

Opinion

## **Tuesday Editorial: Florida has major problems with affordable housing**

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**By Times-Union Editorial Board**

Posted at 2:01 AM

Florida has long had a problem with affordable housing.

The private market cannot support housing for many people around the poverty line. As a result, Florida has a large number of people paying about half their income to rent. You can't survive that way.

This is a national problem, as the National Low Income Housing Coalition points out in a new report titled "Gap."

"The lack of access to an affordable home has devastating long-term impacts on the lowest income families," Diane Yentel, CEO of the housing coalition, said in a news release.

"Housing first" has been proven to be the best approach to getting people out of homelessness — and to keeping them from returning to that dire state.

Housing instability hurts a family's mental and physical well-being.

A few facts:

- Seven in 10 people with very low incomes spend more than half of their income on rent and utilities.
- A household is considered severely cost burdened if it spends more than 30 percent of its income on rent and utilities.
- No state has an adequate supply of housing for very low income households.
- Florida is one of the worst in the nation, however, with 911,000 of the poorest residents paying more than half their income to housing.
- The worst state for affordability is Nevada with 15 affordable units per 100 low income families; the best is Maine with 59 of 100.

Clearly, even the best leaves lots of room for improvement.

This is not about rich or poor states; it's about states with disparities between incomes and rents.

So Mississippi, for instance, is one of the better states with 57 affordable homes for every 100 very low income households. Florida, in contrast, has just 27 of 100.

Who are the people in these very low income households? About half of them have jobs, but they are low-wage service jobs that often don't provide enough income for affordable housing.

A worker earning the federal minimum wage must work 94 hours per week (more than two full-time jobs) to afford a modest one-bedroom apartment.

They often are disabled or senior citizens. Blacks and Hispanics are more likely to have very low incomes.

Federal funding for HUD programs has not kept pace with the needs. Public housing received \$1.8 billion less in 2017 than 2010, adjusted for inflation.

Programs include a Housing Trust Fund that provides block grants to states with a Low Income Housing Tax Credit.

Housing Choice Vouchers give people more choices while capping their housing costs at 30 percent of income.

And the vouchers typically are less costly than new construction.

Locally, Florida has been a leader in providing incentives for affordable housing through its innovative Sadowski Fund. Since 1992, a portion of documentary stamps on housing sales go into a trust fund that is used for affordable housing. A total of 70 percent of the funds are shared with counties on a proportional basis while 30 percent go in state housing trust fund.

It's brilliantly devised — the higher the sales price, the higher the trust funds. Every dollar devoted to the program is matched by up to \$6 in private sector loans and equity.

The program has been among the most successful in state history, and it brings together stakeholders as diverse as the Florida Chamber of Commerce, AARP of Florida and Habitat for Humanity.

If fully funded at \$314 million, more than 30,000 jobs would be created — which is why cutting the funds is so mystifying. The impact on the housing market would be \$4 billion.

But this effort has been undercut for years by a Legislature that sweeps many of the Sadowski funds into general revenues. This is understandable in a recession or following a natural disaster, but it shouldn't be common even during good times.

Locally, City Councilman Bill Gulliford is leading an examination of the issue.

Gulliford clearly understands the importance of solving this dilemma — and it's perfectly summed up in the final words of the housing coalition's report:

“Our nation must make the critical investments in affordable housing needed to help the economy, our communities, families and children thrive.”