

Stop raiding affordable housing money, Florida lawmakers urge

BY GRAY ROHRER

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Some lawmakers are pushing legislation in 2020 to prevent future legislators from sweeping funds intended to fund affordable housing programs. The Legislature has rerouted the funds nearly every year since the Great Recession, even as affordable housing needs around the state have continued to grow. Groundbreaking site of Emerald Villas 2 on June 5, 2019. Emerald Villas 2 will be a 96-unit affordable-housing complex for low-income seniors in Pine Hills near Evans High School. (Rich Pope, Orlando Sentinel) (Rich Pope / Orlando Sentinel)

TALLAHASSEE — A group of lawmakers is seeking to end the Legislature’s habit of diverting money away from affordable housing programs, citing dire needs in places such as Orlando, ranked worst in the nation for low-income families in need of housing.

“There’s a sense of pride in owning your own home and that’s what [affordable housing programs] provide,” Sen. Debbie Mayfield, R-Rockledge, said Monday.

Mayfield is sponsoring SB 306, which would prevent the Legislature from sweeping money out of affordable housing trust funds, as it has done nearly every year since the Great Recession.

Overall, lawmakers have rerouted more than \$2 billion in doc stamp revenues – taxes on real estate transactions – for other purposes, including \$125 million last year.

For the current fiscal year, Orange County is slated to receive \$1.9 million in affordable housing funds.

According to an analysis from the Sadowski Housing Coalition, a collaboration of construction industry, big business groups, homeless advocates and environmental groups, annually attempts to prevent the raids on the trust fund, Orange County would receive \$16.1 million next year, if lawmakers leave all \$350 million in projected trust fund revenues in affordable housing programs.

The problem has grown so acute that in Orange County, where 31 percent of households spend at least one-third of their income on housing, a task force last month recommended setting aside \$160 million in county tax money over 10 years to help address the issue.

Jaimie Ross, president of the Sadowski Housing Coalition, said local government funds shouldn’t be used to replace state money, but affordable housing needs have grown so large that local governments will likely have to step in.

“Our hope is that the [affordable housing] trust funds will be appropriated for the housing programs ... so that local governments don’t have to do that, but the truth is that we can’t end the housing crisis even with full appropriation,” Ross said.

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The state money that doesn't get diverted to other parts of the budget goes primarily to two programs, the State Housing Initiatives Partnership and the State Apartment Incentive Loan Program.

SHIP funds are given to local governments to help eligible prospective homeowners with down payment or closing cost assistance, emergency repairs and rehabilitation for existing homes. SAIL gives low-interest loans to developers to build apartment complexes for those with incomes of 50 percent or less than the area median income.

Even if lawmakers opt to keep all \$350 million for affordable housing programs, it could take years before those in need begin to see the benefit. SAIL projects can take two to three years to complete once the money is awarded, Ross said, but also noted that about 20,000 potential homebuyers in Polk County are awaiting down payment assistance through SHIP, but the Legislature's annual sweeps have led to a backlog.

"These (affordable housing developments) don't happen overnight, (developers) need to be able to plan for them," Ross said.

That's why a law is needed to prevent future raids on the housing trust fund, said Rep. Sam Killebrew, sponsor of the House version of the bill, HB 381.

"During the Great Recession we needed to use all the available monies to balance the budget, but when the recession ended, sweeping trust funds did not," said Killebrew, R-Winter Haven.

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