



# INVEST: PALM BEACH LAUNCH

Planning, Zoning, and Building Executive Director Whitney Carroll and Deputy Director Cindy Hoskin attended the Invest: Palm Beach 5th Anniversary Edition Launch Conference recently held at The Ben Hotel in West Palm Beach.

The event encompassed a series of panel discussions covering various topics, including the drivers influencing our local economy, workforce/affordable housing, and transportation.

Also present were Commissioner Gregg Weiss and Assistant County Administrator Todd Bonlarron (who also served as a panelist).



Whitney Carroll and Cindy Hoskin

# INTERVIEW WITH COUNTY LEADERSHIP

## The conference marked the launch of the Invest: Palm Beach 5th Anniversary Edition magazine which includes an interview titled “Dynamic blend” with County Administrator Verdenia Baker and PZB Executive Director Whitney Carroll.



### Dynamic blend

Combination of people, culture and diversity an attractive recipe

**Verdenia Baker**  
County Administrator - Palm Beach County

**What have been your key takeaways from the past year?**  
We continue to offer a dynamic blend of people and culture for our coastal and inland communities. We are one of the fastest growing east of the Mississippi River, spanning from the Atlantic Ocean to Lake Okechobee as we live in a very diverse community. From new and young families, we are consistently evaluating and working to improve our county and extend a warm invitation to all walks of life. Our economy is thriving as well, from the service industry to wealth management. We are big on technology and are continuing to build on that platform moving forward.

This rate of growth and record-breaking tourism will be sustainable long term, but we've exposed many people to our community who we believe will return. We are seeing more relocations of young families and executives. It is our hope this trend continues.

**How is the county making housing more affordable?**

As you know, we are growing rapidly and the housing market has a lower inventory of homes available, which is driving up costs and rental prices also. We recognize this is a critical area to address if it were not to remain a sustainable community. So, we are always investing federal and state dollars into financing and continue to advance our affordable workforce housing program. Residents voted to tax themselves up to \$200 million in general obligation bonds to increase the number of affordable workforce housing units, whether through ownership or rental.

We want to avoid gentrification in our community so what we are working with developers, it is always optional. We want to ensure we're building in neighborhoods

and adding diversity that affordable workforce housing is included. It is important to educate the community so they are in a digital position to acquire or rent those units. Our economic development department works to rebid existing units as well, using federal aid state dollars. We place a deep restriction on the units so they remain affordable in the foreseeable future.

**What is your assessment of the business landscape in Palm Beach County?**

Palm Beach County continues to work with the public and private sectors as we continue to develop. Traditionally, we used to be driven primarily for agriculture, tourism, and construction but we've seen much more. Currently, we've grown our economic and healthcare industries. We also cannot do it without our IT. We are looking to further advance IT, especially automation and artificial intelligence. The county continues to collaborate with educational community to ensure we are educating and training a deep pipeline of talented graduates for these industries to hire.

Palm Beach County is business friendly and our only looker out for business but also residents. We want to maintain the quality of life we have here that emphasizes balance. We have a nationally award-winning parks system as well as beautiful beaches. We make sure to bring in cultural events to feed and nurture our population through jobs and vibrant cultural events. We also work with museums and other cultural institutions to provide programming for all. We have the best of everything and to see we thrive here. We have a strong entrepreneurship because they live our residents as well.

**PROSPECTS**

**Positive outcomes**

**Santos Arroyo**  
President & CEO - Florida Housing Resources Council of Greater Boca  
Based on the numbers, we have approximately 400,000 Hispanics in the county, and these are probably more our accounts for. That gives us a lot of leverage and resources. We support and 21 Hispanic counties through our nonprofit organization Florida Housing Inc., where we can bring them all together under one umbrella. Our concept has really taken off, so the state of Florida is starting to pay attention. They gave us a grant to keep bringing together our people so we can open our local cultural resource center here in Palm Beach County.

**Dania DeLaney**  
President & CEO - Community Foundation for Palm Beach and West Counties

The good news about the population influx is that these new people are also bringing their own talents with them. That is a huge positive because we will be in a position to do more. What we are a community with great wealth, we can use a community with great need. Our job as the Community Foundation is to ensure that the needs are met and inspire that philanthropy to continue to address the issues that are not going anywhere.

**Selena Santos**  
Council Member - Governor's Chamber of Commerce Palm Beach County

Commerce is one of our main priorities and we have partnered with them and local organizations to identify job opportunities if another member is expanding a road. We hosted a luncheon to discuss the impact of affordable housing with leadership and organizations from the area, along with a breakfast, so they could share their perspectives on this important topic. We also partnered with the National Association of Women Business Owners as they grow their presence in Florida. There has been a dynamic collaboration and will continue to be.

**Natalie Stolbach**

President - Florida Chamber of Commerce  
Our brand new partnership with Lake Worth Beach is a significant development. In the process of forming its own board and website, and helping with a governance for both Lake Worth Beach and Lakewood. We've been on a mission for years to revitalize the business community in Lake Worth Beach, and now we are finally moving in that direction. The collaboration is palpable. Lake Worth Beach has a strong downtown district, and this partnership will enable them to welcome our visitors and expand their network.



The port of Palm Beach means over 100 million worth of commerce through cruise industry.

and given the close proximity of the regions. South Florida was recently named by the federal government as climate necessary technology hubs thanks to its work in developing, commercializing and scaling climate resiliency technologies.

Palm Beach is on the front line of clean energy due to the research sector which consists of 718 companies employing over 3,000 jobs at an average salary of \$95,000. Another new sector that could create a bonanza for Palm Beach is recreational marijuana. Support for its legalization is gaining momentum across Florida and right now, it looks like the issue will be on the ballot for 2024. According to estimates by The Florida Financial Impact Estimating Conference, the industry could generate tax revenues of between \$393.5 million and \$411.5 million per year.

**Challenges**

In the past year or so, Florida has been under the spotlight for some controversial regulatory changes. One of the biggest challenges has been the growing anti-LGBTQ legislation that has been passed including the infamous “Don’t Say Gay” bill, which is driving businesses to re-evaluate their positions in the state. Fortunately, the state is trying to help with Workforce Community over the issue. This bill is common for the state’s economy given that the company associates \$40 billion in economic impact and accounts for over a quarter of the state’s jobs. Another law passed by

Director DeGantis that takes effect in July targets foreign property owners. According to HUD Growth, Florida is the most attractive state in the United States for foreign property buyers but the new measures aimed at “countries of concern” that include China - could certainly change the playing field.

Another major challenge for the region - and the entire country - is the rising cost of living and home prices, which is driving lower income families out. According to data from the BLS, inflation in the Miami-Fort Lauderdale-West Palm Beach MSA is rising faster than the U.S. average. Between October 2022 and October 2023, the cost of all items in the MSA rose 7.4% - almost double that 1.2% seen across the rest of the United States. Among the main drivers were the cost of apparel, which rose by a staggering 13.5%, transportation, which rose by 8% and services, which rose by 7% - surpassing the national average. Of course, one of the biggest drivers of inflation in Miami-Fort Lauderdale-West Palm Beach has been housing, which the data show has risen by 10.7% in the year to October 2023. In comparison, national house prices rose by just 3.2% in the United States and 5.9% across all of the South.

With house prices rising at such a huge pace, Palm Beach is facing the challenge of being able to provide jobs to low to lower income workers who perform key jobs. Across the state, there is a housing crisis, driven by an influx of people, a spike in interest rates and the state’s insurance crisis. Insurance providers in Florida have been stepping out of the state as rising premiums on cover higher risk, which includes hurricanes, flooding and storm damage. According to the Florida Policy Institute, over 200 jobs were lost in 2022, median rent prices in the state rose 9.8% to about \$1,700. This would mean a worker earning the state minimum wage of \$10 per hour needs to work 16 hours per week to afford accommodation.

The situation is not much better in Palm Beach. According to Palm Beach County’s Housing for All Action Plan, 43% of households and 93% of renters are cost burdened in the region, even those that make 90% more than the median wage in professions such as civil engineering but that they fall short of the requirements to buy a house. Home prices in Palm Beach County have increased by over 25% between 2000 and 2021, which is higher than the state and national averages.

To be affordable for a low income household, houses must cost \$147,000 or less. For moderate income households they must cost \$273,000 or less and for middle income households they must be \$375,000 or less. In contrast, houses in Palm Beach County cost on average \$418,000 - far out of the reach of many. These



**Whitney Carroll**  
Executive Director - Palm Beach County Planning, Zoning & Building  
The state legislature has created an avenue for us to explore with the Florida Act. We see it as an opportunity for some commercially zoned land to be taken the next step and flip to residential. Hopefully, some of the commercial sites that we understand and part of a higher density residential development to be integrated into a higher density residential development to fill in some of those gaps as well. The BCL adopted an Essential Housing Land Use category with 25% workforce housing requirement. Prior to this, it was not permitted in the Agricultural Reserve. Also we are working to allow unaffordable development to be reclassified to its full potential.

like a huge risk for the county that essential professions will become underpaid since those who perform the jobs are unable to live in the area. In one step toward a solution, this October, the county commission approved a \$200 million bond for affordable housing but it is clear that the county needs to go much further to find a long-term solution to the problem.

**Looking ahead**

As 2024 goes into full swing, there is still no sign that a long-awaited recession might hit Palm Beach County. In fact, optimism is at its highest point in over a year as hopes the Federal Reserve bank might pause its cycle of rate hikes and, in 2024, even reduce interest rates. Despite recent growth and continued increases in real estate, it is not all clear skies ahead for Palm Beach County. Residents require investment and, while there is no shortage of money in the county, it needs to be channeled to the right places to ensure the region’s sustainability. These areas include infrastructure, environmental remediation and housing stock, among several others. Most importantly, the money should be allocated in an equitable way that ensures no area is left behind. Up until now, Palm Beach has managed to attract ultra-wealthy individuals, who naturally grow home values and increase connectivity with megacities like the flight to cash. Now it needs to look at the needs of ordinary citizens as they continue to battle with high costs of living.