

## **Editorial: State Senate shows concern for housing**



The Florida Senate. [TAMPA BAY TIMES ARCHIVE / 2016]

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Budget recommendations emerging in the Florida Legislature suggest the Senate wants to restore public trust in the state's housing trust funds.

The state Senate has proposed spending all of the \$322 million available in the funds on housing, according to figures distributed by affordable-housing advocates. The Senate's stance is a commendable recognition of the pressing statewide need for affordable housing.

Unfortunately, housing is not the priority for the funds in the Florida House of Representatives. House leaders propose to raid the funds for other purposes, to the tune of \$182 million, according to the advocates' figures, leaving most of the balance for housing related to hurricane-recovery initiatives. (The Senate proposes to allocate \$90 million to hurricane-recovery housing.)

Storm-related damage certainly worsened the affordable-housing crisis in vast areas of Florida — including Manatee and Sarasota counties. Those challenges should be mitigated, as the proposals in both chambers recognize.

But to ignore other needs throughout Florida is ill-advised, especially when the House would, as the numbers stand, sweep more money out of the funds than it would spend on housing.

The so-called sweeps, which have occurred since 2003, contradict sound legislation passed by the Legislature in 1992 during a bipartisan era.

The housing trust funds are supposed to be used throughout the state to finance or subsidize the construction, renovation or purchase of homes and apartments in a price range geared toward

everyday workers. The funds also are intended to help create and preserve housing for the elderly, the disabled and the homeless.

The Local Government Housing Trust Fund receives about 70 percent of the trust funds appropriated each year for the State Housing Initiatives Partnership program. These dollars are meant to pay for housing programs in all 67 counties for rehabilitation and renovation of existing housing stocks; the money can also be used to promote first-time home ownership with down-payment and closing-cost assistance.

The State Housing Trust Fund receives the remaining 30 percent for Florida Housing Finance Corporation programs such as the State Apartment Incentive Loan (SAIL) program.

The trust funds' revenue comes from a slice of the documentary stamp tax on real-estate transactions. That levy was increased a smidgen in 1992 to bring in revenue for the funds. The increase was agreed to by builders and real-estate interests, who recognized that the money would be plowed back into their industries and the economy.

The documentary-stamp approach makes sense: Revenues rise during times of high real-estate values — when there is the greatest need to fund more affordable housing.

Sen. Kathleen Passidomo, a Naples-area Republican, and Rep. Sean Shaw, a Hillsborough County Democrat, have filed bills (SB 874 and HB 191) that would prevent the Legislature from diverting housing trust funds elsewhere in the budget.

Unless the Senate's recommendation prevails, the need for legislation to prevent raids on the trust funds will only heighten as affordable housing is diminished.