

2023 Legislative Session & Affordable Housing



South Florida and Treasure Coast Regional Planning Councils
February 17, 2023



About the Florida Housing Coalition

- Statewide nonprofit organization that is primarily a training and technical assistance provider to local governments and nonprofits on all things affordable housing.
- Our work covers:
 - Compliance with local, state, and federal affordable housing programs
 - Housing action plans & affordable housing program design
 - Capacity building for nonprofit housing providers
 - Land use planning for affordable housing
 - Research & data gathering



Sadowski Coalition and Sadowski Affiliates



Sadowski Affiliates are the thousands of organizations and individuals working in concert with the Sadowski Coalition to carry the message of the importance of housing and the need for all Sadowski funds to be used for Sadowski housing programs.



BUSINESS/ INDUSTRY GROUPS

- Associated Industries of Florida
- Coalition of Affordable Housing Providers
- Federation of Manufactured Home Owners of Florida
- Florida Apartment Association
- Florida Bankers Association
- Florida Chamber of Commerce
- Florida Economic Development Council
- Florida Green Building Coalition

ADVOCATES FOR THE ELDERLY/ VETS/ HOMELESS/ SPECIAL NEEDS

- AARP of Florida
- Florida Association of Centers for Independent Living
- Florida Association of Housing and Redevelopment Officials
- Florida Coalition to End Homelessness
- Florida Housing Coalition
- Florida Legal Services

GOVERNMENT/ PLANNING ORGANIZATIONS

- American Planning Assoc., Fla. Ch.
- Florida Association of Counties
- Florida Association of Local Housing Finance Authorities
- Florida Housing Finance Corporation
- Florida League of Cities
- Florida Redevelopment Association
- Florida Regional Councils Association
- 1000 Friends of Florida

BUSINESS/ INDUSTRY GROUPS

- Florida Home Builders Association
- Florida Manufactured Housing Association
- Florida Realtors
- Florida Restaurant and Lodging Association
- Florida Retail Federation
- Florida Transportation Builders' Assoc.
- Mortgage Bankers Association of Florida

ADVOCATES FOR THE ELDERLY/ VETS/ HOMELESS/ SPECIAL NEEDS

- Florida Prosperity Partnership
- Florida Supportive Housing Coalition
- Florida Veterans Foundation
- Florida Weatherization Network
- Healthy Housing Foundation
- LeadingAge Florida
- The Arc of Florida
- United Way of Florida

FAITH BASED ORGANIZATIONS

- Florida Conference of Catholic Bishops
- Florida Impact
- Habitat for Humanity of Florida
- Volunteers of America of Florida

What are the Sadowski Trust Funds?

- Established in 1992
- Consists of two trust funds:
 - **State Housing Trust Fund** – primarily funds the State Apartment Incentive Loan (SAIL) program
 - **Local Government Housing Trust Fund** – funds the State Housing Initiatives Partnership (SHIP) program
- Funded by a portion of documentary stamp taxes collected on real estate transactions
- Collections in the trust funds are directly tied to the real estate market – the hotter the real estate market, the more money in the affordable housing trust funds



New era for the Sadowski Trust Funds

- “Stop the sweeps” era = nearly a 20-year movement to ensure the Legislature did not “sweep” funds from our state’s affordable housing trust funds to other purposes
- As of 2021, no more sweeps by law
- SB 2512 (2021) put into law that funds in the State and Local Government Housing Trust Funds “may not be transferred to the General Revenue Fund in the General Appropriations Act” F.S. 201.15(5)
- This new law “prevents” future sweeps



What to expect in the 2023 Legislative session

- Senate President Kathleen Passidomo (R-Naples) has made affordable housing a top priority.
- Over the next two sessions, we expect full funding of our Sadowski Trust Fund programs & substantive policy bills that address housing affordability.
- Senate Bill 102/House Bill 627, coined the “Live Local Act” will be the vehicle for a variety of housing policies this session.





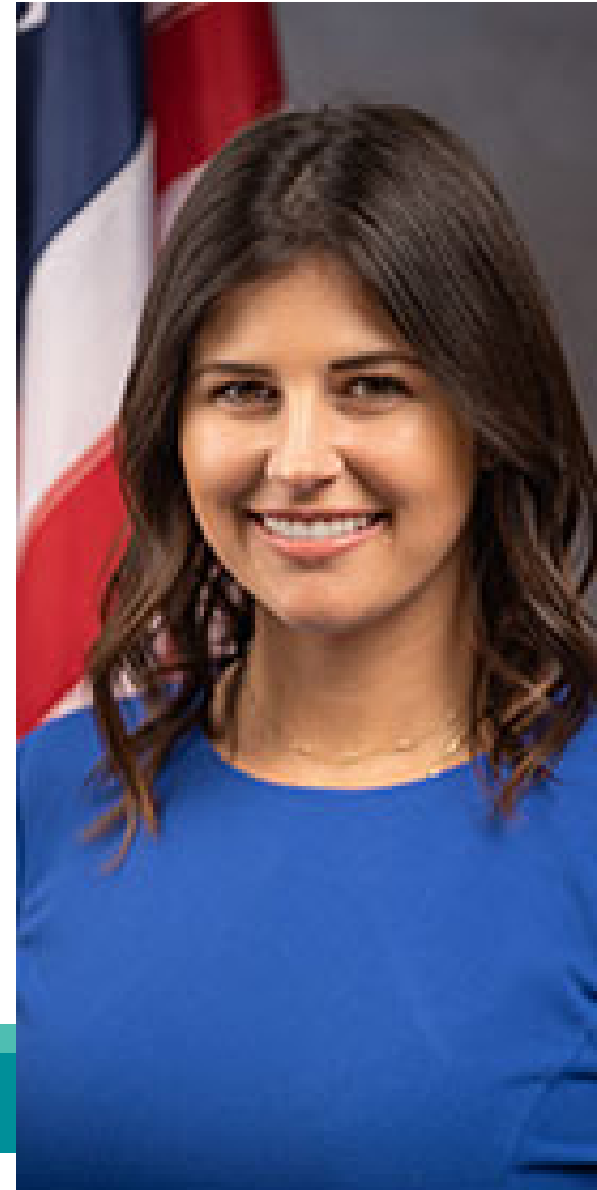
“Live Local Act”

Senate Bill 102
(Calatayud – Miami-Dade)

House Bill 627
(Busatta Cabrera – Miami-Dade)

Identical bills that are fast-tracked in the
Legislature.

Addresses a variety of housing issues including
funding, tax incentives, and substantial
amendments to the state’s housing strategy



Funding in SB 102/HB 627

- Proposes a **record \$711 million** for affordable housing programs (plus up to \$100 million in a new tax credit program)

Program	SB 102/HB 627	FY 22-23	FY 21-22
SHIP	\$252m	\$209.475m	\$146.7m
SAIL	\$259m**	\$53.25m	\$62.5m
Hurricane Housing Recovery		\$150m	
Hometown Hero Program	\$100m	\$100m	
Inflation Response Program	\$100m		
Live Local Tax Donation Program	\$100m		
Total funding*	\$811,000,000	\$512,725,000	\$209,200,000

*Total funding for core Sadowski programs. This does not include member projects or homelessness grant programs.

**Discussed on the next slide



SHIP Estimates for FY 23-24 based on SB 102/HB 627 Treasure Coast RPC

Jurisdiction	Proposed FY 23-24	FY 22-23	FY 21-22	Jurisdiction	Proposed FY 23-24	FY 22-23	FY 21-22
Palm Beach County	\$12,463,331	\$10,303,877	\$7,333,993	Indian River County	\$1,888,820	\$1,553,651	\$1,072,404
Boca Raton	\$1,140,776	\$940,119	\$629,432	St. Lucie County	\$890,548	\$742,239	\$497,418
Boynton Beach	\$935,576	\$775,994	\$518,869	Port St. Lucie	\$2,576,485	\$2,054,430	\$1,347,566
Delray Beach	\$768,633	\$642,103	\$444,191	Fort Pierce	\$548,060	\$460,195	\$295,369
Wellington	\$707,768	\$591,714		Martin County	\$1,859,122	\$1,535,593	\$1,084,184
West Palm Beach	\$1,373,801	\$1,143,116	\$771,999				



SHIP Estimates for FY 23-24 based on SB 102/HB 627

South Florida RPC

Jurisdiction	Proposed FY 23-24	FY 22-23	FY 21-22
Broward County	\$3,988,613	\$3,308,555	\$2,289,460
Coconut Creek	\$662,516	\$554,234	\$388,174
Coral Springs	\$1,543,617	\$1,288,220	\$854,238
Davie	\$1,223,626	\$1,016,720	\$694,627
Deerfield Beach	\$1,000,534	\$833,224	\$529,909
Fort Lauderdale	\$2,163,317	\$1,782,537	\$1,251,351
Hollywood	\$1,773,469	\$1,473,589	\$1,003,634
Lauderhill	\$856,313	\$713,389	\$478,833
Margate	\$671,530	\$561,724	\$392,005
Miramar	\$1,581,925	\$1,303,200	\$918,083
Pembroke Pines	\$1,960,506	\$1,636,489	\$1,116,001
Plantation	\$1,077,151	\$887,524	\$600,138
Pompano Beach	\$1,302,497	\$1,084,127	\$746,980
Sunrise	\$1,115,460	\$932,462	\$623,122
Tamarac	\$831,525	\$694,665	\$436,696
Weston	\$781,949	\$653,472	\$445,634

Jurisdiction	Proposed FY 23-24	FY 22-23	FY 21-22
Miami-Dade County	\$13,238,082	\$10,990,231	\$7,636,615
Hialeah	\$1,668,869	\$1,375,029	\$1,006,100
Miami	\$3,355,878	\$2,743,391	\$2,088,221
Miami Beach	\$610,709	\$505,011	\$394,363
Miami Gardens	\$840,481	\$686,681	\$479,887
North Miami	\$441,404	\$366,674	\$273,203
Monroe County	\$967,006	\$807,336	\$526,649

Sadowski fully funded & more!

- SB 102/HB 627 fully funds the Sadowski Trust Fund programs AND provide an extra \$150 million/year for 10 years for the SAIL program
- Extra \$150 million/year for SAIL to be spent:

At least
70% for:

Rehab/new construction

Address urban infill

Provide for mixed-use housing

Provide housing near military installations

Max of
30% for
projects
that:

Use or lease public lands

Address needs of adults aging out of foster care

Meet needs of elderly persons

Provide housing in areas of rural opportunity



New local option property tax incentive

- SB 102/HB 627 authorizes local governments to provide property tax exemptions for specified affordable housing developments.
- Tax exemptions only apply to the affordable units.
- **Eligible developments:**
 - Contain at least 50 or more units
 - At least 20% of the units affordable to households at or below 50% AMI
- Property tax exemptions allowed are based on % of affordability
 - <100% of the units are affordable = up to 75% property tax exemption:
 - 100% of the units are affordable = up to 100% property tax exemption



New automatic property tax exemptions

1. Land owned entirely by a nonprofit and is leased for a period of 99-years for providing affordable housing to up to moderate-income households
2. Multifamily developments of more than 70 affordable units for households up to moderate-income.
 - Units that serve households 80-120% AMI = automatic 75% property tax exemption
 - Units that serve households <80% AMI = automatic 100% property tax exemption



Using publicly-owned land for affordable housing

- **F.S. 125.379/166.0451** – Florida’s surplus land laws
 - Requires every city and county to identify publicly-owned lands that are “appropriate for use as affordable housing”
- SB 102/HB 627 amends these statutes to:
 - Newly apply to all dependent special districts, such as CRAs
 - Require local government to post their affordable housing inventory list online
 - Encourage local governments to adopt best practices including:
 - Establishing eligibility criteria for the receipt or purchase of surplus land by developers;
 - Making the process for requesting surplus land publicly available; and
 - Ensuring long-term affordability through ground leases by retaining the right of first refusal to purchase property



Preemptions in SB 102/HB 627

1. Rent control prohibited.
2. **Land use preemption.** A local government cannot regulate the use, density, or height of an affordable housing development if a proposed project is:
 - Multifamily or mixed-use residential in any area zoned for commercial or mixed use;
 - At least 40% affordable for at least 30 years
 - If mixed-use, at least 65% is residential
 - Additional provisions:
 - Developments under this preemption must be administratively approved if it satisfies the LDRs of the City/County
 - LGs must consider reducing parking requirements to the greatest extent possible
 - All other state and local laws apply



Encouraging local governments to adopt best practices

- **Section 24** of the bill has several provisions encouraging local governments to adopt best practices on their own – these provisions may form the basis of preemptions in future Legislative sessions. These provisions include:
 - “Local government shall provide incentives to encourage the private sector to be the primary delivery vehicle for the development of affordable housing.” (lines 1927-1929)
 - “Local governments should consider and implement innovative solutions . . . Innovative solutions include: (lines 1937-1957)
 - “Utilizing publicly held land to develop affordable housing . . .”
 - “Community-led planning that focuses on urban infill, flexible zoning, redevelopment of commercial property into mixed-use property . . .”
 - “Project features that maximize efficiency in land and resource use, such as high density, high rise, and mixed use.”
 - “Modern housing concepts such as manufactured homes, tiny homes, 3D-printed homes, and accessory dwelling units.”



Other policies in SB 102/HB 627 affecting local government

- Amends HB 1339 (2020) land use tool to remove a local government's ability to approve affordable housing on *residential* parcels by bypassing state and local laws that may otherwise preclude such development.
- Requires local governments to post expediting permitting procedures online
- Precludes state funding for housing to local governments whose comprehensive plans have been found not in compliance with Chapter 163



Other reforms

- Provides sales tax relief for building materials for certain affordable housing developments
- Substantially amends the state housing strategy at s. 420.0003
- Directs OPPAGA to produce policy reports on affordable housing issues
- Amends FHFC board makeup
- Authorizes FHFC to contract with the Catalyst Program to provide training to local governments specifically on using publicly-owned land for affordable housing



The best argument against future preemption is local proactivity.

Allow more homes to be built.

- Legalize missing-middle housing such as ADUs, duplexes, triplexes, and townhomes.
- Legalize high-density, mixed-use and multi-family housing in more parts of your City or County.
- Identify opportunities for incentives in exchange for deed-restricted units.
- Streamline development processes.

Capitalize on publicly-owned land.

- Use publicly-owned land for permanently affordable housing through 99-year ground leasing or a partnership with a Community Land Trust.

Use local funding.

- Identify locally sourced funds that can help acquire, construct, and rehabilitate affordable homes.
- Ex) General revenue, CRAs, infrastructure surtax, bonding

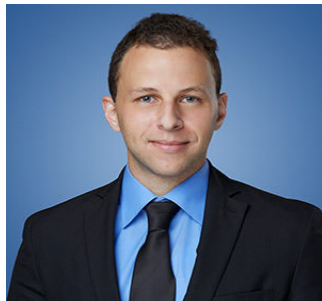


Other housing bills to follow

- **HB 671/SB 682:** Residential Building Permits
- **HB 133/SB 494:** Fees in Lieu of Security Deposits
- **SB 124/HJR 159:** Homestead Tax Exemptions for Certain Senior, Low-income, Long-term residents
- **HB 325/SB 484:** Flood Disclosures for Residential and Commercial Property Sales
- **HB 395/SB 556:** Hurricane Protection for Condominium Associations
- **SB 748/HB 881:** My Safe Florida Home Program
- **SB 678/HB 763:** Disposal of Property



Contact Information



Kody Glazer,
Florida Housing Coalition
Legal & Policy Director
Glazer@flhousing.org

