



Affordable housing issues likely headed to budget chairs



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The House and Senate in negotiations have seemingly agreed on funding for job and tourism incentives — but still are significantly apart on spends for hurricane-related affordable housing programs that are now expected to be ironed out by budget chairs Rep. **Carlos Trujillo** and Sen. **Rob Bradley**.

A recent Senate offer in the Transportation, Tourism, and Economic Development Conference cuts previous \$30 million and \$60 million allotments to the Hurricane Housing Recovery Program (HHRP) and the Rental Recovery Loan Program (RRLP), respectively. The offer came after the two programs were nearly unanimously approved Thursday in the House through the passage of [HB 987](#). A similar bill ([SB 1328](#)) spawning HHRP is up for consideration in the Senate and had widespread support in committee meetings.

At first glance, the Senate cut is alarming. But it is more than likely an acceptance that funds will be [swept](#) from the Sadowski Trust, the source for the state's affordable housing programs.

When the Senate passed its budget it proposed a little more than \$104 million each to two major affordable housing programs: the State Housing Initiatives Partnership Program (SHIP) and the State Apartment Incentive Loan Program (SAIL). Anticipating the creation of HHRP and LLRP, the Senate funded those programs at \$30 million and \$60 million, respectively. It did not include any sweeps to the Sadowski Trust Fund, which is expected to have an estimated \$308 million to \$322 million for the upcoming fiscal year.

The House's budget, however, did not fund SHIP or SAIL when it passed last month. But it did propose \$45 million and \$64 million for HHRP and LLRP, respectively — numbers not too far off from the Senate's initial budget.

The lack of initial House funding for SHIP and SAIL is explained by its \$182 million sweep of the Sadowski Trust.

The Senate is now factoring a similar sweep into its affordable housing proposals and has offered to fund SAIL and SHIP at around \$70 million \$40 million, respectively — without any funding for HHRP and LLRP.

Trujillo and Bradley will be tasked with determining which programs they'd like to see funded, given that so much is expected to be swept from the Sadowski Trust and that legislation creating hurricane-related affordable housing programs has received plenty of support as it has traveled through both chambers.

Altamonte Springs Republican Rep. **Bob Cortes**, who sponsored HB 987, said that the issue will “more than likely” be bumped to budget chairs at 10:30 a.m. on Friday, and he's confident that HHRP and LLRP will be brought into the fold.

Cortes said that HHRP is modeled after SHIP and LLRP after SAIL; both seek to lessen the burden of developing affordable housing, which includes addressing impact fees, cost of land and permit delays. The difference is that HHRP and LLRP can only be activated to address problems stemming from a hurricane.

The two hurricane-related affordable housing programs have the backing of Gov. **Rick Scott**, which is another element that Trujillo and Bradley — and even Senate President **Joe Negron** and House Speaker **Richard Corcoran** — will have to keep in mind when finalizing the budget Scott asked for \$65 million for the Hurricane Housing Recovery Program and \$25 million for the Rental Recovery Loan Program as part of a \$100 million Hurricane Irma affordable housing [relief package](#) he announced last November.

Regardless of how the programs are funded, Cortes said that their creation alone is an indication that the state is addressing affordable housing issues.

“All of us are in agreement that this will be a catalyst,” Cortes said.

With respect to VISIT Florida and the Job Growth Grant Fund, the House and Senate seem to be on the same page, but still short of Scott's \$100 million ask for the state's premier tourism-marketing agency.

In their initial budgets, both chambers proposed \$85 million for the Job Growth Grant Fund. The Senate proposed a \$50 million expense on VISIT Florida and the House proposed \$76 million. The Senate has since upped its allotment to \$76 million.

Rep. **Clay Ingram**, chair of the House Transportation and Tourism Appropriations, pointed to last year's funding at \$76 million as a means of justification for not spending \$100 million on VISIT Florida.

"It's a little less than what [Scott] asked for, but it's \$25 million more than what the Senate had," Ingram said. "So, hopefully [Scott] likes the place we kind of met in the middle ... They are fully funded, that's how I look at it."

Pointing to more discrepancies, Ingram said the Senate has more projects funded in the Department of Economic Opportunity and the Department of State. He anticipates there will not be enough excess dollars to fund those projects.

"There's only so much money to go around," Ingram said.
Ingram suggested the conference will next convene sometime early Friday morning.