

# Sadowski Affiliates Webinar

December 1, 2023

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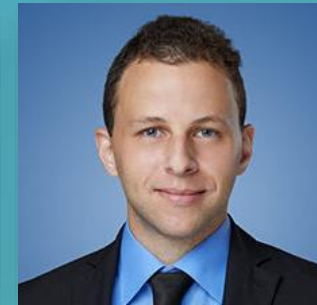


PANELIST



**MARK  
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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/](http://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
- Expected SHIP/SAIL Funding for FY 24-25
- What to Expect in the 2023 Legislative Session
- Summary of the Legislative Appropriations Process
- Live Local Update

# Panelist



**Kody Glazer**

Chief Legal and Policy Officer  
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 technically 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 – each year will still require advocacy on funding
- Last Session was the third Session in a row that the Sadowski Trust Fund programs were “fully funded”

# 2024 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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# How does the Legislature make appropriations?

- By passing a Budget Bill also known as the Appropriations Act
- There is no “housing bill” for appropriations – Live Local was the exception
- SHIP and SAIL appropriations are based on Revenue Estimates (more on this on next slide)
- When the Senate and House 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 August 2023 REC Conference

	Available for Appropriation FY 24-25	FINAL BUDGET FY 23-24	FINAL BUDGET FY 22-23	FINAL BUDGET FY 21-22
FHFC: SAIL & other FHFC	\$150,000,000 (recurring) \$65,500,000 (non-recurring)	\$150,000,000 (recurring) \$109,000,000 (non-recurring)	\$28,250,000	\$62,500,000
SHIP	\$153,500,000	\$252,000,000	\$209,475,000	\$146,700,000
Hometown Heroes			\$100,000,000	
Hurricane Recovery		\$25,000,000		
<b><u>TOTAL TF HOUSING</u></b>	<b><u>\$369,000,000</u></b>	<b><u>\$536,000,000</u></b>	<b><u>\$337,725,000</u></b>	<b><u>\$209,200,000</u></b>
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)	
<b><u>TOTAL GR FOR HOUSING</u></b>	<b><u>-</u></b>	<b><u>\$200,000,000</u></b>	<b><u>\$175,000,000</u></b>	<b><u>-</u></b>
<b>TOTAL HOUSING</b>		<b><u>\$736,000,000</u></b>	<b><u>\$512,725,000</u></b>	<b><u>\$209,200,000</u></b>

# What to expect for FY 24-25 Funding

- Since documentary stamp tax collections are down, the funds in the Sadowski Housing Trust Funds are down
- Expect the FY 2024-25 SHIP and SAIL appropriation from the Sadowski Trust Funds to be less than the FY 2023-24 appropriation
- Additional state General Revenue could be used to supplement this reduction in doc stamp collections

# Legislative Process

- Session begins **January 9, 2024.**
- Remaining committee weeks are:
  - Dec. 4-18
  - Dec. 11-15
- Remaining District Office weeks are:
  - Dec. 18-22
  - Dec. 25-29
  - Jan. 1-5
- Consideration of the appropriation of the state and local housing trust fund programs is underway.



# 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)



# 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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# 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 you can help the Sadowski Coalition & Sadowski Affiliates

## 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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# Live Local Update - Funding

Program	Live Local Act
State Housing Initiatives Partnership (SHIP) Program	\$252m
State Apartment Incentive Loan (SAIL) program	\$109m for traditional SAIL \$150m for "Innovative Multifamily Development"
Hometown Hero Program	\$100m (from GR) <b>GONE</b> - as of 8/23/23. Additional \$36mm allocated by FHFC.
Inflation Response Program	\$100m <b>GONE</b>
Live Local Tax Donation Program	(up to \$100m**) <b>Over \$50mm in tax credit reservations to date</b>
<b>Total funding</b>	<b>\$811,000,000</b>



# Live Local Update - Property Tax Incentives

## 1. Local option affordable housing property tax exemption

- Grants local governments the **option** to enact an ordinance providing property tax exemptions to certain affordable housing developments
- Eligible developments: 50 or more units that set aside at least 20% of the units as affordable to households at or below 60% AMI
- **Jacksonville and St. Petersburg**- first two jurisdictions to enact this exemption

## 2. Nonprofit land used for affordable housing with a 99-year ground lease

- Provides a property tax exemption on the value of land owned by a nonprofit and leased for a period of 99 years to predominately provide affordable housing to households at or below 120% AMI

## 3. "Missing middle" property tax exemption

- Provides a property tax exemption to developments that have **more than 70 affordable units** to households at or below 120% AMI
- Units affordable to households 80-120% AMI = 75% property tax exemption; Units for <80% AMI = 100% property tax exemption
- Two-step application process: 1) FHFC; 2) County Property Appraiser
- FHFC launched initial application process **on October 2<sup>nd</sup>**.

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# Live Local Update - Land Use Preemption for affordable housing in commercial, industrial, & mixed-use areas

- A local government cannot regulate the **use, density, or height** of an affordable housing development if a proposed **rental** project is:
  - Multifamily or mixed-use residential in any area zoned for **commercial, industrial, or mixed use**;
  - At least **40% of units are affordable** for households up to **120% AMI** for at least **30 years**
  - If mixed-use, at least 65% is residential
- Local government cannot require a development authorized under this preemption to obtain a zoning/land use change, special exception, conditional use approval, variance, or comp plan amendment for **use, density, or height**.

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# Live Local Update - Land Use Preemption for affordable housing in commercial, industrial, & mixed-use areas

Jurisdictions that have proactively enacted LLA land use preemption policies:

- Titusville
- Melbourne
- St. Petersburg
- Miami-Dade County
- Boca Raton
- & more

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# Examples

## Progress Village, Hillsborough County

A developer has applied for and received approval from Hillsborough County to move forward with a second phase of a mixed-use development to be built in an area zoned for commercial, industrial. The phase allowed under the land use preemption will provide 606 residential units.



## The Clevelander, City of Miami Beach

In October, a developer submitted plans to the City of Miami Beach to redevelop an historic site known as The Clevelander into a mixed-use development in accordance with the land use preemption tool of the Live Local Act. Negotiations between the developer and city are currently ongoing, focused on primarily on the issues of height, floor area ratio, and historic preservation.





## Walden Lake, Plant City

On September 29, a developer filed plans with Plant City to seek administrative approval for a multifamily development in accordance with the land use preemption tool of Live Local. The proposed development, which would redevelop a derelict golf course, had been attempted through other means for four years prior to the passage of Live Local. The city is currently reviewing the submittal.



## Oasis at Doral, City of Doral

The City of Doral has recently reached a settlement agreement with a developer to allow buildings of up to 8 stories tall for a proposed mixed-use development that would qualify for the land use preemption tool of the Live Local Act. The initial proposal from the developer sought a building height of up to 12 stories. The agreement allows the developer to move forward with plans as a locally imposed moratorium on new projects seeking to utilize the land use tools of Live Local continues.



# Live Local Amendments in 2024??

- At the moment, we do not expect any amendments to the Live Local Act in the 2024 Legislative Session
- Things may change and if they do, we will provide those updates

# Sadowski Affiliate Webinars

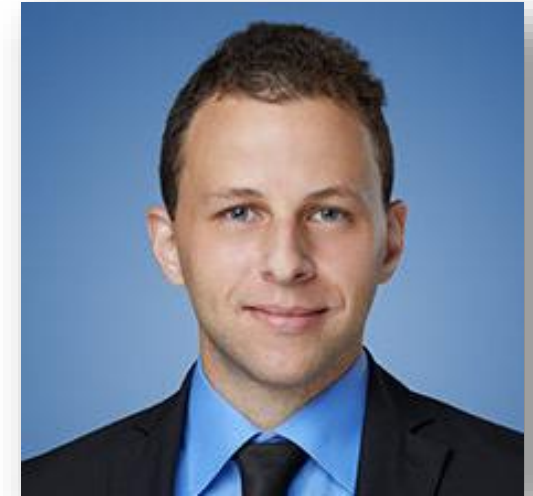
- Next Webinar will be Jan. 12<sup>th</sup> at 11:30am
- And regularly every Friday at 11:30 am throughout the 2024 Session.
- Registration Links will be sent out – feel free to forward



# Contact Us



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