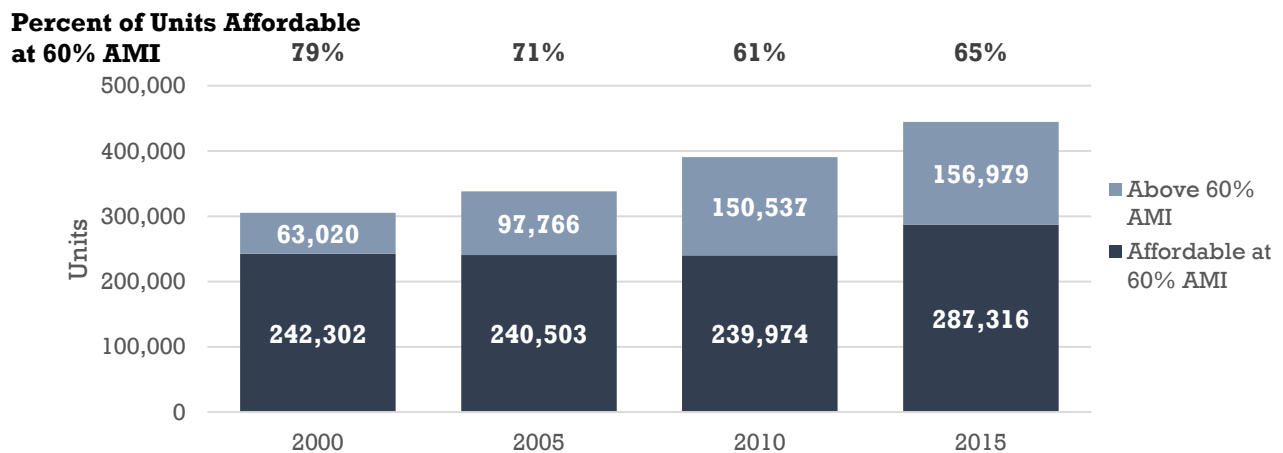


Source: U.S. Census Bureau, 2005/2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

The Tampa Bay region added nearly 139,000 rental units since 2000, but most were not affordable units.

The region's rental housing stock has grown, but the affordable units have not kept pace. Between 2000 and 2015, the Tampa Bay area rental housing supply grew by 138,973 units. Of these, only 45,014 units were affordable to renters with incomes below 60 percent of AMI. The other 93,959 units had rents above the 60 percent AMI affordability threshold.

Figure 3. Units by Affordability Level (60% AMI), Tampa-St. Petersburg-Clearwater MSA, 2000-2015

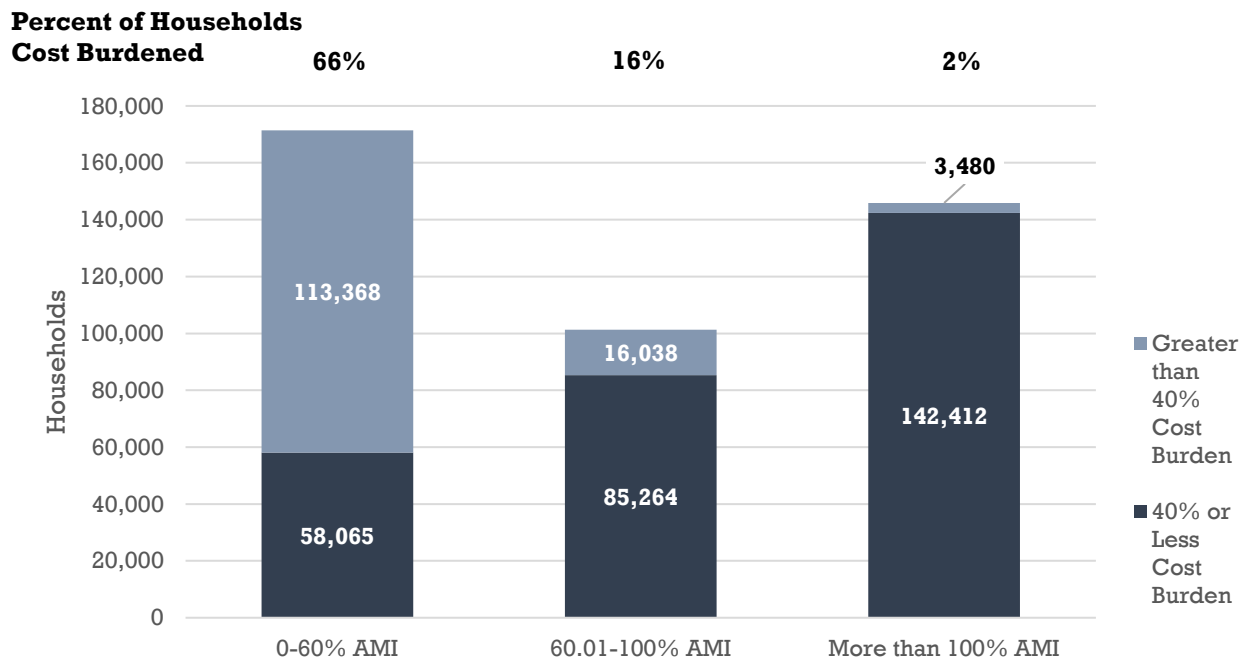


Source: U.S. Census Bureau, 2000 Census and 2005/2010/2015 American Community Survey 1-Year PUMS

Most low income renters are cost burdened. Few higher income renters are.

With the number of renters rising and limited affordable housing supply, housing costs hit low-income households hard. As Figure 4 shows, most low-income renters were cost burdened in 2015. Some renters with incomes between 60 and 100 percent of AMI also faced housing cost burdens, while almost no upper-income renters did.

Figure 4. Renters by Income and Cost Burden, Tampa-St. Petersburg-Clearwater MSA, 2015

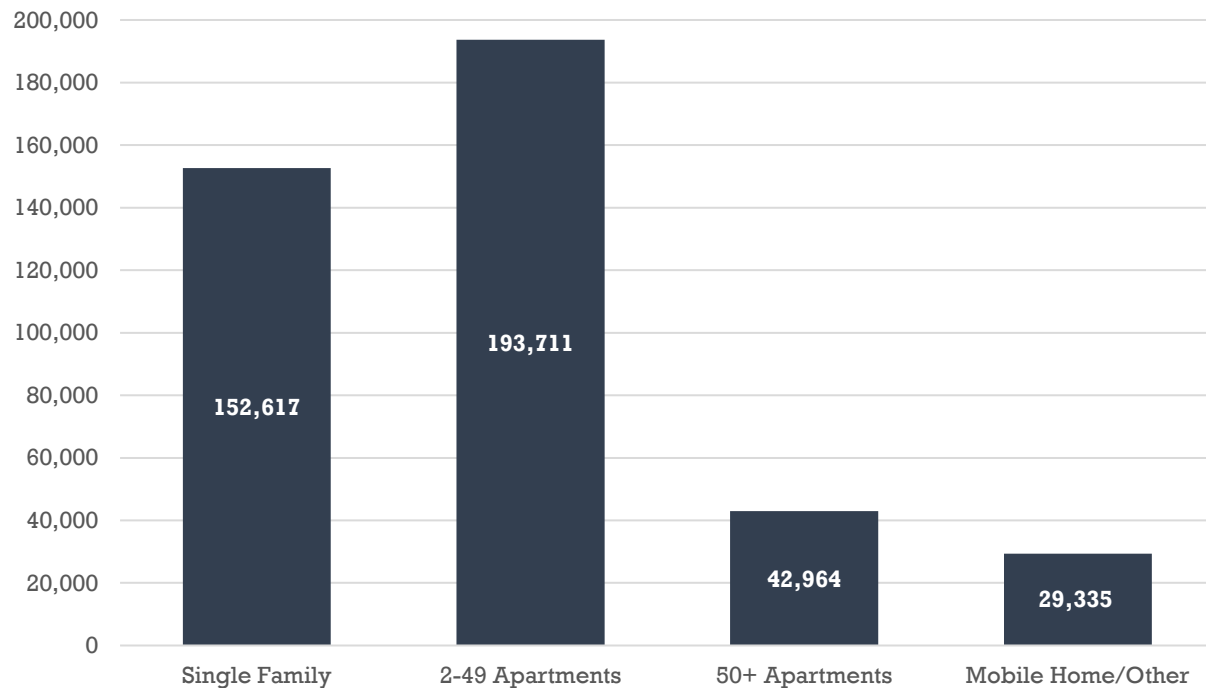


Source: U.S. Census Bureau, 2015 American Community Survey 1-Year PUMS

The Tampa Bay area’s rental housing is concentrated in smaller developments, including an increasing number of single family homes.

While large multifamily buildings are the most visible sources of rental housing in the region, units in these buildings make up just 10 percent of the rental housing stock. Nearly half of rental units (46 percent) are in 2-49 unit multifamily structures. Single family homes make up a growing share of rental units, rising from 28 percent of the total rental stock in 2005 to 36 percent in 2015. The repurposing of single family homes as rental units follows a national trend in the wake of the housing market crash.

Figure 5. Rental Units by Structure Type, Tampa-St. Petersburg-Clearwater MSA, 2015



Source: U.S. Census Bureau, 2015 American Community Survey 1-Year Public Use Microdata Sample (PUMS)

The Tampa Bay area has added over 53,000 older renter households since 2000, and the growth will continue.

In 2001, the first Baby Boomers turned 55, the minimum age for Florida Housing Finance Corporation's developments targeting older adults. Between 2000 and 2015, the Tampa Bay area added nearly 132,000 households with heads age 55 and older. While most were homeowners, 40 percent were renters—an additional 53,320 older renter households.

The growth in older households is not expected slow any time soon. By 2030, the number of Tampa Bay residents age 65 and older is projected to surpass the number of youth under age 20. The Shimberg Center projects that the region will add 41,926 renter households age 65+ between 2015 and 2040.