

Florida Housing Coalition SADOWSKI AFFILIATES WEBINAR



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March 30, 2021

THE FLORIDA HOUSING COALITION



Webinar Logistics

- All participants are on mute
- We will answer questions at the end of Webinar
- Type your question into the question box on the side panel
- We will not identify who asked the question
- Webinar is recorded and can be found FLHousing.org (www.flhousing.org/past-sadowski-affiliates-webinars/)
- There are handouts that can be downloaded attached

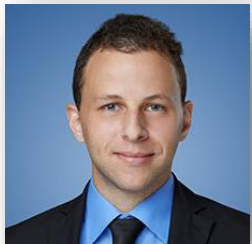
Panelists



Jaimie Ross, President & CEO
Florida Housing Coalition;
Facilitator, Sadowski Coalition



Mark Hendrickson, Executive Director
Florida ALHFA; FHC Board Member



Kody Glazer, Legal Director
Florida Housing Coalition

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Agenda

- What happened to Sadowski Funding in the Legislature last week?
- Joint Press Release from Speaker and President
- House Proposed Budget
- Senate Proposed Budget
- What happens with these bills procedurally in the Appropriations process?
- The growing movement to stop the permanent sweeps
- State and Federal Housing Bills Update

Legislative Process

- Session began **March 2, 2021.**
- **We are in Session Week 5**
- Consideration of the appropriation of the state and local housing trust fund programs is underway early.



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Legislative Budget Update

- First Base of the Budget Process: Initial Allocations- they skipped first base and went straight to second base.
- The House and Senate released their proposed budgets this week.
- The proposed budgets do not factor in rising revenue projections or the Federal funding from the American Rescue Plan Act of 2021.
- That does not change the fact that the Legislature has the ability to plug a budget hole, if any, with the ARPA funds



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Documentary Stamp Tax Distributions- House Bill 5401 and Senate Bill 2512

- **Tuesday evening, March 23-**

Florida legislative leadership released a joint press release announcing plans to redirect Sadowski State and Local Trust Fund monies.

- **Thursday, March 25-**

Florida House Agriculture and Natural Resources Appropriations Subcommittee voted in favor of the proposed house bill.

- Testimony against the bill was heard from Florida Realtors
- Florida Conference of Catholic Bishops
- 1000 Friends of Florida
- The Florida Housing Coalition

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Testimony from Paul Owens, President of 1000 Friends of Florida

“As an organization that promotes planning, 1000 Friends welcomes investments in programs to prepare for threats from flooding and sea level rise. As an organization that champions better environmental stewardship, we heartily support investments in water protection and sustainability. But we can’t support taking the funding for those worthy priorities from another revenue stream that was established to address a critical need in Florida.”



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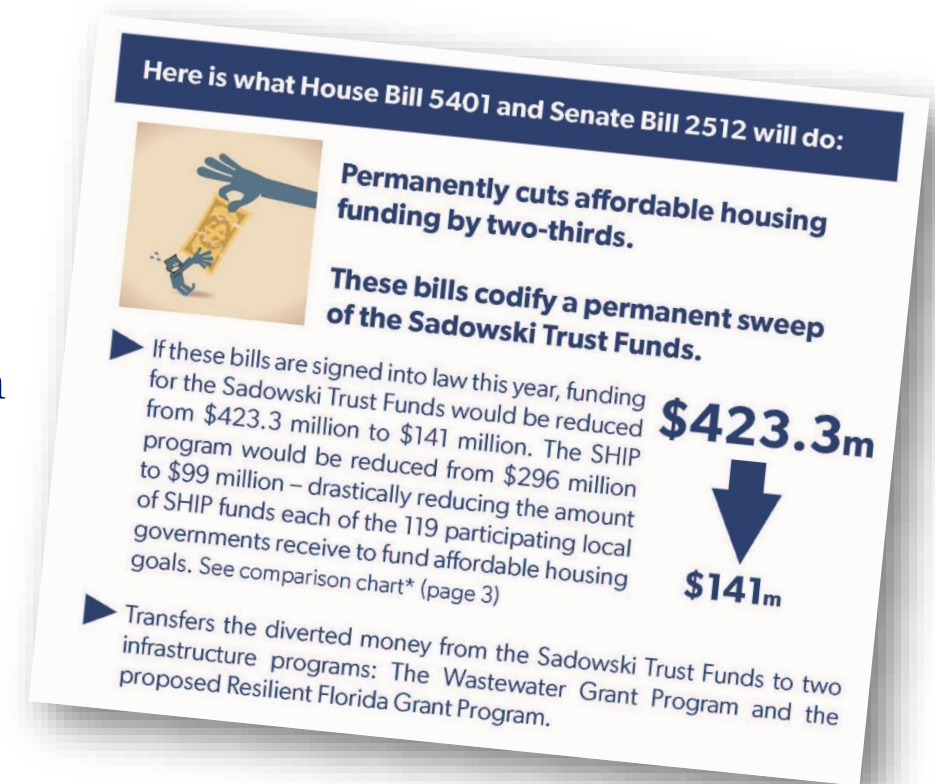


What HB 5401 and SB 2512 do

1. Permanently cuts affordable housing funding by two-thirds.
2. These bills codify a permanent sweep of the Sadowski Trust Funds.

If these bills are signed into law this year, funding for the Sadowski Trust Funds would be reduced from \$423.3 million to \$141 million. The SHIP program would be reduced from \$296 million to \$99 million – drastically reducing the amount of SHIP funds each of the 119 participating local governments receive to fund affordable housing goals. See comparison chart* (page 3)

Transfers the diverted money from the Sadowski Trust Funds to two infrastructure programs: The Wastewater Grant Program and the proposed Resilient Florida Grant Program.



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Sadowski Fact Sheet

- Florida Housing Coalition created a fact sheet to help legislators and advocates with common questions
- Info on the housing needs and housing programs
- Separating what's true and what's false
- Providing updated SHIP distribution (prepared by FHFC) based on the Senate and House Proposal
- All are attached download

Florida has an affordable housing crisis.



We have a shortage of over 344,000 affordable homes for lower-income Floridians.

The extent of the housing crisis is, in part, due to the billions of dollars in Sadowski Trust Funds which have been swept over the past 18 years.

- ▶ Before COVID-19 hit our state, nearly 2 million of Florida's lower-income households – our hardworking families, seniors, and people with disabilities – were housing instable.
- ▶ The COVID-19 pandemic has accelerated housing unaffordability.
- ▶ Home prices and rents are high; there is a severe shortage of housing affordable to Florida's workforce.
- ▶ Nearly a million very low-income households in Florida are one missed paycheck away or one unexpected medical crisis away from homelessness.

Here is what House Bill 5401 and Senate Bill 2512 will do:



Permanently cuts affordable housing funding by two-thirds.

These bills codify a permanent sweep of the Sadowski Trust Funds.

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- ▶ Transfers the diverted money from the Sadowski Trust Funds to two infrastructure programs: The Wastewater Grant Program and the proposed Resilient Florida Grant Program.

\$423.3m



\$141m

Contact: Jaimie Ross, President/CEO, Florida Housing Coalition, ross@flhousing.org
Kody Glazer, Legal Director, Florida Housing Coalition, glazer@flhousing.org



Sadowski
Housing Coalition

What are the Sadowski Trust Funds and how are they used?

An increase to the documentary stamp tax by 10 cents in 1992 and an equivalent value of General Revenue in 1995 were statutorily dedicated to the State and Local Government Housing Trust Funds in the William E. Sadowski Affordable Housing Act.

Supported by
The Florida Realtors &
The Florida Home
Builders Association



The monies were to be used solely for housing.

The two main programs funded by the Sadowski Trust Funds are the State Housing Initiative Partnership (SHIP) program and the State Apartment Incentive Loan (SAIL) program.



Down Payment Assistance
Closing Costs
First-time Homeownership
New Construction
Home Repair
Property Acquisition
Eviction Prevention
Foreclosure Prevention

SHIP is administered by 119 local government housing offices for down-payment and closing cost assistance for first-time homebuyers, new affordable housing construction, home repair, eviction prevention, foreclosure prevention, and other local initiatives, including rental housing.

SAIL is administered by the Florida Housing Finance Corporation and is used to provide gap-financing for affordable housing developments.

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Panelist



Mark Hendrickson, Executive Director
Florida ALHFA; FHC Board Member

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Next Steps for these Conforming Bills

- Next stop for HB 5401 – Full House Appropriations Committee
- First stop for SB 2512 – Full Appropriations in the Senate- scheduled for Wednesday, March 31 and April 1– if another day is needed.
- Each bill will go to the floor whenever they take up the budget.



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Budget FY 2021-22 as of March 26, 2021

Appropriation of Housing Trust Fund Monies

	GOVERNOR FY 21-22	SENATE FY 21-22	HOUSE FY 21-22	FINAL BUDGET FY 21-22	FINAL BUDGET FY 20-21
FHFC: SAIL & other FHFC Line 2238	\$126,700,000	\$42,000,000	\$42,000,000		\$115,000,000
SHIP Line 2239	\$296,600,000	\$99,100,000	\$99,100,000		\$225,000,000 VETOED
	\$0	\$0	\$0		\$30,000,000 Hurricane Housing Recovery Program (SHIP-like program for Hurricane Michael disaster counties only) Line 2282A
TOTAL HOUSING	\$423,300,000	\$141,100,000	\$141,100,000		\$145,000,000
SHTF SWEEP	\$0	\$38,600,000	\$25,000,000		\$0
LGHTF SWEEP	\$225,000,000	\$254,400,000	\$273,490,000		\$0
TOTAL SWEEP	\$225,000,000	\$293,000,000	\$298,490,000		\$0
Unallocated SHTF	\$0				\$4,800,000
Unallocated LGHTF	\$0				\$12,200,000 + \$225 million veto



Proviso/Back of Bill for FHFC

Governor's Budget

- 20% of each SAIL development for person with special needs or the elderly
- \$20 million of SAIL for workforce housing in the Keys
- \$500,000 from SHIP for Catalyst Training

House Budget

- \$99,500,000 of GR transferred to LGHFT
- \$40,500,000 of GR transferred to SHTF
- Note: these funds are moved to Housing Trust Funds, but are not appropriated for housing

Senate Budget

- None

Additional Homeless Funding

Additional Homeless Funding from General Revenue or DCF Trust Funds				
Item	Amount	Line Item	Source	Agency
Challenge Grants- Senate	\$1,181,500	341	GR	DCF
Challenge Grants- House	\$3,181,500	341	GR	DCF
Federal Emergency Shelter Grant Program	\$7,211,973	342	Federal Grants TF & Welfare Transition TF	DCF
Homeless Housing Assistance Grants (staffing for 27 homeless lead agencies)	\$3,000,000	343	GR	DCF
Clara White Mission Homelessness Services	\$100,000 House	345	GR	DCF
Miami Bridge- Host Homes for Homeless Youth	\$100,000 House	310A	GR	DCF

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Additional Homeless Funding

Additional Homeless Funding from General Revenue or DCF Trust Funds				
Item	Amount	Line Item	Source	Agency
Transitional Living Housing for Homeless Youth	\$1,000,000 House	2236A	GR	DEO
Five Star Veterans Center Homeless Housing	\$250,000 Senate	567A	GR	Veteran's Affairs
Miracles for Pasco Homeless Campus (Metropolitan Ministries)	\$2,000,000 Senate	356B	GR	DCF
The Transition House- Homeless Veterans Program Osceola	\$250,000 Senate	567A	GR	DCF

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Other Projects Funded

Other Projects Funded from General Revenue				
Item	Amount	Line Item	Source	Agency
Affordable Housing for At-Risk/Foster Children & Senior Citizen	\$500,000 House	2236A	GR	DEO
CASL Renaissance Manor-Independent Supportive Housing	\$625,000 House \$250,000 Senate	367	GR	DCF
Zebra Coalition- Youth Transitional Housing	\$50,000 Senate	345	GR	DCF
Zebra Coalition- Youth Transitional Housing- Orange County	\$200,000 Senate	356A	GR	DCF
Anchorage Children's Home Transition Living Housing- Bay	\$500,000 Senate	2236A	GR	DEO

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Key Persons for Housing Trust Funds

SENATE



**Senate President
Wilton Simpson**

(R., Dist 10- Part of Citrus,
Hernando, Pasco Counties)



**Appropriations
Chair Kelli Stargel**

(R., Dist 22- Part of Lake, Polk
Counties)



**TED Chair
George Gainer**

(R., Dist 2- Part of Bay, Holmes,
Jackson, Okaloosa, Walton,
Washington Counties)

HOUSE



**House Speaker
Chris Sprowls**

(R., Dist 65- Part of Pinellas County)



**Appropriations
Chair Jay Trumbull**

(R., Dist 6- Part of Bay County)



**Infrastructure & Tourism
Appropriations
Chair Jay Williamson**

(R., Dist 13- Part of Okaloosa and Santa Rosa Counties)

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Message

- Appropriate all the Sadowski state and local housing trust funds solely for Florida's housing programs
- We have a housing crisis.
- We have the best housing programs in the nation.
- Housing fuels the economy.
- We have no budget deficit.

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Miami Herald

If you can't find an affordable home, Florida's Republican lawmakers want to make sure you never do | Editorial

BY THE MIAMI HERALD EDITORIAL BOARD
MARCH 30, 2021 06:00 AM



This mother of six was homeless. Here's how affordable housing changed her life



Antonesse Dorsin, 37, was living paycheck to paycheck when she lost her home. Now she's raising her children and living at the Villa Aurora apartments in Little Havana, Florida. BY [MATIAS J. OCNER](#)

Listen to this article now
03:56 Powered by [Trinity Audio](#)

Faced with sea-level rise, water-quality issues and a growing shortage of affordable housing, Florida's legislative leadership has unveiled a proposal that would rob Peter to pay Paul to address the state's biggest crises — and they are patting themselves on the back.

If you can't find an affordable home, Florida's Republican lawmakers want to make sure you never do | Editorial

In exchange for putting an end to fund sweeping, the bill would permanently short-change affordable housing by dividing the money in the trust fund — which was created with real-estate transaction tax revenue — with two other programs.

This proposal provides an excuse for lawmakers to continue to take dollars away from much-needed projects to build homes for essential workers such as firefighters, teachers and service workers while allowing them to pat themselves on the back for doing the bare minimum.

It would permanently prevent the state from tapping into our heated real-estate market through the use of documentary tax revenue to help those who cannot afford Florida's rising homes values.

- March 30, 2021

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Florida's about to foolishly and permanently gut its affordable housing fund | Editorial

In a year when Florida might get \$10 billion in free money from the feds, when the state is on the cusp of passing an internet sales tax that'll produce something like \$1 billion extra each year, lawmakers in Tallahassee are once again trying to raid a trust fund that's supposed to bankroll housing programs and housing programs alone.

This time, House Speaker Chris Sprowls and Senate President Wilton Simpson want to permanently cut the state fund for affordable housing by two-thirds.

-March 26, 2021

Orlando Sentinel

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Florida lawmakers look to cut affordable housing money — again

Tampa Bay Times

Despite soaring rents and housing prices across Florida, Republican legislative leaders want to permanently divert money for affordable housing to water and environmental projects.

- March 25, 2021

NEWS / THE BUZZ ON FLORIDA POLITICS

Florida lawmakers look to cut affordable housing money — again

The plan would take two-thirds of affordable housing money for other uses.



The Renaissance at West River, 1545 W. Main St. on Thursday, Sept. 24, 2020 in Tampa. The Renaissance at West River is the first apartment complex to be completed in the West River urban renewal project. The six-story, 160-unit complex is a part of Tampa's commitment to provide 10,000 affordable housing units by 2027. [DIRK SHADD | Times]

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Miami Herald

Legislature considers permanent reduction in money available for affordable housing

BY LAWRENCE MOWER HERALD/TIMES TALLAHASSEE BUREAU

MARCH 25, 2021 04:02 PM, UPDATED MARCH 25, 2021 04:23 PM



Clifford Johnson, 61, was homeless. Now the Liberty City native has rebuilt his life and is living at the Hampton Village Apartments in Brownsville, Florida. BY [MATIAS J. OCER](#)



TALLAHASSEE

Despite soaring rents and housing prices across Florida, Republican legislative leaders want to permanently divert money for affordable housing to water and environmental projects.

Legislature considers permanent reduction in money available for affordable housing

In a deal described by one lawmaker as “The Hunger Games,” hundreds of millions of dollars meant to be used each year to finance affordable housing projects would instead be split in three: a third would go to affordable housing, another third to environmental and flooding projects and the rest to wastewater programs.

The money would be permanently dedicated to those programs, unlike it is today. Over the last 13 years, state lawmakers have “swept” the money dedicated to affordable housing and spent it on other projects 12 times.

- March 25, 2021

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Community Voices: State proposal would cut 70 percent of affordable housing funding

Statewide, one in six Floridians spends half or more of their income on housing. It's no secret we have an affordable housing crisis in our state; the problem gripping our community is not new.

However, the funding source created to address this crisis, called the Sadowski Affordable Housing Trust Fund, is again under attack. This time, cuts will be permanent.

- Mike Sutton, Habitat for Humanity of Pinellas and West Pasco Counties, Op-Ed, March 26, 2021



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To lawmakers plotting a raid on funds for affordable housing. Cut that out.

We all understand the importance of sewer conversion, climate change and the health of manatees but we are talking about people's basic needs to house themselves and their families. As the article points out, a tremendous amount of low-income people are paying more than 50 percent of their income for housing. These are the people who serve our communities, work in our restaurants, pack our groceries, maintain our properties and provide other essential services.

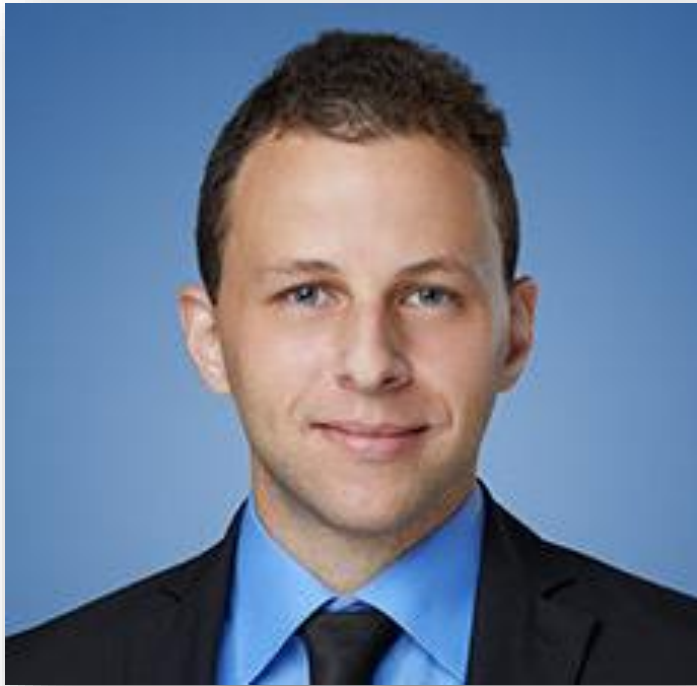
- Jerry Durham, Federation of Manufactured Home Owners of Florida, Op-Ed, March 30, 2021



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Panelist



Kody Glazer, Legal Director
Florida Housing Coalition

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Housing is not the only one of the three “silos” funded with federal dollars

- There is a perception that housing is the only one of the three “silos” (housing, resiliency, wastewater) that is funded with federal dollars.
- **Fact:** All three silos receive federal funding.

Resiliency

- In 2020, Florida received \$633 million in CDBG-MIT funds for disaster mitigation.
- In 2019, Florida received \$564 million in mitigation funds through the Hazard Mitigation Grant Program.
- STORM Act – authorizes FEMA to provide capitalization grants to states who form revolving loan funds for disaster mitigation.

Wastewater Infrastructure

- Florida has received an average of \$50.6 million annually in capitalization grant funds from EPA through the Clean Water State Revolving Fund program.
- Using these grant funds to operate a loan program, DEP has used nearly \$250 million/year since 2010 on wastewater & stormwater infrastructure programs.

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Overwhelming majority of FHFC's federal funds is the state's bond allocation; this is not equivalent to money

- There is a talking point being used that because FHFC receives \$542 million in federal funding, cutting Sadowski is justified.
- **Fact:** The majority of \$542 million funding amount cited is the state's bond allocation, not direct funding. Bond allocation is not money; it is the legal authority to borrow money, IF, the bond deal works.
- **Fact:** Without adequate SAIL funding, the bond allocation is without value.
- **Fact:** Using bond allocation as equivalent to money is not accurate.

American Rescue Plan Act (ARPA) can be used for Resiliency & Wastewater Infrastructure

- ARPA provides over \$10 billion to the state of Florida that can be spent until 12/31/24.
- Can expressly be used to:
 - 1. Respond to public health or negative economic impacts of COVID-19
 - 2. Provide premium pay to essential workers
 - **3. Provide government services to the extent of the reduction in revenue due to COVID-19**
 - **4. Make necessary investments in water, sewer, or broadband infrastructure.**

Federal Housing Assistance Cannot Replace SHIP

	Federal Emergency Rental Assistance (ERA) - \$1.4 billion to FL	American Rescue Plan Act (ARPA) – FL amount TBD	SHIP - \$296 million
Rental Assistance	●	●	●
Housing Counseling	●	●	●
Mortgage Assistance		●	●
Property Acquisition for Affordable Housing*		●	●
Emergency Repairs			●
Down Payment & Closing Cost Assistance			●
Homeownership and Rental Construction			●
Gap Financing			●
Home Rehabilitation			●
Impact Fee Payments			●

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Federal Funding Takeaways

- Housing is not the only one of three silos (housing, resiliency, wastewater) that receives federal funding.
- The vast majority of FHFC's federal funds is the state's bond allocation; this is not equivalent to money.
- American Rescue Plan Act (ARPA) dollars can be used to fill budget deficits and to make investments in resiliency & wastewater infrastructure.
- Federal housing assistance cannot replace the SHIP program.
- Not all housing funding is the same.

Emergency Preparedness & Response Fund

- House Bill 1595 (Williamson)/Senate Bill 1892 (Diaz)
- Creates the Emergency Preparedness and Response Fund within the Executive Office of the Governor
- Fund intended as “primary funding source for the Governor for purposes of preparing or responding to an emergency”
- State can use this fund for immediate response and replenish the fund with reimbursements from FEMA, CDBG-DR, or other federal and state dollars
- House Budget contains \$1 billion in GR for this fund

As the dedicated disaster trust fund, this fund should be the first source of dollars to respond to disasters.

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Housing Bills Heard in Committee

HB 13/SB 510

State Funds

(Rep. Killebrew/Sen. Hooper)

- Elevates the status of the Sadowski Housing Trust Funds; bars Legislature from sweeping unappropriated cash balances from the State and Local Government Housing Trust Funds
- Passed two committees in Senate; not heard in House

HB 423/SB 168

Hurricane Loss Mitigation Program

(Rep. Tuck/Sen. Hooper)

- Extends Hurricane Loss Mitigation Program (HLMP) to June 30, 2031
- In the Appropriations Committee of both Chambers

HB 55/SB 284

Building Design

(Rep. Overdorf/Sen. Perry)

- Preempts local governments from regulating building design elements for single & two-family homes with certain exceptions.
- Passed all committees in the House; passed 2 of 3 in Senate

HB 7019/SB 1954

Statewide Flooding and Sea Level Rise Resilience

(Rep. Busatta Cabrera/Sen. Rodriguez)

- Forms the Resident Florida Grant Program; requires DEP to complete a comprehensive statewide flood vulnerability and sea level rise assessment; & more
- “Affordable public housing” is defined as a “critical asset” that must be analyzed in sea level assessment and can be funded with grant dollars

HB 965/SB 1160

Florida Housing Finance Corporation

(Rep. Roth/Sen. Rodriguez)

- Gives FHFC board the authority to make final determination on issuance of revenue bonds
- First hearing in House Ways & Means on 3/31

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Housing Bills *Not* Heard in Committee

HB 567/SB 1068

Local Housing Assistance Plans
(Rep. Bartleman/Sen. Taddeo)

- Makes changes to SHIP set-asides

HB 563/SB 674

Tax Exemption for Affordable Housing
(Rep. Rodriguez/Sen. Rodriguez)

- Allows local governments to grant ad valorem tax exemptions for affordable housing developments

HB 499/SB 576

Prohibited Landlord Practices
(Rep. Benjamin/Sen. Jones)

- Prohibits landlords from refusing to rent to a tenant solely based upon the tenant being previously evicted during COVID-19

HB 481/SB 412

Residential Evictions
(Rep. Driskell/Sen. Rouson)

- Repeals Florida's "pay-to-play" Landlord/Tenant Statute

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Sadowski Affiliates Webinars- Tuesdays at 10am

Sadowski Affiliates Webinar every Tuesday at 10am

Registration links will be sent weekly



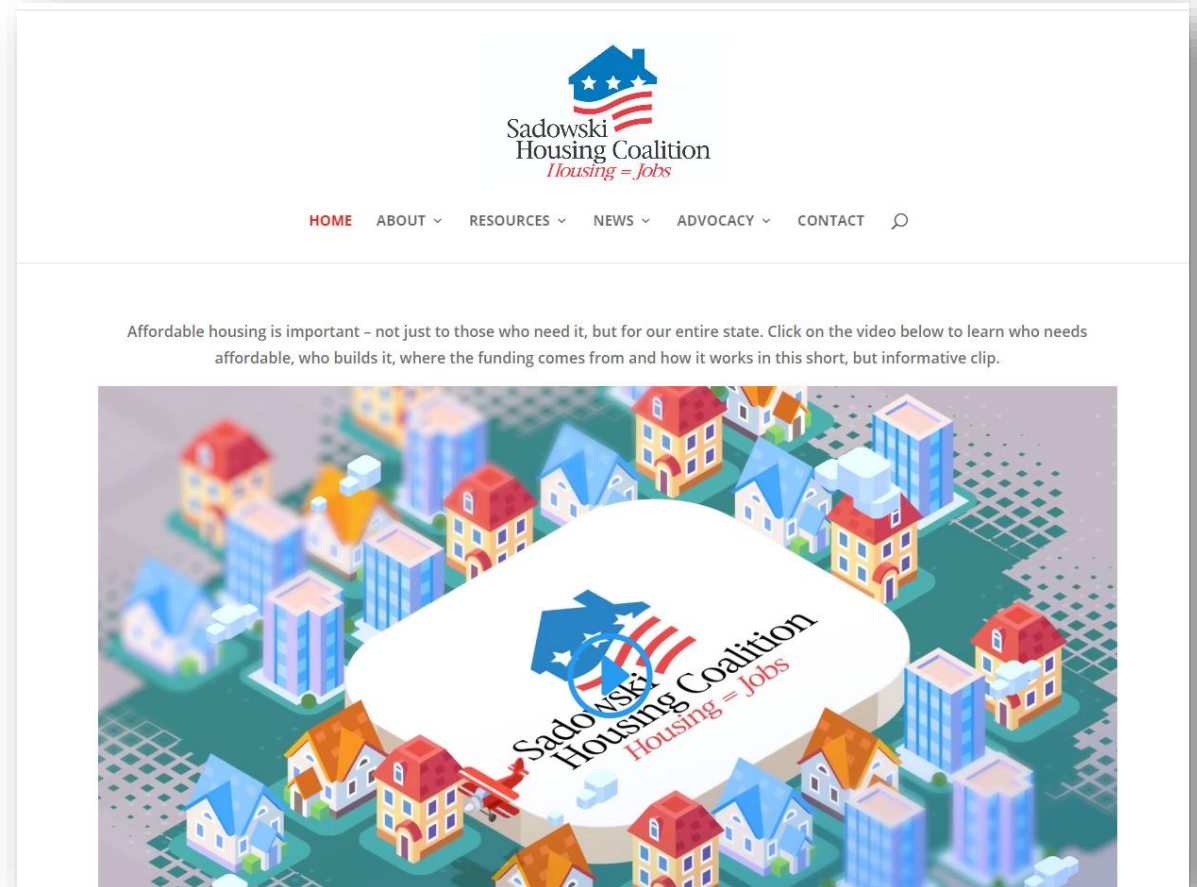
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Locating Sadowski Materials

Tour of SadowskiCoalition.org

- Legislator “One Pagers”
- SHIP Distribution Estimates FY 21-22
- Advocates Toolkit



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How do you help the Sadowski Coalition

Provide Feedback

We need to know about your meetings with legislators or their aides – we can follow up in Tallahassee.



You do not have to be an expert in housing or the trust fund numbers to meet with your legislator/aide.



If you are asked a question you don't feel comfortable answering just say "I'll be happy to get back to you with that info" And give us a call! 850/212/0587.

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Contact Us



For Assistance Contact

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