

Florida Housing Coalition SADOWSKI AFFILIATES WEBINAR



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April 6, 2021

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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



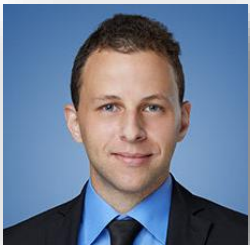
Jaimie Ross, President & CEO
Florida Housing Coalition;
Facilitator, Sadowski Coalition



Mark Hendrickson, Executive Director
Florida ALHFA; FHC Board Member



Sarah Bascom, President
Bascom Communications



Kody Glazer, Legal Director
Florida Housing Coalition

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Agenda

- What happened to Sadowski Funding in the Legislature?
- Budgets- Where are we?
- What do we do from here?
- Comparison of Doc Stamp Distributions
- Communications/Messaging
- State and Federal Housing Bills Update

Legislative Process

- Session began **March 2, 2021.**
- **We are in Session Week 6**
- Consideration of the appropriation of the state and local housing trust fund programs is underway early.



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Panelist



Mark Hendrickson, Executive Director
Florida ALHFA; FHC Board Member

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Where We Are?

- Unprecedented situation with Speaker and President in agreement prior to conference
- Initial agreement appeared locked in stone
- Advocacy and negotiations had an impact
- Amendment significantly decreases the amount of the permanent sweep from housing
- SEED is no longer funded from housing
- Housing Appropriations are recurring
- Housing funds may not be swept
- New revenue estimate will almost certainly increase the baseline appropriation above the \$200 million current estimate

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Where Do We Go from Here?

- This is not the end of the budget negotiations
- Funds are available for a non-recurring appropriation for housing on top of the new trust fund levels
- In fact, the current House budget has \$140 million of non-recurring funds for housing
- \$225 in SHIP that was line item vetoed is still available for appropriation this year
- These SHIP funds or any other nonrecurring revenue could be appropriated this year
- With addition of nonrecurring revenue, we could get up to the Governor's proposed budget of over \$400 million for housing this year.
- Session is not over. The Budget Process continues

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Comparison of Doc Stamp Distributions

	Current Law	SB 2512 & HB 5401	Amendments
% Doc Stamps	24.17%	6.84519%	9.70254%
SEED	Less \$75 million for SEED	No SEED	No SEED
Available for Housing Current Revenue Estimate	\$423.1 million	\$141.1 million	\$200 million
Sweeps	Permitted	No Sweeps	No Sweeps
Appropriation Status	Non-Recurring	Recurring	Recurring

Florida's Affordable Housing Fund Is Once Again Targeted By Lawmakers

Jaimie Ross, President of the says the pandemic has only exacerbated the state's affordable housing crunch.

"Right now, housing prices are extremely high, it's a hot market," she said. "Rentals are also high and there's very little in the way of vacancies so it's a particularly bad time to take so much funding away from the Sadowski programs because those programs are really focused on building and increasing the supply of housing."

This year, Florida's affordable housing trust fund has about \$426 million but under a new legislative proposal, two thirds of the money would be used for the environmental projects.

- March 30, 2021



Lawmakers propose cuts to housing trust fund as affordable housing crisis worsens in Tampa Bay area

Jaimie Ross, the CEO of Florida Housing Coalition, says those numbers represent something deeper.

“They represent families that aren’t going to be able to be housed and people who end up becoming homeless,” she explained.

Yet, at a time when Florida’s housing crisis is at its worst, two proposals currently being considered in the house and senate would permanently cut affordable housing funds from \$423 million a year statewide to \$141 million. Of that, \$41 million would be cut from Tampa Bay.



WFTS
TAMPA BAY

- March 30, 2021 THE FLORIDA HOUSING COALITION



EDITORIAL: Stealing from Sadowski fund happening again

The worst thing about these two bills that are pending in Tallahassee is they could allow money to be permanently siphoned from the Sadowski fund. That would be pure robbery and a break of trust with Floridians who count on their lawmakers to keep their promises.

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.



- April 1, 2021

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Raiding Sadowski fund robs Florida's future

PalmBeachPost

Our lawmakers should honor the design and intent of everyone who established the Sadowski Fund, the hard-working professionals who seek to efficiently leverage these dollars to maximally benefit our communities, the families who increasingly struggle to find affordable space to call home and, ultimately, all citizens of Florida. Our economy works best when it works for everyone.

- Elliott Johnson is the principal of ManorHouse Construction, Op-Ed, March 31, 2021

Raiding Sadowski fund robs Florida's future

Elliott Johnson

Published 9:00 a.m. ET Mar. 31, 2021

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A house under construction. Getty Images

Florida's population continues to grow. According to a recent report by the Demographic Estimating Conference, Florida will be home to more than 300,000 additional residents per year, every year, for the next five years.

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Guest opinion: Affordable housing is under attack in Florida

Naples Daily News

That's some serious money that won't be available to teachers, firefighters, nurses and other first responders for housing assistance. If this legislation passes, 66% of the \$423 million available in the housing trust funds will go toward priorities other than housing.

This is unacceptable.

For nearly 30 years, the State Housing Initiative Program has received \$2.6 billion from the housing trust funds that has helped 217,000 households with down payment and closing cost assistance, among other housing programs. A \$423 million investment into housing programs next year would create 33,000 jobs and more than \$4.9 billion in positive economic impact. That's sound policy as we seek to restore our economy to a pre-pandemic state.

- Robin McKeever, president, Royal Palm Coast Realtor Association, and Al Giacalone, president, RPCRA Housing Foundation, Op-Ed, April 2, 2021

Guest opinion: Affordable housing is under attack in Florida

Robin McKeever and Al Giacalone Special to The News-Press

Published 8:26 a.m. ET Apr. 2, 2021

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A rendering of a micro cottage development in Lakeland, which was included in the agenda for Cape Coral's Affordable Housing Advisory Committee meeting recently. Courtesy Of Cape Coral Affordable Housing Advisory Committee

This is your wake-up call, Florida, and we need your help to save affordable housing. Last week, Senate President Wilton Simpson and Speaker of the House Chris Sprowls unveiled legislation, HB 5401 and SPB 2512, to permanently redirect two-thirds of the housing trust funds each year to sea level rise and wastewater infrastructure projects.

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Affordable Housing Under Attack: Flagler Realtors Join Opposition to Decimation of Housing Trust Fund

APRIL 1, 2021 | FLAGLERLIVE | — 13 COMMENTS

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Affordability is essential to the workforce. (© FlaglerLive)

Florida's GOP House and Senate leaders are permanently reducing the state's Sadowski trust fund's

Affordable Housing Under Attack: Flagler Realtors Join Opposition to Decimation of Housing Trust Fund

Florida Realtors is the voice for millions of property owners who have paid into the housing trust funds. On their behalf, know that we appreciate the need to fund other priorities. But affordable housing IS a priority now more than ever in this post-pandemic economy. Affordability housing IS a priority for the elderly on fixed incomes and low-income families. Affordable housing IS a priority for teachers, firefighters, first responders and others who serve our communities. Our essential workers have guided us through the pandemic, and housing trust funds should be available to help them achieve the American dream of homeownership.

- April 1, 2021

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Panelist



Sarah Bascom, President
Bascom Communications

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Communications Strategies and Messaging

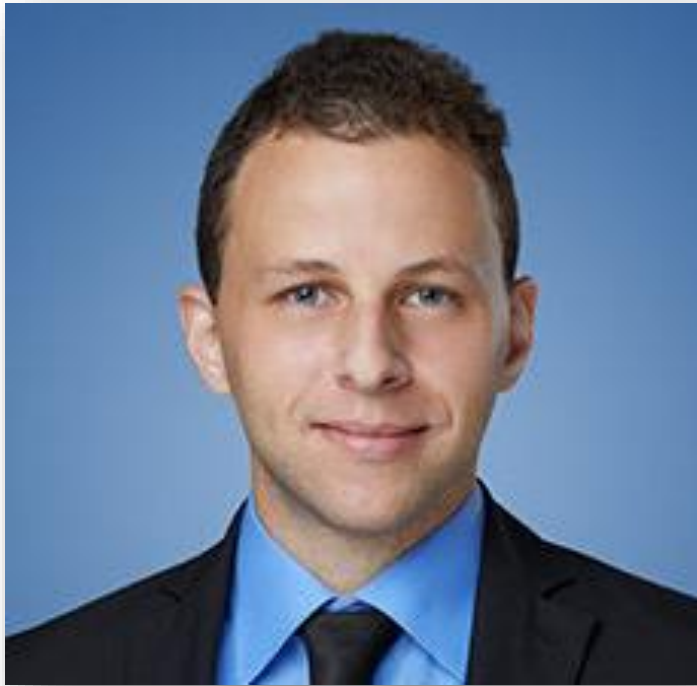
- Communications Strategies to-date (including Sunburn)
- Messaging will stay focused on funding housing is best investment for Florida
- Now is the time to put the \$225 in vetoed SHIP funds to work for Florida's families.



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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. Language added to HB 5401/SB 2512

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
- To be heard on House & Senate floor on 4/7

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 Webinar every Tuesday at 10am

Registration links will be sent weekly



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