

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.

- ▶ 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)

\$423.3m



\$141m

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



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.

TRUE OR FALSE

True	False
<p>Every dollar through the SHIP program is accounted for. SHIP offices spend all their funds to meet local affordable housing needs. SAIL is also oversubscribed.</p>	<p><i>SHIP offices return funds because they are not needed.</i></p>
<p>Federal housing dollars for COVID relief cannot replace SHIP. Federal COVID housing assistance can only be used to keep Floridians stably housed on a short-term basis, not to build, preserve, and purchase new housing. Other federal funding for housing is what Florida leverages with Sadowski Trust Fund monies. There are no new federal sources of funding for housing.</p>	<p><i>Federal housing dollars are enough to meet our affordable housing needs.</i></p>
<p>SHIP offices expended all the CRF monies allocated to them and even took on the administration of additional funds.</p>	<p><i>SHIP offices did not spend all the Coronavirus Relief Fund dollars allocated for emergency housing assistance.</i></p>
<p>Florida recently received \$633 million in federal funds for disaster mitigation and receives federal funding for wastewater management on annual basis.</p>	<p><i>Florida only receives federal funding for housing programs, not for disaster or wastewater management, and so preserving Housing Trust Funds is not needed.</i></p>
<p>The doc stamp collections reflect the volume and pricing of real estate transactions. The hotter the real estate market, the higher the doc stamp collections. There is a nexus between the cost of housing and how much money is distributed into the trust funds. There is NEVER more money in the trust funds than what is needed; the higher the cost of housing, the more subsidy is needed to help Florida's workforce and those living on fixed incomes find housing.</p>	<p><i>The documentary stamp tax collections are generating more money than is needed for affordable housing.</i></p>
<p>The Sadowski Coalition has grown from its original 11 statewide members to 32 statewide organizations and thousands of Sadowski Affiliates. The Sadowski Coalition includes every constituency in the state, from business interests to faith-based organizations.</p>	<p><i>The Sadowski Coalition no longer exists.</i></p>
<p>In December, Florida's revenue estimates added back \$2.1 billion more than was projected at the onset of the pandemic in General Revenue; a number that will grow. The Federal American Rescue Plan Act will provide over \$10 billion to the state government which can expressly be used for budget shortfalls and for investments in water and sewer infrastructure.</p> <p>Using all the Sadowski Housing Trust Funds (\$423.3 million in FY 2021-22) will create 33,000 jobs, 19,000 homes, \$4.9 billion in positive economic benefit, and return \$167 million in revenue to the state- an almost 40 percent return on investment in addition to creating housing and jobs.</p>	<p><i>Florida needs to divert the State and Local Government Housing Trust Fund monies to balance the budget.</i></p>

Projected SHIP Allocations Compared*

Prepared by the Florida Housing Finance Corporation for informational purposes.

2021 / 2022						
Local Government	Governor's Proposed Budget		House/Senate Recommendation		Difference	
	County Total	County Share/ City Share	County Total	County Share/ City Share	County Total	County Share/ City Share
ALACHUA	3,820,680	1,920,274	1,162,159	584,101	(2,658,521)	(1,336,173)
Gainesville		1,900,406		578,058		(1,322,348)
BAKER	394,443	394,443	350,000	350,000	(44,443)	(44,443)
BAY	2,441,297	1,958,164	756,073	606,446	(1,685,224)	(1,351,718)
Panama City		483,133		149,627		(333,506)
BRADFORD	394,443	394,443	350,000	350,000	(44,443)	(44,443)
BREVARD	8,501,750	4,704,869	2,557,796	1,415,485	(5,943,954)	(3,289,384)
Cocoa		271,206		81,594		(189,612)
Melbourne		1,182,593		355,789		(826,804)
Palm Bay		1,661,242		499,793		(1,161,449)
Titusville		681,840		205,135		(476,705)
BROWARD	27,101,477	4,859,296	8,084,321	1,449,518	(19,017,156)	(3,409,778)
Coconut Creek		823,885		245,763		(578,122)
Coral Springs		1,813,089		540,841		(1,272,248)
Davie		1,474,320		439,787		(1,034,533)
Deerfield Beach		1,124,711		335,499		(789,212)
Fort Lauderdale		2,655,945		792,263		(1,863,682)
Hollywood		2,130,176		635,428		(1,494,748)
Lauderhill		1,016,305		303,162		(713,143)
Margate		832,015		248,189		(583,826)
Miramar		1,948,596		581,263		(1,367,333)
Pembroke Pines		2,368,669		706,570		(1,662,099)
Plantation		1,273,769		379,963		(893,806)
Pompano Beach		1,585,436		472,933		(1,112,503)
Sunrise		1,322,552		394,515		(928,037)
Tamarac		926,871		276,484		(650,387)
Weston		945,842		282,143		(663,699)
CALHOUN	350,000	350,000	350,000	350,000	-	-
CHARLOTTE	2,637,084	2,350,697	814,419	725,973	(1,822,665)	(1,624,724)
Punta Gorda		286,387		88,446		(197,941)
CITRUS	2,085,294	2,085,294	653,384	653,384	(1,431,910)	(1,431,910)
CLAY	3,082,064	3,082,064	947,447	947,447	(2,134,617)	(2,134,617)
COLLIER	5,413,683	5,119,179	1,640,595	1,551,347	(3,773,088)	(3,567,832)
Naples		294,504		89,248		(205,256)
COLUMBIA	1,008,508	1,008,508	352,332	352,332	(656,176)	(656,176)
DE SOTO	518,994	518,994	350,000	350,000	(168,994)	(168,994)
DIXIE	350,000	350,000	350,000	350,000	-	-
DUVAL	13,770,182	13,770,182	4,126,133	4,126,133	(9,644,049)	(9,644,049)
ESCAMBIA	4,550,425	3,770,482	1,381,541	1,144,745	(3,168,884)	(2,625,737)
Pensacola		779,943		236,796		(543,147)
FLAGLER	1,604,741	347,747	506,352	109,726	(1,098,389)	(238,021)
Palm Coast		1,256,994		396,626		(860,368)
FRANKLIN	350,000	350,000	350,000	350,000	-	-
GADSDEN	652,506	652,506	350,000	350,000	(302,506)	(302,506)
GILCHRIST	350,000	350,000	350,000	350,000	-	-
GLADES	350,000	350,000	350,000	350,000	-	-
GULF	350,000	350,000	350,000	350,000	-	-

Projected SHIP Allocations Compared*

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Local Government	2021 / 2022					
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HAMILTON	350,000	350,000	350,000	350,000	-	-
HARDEE	394,443	394,443	350,000	350,000	(44,443)	(44,443)
HENDRY	572,399	572,399	350,000	350,000	(222,399)	(222,399)
HERNANDO	2,690,489	2,690,489	828,423	828,423	(1,862,066)	(1,862,066)
HIGHLANDS	1,480,191	1,480,191	469,011	469,011	(1,011,180)	(1,011,180)
HILLSBOROUGH	20,729,465	15,221,646	6,196,244	4,549,902	(14,533,221)	(10,671,744)
Tampa		5,507,819		1,646,342		(3,861,477)
HOLMES	350,000	350,000	350,000	350,000	-	-
INDIAN RIVER	2,245,509	2,245,509	695,395	695,395	(1,550,114)	(1,550,114)
JACKSON	670,338	670,338	350,000	350,000	(320,338)	(320,338)
JEFFERSON	350,000	350,000	350,000	350,000	-	-
LAFAYETTE	350,000	350,000	350,000	350,000	-	-
LAKE	5,155,620	5,155,620	1,556,580	1,556,580	(3,599,040)	(3,599,040)
LEE	10,539,733	6,608,413	3,162,258	1,982,735	(7,377,475)	(4,625,678)
Cape Coral		2,630,717		789,300		(1,841,417)
Fort Myers		1,300,603		390,223		(910,380)
LEON	4,212,255	1,418,687	1,278,852	430,717	(2,933,403)	(987,970)
Tallahassee		2,793,568		848,135		(1,945,433)
LEVY	572,399	572,399	350,000	350,000	(222,399)	(222,399)
LIBERTY	350,000	350,000	350,000	350,000	-	-
MADISON	350,000	350,000	350,000	350,000	-	-
MANATEE	5,600,600	4,776,752	1,694,278	1,445,050	(3,906,322)	(3,331,702)
Bradenton		823,848		249,228		(574,620)
MARION	5,164,490	4,294,273	1,561,244	1,298,174	(3,603,246)	(2,996,099)
Ocala		870,217		263,070		(607,147)
MARTIN	2,272,211	2,272,211	704,728	704,728	(1,567,483)	(1,567,483)
MIAMI-DADE	25,252,350	16,234,736	7,514,628	4,831,154	(17,737,722)	(11,403,582)
Hialeah		2,138,874		636,489		(1,502,385)
Miami		4,439,363		1,321,072		(3,118,291)
Miami Beach		838,378		249,486		(588,892)
Miami Gardens		1,020,195		303,591		(716,604)
North Miami		580,804		172,836		(407,968)
MONROE	1,088,616	1,088,616	359,327	359,327	(729,289)	(729,289)
NASSAU	1,248,739	1,248,739	398,992	398,992	(849,747)	(849,747)
OKALOOSA	2,850,612	2,556,144	877,429	786,791	(1,973,183)	(1,769,353)
Fort Walton Beach		294,468		90,638		(203,830)
OKEECHOBEE	572,399	572,399	350,000	350,000	(222,399)	(222,399)
ORANGE	19,830,635	15,642,405	5,930,188	4,677,732	(13,900,447)	(10,964,673)
Orlando		4,188,230		1,252,456		(2,935,774)
OSCEOLA	5,413,683	3,643,950	1,640,595	1,104,285	(3,773,088)	(2,539,665)
Kissimmee		1,057,834		320,572		(737,262)
St. Cloud		711,899		215,738		(496,161)
PALM BEACH	20,569,251	15,554,468	6,144,900	4,646,774	(14,424,351)	(10,907,694)
Boca Raton		1,334,944		398,804		(936,140)
Boynton Beach		1,100,455		328,752		(771,703)
Delray Beach		942,072		281,436		(660,636)
West Palm Beach		1,637,312		489,134		(1,148,178)

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PASCO	7,602,919	7,602,919	2,289,401	2,289,401	(5,313,518)	(5,313,518)
PINELLAS	13,796,884	7,157,824	4,133,135	2,144,271	(9,663,749)	(5,013,553)
Clearwater		1,654,246		495,563		(1,158,683)
Largo		1,185,152		355,036		(830,116)
St. Petersburg		3,799,662		1,138,265		(2,661,397)
POLK	10,023,516	7,832,376	3,010,556	2,352,448	(7,012,960)	(5,479,928)
Lakeland		1,531,593		460,013		(1,071,580)
Winter Haven		659,547		198,095		(461,452)
PUTNAM	1,035,211	1,035,211	354,663	354,663	(680,548)	(680,548)
ST. JOHNS	3,678,297	3,678,297	1,120,148	1,120,148	(2,558,149)	(2,558,149)
ST. LUCIE	4,523,723	1,051,313	1,369,869	318,357	(3,153,854)	(732,956)
Fort Pierce		624,274		189,042		(435,232)
Port St. Lucie		2,848,136		862,470		(1,985,666)
SANTA ROSA	2,601,511	2,601,511	798,084	798,084	(1,803,427)	(1,803,427)
SARASOTA	6,152,299	5,343,272	1,859,977	1,615,390	(4,292,322)	(3,727,882)
Sarasota		809,027		244,587		(564,440)
SEMINOLE	6,695,218	6,695,218	2,021,013	2,021,013	(4,674,205)	(4,674,205)
SUMTER	1,969,614	1,969,614	616,043	616,043	(1,353,571)	(1,353,571)
SUWANNEE	643,636	643,636	350,000	350,000	(293,636)	(293,636)
TAYLOR	350,000	350,000	350,000	350,000	-	-
UNION	350,000	350,000	350,000	350,000	-	-
VOLUSIA	7,727,470	5,431,639	2,326,742	1,635,467	(5,400,728)	(3,796,172)
Daytona Beach		983,707		296,194		(687,513)
Deltona		1,312,124		395,081		(917,043)
WAKULLA	474,550	474,550	350,000	350,000	(124,550)	(124,550)
WALTON	1,061,913	1,061,913	356,995	356,995	(704,918)	(704,918)
WASHINGTON	367,741	367,741	350,000	350,000	(17,741)	(17,741)
TOTAL	290,358,500	290,358,500	93,352,250	93,352,250	(197,006,250)	(197,006,250)
DR Holdback		5,000,000		5,000,000		-
Compliance Monitoring		741,500		247,750		(493,750)
Catalyst		500,000		500,000		-
Total appropriation		296,600,000		99,100,000		(197,500,000)

*Assumptions:

Current population amounts

Governor's Proposed budget

Appropriations Subcommittees Chairs' Budget Proposals:

House Infrastructure & Tourism Appropriations Subcommittee &

Senate Appropriations Subcommittee on Transportation, Tourism, and Economic Development