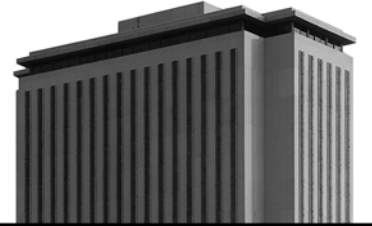




LEGISLATIVE ISSUE BRIEFS



Affordable Housing

The Florida League of Cities continues its advocacy effort to preserve affordable housing funding from the Sadowski Affordable Housing Trust Fund and supports those measures that streamline affordable housing state program administrative requirements and those efforts that support local government affordable housing policies, plans and goals.

This year, the Florida League of Cities will support legislation that reauthorizes the Sadowski Affordable Housing Trust Funds, preserves the dedicated documentary stamp fee as the Trust Funds funding source and removes the legislative cap on fund distribution. The Florida League of Cities will oppose any action that diverts any of these funds and that does not meet the state's affordable housing needs.

Background

REAUTHORIZATION

The Florida Legislature will review both the state and local housing trust funds as a part of the sunset requirement this Session. This review will determine if the Sadowski Trust Fund should continue.

- **WE ARE CERTAIN THAT THE TRUST FUND WILL BE REAUTHORIZED.**

TRUST FUND RAIDS

There is approximately \$562M available for affordable housing programs in the Sadowski Trust Fund this year. The Governor has recommended that the Legislature spend \$318M. The Legislature plans to sweep \$180M of this fund into general revenue. **WE OPPOSE THIS MEASURE.**

- **SUPPORT MORE FUNDING FOR EXISTING PROGRAMS AND CREATE AND FUND NEW INNOVATIVE HOUSING PROGRAMS AND AUTHORIZE NEW WAYS TO UTILIZE EXISTING TRUST FUND DOLLARS.**
- **SUPPORT SB 1362 (FASANO) CREATING A NEW PRESERVATION PROGRAM TO FUND LOANS (\$20M) TO REHABILITATE OLD PUBLIC HOUSING AND RENTAL PROPERTIES.**

SB 1362 (FASANO) HAS PASSED ALL COMMITTEES OF REFERENCE AND SHOULD BE ON THE SENATE CALENDAR SHORTLY.

- **SUPPORT SB 482 (GARCIA) & HB 699 (AUBUCHON) ALLOWING THE USE OF SHIP FUNDS FOR MANUFACTURED HOUSING.**

SB 432 (GARCIA) PASSED SENATE TRANSPORTATION & ECONOMIC APPROPRIATIONS AND SHOULD BE ON THE SENATE CALENDAR SHORTLY.

HB 699 (AUBUCHON) PASSED THE ECONOMIC EXPANSION & INFRASTRUCTURE COUNCIL AND IS ON THE POLICY & BUDGET COUNCIL AGENDA ON MONDAY, APRIL 14, 2008 IF RECEIVED.

TRUST FUND CAP REPEAL

In 2005, the Legislature enacted a \$247 million cap on the affordable housing trust fund distribution. This cap will negatively impact housing development, homeownership, rental housing and the ability to leverage public dollars with private investments which boost Florida's economy.

- **SUPPORT SB 74 (Geller), HB 5 (Saunders) AND SB 80 (Wilson) REPEALING THE CAP ON AFFORDABLE HOUSING TRUST FUNDS.**

WE ARE NOT OPTIMISTIC THAT THE CAP WILL BE REMOVED THIS YEAR.

SHIP PROGRAM ENHANCEMENTS

For several years SHIP Administrators have submitted ideas to the Florida Housing Finance Corporation to improve the administration and streamlining of local SHIP programs.

- **SUPPORT SB 482 (GARCIA) & HB 699 (AUBUCHON) AUTHORIZING MORE FREQUENT FUND DISBURSEMENTS TO LOCAL GOVERNMENT SHIP PROGRAMS; SETS A SIDE \$5M FOR CITIES AND COUNTIES IN A STATE OF EMERGENCY; SETS A SIDE ANOTHER \$5M FOR LOANS TO CITIES AND COUNTIES TO PURCHASE FORECLOSED PROPERTIES; ALLOWS SHIP AND SAIL FUNDS TO BE USED FOR MODERATE REHABILITATION.**

SB 432 (GARCIA) WAITING TO BE PLACED ON THE FLOOR CALENDAR

- **SUPPORT HB 699 (AUBUCHON) WHICH MAKES AVAILABLE APPROXIMATELY \$75M, FOR FIRST-TIME HOME BUYERS TO BE DISTRIBUTED AMONG CITIES AND COUNTIES THAT DECIDE TO LOWER IMPACT FEES.**

HB 699 (AUBUCHON) NOW IN BUDGET & POLICY COUNCIL.

AFFORDABLE HOUSING SPECIAL TAX ASSESSMENT

In an effort to protect public investment and create permanent affordable housing stock, local governments are donating land, or the money to purchase land, to charitable, tax exempt housing organizations called community land trusts (CLT). The CLT deeds the home, but not the land, to an income eligible buyer. The purchase price of the home is made affordable to the buyer because the buyer is not paying for the land but receives a 99 year ground lease interest in the land and pay a nominal monthly fee to the CLT for the use of the land.

To date, 24 Community Land Trusts (CLT) have been formed and another 10 are in exploratory stages. If the CLT homeowner is taxed on the value of the land and structure or even the structure alone at its value without regard to the resale restriction, the homeowner will be paying taxes on a value that substantially exceeds the value of the home to the homeowner. The purpose of the state, local government, and the CLT in encouraging and maintaining the creation of a permanent stock of affordable housing for low income families will be frustrated, as families will be unable to afford the property tax bill.

- **SUPPORT HB 431 (FITZGERALD) AND SB 796 (BENNETT) CREATING AN ENVIRONMENT WHERE RESALE-RESTRICTED HOMES BUILT ON COMMUNITY LAND TRUST PROPERTY ARE NOT ASSESSED AS THOUGH THEY WERE SUBJECT TO FREE MARKET PURCHASE AND SALE PRICES. BOTH BILL HAVE BEEN AMENDED TO ALLOW STRUCTURAL IMPROVEMENTS TO BE INCLUDED WHEN CALCULATING JUST VALUE.**

HB 431 PASSED THE HOUSE ECONOMIC EXPANSION & INFRASTRUCTURE COUNCIL.

SB 1490 IS IN THE SENATE GENERAL GOVERNMENT COMMITTEE

Contact: Desinda “Dee” Wood-Carper

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