

Sadowski Affiliates WEBINAR

March 17, 2023

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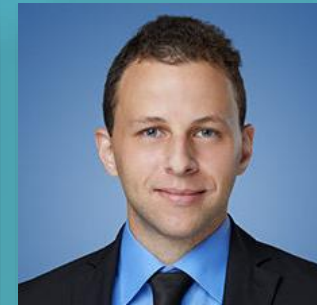


PANELIST



**MARK
HENDRICKSON**
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Director, Florida
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Board Member,
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PANELIST



**KODY
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Legal & Policy
Director, FHC

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

Agenda

- Role of the Sadowski Coalition and Sadowski Affiliates
- Update on the Live Local Act
- Summary of the new tax incentives in the Live Local Act
- Summary of the Legislative Appropriations Process
- Key Legislators
- Other Housing Bills of Interest

Sadowski Coalition and Sadowski Affiliates

Sadowski Affiliates are the thousands of organizations and individuals working in concert with the Sadowski Coalition to carry the message of the importance of housing and the need for all Sadowski funds to be used for Sadowski housing programs.



BUSINESS/ INDUSTRY GROUPS

- Associated Industries of Florida
- Coalition of Affordable Housing Providers
- Federation of Manufactured Home Owners of Florida
- Florida Apartment Association
- Florida Bankers Association
- Florida Chamber of Commerce
- Florida Economic Development Council
- Florida Green Building Coalition

ADVOCATES FOR THE ELDERLY/ VETS/ HOMELESS/ SPECIAL NEEDS

- AARP of Florida
- Florida Association of Centers for Independent Living
- Florida Association of Housing and Redevelopment Officials
- Florida Coalition to End Homelessness
- Florida Housing Coalition
- Florida Legal Services

GOVERNMENT/ PLANNING ORGANIZATIONS

- American Planning Assoc., Fla. Ch.
- Florida Association of Counties
- Florida Association of Local Housing Finance Authorities
- Florida Housing Finance Corporation
- Florida League of Cities
- Florida Redevelopment Association
- Florida Regional Councils Association
- 1000 Friends of Florida

BUSINESS/ INDUSTRY GROUPS

- Florida Home Builders Association
- Florida Manufactured Housing Association
- Florida Realtors
- Florida Restaurant and Lodging Association
- Florida Retail Federation
- Florida Transportation Builders' Assoc.
- Mortgage Bankers Assoc. of Florida
- National Waste and Recycling Assoc.

ADVOCATES FOR THE ELDERLY/ VETS/ HOMELESS/ SPECIAL NEEDS

- Florida Prosperity Partnership
- Florida Supportive Housing Coalition
- Florida Veterans Foundation
- Florida Weatherization Network
- Healthy Housing Foundation
- LeadingAge Florida
- The Arc of Florida
- United Way of Florida

FAITH BASED ORGANIZATIONS

- Florida Conference of Catholic Bishops
- Florida Impact
- Habitat for Humanity of Florida
- Volunteers of America of Florida



“Live Local Act”

Senate Bill 102
(Calatayud – Miami-Dade)

House Bill 627
(Busatta Cabrera – Miami-Dade)

Addresses a variety of housing issues including funding, tax incentives, and substantial amendments to the state’s housing strategy.

3/8/23: Passed Full Senate unanimously

3/8/28: Passed first House committee



Recorded Webinar - Overview of Live Local Act 3/3/23

Did you miss our webinar covering the Overview of the Live Local Act (SB 102/HB 627)?

Check out the [Webinar Recording](#) and [PowerPoint](#).



Deep Dive into Live Local: Tax Incentives in the Live Local Act

1. Local option affordable housing property tax exemption
2. Nonprofit land used for affordable housing with a 99-year ground lease
3. “Missing middle” property tax exemption



1. Local option affordable housing property tax exemption

- Authorizes local governments to provide property tax exemptions for specified affordable housing developments.
- **Eligible developments:**
 - Contain at least 50 or more units
 - At least 20% of the units must be affordable to households at or below 60% AMI
- Tax exemptions only apply to the affordable units
- Property tax exemptions allowed are based on % of affordability
 - <100% of the units are affordable = up to 75% property tax exemption:
 - 100% of the units are affordable = up to 100% property tax exemption



1. Local option affordable housing property tax exemption

- Other provisions:
 - Maximum rents based on HUD's Multifamily Tax Subsidy Projects Income Limits or 90% of Fair Market Value as determined by a local rental market study
 - Proscribes provisions an application form for the exemption must contain
 - City or counties must post list of properties that receive the exemption on its website
 - Exemption authorized by City or County expires “before the fourth January 1 after adoption”; can be renewed after expiration
 - Penalties for noncompliance



2. Nonprofit land used for affordable housing w/99-year ground lease exemption

- New s. 196.1978(1)(b)
- Property tax exemption applies to **land** owned entirely by a nonprofit that:
 - 1) is leased for a minimum of 99 years
 - 2) is predominately used to provide affordable housing to households up to 120% AMI
- Land is considered “predominately used” for affordable housing if the square footage of the improvements on the land for affordable housing is greater than 50% of all the square footage of the improvements
- Tax exemption is for the **land** only – not the improvements



3. “Missing middle” property tax exemption

- New s. 196.1978(3)
- Provides a property tax exemption to newly constructed multifamily developments that have **more than 70 affordable units** for households up to 120% AMI
- Tax exemption only applies to the affordable units
- Tiered property tax exemptions:
 - Units affordable to 80-120% AMI = 75% property tax exemption
 - Units affordable to <80% AMI = 100% property tax exemption



3. “Missing middle” property tax exemption

- Other provisions
 - Maximum rents based on HUD’s Multifamily Tax Subsidy Projects Income Limits or 90% of Fair Market Value as determined by a local rental market study
 - Statute provides process for applying for exemption
 - Units subject to an agreement with FHFC to provide affordable housing to ELI, VLI, and LI households are not eligible for this exemption
 - Penalties for noncompliance
- The intent of this provision is to incentivize non-FHFC subsidized affordable developments



Panelist



Mark Hendrickson

Executive Director, Florida ALHFA;
FHC Board Member



Legislative Process

- Session began **March 7, 2023.**
- Subcommittees on Appropriation will release their initial budgets in the coming weeks, followed by full House and Senate Appropriations budgets.



How does the Legislature make housing appropriations?



- Typically, housing appropriations are made in the Budget Bill also known as the Appropriations Act
- In nearly all sessions, there is no “housing bill” for appropriations
- This year’s Live Local Act is the exception – funding for SHIP, SAIL, Hometown Heroes, etc. is laid out there instead of the Appropriations Act.
- All other housing funding will go through the Budget Bill

Housing Appropriations through the Live Local Act

	Available for Appropriation FY 23-24 (current law)	Senate FY 23-24	FINAL BUDGET FY 22-23	FINAL BUDGET FY 21-22
FHFC: SAIL & other FHFC	\$121,710,000	\$150,000,000 (recurring) \$109,000,000 (non-recurring)	\$28,250,000	<i>\$62,500,000</i>
SHIP	\$280,975,000	\$252,000,000	\$209,475,000	<i>\$146,700,000</i>
Hometown Heroes			\$100,000,000	<i>\$0</i>
<u>TOTAL TF HOUSING</u>	<u>\$402,685,000</u>	<u>\$511,000,000</u>	<u>\$337,725,000</u>	<u><i>\$209,200,000</i></u>
Hometown Heroes		\$100,000,000 (General Revenue)		
SAIL Pipeline Deals		\$100,000,000 (General Revenue)		
SAIL			\$25,000,000 (General Revenue)	
Hurricane Recovery			\$150,000,000 (General Revenue)	
<u>TOTAL GR FOR HOUSING</u>	-	<u>\$200,000,000</u>	<u>\$175,000,000</u>	-
Live Local Tax Donation Program		\$100,000,000		
TOTAL HOUSING		<u>\$811,000,000</u>	<u>\$512,725,000</u>	<u>\$209,200,000</u>

How the extra \$150 million/year for 10 years for SAIL will be spent

At least
70% for:

Rehab/new construction

Addressing urban infill

Provide for mixed-use housing

Provide housing near military installations

Max of
30% for
projects
that:

Use or lease public lands

Address needs of adults aging out of foster care

Meet needs of elderly persons

Provide housing in areas of rural opportunity

Notes:

- FHFC will have the discretion to issue RFPs for this \$150m
- Local governments, developers, & advocates should follow the FHFC RFP process and start planning for local projects to support



Key People for Housing Trust Funds 2023-24



**Senate President
Kathleen Passidomo**

(R., Dist 28- Collier, Hendry counties
and part of Lee county)



**Appropriations Chair
Doug Broxson**

(R., Dist 1- Escambia, Santa Rosa counties
and part of Okaloosa county)



**TED Chair
Ed Hooper**

(R., Dist 21- Parts of Pasco, Pinellas
counties)



**House Speaker
Paul Renner**

(R., Dist 19- Flagler and Part of St.
Johns)



**Appropriations Chair
Tom Leek**

(R., Dist 28- Part of Volusia)



**Infrastructure & Tourism
Appropriations Chair
Alex Andrade**

(R., Dist 2- Parts of Escambia, Santa Rosa)

Key People for Housing Trust Funds 2023-24



**Senator
Alexis Calatayud**
(R., Dist 38- Part of Miami-Dade County)



**Representative
Demi Busatta Cabrera**
(R., Dist 114 - Part of Miami-Dade County)



Find your legislator



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[www.myfloridahouse.gov/
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myrepresentative.aspx](http://www.myfloridahouse.gov/Sections/Representatives/myrepresentative.aspx)

What's left for housing advocates to do this Session?

- Thank your Legislators for fully funding the Sadowski Trust Fund programs
- Keep your eye on the House – we will be following to see if the final House version is amended
- Fund individual member projects & other housing affordability initiatives with General Revenue
- Follow other housing related bills
- Post Session, start implementing the good tools in the Live Local Act



Other Housing Bills

Number/Name	Brief Summary	Status/Notes
<p>HB 133 (R-Mooney, Jr.) SB 494 (R-DiCeglie) Fees in Lieu of Security Deposits</p>	<p>Allows landlords to offer tenants an optional, nonrefundable fee-in-lieu of a security deposit.</p>	<p>House: passed 2 of 2 committees Senate: passed 1 of 3 committees</p>
<p>HB 759 (R-Baker) SB 484 (R-Bradley) Flood Disclosures for Residential and Commercial Property Sales</p>	<p>Requires seller of real property to disclose certain flood information to prospective purchaser before sale of property.</p>	<p>House: passed 0 of 3 committees Senate: passed 0 of 3 committees</p>
<p>HJR 159 (R-Borrero) SB 124 (R-Avila) Homestead Tax Exemptions for Certain Senior, Low-Income, Long-term Residents</p>	<p>Proposes an amendment to the State Constitution to increase # of eligible homes for the tax exemption at s. 196.075 for low-income seniors.</p>	<p>House: passed 2 of 3 committees Senate: passed 1 of 3 committees</p>
<p>HB 395 (R-Tuck) SB 556 (R-Hooper) Hurricane Protections for Condominium Associations</p>	<p>Addresses process for how condo associations can proceed with hurricane protection measures.</p>	<p>House: passed 0 of 3 committees Senate: passed 1 of 3 committees</p>

Number/Name	Brief Summary	Status/Notes
<p>HB 881 (R-LaMarca) SB 748 (R-Boyd) My Safe Florida Home Program</p>	<p>Amends the My Safe Florida Home Program which includes removing limitation to homes in the “wind-borne debris region” and increasing the amount a low-income homeowner can receive as a grant.</p>	<p>House: passed 1 of 3 committees Senate: passed 1 of 3 committees</p>
<p>HB 763 (D-Edmonds) SB 678 (D-Powell) Disposal of Property</p>	<p>Authorizes DOT to transfer surplus property to a local government for affordable housing purposes without consideration.</p>	<p>House: passed 0 of 3 committees Senate: passed 1 of 3 committees</p>
<p>SB 250 (R-Martin) Natural Emergencies</p>	<p>Product of the Senate Select Committee on Resiliency. Includes several provisions relating to housing including siting of temporary housing and permit fees in Hurricanes Ian and Nicole-affected areas.</p>	<p>Senate: passed 1 of 2 committees</p>
<p>HB 1317 (R-Roach) SB 1346 (R-Avila) Local Regulation of Nonconforming or Unsafe Structures</p>	<p>Preempts local governments in regulating “replacement structures” and demolition of certain housing.</p>	<p>House: passed 1 of 3 committees Senate: passed 0 of 3 committees</p>

Number/Name	Brief Summary	Status/Notes
HB 1417 (R-Esposito) SB 1586 (R-Trumbull) Residential Tenancies	Preempts regulation of residential tenancies to the state.	House: passed 0 of 3 committees Senate: passed 0 of 3 committees
HB 671 (R-Esposito) SB 682 (R-DiCeglie) Residential Building Permits	Shortens timeframes for local governments to approve certain applications for development.	House: passed 0 of 3 committees Senate: passed 0 of 3 committees
HB 1407 (D-Eskamani) SB 1658 (D-Torres) Housing	Amends Florida landlord-tenant law, establishes new Department on Housing and Tenant Rights.	House: pass 0 of 3 committees Senate: passed 0 of 3 committees

Sadowski Affiliates Webinars

- Next Webinar will be March 24th at 11:30am
- And regularly every Friday at 11:30 am throughout the 2023 Session.
- Registration Links will be sent out – feel free to forward



Contact Us



For Assistance Contact

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