

Sadowski Affiliates WEBINAR

January 27, 2023

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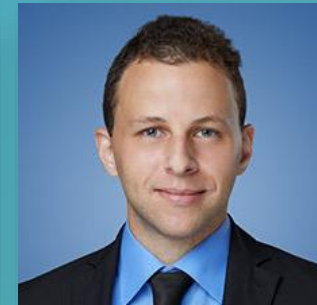


PANELIST



**MARK
HENDRICKSON**
Executive
Director, Florida
ALHFA,
Board Member,
FHC

PANELIST



**KODY
GLAZER**
Legal & Policy
Director, FHC

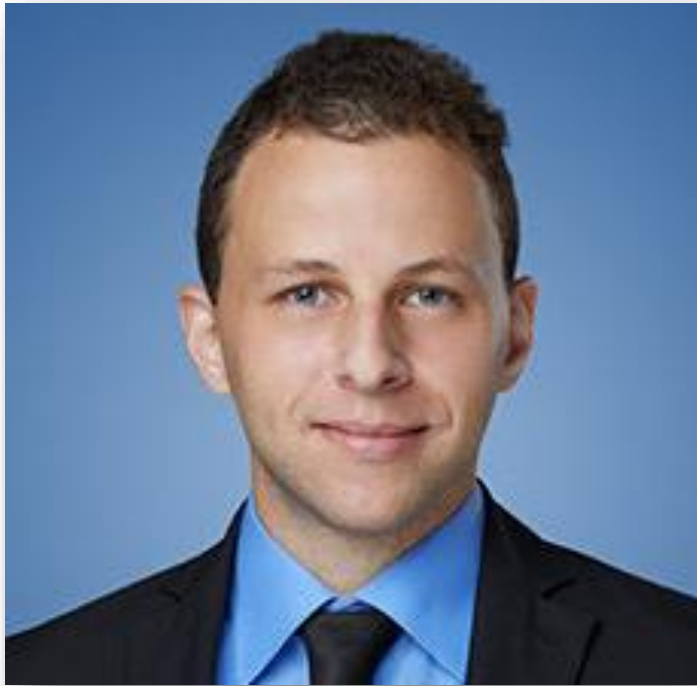
Webinar Logistics

- 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
- Overview & History of the Sadowski Trust Funds
- Summary of the Legislative Appropriations Process
- Key Legislators
- What to Expect in the 2023 Legislative Session
- Senate Bill 102 - Housing

Panelist



Kody Glazer

Legal & Policy Director
Florida Housing Coalition

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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 Association of Florida

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



What are the “Sadowski Trust Funds”

- Established in 1992
- Consists of two trust funds:
 - **State Housing Trust Fund** – primarily funds the State Apartment Incentive Loan (SAIL) program
 - **Local Government Housing Trust Fund** – funds the State Housing Initiatives Partnership (SHIP) program
- Funded by a portion of documentary stamp taxes collected on real estate transactions
- Collections in the trust funds are directly tied to the real estate market – the hotter the real estate market, the more money in the affordable housing trust funds

New Era for Sadowski Trust Funds

- “Stop the sweeps” era = nearly a 20-year movement to ensure the Legislature did not “sweep” funds from our state’s affordable housing trust funds to other purposes
- As of 2021, no more sweeps by law
- SB 2512 (2021) put into law that funds in the State and Local Government Housing Trust Funds “may not be transferred to the General Revenue Fund in the General Appropriations Act” F.S. 201.15(5)
- This new law “prevents” future sweeps

2023 Housing Funding Priorities

1. **Keep the promise** to use all of Florida's Sadowski Housing Trust Fund monies for Florida's SHIP and SAIL programs.
2. **Additional funding** for housing programs or projects outside SHIP or SAIL to help alleviate Florida's deficit of housing with the funding coming from general revenue or sources other than the Sadowski Trust Funds

Panelist



Mark Hendrickson

Executive Director, Florida ALHFA;
FHC Board Member

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Legislative Process

- Session begins **March 7, 2023.**
- Remaining committee weeks are:
 - Feb. 6-10
 - Feb. 13-17
 - Feb. 20-24
- Remaining District Office weeks are:
 - Jan. 31-Feb. 3
 - Feb. 27-Mar. 3
- Consideration of the appropriation of the state and local housing trust fund programs is underway.



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How does the Legislature make appropriations?

- By passing a Budget Bill also known as the Appropriations Act
- There is no “housing bill” for appropriations
- There is an Appropriations Committee in the House and an Appropriations Committee in the Senate
- When the Senate and House Appropriations Committees agree on the amounts of money to allocate for the state and local housing programs (SAIL and SHIP, primarily), it becomes law (after signed by the Governor)



Appropriation of Trust Fund Monies

Revenue estimate from January 2023 REC Conference

	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>	-
TOTAL HOUSING		<u>\$711,000,000</u>	<u>\$512,725,000</u>	<u>\$209,200,000</u>

Appropriation of Trust Fund Monies

Revenue estimate from January 2023 REC Conference

FY 23-24: SB 102:

- \$100 million of non-recurring General Revenue for SAIL deals in pipeline (CHIRP-like), reverting to SAIL if not used for pipeline
- \$100 million of non-recurring General Revenue for Hometown Heroes
- 10-year redirection of doc stamps now going to GR redirected to SAIL, \$150 million/year

FY 22-23: Proviso/Back of the Bill (Senate):

- \$25 million of non-recurring General Revenue for SAIL, bringing total to \$53,250,000

FY 22-23: Special Session Appropriations-- \$150 million of General Revenue

- \$90 million for Rental Recovery Loan Program (SAIL-like) for areas impacted by Hurricane Ian and Hurricane Nicole. \$60 million for Hurricane Housing Recovery Program (SHIP-like) for areas impacted by Hurricane Ian and Hurricane Nicole

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Key Persons for Housing Trust Funds

Senate

Senate President

Kathleen Passidomo

Appropriations Chair

Doug Broxson

Transportation, Tourism, and Economic Development Subcommittee Chair

Ed Hooper

Community Affairs Chair

Alexis Calatayud

House

House Speaker

Paul Renner

Appropriations Chair

Tom Leek

Infrastructure & Tourism Appropriations Subcommittee Chair

Alex Andrade

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Key Persons for Housing Trust Funds



**Senate President
Kathleen Passidomo**

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



**Appropriations Chair
Doug Broxson**

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



**TED Chair
Ed Hooper**

(R., Dist 21- Consists of 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)

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Key Persons for Housing Trust Funds



Community Affairs Alexis Calatayud

(R., Dist 38- Consists of part of Miami-Dade county)

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Message

- **Sadowski is the floor, not the ceiling.** Appropriate all the Sadowski state and local housing trust funds solely for Florida's housing programs.
- **Additional funding is welcome.** Local member projects and other housing initiatives can be funded but use General Revenue or other funds – leave Sadowski alone.
- We have a housing crisis.
- We have the best housing programs in the nation.
- Housing fuels the economy.

How do we know how much money to ask for?

- We ask for the appropriation of all the state and local housing trust fund money; the money collected from the portion of the doc stamp that is dedicated for affordable housing.
- The trust fund money is automatically deposited into the state and local housing trust funds by operation of law (that's what the Sadowski Act- which passed in 1992 accomplished- we have a dedicated revenue source for housing).



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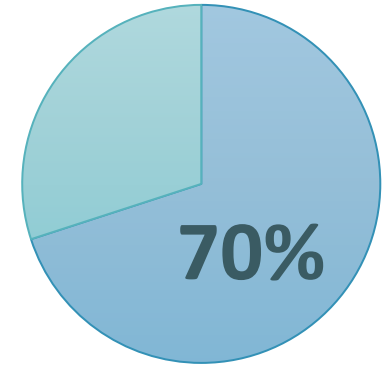
What is the Split Between Local SHIP and State Programs

70% goes to the Local Government Housing Trust Fund for the State Housing Initiatives Partnership (SHIP) Program

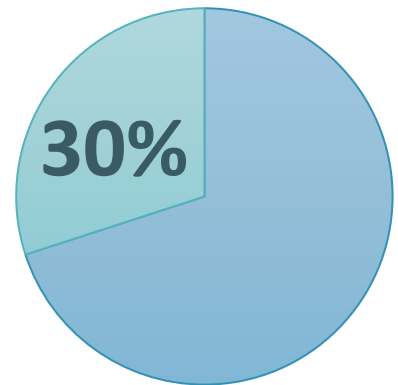


30% goes to the State Housing Trust Fund for the Florida Housing Finance Corporation programs such as the State Apartment Incentive Loan (SAIL) Program

SHIP



SAIL



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Find YOUR Legislator



[www.flsenate.gov/
Senators/Find](http://www.flsenate.gov/Senators/Find)



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

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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! **954-804-1320.**

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What to expect in the 2023 Legislative Session

- Senate President Kathleen Passidomo has made affordable housing a priority
- We expect record levels of affordable housing funding and substantive policy changes & additions to state law
- Senate Bill 102 was filed on Jan. 26 and will be the vehicle for a number of housing policies

Senate Bill 102 – Housing (original filed version)

HIGHLIGHTS

- Funding:
 - Provides up to an additional \$150 million/year for 10 years for SAIL
 - 70% of additional funds must be used for listed projects in the bill including adaptive reuse, urban infill, mixed-use development, and rehab/construction
 - Remainder of funds can be used for projects that use or lease public lands, address needs of youth aging out of foster care, meet the needs of elderly persons, or provide housing to meet the needs in areas of rural opportunity
 - Creates new “Live Local Program”
 - New tax donation program to allow taxpayers to direct funds to FHFC for use as SAIL funds in exchange for corporate tax and insurance liability tax credits
 - Annual cap of \$100 million

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Senate Bill 102 – Housing (original filed version)

- Funding:
 - \$100 million for the Hometown Heroes Program from GR
 - \$252 million for SHIP
 - \$259 million in total for SAIL
 - \$100 million in a CHIRP-like program from GR

Senate Bill 102 – Housing (original filed version)

- Zoning, land use, and local government generally:
 - Amends HB 1339 land use tool to remove “residential” and remove the prohibition on SAIL-funded projects
 - Preempts local governments on zoning, density, and height for certain multi-family developments in commercial areas with at least 40% affordable units
 - Amends surplus land statute
 - Prohibits rent control
 - Addresses using state-owned lands for affordable housing

Senate Bill 102 – Housing (original filed version)

- Tax exemptions/incentives:
 - New affordable housing property tax exemption for developments over 70 units that provide affordable housing that are not in contract with FHFC
 - Allows local governments to provide property tax exemption for developments serving households 50% or below AMI
 - New sales tax refund for affordable housing construction

Senate Bill 102 – Housing (original filed version)

- Other topics:
 - Substantial changes to the state housing strategy
 - Address FHFC board makeup
 - Authorizes FHFC to contract with Catalyst provider to provide specific training on using publicly-owned land for affordable housing

Sadowski Affiliate Webinars

- Next Webinar will be Feb. 27th 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



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Contact Us



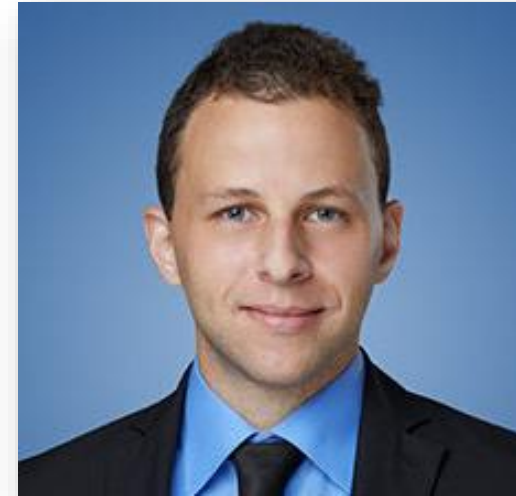
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