

Kissimmee area now worst in America for affordable housing, report finds

By: Rachel Christian | Mar 21, 2019

Kissimmee's affordable housing crisis is getting worse, a new study finds.

Kissimmee, along with Orlando and Sanford, has the greatest lack of affordable housing in the United States, beating out bigger metro areas like Los Angeles and Las Vegas.

Despite Central Florida's low unemployment rate, the tri-city metro area offers just 13 affordable and available units per 100 extremely low-income households, a drop from 17 units last year, according to "The Gap," a report published by the National Low Income Housing Coalition (NLIHC).

Extremely low-income renters are households at or below the federal poverty line – about \$25,750 a year for a four-person family.

The Gap notes that most extremely low-income renters (48 percent) are seniors or disabled. About 44 percent are in the labor force, working as single parents or going to school.

The Fair Market Rate for a local one-bedroom apartment was \$919 and a two-bedroom fetched \$1,098 last summer. A Kissimmee worker would need to earn at

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least \$21.50 an hour, or \$36,760 a year, to afford that one-bedroom dwelling without spending more than 30 percent of their income on housing costs, according to a NLIHC study published in June.

Kissimmee isn't alone in affordable housing issues.

According to The Gap, there's a nationwide shortage of about 7 million rental homes affordable and available to extremely low-income renters — with only 37 units for every 100 households who need them. The best city, Pittsburgh, has 51 units for every 100 extremely low-income households.

Millions of dollars are captured each year for affordable housing projects in Florida — but most years, millions are swept away again for other purposes.

In 1992, the Florida legislature passed the William E. Sadowski Affordable Housing Act - a bipartisan effort that placed a small surcharge on every real estate transaction to capture funding for future affordable housing. The money collected supports two trust funds and the largest is the State Housing Initiatives Partnership Program, or SHIP.

But money from Sadowski has been diverted to balance the state's general budget every year since 2003. In 2017, for example, only \$162 million of the \$292 million captured went to affordable housing measures.

But Florida's new governor says this year will be different.

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In his first preliminary budget, Gov. Ron DeSantis proposed using the Sadowski funds strictly for their intended purpose, though the proposal needs approval in the House and Senate to become law.

Organizations like Habitat for Humanity use SHIP money to rehabilitate homes for low-income residents and fund new housing projects.

Osceola County and the city of Kissimmee received a combined \$551,276 in SHIP money this fiscal year. That number could jump by \$3.6 million if DeSantis' budget is approved without sweeping money from Sadowski, according to Catherine Steck McManus, president of Habitat for Humanity of Orange and Osceola.

“That’s money Osceola County desperately needs,” Steck McManus said.

Since Habitat for Humanity of Central Florida expanded into Osceola County last year, the nonprofit has started working on one new home and rehab services for two existing homes.

The group is also planning affordable rental housing off U.S. Highway 192 that could add seven units at a cost of \$1.1 million.

“It’s only a start,” Steck McManus said. “It all comes down to funding. This is the first step in a longer, continuing conversation on how to meet our community’s housing needs.”