The Lead-up to enactment of the Sadowski State and Local Housing Trust Funds.
The Florida Housing Finance Agency (FHFA) was created by the legislature in 1980, beginning operations after a constitutional amendment permitting it to sell revenue bonds was passed in October 1980. The primary funding mechanism for FHFA was bond financing—with money borrowed through the sale of tax exempt bonds and then loaned to first-time homebuyers or developers of affordable apartments. Mark Hendrickson was Executive Director of FHFA from 1981-1994.

By the late 1980’s, FHFA realized that additional state resources were needed to supplement bond financing. Specifically, while homebuyers could afford monthly payments, they needed assistance with their down payment and closing costs. On the rental side, bond loans could not finance apartments (revenue from the developments would not support enough debt)—creating a financing gap.

FHFA worked with the legislature, and the State Apartment Incentive Loan (SAIL, for gap financing) and Housing Assistance Program (HAP, for down payments) were created in 1988. The SAIL Program provided the gap financing so that the private sector was willing and able to build affordable housing using bonds and federal tax credits. Both programs were hugely successful—and the legislature had a model for how limited state resources could attract massive private sector investment and lending for affordable housing.

However, there was no reliable source of revenue to fund Florida’s housing programs. Between 1988 and 1992, the programs were funded with general revenue, with inconsistent and unreliable funding levels.

At the local level, larger counties were realizing that they too needed affordable housing funding. In 1985 the legislature permitted Miami-Dade County to levy a local surtax on certain deeds and to use those funds for affordable housing programs. While that legislation passed, industry groups were assured that this would be limited to only Miami-Dade County in order to obtain their commitment to not oppose the local option for Miami-Dade County. The industry groups opposed the local option primarily due to the lack of accountability and state oversight of the programs which would be created by the local option.

Other local governments, most notably Tampa, pursued the local option in 1990 and 1991. Industry groups such as the Florida Association of Realtors and Florida Home Builders Association opposed the expansion of the local option, and the proposal did not gain traction. It
is important to note that these groups supported housing programs and housing funding, but not via the local option. FHFA did not support the local option because a statewide funding source was needed that would provide funding everywhere in the state (not only in two or three counties or cities).

**1991: The Ad Hoc Workgroup and Agreement on a Funding Source.**
Recognizing the need for a reliable source of funding for affordable housing programs, Governor Chiles appointed an Ad Hoc Workgroup in 1991 (staffed by FHFA). Among other items, the group was tasked with recommending a funding source for housing. The Ad Hoc Workgroup recommended that the documentary tax on deeds be increased, with the additional revenue statutorily dedicated to housing programs via a housing trust fund.

The documentary tax was chosen for two reasons. First, there was a rational nexus between real estate activity and housing. Second, and more importantly, doc stamp revenues increase as population grows and housing prices increase. Both population growth and housing cost increases directly relate to the need for additional housing funding. Therefore, a revenue source was created that would grow as the need for housing funding grew.

However, local governments continued to hold fast to the local option, while industry groups and FHFA supported the Workgroup’s recommendation. In the summer of 1991, 1000 Friends of Florida (one of the Ad Hoc Workgroup members), through its Affordable Housing Director, was able to bring together each of the Industry Group members, the FHFA, and local government representatives. These initial 11 groups hammered out a compromise bill that everyone would support. It would become the William E. Sadowski Affordable Housing Act enacted in 1992.

**1992: Enactment of the William E. Sadowski Affordable Housing Act.**
The agreement reached in 1991 became the core of the Sadowski Act. Key provisions of the agreement and the Act:

- Statewide documentary stamp tax increase (transfer tax on deeds) by 10 cents per $100, effective August 1, 1992. It also transferred another 10 cents of existing doc stamps from general revenue to housing trust funds effective July 1, 1995.
- Miami-Dade County permitted to keep its local option, does not pay the additional 10 cents, and cannot receive funding from that portion of the dedicated revenue.
- Creation of two trust funds- the local government and state housing trust funds. After both dimes of doc stamps became effective, 69% of the housing funds go to the local government housing trust fund, and 31% to the state government housing trust fund.
- State Housing Trust Fund to provide monies for FHFA programs, primarily SAIL for production of rental housing.
- Local Government Housing Trust Fund to provide monies for the State Housing Initiatives Partnership Program (SHIP), which provided funding to all 67 counties and all entitlement cities, with primary emphasis on homeownership.
- The Catalyst Program would ensure local government administrators and their private sector partners would carry out the programs in strict compliance with legislative direction, while using best practices to meet community needs.

**Sadowski Programs: SHIP, SAIL, and Catalyst.**
The State programs include SAIL (rental production for very low-income persons), HOME match funds, down payment assistance for buyers in the state's bond program, predevelopment loans and grants for non-profits, and the Catalyst Program for training and technical assistance. The state is limited to no more than 5% of the funds for administration.

The local government trust fund is used to fund SHIP, which was created in the Sadowski Act. SHIP is a population based grant from the state to local governments, with general guidelines for use of the funds. All 67 counties receive SHIP funds, as do 53 CDBG entitlement cities. While the program gives local governments flexibility on program design, there is a high level of accountability, through annual reports, audits, and Florida Housing Finance Corporation (FHFC) monitoring. FHFC administers the distribution of funds and compliance activities. Local governments are limited to no more than 10% of the funds for administration.

**SHIP Program.**
The SHIP funds are distributed by population, with each county receiving a minimum allocation of $350,000. It was important to the Sadowski Coalition that SHIP would be available to every income eligible resident of Florida. For many communities, SHIP was, and is, their only source of housing assistance. The cities get their pro rata share of the county’s allocation. Interlocal agreements for program management are encouraged, and many localities have SHIP programs that are integrated between the county and its CDBG cities.

The core requirements of SHIP are:
- 65% for homeownership;
- 75% for construction/rehabilitation activities;
- 30% for very low, 30% for low, 40% for very low, low, or moderate- at discretion of local government;
- All local governments receiving SHIP must expedite all permits related to affordable housing;
- All local governments receiving SHIP must adopt a three-year plan for expenditure of funds (new plan every 3- can be amended by vote of local government governing body), and file a report with Florida Housing;
- Limited to 10% admin.
A Compromise that Serves Florida’s Interests.
- Homebuilders priority was construction related activities, thus the 75% construction/rehab. Housing = Jobs was the slogan on the buttons advocates wore as the bill went from committee to committee.
- Realtors’ priority was to help families buy their first home, thus the 65% homeownership.
- Advocates’ priority was income targeting for most vulnerable populations, thus the income limits.
- Local governments’ priority was flexibility to meet differing needs, thus the ability to design local plans within statutory parameters.
- Development community, including non-profits, wanted expedited permitting and regulatory reform, thus the Housing Incentive Strategies requirements.
- Legislature wanted limited amount of funding for administration and meaningful oversight, thus limit on administration to 10%; time limits for committing and expending funds, and reporting requirements.
- Florida Housing needed money for core programs (and in particular, the successful SAIL program).

The Strength of the Sadowski Act and the Sadowski Coalition over last 25 years.
- No changes to the SHIP program without the consent of all members of the Sadowski Coalition. Speaking with one voice to the legislature.
- Willingness to make changes that meet legislative priorities, 20% set-aside for disabled populations and ability to use a portion of SHIP for Rapid Rehousing rent subsidy, are two examples.
- Catalyst/Florida Housing Coalition ensures that legislative requirements and priorities are met using best practices.
- Programs actually work as designed—the story of the success of the programs is real.
- State money heavily leveraged.

1992-2002: Full Funding was the Norm.
From 1992-2002, the legislature routinely appropriated all monies in the housing trust funds for SHIP, SAIL, and other housing programs. The approach was direct and simple—all revenues projected to be deposited into the housing trust funds was appropriated. If the revenue estimate was low (as it usually was), the additional revenue was added to the next year’s revenue and also appropriated.

2003-2012: Housing Trust Fund Sweeps and Attempts at Elimination.
In 2003, the Governor began proposing sweeps to the housing trust funds. Part of this was a philosophical opposition to trust funds, and part was a notion that the amount of funds going to housing from doc stamps was more than “anyone had anticipated” (which is a false notion—see above on Ad Hoc Workgroup’s reason for choosing the doc stamps as the funding source for housing programs).
In order to justify the attacks on housing funding, false rumors that there was something "wrong" with the housing programs were circulated through the legislature. The Governor pushed for an elimination of the housing trust funds, and the Sadowski Coalition (the industry, local government, advocacy and governmental groups that supported the original passage of the Sadowski Act) came together to fight the proposed elimination.

In 2003, Speaker Byrd appointed a House Select Committee, chaired by Rep. Randy Johnson, to study the Sadowski programs and related funding (a copy of their 2004 report is attached). What the Select Committee found is that the Sadowski Programs were working exceedingly well, and that the trust fund dollars "should remain committed to housing programs". For a period of 2005 until the Great Recession, housing trust fund sweeps to general revenue were eliminated.

However, in 2005, another attempt was made to eliminate the housing trust funds. A compromise was reached, wherein doc stamp distributions to the housing trust funds were limited to $243 million per year (doc stamp distributions during this period ranged from $450-$600 million per year). The idea was to eliminate the cap once a new Governor was in office. As the Great Recession began the cap elimination fight was difficult—but ultimately, with strong effort and leadership from the Florida Realtors, the cap was repealed in 2011.

However, that same year, the housing trust funds took a permanent reduction due to the creation of the SEED Trust Fund. This was a trust fund set up for economic development projects to be managed by the DEO and included affordable housing as an eligible use. $75 million is taken off the top of the housing trust funds each year as part of SEED funding.

Throughout the Great Recession, most housing trust fund monies were swept to General Revenue because of the huge revenue shortfalls. But after the Recession ended and the housing crisis was evident, a substantial portion of the monies continued to be swept. By this time, a great many members of the legislature had never seen a time when the trust funds were not swept. The assumption at the Capitol was that the housing trust funds would be used for general revenue. Legislators were by and large unaware of the time when the "norm" was to NOT sweep the trust funds.

Over the past few years, the legislature has increased housing funding. There is a greater awareness that the lack of affordable housing is a problem for the state's citizens and for its businesses. In FY 12-13 and 13-14, no funds were appropriated from the housing trust funds for housing programs. Since then, over $850 million has been appropriated for housing.

However, that has not eliminated sweeps of housing trust funds to general revenue. The Sadowski Coalition, comprised primarily of business and industry groups, has made clear that all
monies in the housing trust funds should be used solely for housing programs. This position is partly because the doc stamp tax was raised for this purpose (neither the industry groups, nor the legislature in 1992, would not have agreed to an increase in the doc stamp if it were for the purpose of general revenue), but also because the programs are needed and highly efficient.

**Summary of Housing Funding: 1992-2018.**
The total money placed into the Housing Trust funds in the 25 years of the Sadowski Act $5.963 billion. Of that, $4.03 billion has been spent on housing programs (including hurricane housing recovery), with $1.99 billion the remainder swept for use as general revenue. Note: the total use exceeds the source because of interest earnings on the trust fund which have been appropriated. Because of the SHIP program, Florida has been able to recover from natural disasters in a way not seen in other states. Having a SHIP program in every county has meant that the human infrastructure is in place with policies and practices for deploying funds for emergency repairs. The importance of this cannot be overstated. A number of the articles in this packet chronicle the great value of SHIP in disaster recovery from the massive storms in Florida.

So, 25 years later, the Sadowski Coalition is 30 statewide members strong. It meets as needed, particularly in advance of every legislative session for a press conference to urge the Legislature to use all the housing trust funds solely for Florida’s housing programs. A list of the Sadowski Coalition members is on the next page.

**Attachments**
Attached are compilations of articles from around the state which are directly on point to the success of the Sadowski Act and Florida’s housing programs. These are just a handful of the dozens of articles and editorials which are printed every year in support of using all housing trust funds for housing programs.

Jaimie Ross, Attorney at Law
CEO Florida Housing Coalition
[www.flhousing.org](http://www.flhousing.org)
[www.sadowskicoalition.org](http://www.sadowskicoalition.org)
Direct line: 850-212-0587
## Sadowski Housing Coalition Members

### Business/Industry Groups
- Associated Industries of Florida
- Coalition of Affordable Housing Providers
- Florida Apartment Assoc.
- Florida Bankers Association
- Florida Chamber of Commerce
- Florida Green Building Coalition
- Florida Home Builders Association
- Florida Manufactured Housing Association
- Florida Realtors
- Florida Retail Federation

### Advocates for the Elderly/Vets/Homeless/Special Needs
- AARP of Florida
- Florida Association of Housing and Redevelopment Officials
- Florida Coalition for the Homeless
- Florida Housing Coalition
- Florida Legal Services
- Florida Supportive Housing Coalition
- Florida Veterans Foundation
- Florida Weatherization Network
- LeadingAge Florida
- The Arc of Florida
- United Way of Florida

### Government/Planning Organizations
- American Planning Assoc., Fla. Ch.
- Florida Association of Counties
- Florida Association of Local Housing Finance Authorities
- Florida League of Cities
- Florida Redevelopment Assoc.
- Florida Regional Councils Assoc.

### Faith Based Organizations
- Florida Conference of Catholic Bishops
- Florida Impact
- Habitat for Humanity of Florida
- Volunteers of Florida

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**Sadowski Affiliates**

Many Voices. One Message.

Sadowski Affiliates are comprised of the local organizational members of the Sadowski Coalition members, such as local Realtors, United Way offices, and Habitat Affiliates, as well as hundreds of individuals throughout Florida who are not affiliated with any organization. They are Many Voices having One Message: Use all of the State and Local Housing Trust Funds for Housing.
MANY Voices, ONE Message to the Legislature:
Appropriate all the Housing Trust Funds for Housing.

What is the Sadowski Coalition and who are the Sadowski Coalition Affiliates?
• The Sadowski Coalition, a collaboration of diverse statewide organizations that urge the legislature to use all the housing trust funds for Florida's housing programs.
• The Sadowski Act passed in 1992, increasing the doc stamp tax paid on all real estate transaction and placing these monies in a dedicated state and local housing trust fund.
• Today the Sadowski Coalition is comprised of more than 30 diverse statewide organizations representing millions of Floridians.
• The Sadowski Affiliates are local and regional organizations in Florida that support the Sadowski Coalition's mission to ensure that all the state and local housing trust funds are used solely for housing.

How are Florida's housing programs funded?
• 70% of monies go to the Local Government Housing Trust Fund for the State Housing Initiatives Partnership (SHIP) program which funds housing programs in all 67 counties and larger cities.
• 30% of monies go to the State Housing Trust Fund for Florida Housing Finance Corporation programs such as the State Apartment Incentive Loan (SAIL) program.

What do these programs do? Who do they serve?
• SHIP funds can be used for repair of existing housing stock to allow seniors to age in place or to provide retrofitting for persons with special needs;
• SHIP funds can be used to provide first time homeownership with down payment and closing cost assistance, as well as preservation of existing housing;
• SAIL funds can be used to rehabilitate existing apartments in dire need of repair or to build new units where needed; apartments that house Florida's most vulnerable populations, such as the frail elderly and persons with disabilities;
• SAIL and SHIP programs span from homelessness to the moderate income essential workforce;
• The beauty of both SHIP and SAIL is that they are flexible and can meet changing needs and priorities within the same program framework.

What is the need for these programs?
• More than 911,000 very low-income households in Florida pay more than 50% of their income on housing – they are one missed paycheck away from homelessness;
• Florida has the third largest homeless population in the nation.

What is the economic impact of Florida's housing programs?
• SHIP and SAIL are highly leveraged, with private sector loans and equity providing $4 to $6 for every one dollar of state funding—thus greatly increasing economic impact.
• The appropriation of the estimated $314.08* million in the state and local housing trust funds in Fiscal Year 2018-19 into Florida's housing programs will create over 30,000 jobs and more than $4 BILLION in positive economic impact in Florida.*

What is our priority for the 2018 Session?
Together the Sadowski Coalition and the Sadowski Affiliates bring a cohesive message and urge the Florida Legislature to use all of Florida’s housing trust fund monies for Florida’s housing programs.


For more information, please visit: www.SadowskiCoalition.com

Membership in the Sadowski Affiliates is free thanks to support from JPMorgan Chase & Co. | JPMorgan Chase & Co.
SURVEY OF SHIP

The Florida Association of Counties surveyed the SHIP office in every county this past December, 2013. The survey asked SHIP administrators to describe the impact of their programs; how their programs have been affected by legislative sweeps; and what their plans are if funding is restored. With approximately 90% response rate, some consistent themes emerged.

All over the state, in both urban and rural counties, SHIP administrators reported that SHIP is a keystone for developing and maintaining affordable housing. With SHIP funding, counties are able to help thousands of families through a variety of different “strategies.” For example:

- Building new homes for low-income homebuyers
- Providing down payment and closing cost assistance for first-time homebuyers
- Paying for emergency repairs
- Making homes handicapped-accessible and energy-efficient
- Providing financial assistance and counseling to help families avoid foreclosure
- Developing and rehabbing rental housing

And the impact is astonishing. In Citrus County, for example, over 900 families have made the dream of homeownership a reality through the SHIP office’s First Time Homebuyer Program. In Orange County, SHIP has helped over 10,000 families. In Gulf County, the SHIP administrator reports:

“We have helped hundreds of families to buy homes, put roofs on houses, prevented foreclosures, and assisted in new construction. To a small rural county, this means a lot when you look at the need we have ...”

And the Hendry County SHIP administrator said:

“I run into my clients all over town in Clewiston and LaBelle, at the Dollar Store, Winn Dixie, the park. They always come up to me and thank me for the program and [the] help.”

This SHIP administrator also remembers a client who received SHIP disaster assistance after Hurricane Wilma:

“I have had [a mother] cry in my office because her daughter’s doctor released her from his care. Because now she is not suffering from breathing problems. The trailer they lived in before was damp, moldy and falling apart around them. She said, ‘You don’t understand. It’s not just a thank you—my daughter can breathe.’”
Owner-occupied repair and rehab strategies are very commonly used to help elderly and disabled residents stay in their homes and revitalize entire neighborhoods. For example, Clay County used SHIP to help an elderly woman and her son, who has a developmental disability, rehab their home. The county used SHIP funds to repair the home’s foundation, and a community partner installed a wheelchair ramp. And from a taxpayer standpoint, it’s more cost-effective for this family to stay in their home, rather than moving into an institutional setting, or receiving an ongoing housing subsidy.

This story highlights an important point: SHIP doesn’t work by itself. The “Partnership” element of SHIP is key. Counties maintain relationships with building contractors, mortgage lenders, Realtors, and private donors to accomplish their SHIP strategies. Counties can also use SHIP to support the missions of local nonprofits, and many counties reported that they partner with their local Habitat for Humanity affiliate. In Charlotte County, for example, SHIP has helped over 150 households buy Habitat homes or renovate their homes during the affiliate’s Brush with Kindness event.

SHIP supports the missions of many other homegrown nonprofits. In Polk County, for example, the Keystone Challenge Fund uses SHIP to build new homes for low-income homebuyers and provide down payment assistance. Since 1991, Keystone has assisted over 3,500 families. In Martin County, Indiantown Non-Profit Housing, has helped hundreds of families but has had no funding since 2009 from SHIP because of the sweeps. Another Martin County nonprofit, Advocates for the Rights of the Challenged, or ARC, has historically used SHIP funds to 42 individuals with developmental disabilities every year, on average.

SHIP doesn’t just benefit the families who live in the new or rehabilitated housing, though. It also boosts the local economy by creating jobs for contractors and their suppliers, and other businesses involved in housing development. The SHIP administrators from Polk, Holmes, and Walton Counties reported that their projects put contractors back to work during the economic downturn. Other counties said that their SHIP activities have revitalized neighborhoods and improved property values. The St. Johns County SHIP administrator, when asked to describe SHIP’s impact in her community, gave this testimonial:

“Where do I start? ... West Augustine saw 50 years of neglect; sanitation, safety, accessibility all completely absent. I can’t verbally capture the degree of change that has occurred in our community. There is no Section 8 funding provided to St. Johns County. Therefore leveraging of SHIP funds has [aided] in the award of grants to develop much needed multi-family, single-family infill construction, rehabilitation of homes enabling vulnerable residents to live comfortably and age in place, ... and of course assisting our local Habitat for Humanity partners.”

The thing about a keystone is, if you take it away, all the intricate and successful partnerships that are built around it crumble. You not only lose SHIP funding, but many of the other resources it leveraged. Our counties haven’t quite gotten to that point yet. But in their survey responses, many described their SHIP program as being on its last legs. In Franklin County, for example, the SHIP office’s partnership with Habitat for Humanity ground to a halt, because they haven’t been able to provide funds for new construction. In Escambia County, gaps in SHIP funding have created confusion and caused a “start/stop”
pattern with lenders and contractors, which erodes relationships of trust and collaboration that were built over many years.

Counties also have a much harder time leveraging precious state and federal funding sources without SHIP. In another example from Escambia County, SHIP has been used in the past as a 25% match for the HOME program from HUD, leveraging over $1 million per year. In effect, without seed funding from SHIP, counties leave millions of state and federal dollars on the table. And in some small, rural counties, SHIP is the only source of funds for certain affordable housing activities. In both Washington and Flagler Counties, for example, SHIP is the only program offering down payment assistance.

Not surprisingly, the effect has been devastating. Counties have drastically cut back the number of people they serve, and the waiting lists for these programs have exploded. Dixie County has had an ongoing waiting list for years, since they can’t serve all the families that apply. In Leon County, the waiting list is over 500 people.

And in Manatee County, over 170 people are waiting for home rehab or replacement assistance, but they can only help 4 or 5 people this year with their current funding. In Palm Beach County, the SHIP administrator described applicants lining up 24 hours in advance to reserve 2013-2014 funds. The SHIP administrator of Martin County gives a particularly poignant account:

“We are turning families away several times a week and putting others on long lists hoping to get more funding. ... With the economy as it is, we are constantly assisting families with backed up septic tanks, broken A/C units, drinking water wells, and roof repairs. These are health and safety concerns and many families are still struggling from this tough economy. Because the economy has been struggling for such a long time, the delayed repairs to homes are now becoming extremely serious.”

The good news is that our counties already have successful SHIP programs in place, like down payment assistance and homeowner rehab. And they have over 20 years of experience administering these programs with efficiency and transparency. The infrastructure is there, it’s just waiting for the funding to be restored. Once that happens, most counties plan to revive the SHIP activities they already have in their local plans, and start moving families through the waiting lists. However, our counties are not just returning to business as usual. Many are looking ahead and thinking how they can use SHIP funds strategically. For example, Escambia County wants to foster one or more large-scale public/private redevelopment projects that would serve as “economic catalysts”. These developments would create local jobs and leverage significant outside funding, and encourage the private sector to invest in the surrounding area. Clay County wants to target its future SHIP funding toward special needs housing, by supporting nonprofits that serve the homeless, people with developmental disabilities, and elders who want to age in place.

There is no question about the need for affordable housing. Every county that responded reported that they have nowhere near enough SHIP funding right now to meet the level of need in their communities. And with our economy still in recovery mode, local communities need the boost that comes from putting contractors, suppliers, Realtors, and other private-sector employees back to work. Florida’s counties are in agreement: SHIP is a win-win.
Florida's Hurricane Housing Recovery Program (HHRP) Successes

HURRICANE IVAN devastated Escambia County in 2004. The county used $23.8 million from the state's Hurricane Housing Recovery Program (HHRP) to help over 500 households with repairs and 60 households with home purchases; to build 849 units of affordable rental housing, including 24 units for people with special needs; and to help 224 households pay rent and utility deposits for new housing.

HURRICANE CHARLEY swept through Hardee County, damaging a large proportion of the county's homes. The county received nearly $8 million in HHRP aid. Although Hardee is a small county, with just over 27,000 residents, county housing staff was able to work with temporary staff and non-profits to help over 100 households rehabilitate their homes, to provide home purchase assistance to almost 80 people, and to provide utility and rent deposits to 87 households.

HURRICANES FRANCES AND JEANNE both struck south Florida in 2004, when affordable housing was already scarce in Palm Beach County. The storms damaged thousands of housing units, half of them occupied by households with incomes of $30,000 or less. "The county used a portion of its $4.5 million in HHRP funds to finance 50 units of affordable rental housing in a larger affordable housing project and to help more than 120 homeowners pay for home rehabilitation."

By Anne Ray and Bill O'Dell

These are examples of successes from Florida's Hurricane Housing Recovery Program (HHRP). Florida's Housing Trust Fund and SHIP program are vital to building long-term affordable housing opportunities in local communities. When four hurricanes struck Florida in 2004, we found out they are also vital to our ability to rebuild our state's housing after a disaster. The SHIP network of local agencies and knowledgeable staff enabled the hardest hit communities to disburse millions of dollars in state housing aid quickly and effectively.

Rebuilding and replacing hurricane-damaged housing presented a tremendous affordable housing challenge for the state. The 2004 hurricanes damaged more than 700,000 homes in Florida. The state's Hurricane Housing Work Group found that about 400,000 households living in damaged units had incomes of $30,000 or below.

In response, in 2005 the state allocated $208 million in trust fund money to the HHRP and $139 million for a sister program, the Rental Recovery Loan Program. HHRP funds could be used for a wide variety of housing activities, including repairs and rehabilitation of damaged units, replacement housing, rent payment assistance, and foreclosure prevention.
The Florida Housing Coalition, under the Catalyst Program for Training and Technical Assistance funded from the Sadowski Housing Trust Funds, provided telephone and on-site technical assistance to all of the hurricane-affected communities. Disaster Mitigation workshops were held along with ongoing assistance focusing on project planning and financing. Initial responders assisted with life and safety measures while the Florida Housing Coalition was able to assist communities design and implement their long-term plans to rebuild homes and support housing facilities.

Twenty-eight counties received rebuilding funds. These were the counties with the most units damaged, the highest proportion of their housing stock damaged, the most households displaced by the storms, and the highest proportion of damage experienced by families with incomes of $30,000 or less. Sixteen cities within these counties also received assistance.

Because of SHIP, all of these cities and counties already had staff with experience administering housing programs. The SHIP network enabled counties and cities to get the money out fast. Plans for using HHRP funds were due just four months after the Legislature approved the funding, and most cities and counties had encumbered all funds within two years after the money became available. (As of September 30, 2008, $164 million, or 79%, of HHRP funds had been spent; most of the remaining $43.6 million is expected to be spent before a June 30, 2009 deadline.)

The capacity built by the SHIP program was particularly important in rural counties, which otherwise might not have had staffed affordable housing programs. For example, DeSoto County ordinarily receives little housing funding other than SHIP, but it received nearly $11 million in HHRP funds. The county used this funding to help buyers build new homes or purchase existing homes. It is unlikely that the county would have had the staff capacity to administer such a program without the SHIP program already in place. The SHIP program also provides a level of protection from future disasters. All communities are now required to include a disaster strategy as part of their SHIP Local Housing Assistance Plans (LHAPs).

None of this would have been possible without the Housing Trust Fund. The Trust Fund provides Florida with an extraordinary opportunity to create an effective and flexible affordable housing delivery system in communities across the state. This system delivers affordable housing in its many forms, day after day, year after year, across the state’s varied housing markets. But it is also capable of responding quickly and effectively to catastrophes as devastating as the 2004 hurricanes.

Even without a major natural disaster in recent years, Florida’s communities are facing a new housing challenge—the steep drop in housing values and the foreclosure crisis. HUD’s Neighborhood Stabilization Program will provide millions of dollars to counties and cities in Florida to acquire, rehabilitate, sell, and redevelop foreclosed homes. Again, the statewide network of expertise created by the SHIP program will be critical in ensuring that our local communities gear up quickly to implement housing solutions.

ANNE RAY is a researcher, and WILLIAM O’DELL is associate director with the Shimberg Center for Housing Studies. The Shimberg Center for Housing Studies was established at the University of Florida in 1988 by the Florida Legislature as a multi-disciplinary center designed to focus on affordable housing issues in the state consistent with the teaching, research, and outreach mission of the university. The Center manages the Florida Housing Data Clearinghouse, to provide public access to data on Florida’s housing needs and supply, subsidized rental housing and household demographics.
Florida Needs Affordable Housing Now, More Than Ever: The Data

There seems to be a widespread belief that the housing "bust" created affordable housing that meets the needs of Florida's residents, most particularly with foreclosed homes. However, the housing affordability situation in Florida has worsened since the 2007 bust.

For more than a decade, the Shimberg Center has been tracking housing affordability in Florida. In that time we've seen the housing market move from boom to bust to recovery, but a constant has been the increase in the number of Florida households that are paying more than they can afford for their homes. This trend is confirmed by our recent analysis comparing U.S. Census and American Community Survey data from 2000, 2005 and 2011 (the latest year available).

A growing number of Floridians are "severely cost burdened"; that is, they pay more than half their income for housing costs, leaving little for other necessities such as food and medical care. In 2005, there were 813,000 severely cost burdened households with very low incomes, defined as incomes below 50 percent of area median. By 2011, 982,000 very low-income households were severely cost burdened, a 21 percent increase, even though the total number of households at this income level only went up by 12 percent.

In a nutshell, housing costs rose sharply in the first half of the 2000s without a corresponding increase in incomes. Then, as the effects of the economic slowdown set in, incomes fell in the second half of the decade. This led to an increasing housing affordability gap. In 2000, median rent for the state of Florida was $837 per month and median monthly costs for owners with a mortgage was $1,157 (all figures in 2011 dollars). By 2005, the median rent had increased by almost $100 per month and owner costs by almost $30, while incomes barely budged. Between 2005 and 2011, real incomes of renters and owners fell by 15 and 9 percent, respectively, while median housing costs held steady.

| Median Gross Rent and Median Household Income 2000-2011 (2011 Dollars) |
|-----------------------------|-----------------------------|-----------------------------|
|                             | 2000 | 2005 | 2011 |
| Rent                        | $837 | $932 | $949 |
| Income                      | $34,480 | $34,051 | $28,714 |

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<td>Owner Costs</td>
</tr>
<tr>
<td>Income</td>
</tr>
</tbody>
</table>

The supply of affordable housing has not kept up with the need. In 2011, there were just 39 affordable and available rental units for every 100 very low-income households. For the lowest income households—those with incomes at or below 30 percent of area median income—there were just 22 affordable and available units for every 100 households. HNN

ANNE RAY is a Researcher with the Shimberg Center, where she works on the development of the Florida Housing Data Clearinghouse and has performed research on preservation of assisted rental housing, public housing, the housing needs of persons with disabilities, farmworker housing, and states' implementation of the Low-Income Housing Tax Credit.

THE SHIMBERG CENTER FOR HOUSING STUDIES was established at the University of Florida in 1988 by the Florida Legislature as a multi-disciplinary center designed to focus on affordable housing issues in the state consistent with the teaching research and outreach mission of UF.
Operation Reveille formally started with a trumpet blast in front of the Port Tampa Bay building on Veterans Day 2014. Airforce Veteran Antoinette Hayes Triplett, who became CEO of the Tampa Hillsborough Homeless Initiative in August 2014 brought the idea of Operation Reveille to the City SHIP office. In her previous position as head of the City of St. Louis, MO’s Homeless Services Division, Triplett had spearheaded an Operation Reveille event. This initiative, rooted firmly in the “Housing First” philosophy of homeless assistance, helped 50 homeless veterans move straight into housing. It was made possible by federal homeless assistance programs, including the Supportive Services for Veteran Families (SSVF) program administered by the Department of Veterans Affairs, as well as willing landlords, private donors, and public and nonprofit agencies.

City of Tampa SHIP administrator Vanessa McCleary urged her to organize a similar event in Tampa for the upcoming Veterans Day—a mere two months away. The City of Tampa made plans to rehabilitate 11 veterans’ homes and Paula Harvey, Hillsborough County’s Affordable Housing Services Director, also used county SHIP funds to rehabilitate another 11 veterans' homes. With the help of the Tampa Bay affiliate of Rebuilding Together, Inc., a national nonprofit network that helps low- and moderate-income homeowners make repairs and retrofits, the Operation Reveille team was able to complete the 22 home rehabilitations within two months.

Leading up to the event, when Operation Reveille’s leaders called on community members for support, they encountered a fair amount of skepticism about the short timeframe. But one after another, local and national stakeholders stepped up and said “YES,” they wanted to honor Hillsborough County’s veterans. The Home Depot Foundation did not believe that the home repairs could be completed within two months, but they provided vital support nonetheless. Operation Reveille’s organizers provided the Home Depot Foundation’s Joe Wimberly with regular updates as they assembled more and more resources—including a massive in-kind donation from Ashley Furniture, ensuring that the homeless vets assisted during the event would come home to fully furnished apartments. When Veterans Day 2014 finally came, Wimberly flew in to Tampa to see Operation Reveille first-hand and said, “This is even more incredible than I thought!”

By the end of the day at Operation Reveille, 53 formerly homeless veterans had the keys to their new apartments in hand. Another 26 homeless vets were connected to service providers so that they could be quickly housed when new vacancies opened up. Of these 79 vets, 67 were in permanent housing as of May 2015. In addition, a veteran family on the verge of homelessness came to Operation Reveille, and received Hardest Hit assistance to save their home from foreclosure. Overall, with SHIP dollars and the many other resources marshalled from the community, Operation Reveille provided a full spectrum of housing assistance for Hillsborough County vets—from ending homelessness to allowing veteran homeowners to live in safety and comfort.
SHIP Provides Safety from Floods in Pasco County

SHIP Helps Extremely Low-Income Families Leave a Deplorable Public Housing Project

Dade Oaks Apartments was literally under water. Built in 1977 by the Pasco County Housing Authority (PCHA), it sits right on top of the low spot of a 160-acre drainage basin, which may in fact have been a lake at one time.

The topography caused the apartments to suffer from chronic flooding, resulting in unsuitable living conditions and a high vacancy rate. The United States Department of Housing and Urban Development threatened the PCHA with seizure and closure of the apartments if the problems were not corrected. Had this happened, the County would have lost 69 units of affordable housing for extremely low-income persons.

The residents of Dade Oaks were victims of a dysfunctional Housing Authority, unwilling to take the action needed to remedy the situation. Fortunately, the entire board of the PCHA was replaced, and a new Executive Director was brought on board.

The newly constituted PCHA took action. It hired a consultant/developer, Gorman and Company, to help find a suitable location to reconstruct the Dade Oaks Apartments. The PCHA chose a site north of Dade City on 14th Street. The plan was put in place to reconstruct the development on this site with a modern energy-efficient apartment complex, fittingly named Hilltop.

Making the numbers work on a multifamily apartment that needs to be affordable to extremely low income families requires several layers of financing. Pasco County responded to a competitive solicitation for state HOME funds from the Florida Housing Finance Corporation, providing $500,000 in SHIP funds to meet the match and leverage requirements.

The Grand Opening of the new Hilltop Landings Apartments, just one mile from the original site of Dade Oaks, brought together the public officials and the community at large to witness the joy on the residents' faces as they envisioned their lives taking shape in homes that would no longer flood; apartments that would be safe and air conditioned, enabling them to provide healthy homes for their children. All of the apartments have energy efficient appliances, front porches, and an old time southern feel. "I'm ecstatic.... Our kitchen is beautiful," said future resident Suzette Sharrer.
The SHIP Program provides financing for a variety of housing needs for people with disabilities.

- Wheelchair ramps, handrails, grab bars and other accessibility modifications
- Purchase assistance for prospective homeowners with very low incomes along with needed home accessibility modifications
- Rehabilitation of substandard housing occupied by households where a family member has a disability
- Construction or rehab of supportive rental housing operated by nonprofit organizations who make sure residents have the services they need while living as independently as possible
- Site work and infrastructure for multifamily rental properties that serve people with disabilities-

Below are some specific examples that illustrate the important role Sadowski funds play in providing housing for people with disabilities or making their homes accessible.

**Rehabilitation**

Nancy and Robert Mendola received SHIP-funded repair and accessibility modifications to the Coral Springs condo they own. This has been very helpful for their 13-year-old son Andrew, who uses a wheelchair. The modifications included the installation of a ceiling lift system which has allowed Andrew to remain in his home with family support. The lift helps family members transition him from the bed to the shower. The lift equipment and its initial installation cost about $21,000. Other repairs included widened doorways and a fully accessible bathroom with roll-in shower, grab bars and porcelain tile floor.

**Home Purchase**

Dolly Castillo and her three daughters purchased and helped build their own home with support from the Orlando chapter of Habitat for Humanity. Dolly's two eldest daughters have developmental disabilities.
Habitat designed and built the four bedroom home with vinyl floors, a wheelchair ramp, wide accessible doors and a roll-in shower.

The nonprofit helped make this home purchase affordable in many ways. First, the family received $30,000 in down payment assistance from the City of Orlando’s SHIP program. In addition, Habitat used building materials that were donated by local businesses and they recruited volunteers to assist with construction. Dolly and her family also helped build the home as it is a required part of the process for each Habitat buyer to contribute 300 hours of Sweat Equity work. Finally, Habitat provided Dolly with a mortgage loan at a zero percentage interest rate.

**Rental Housing**

Roque Cespedes has a safe and affordable home he rents with his family. He lives in Park Place apartments, a 34-unit multifamily property in Hialeah, Florida, that provides affordable housing thanks in part to $800,000 of SHIP financial subsidy.

Roque uses a wheelchair and has benefited from accessibility features in his home, such as: automatic entrance doors, accessible mailboxes, barrier-free bathroom with roll-in shower, accessible kitchen and counters, an accessible washer and dryer and more.

The Park Place apartments were built and are managed by the nonprofit organization Spinal Cord Living-Assistance Development, Inc. (SCLAD). More than half of the apartment units are occupied by households with one or more members with a disability. The apartments on the first two floors are primarily occupied by households with residents who use wheelchairs. In addition to providing quality housing for its residents, this nonprofit supports its residents with disabilities by offering services that promote independence. Residents can use the Resource Center and work with SCLAD staff to find jobs and engage in other activities that increase their independence.

**Shared Living**

Sometimes SHIP funds are invested in Shared Living housing, which offer roommates with developmental disabilities affordable rental housing in single-family homes scattered around a community. A small number of individuals—often two or three—live in the home, each paying an affordable level of rent.

Robert Miller lives in Jacksonville in a single-family home owned by Ability Housing of Northeast Florida, a nonprofit that owns and manages 29 single-family shared living homes. Robert and his roommate live in a three-bedroom house in Jacksonville’s Mandarin neighborhood. The third bedroom is for caregivers who stay overnight. Because of the extremely-low incomes of shared living housing residents, the rents are well below market. In Robert’s case, he pays his rent with monthly income from Supplemental Security Income and Social Security Disability Income.

Both Robert and his roommate use wheelchairs. The house was modified by Ability Housing to be fully accessible with wide doorways and a roll-in shower. One of Robert’s favorite features of the house is the screened in back porch. As a hobby, he grows and trims bonsai trees, which is an enjoyable and peaceful pastime on the porch. HNN
Affordable Housing Helps Children

- 8,621 families with children have been served using SHIP funds
- 40,295 children 0-17 years old are in affordable housing through the State Apartment Incentive Loan (SAIL) program

Stable, affordable and safe housing:

- Allows a child to “put down roots” in their neighborhood and school, providing consistency and support
- Provides family stability reducing stress related health issues, such as depression and substance abuse
- Allows a family to afford better nutrition and preventative health care
- Reduces tense overcrowded living conditions
- Reduces illness such as respiratory infections and asthma
- More than 49,000 children experience homelessness each year in Florida.
- State and Local Housing Trust Fund money provides housing that prevents child homelessness

For example, state and local housing trust fund money financed:

- 10-unit group home in Jacksonville for youth aging out of foster care
- 14-unit apartment complex for at-risk youth in Marion County
- Vero Beach Youth Transition Center providing housing for 60 young people.

“Living in my house is really fun and safe. Before we lived in a trailer and a hurricane ripped the roof off. Now, I’m not scared in my house anymore.”

– Daniel Proehl, Age 10
Son of George & Deo Proehl Homeowners at Trail Ridge in Naples, FL and recipients of SHIP funds through Habitat for Humanity Collier County.
Having risked their lives defending our country, we owe it to our Veterans to care for them as much as they have cared for us. It is a shame that so many of these men and women who have served our country with such honor and bravery are currently living on the streets.

Florida has the 2nd largest per capita veteran population in the nation.

Florida has the third highest homeless population in the country and one of the highest numbers of homeless veterans.

The Department of Veteran Affairs and Department of Housing and Urban Development fund several programs helping struggling Veterans to finance homes. Unfortunately, these funds do not meet, nor were they designed to meet, the housing needs of all Veterans.

SAIL funding, made available by the Sadowski state housing trust funds, have provided an essential funding source for Veterans. For example, Volunteers of America of Florida's housing projects, which concentrate on veterans, homeless veterans and the frail elderly, could not have been built without Florida's state and local housing trust funds.

Using Florida's state and local housing trust funds for Florida's affordable housing programs will help Florida's veterans access safe and affordable permanent homes.

"The state and local housing trust fund money is critical for leveraging the funds needed to house Veterans," said Ed Guill, Chief Administrative Office for Volunteers of America in Florida. "We owe it to our Veterans to see to it that they do not live on the streets."
Palm Beach County Dept. of Economic Sustainability

Adopt-A-Family Housing for Homeless Families,
Lake Worth, Fla.

It is not often that the opportunity arises to provide affordable housing for homeless families and have it contain state-of-the-art features and design. A nine-unit development on 2nd Avenue North in Lake Worth, Florida completed by Adopt-A-Family of the Palm Beaches, Inc. (AAF) in 2009 and partly funded through the SHIP program, has filled a serious gap in homeless services. Many other homeless family housing programs require that heads of household have a disability to qualify, so this project serves a large segment of other families in desperate need of housing.

With a total development budget of $1.7 million, savings were achieved through direct purchase of materials. Five of the units house three bedrooms, allowing for larger families. Unique features and green construction elements of the project include:

- All landscape is native/xeriscape and sod is limited to front park/sitting area designed for socializing
- All units have private rear deck area heavily landscaped
- Skylights in stairwells for natural light—reducing the need for artificial lighting
- Bedroom space in 3BR units is extended over the sidewalk and pushed beyond the building façade in order to meet minimum zoning requirements for unit square footage and constructed at a slight angle to create a unique living space
- Each unit is painted a distinct exterior color to differentiate it and make it unique
- Small decorative windows used exclusively by Ted Hoffman, Architect and as such add a custom and artistic design feature
- Impact-rated windows with screens to allow natural ventilation
- Variance approved by the City to reduce the number of parking spaces and share off-site parking with the AAF facility across the street

Thanks in part to the infusion of $250,000 in SHIP dollars, there is no debt service on this AAF program and therefore, rents collected are applied to operating costs. Case management, which is integral to the success of the program, is provided to residents through a collaboration of AAF with Families First, and is funded through Palm Beach County.

In October 2009, the project received the “Affordable Housing Project of the Year” by the Florida Redevelopment Association.
SHIP Success
ARC of Martin County

ARC of Martin County successfully renovates community based homes for people with developmental disabilities

The State Housing Initiative Program (SHIP) provides the necessary funds to successfully renovate homes for people with disabilities.

42 individuals with developmental disabilities are helped annually through the SHIP program

7 homes have been renovated with SHIP funding

75 full-time employees required to care for people who were living in SHIP funded homes

Featured: Successful completion of a home renovated by ARC of Martin County using SHIP funds
In 2008, Okaloosa Community Development Corporation partnered with Okaloosa Coalition on the Homeless, DBA Fresh Start for Children and Families to form Harbour Place Apartments, LLC in order to fulfill a joint mission of building a Special Needs Housing Project for homeless families in Okaloosa County.
Okaloosa Community Development’s Board of Directors- Chairman, Aaron Wentz, and Treasurer, Mike Kent, hand the title to Okaloosa Coalition on the Homeless’ President Charlie Brown. The title was signed over to Okaloosa CDC during the construction phase of the project.

The project, which was built in two phases over a period of six years, encompassed the demolition of the derelict buildings which had housed the Fresh Start clients since 1984. The project serves the homeless population of Okaloosa and Walton Counties by providing Transitional housing to homeless children and families and those who are in imminent danger of becoming homeless to give a “Hand up” to them with the goal of “Renewing Hope and Rebuilding Lives.”
FRESH START
Okaloosa CDC committed and expended $600,000 SHIP dollars, in conjunction with a $500,000 Federal Home Loan Grant and $150,000 Land contribution by Fresh Start for the construction of the first of these buildings, a twelve unit apartment building, which was completed in 2009.

The second building, comprised of ten units was completed in February 2013, Okaloosa CDC contributed $183,200 of SHIP Funds, $722,500 of Federal Home Loan Grant Funds, and a bank mortgage in the amount of $227,000.
FRESH START, CONSTRUCTION PHASE II

For a grand total of SHIP funds $783,200, Federal Home Loan Grant funds $1,222,500, donation dollars $150,000 and the assumed mortgage of $227,000.

The bank partner for both phases was BB&T. In addition the City of Fort Walton Beach CRA refunded approximately $50,000 in permitting fees and costs so that the Community Services Building could be reconfigured to provide space for resident services and activities.

Housing is now provided to twenty-two (22) very low income and homeless families. Family counselling, adult education classes and life skills planning are provided at no cost. This will help to enable the families to move forward into permanent housing with a base knowledge and a grounded family structure.
Sitting to the west of Downtown Orlando, the Pine Hills community is one of Orlando's first and oldest suburbs. Pine Hills was a thriving community in the 50s and 60s and was home to many upper middle class families. As time passed, many of those families moved on to newer communities and subdivisions further from the downtown corridor. While the Greater Orlando area grew, Pine Hills began to show signs of decline with neglected buildings and an increasing crime rate. For many locals, Pine Hills began to acquire the derisive nickname of "Crime Hills". As the economic downturn began and the foreclosure rates started soaring, the Pine Hills community was hit particularly hard. Many homes and apartments were foreclosed upon and left in severe disrepair; leaving behind vacant properties and unsightly blight.

While the entire Pine Hills community was affected, Seville Place, a large apartment complex facing foreclosure, and right in the heart of Pine Hills, near the busy intersection of Silver Star Road and N. Pine Hills Rd, stood out like a sore thumb. Constructed in 1971, Seville Place was a massive apartment complex with 440 units. Over time, as Pine Hills began to slip into decline, Seville Place came to be a reflection of the Pine Hills community as a whole. As the rest of the community was suffering from high foreclosure activity, the vacancy rate in Seville Place was at 70%, crime was a persistent problem and many of the units were in various degrees of dilapidation.

In 2009 Orange County Housing and Community Development set off on an ambitious and aggressive plan to combat the growing foreclosure crisis. Pine Hills was seen as one of the key target areas that needed to be addressed by our action plan, and Seville Place was a vital component of
that plan. Essential to the success of our plan was the SHIP program. Partnering with Related Urban Development Group and the Orlando Neighborhood Improvement Corporation (ONIC), Orange County Housing leveraged $1.6 million dollars of SHIP funds along with $7 million in NSP funds and $13.4 million in tax exempt bonds and tax credit equity to acquire and renovate Seville Place. One of our major goals in this $22 million dollar project was to reduce the density with the demolition of 180 units, leaving 264 units to undergo major rehabilitation and improvements. Half of the remaining 264 units were to serve very low income families (50% of AMI) and the other half serving 60% AMI.

At this time, the units have been completely rehabilitated and the apartment complex has been renamed and is now known as Emerald Villas. The units have received new roofs, plumbing, windows, cabinets, flooring and appliances. In addition, the HVAC systems, facades, outdoor lighting and landscaping for the complex have been rehabilitated as well. A major focal point of the complex is a newly constructed club house, containing classrooms, a business center, fitness room and pool. Through the end of June 2013, 259 of the 264 units are currently rented. This represents an occupancy rate of 98%, a stark contrast to the 70% vacancy rate from 2009. Of the rented units, 196 are
serving very low income families at 50% of the average median income or below.

While the dramatic rehabilitation of Seville Place into Emerald Villas has provided for a safe and attractive place for residents to live, the partnership with ONIC extends far beyond just the physical transformation of a building. ONIC has helped provide several Resident Services Programs. These are programs that are designed to give the residents of Emerald Villas an opportunity to engage and participate in activities that will allow personal growth and enhance the quality of life. These programs included the Prodigy Cultural Arts Program. Offered to youth ages 7 to 17, the Prodigy Cultural Arts Program uses visual and cultural performing arts as a vehicle to teach coping and life skills. This is a prevention, intervention and diversion program for at risk youth that runs year round.

It also includes the Resident Prosperity Program (RPP). A series of services, classes and workshops designed to provide residents financial and vocational literacy as well as home and life management skills. One example of a class offered to residents is a Financial Management class structured around the subject of debt management and credit repair. By improving the lives of the individual tenants, we are also enhancing the living experience offered by Emerald Villas and strengthening the community of Pine Hills.
Just across the street from Emerald Villas, Another Pine Hills institution, Orlando’s Maynard Evan’s High School has also recently undergone a complete rehabilitation and renovation. Together, the two major projects represent a change for the better in Pine Hills. Thanks to SHIP, Seville Place is no longer a sparsely occupied, blighted structure.

It has been transformed into Emerald Villas, an attractive, safe and affordable housing complex right in the middle of Pine Hills; a true jewel of a development.
Florida’s Housing Programs Benefit Florida’s Employers

Florida boasts the best housing programs in the nation for assisting employers with employee housing whether rental or homeownership. Florida provides the equivalent of an Employee Assisted Housing program in every county and larger metropolitan area in the state through the State Housing Incentive Partnership (SHIP) program. The state of Florida can provide employers with employee housing information that employers can pass onto their employees, or even have someone come to the employers place of business to provide housing information in a “lunch and learn” type of format.

Apartment Living

For newcomers to Florida who may desire to rent an apartment before buying a home, or find rental suits their needs better than homeownership, Florida provides the Housing Locator, an online tool that allows employees to search for affordable apartments by city or county. The Housing Locator provides photos of the properties, complete details about units and amenities, and contact information. See www.floridahousing.org.

Single Family Homeownership

Industry groups, led by the Florida Realtors and Florida Home Builders were instrumental in creating a dedicated revenue source in Florida primarily to assist first time homebuyers- this dedicated revenue comes from the Sadowski Act and funds the SHIP program.

The SHIP program requires that all permits for affordable housing of whatever kind (e.g. from development approvals to certificates of occupancy) are expedited. The SHIP program also requires that any negative impacts on the development of affordable housing be taken into consideration whenever a local government makes changes to its local land use plans or regulations. These two pieces of regulatory reform create an environment that is friendly to the development and preservation of workforce housing.

Every county, no matter how small, receives a minimum allocation of $350,000 in SHIP funding each year (this minimum allocation applies to 21 counties). The formula used throughout the state is based on population, which means that the higher the population, the more SHIP funds are available.

Virtually every SHIP jurisdiction has a program for first time homebuyer. The SHIP program provides:

- Down payment and closing cost assistance, typically a soft second that is repaid only upon resale.
- Home ownership counseling both pre and post purchase.
- The employee can earn up to 120% of area median income and in high cost areas, such as the Florida Keys, up to 140% of area median income, making this program appropriate to meet Florida’s workforce housing needs.

Florida’s employers can contact the Florida Housing Finance Corporation at (850) 488-4197 or the Florida Housing Coalition at (850) 878-4219 to get more information on the SHIP program and to get details about the SHIP program in any particular jurisdiction.
Labor market report shows growing need for affordable housing in Southwest Florida

The latest study of Southwest Florida's labor market is yet another sign that there's a growing need for more affordable housing.

The 2016 report by Workforce Now shows the top 10 projected growth occupations through 2023 in the five-county region — and nine of those jobs don't require a college education, meaning they're low-paying.

What's at the top of the list of high-demand jobs? Retail sales workers rank No. 1, with the need for 1,369 additional employees a year on average over the next seven years. The median pay for the occupation is $11.11 an hour, or $23,109 a year (half of workers would make more, half less).

When it comes to the demand for workers, retail sales associates are followed by: waiters and waitresses, food preparation and serving workers, cashiers, landscaping workers, secretaries and administrative assistants, registered nurses, carpenters, customer service representatives and construction laborers.

Making matters worse for low-income earners, salary increases in the region aren't keeping up with inflation, let alone rising home prices, especially in Collier County, the report shows.

In the county, wages grew 2.6 percent in 2015, while home prices rose more than 12.8 percent, following year-over-year increases of more than 20 percent in 2013 and 2014.

Also, wages aren't growing as fast in Southwest Florida as they are statewide or nationally, the report shows.

The average annual wage in the region is $40,189. That compares with $45,562 for Florida and $52,876 for the U.S.

With a little humor to lighten the mood and liven up a data-heavy presentation, three researchers on Wednesday shared the results of the study with a crowded room of business and community leaders at the Hilton Naples during a monthly Wake Up Naples breakfast, sponsored by the Greater Naples Chamber of Commerce.

Workforce Now is a regional research initiative designed to identify current and future workforce needs. It was created in October 2012 from discussions that followed education summits produced by the News-Press Media Group.
The research is steered by Florida SouthWestern State College, Florida Gulf Coast University and Hodges University. The latest report is Workforce Now's fourth annual overview of the labor market.

Referring to the shortage of affordable housing, Aysegul Timur, an economics professor and the dean and chairwoman of business administration and public administration programs at Hodges, said: "We have clear evidence that we should do something about it. It's now in everybody's face."

John Meyer, dean of the school of business and technology at SouthWestern State, wholeheartedly agreed, saying it's nice to have the data to support intuition.

The lack of affordable housing has attracted more attention in Southwest Florida lately.

After a weeklong study of the housing market in Collier County, the Urban Land Institute on Friday urged the county to act soon to create more housing for service workers and others with low wages. The study will continue over the next three months, after which a final list of recommendations will be delivered to the county.

Christopher Westley, an economics professor and director of the Regional Economic Research Institute at Florida Gulf Coast University, said the top 10 employment gaps — where demand is estimated to be greater than supply in Southwest Florida — is also concerning. The study identified 4,725 gap, or unfilled, jobs in summer 2016. Those positions include landscaping and retail sales, and only one job on the Top 10 list requires a college degree.

"The required education gaps are more heavily weighted among occupations that do not require any college compared to last year," Westley said. "So the gaps seem to be higher among professions paying the least. Are these workers leaving areas like Naples that have high costs of living? Does this suggest that over the next year we will see an upward pressure on wages to attract more workers to these professions?"

Only time will tell what it all means, Westley said.

The 2015 report showed the employment gap was greatest for registered nurses, with 534 unfilled positions. That problem has eased, with the latest study showing they were the eighth biggest gap, with a shortage that fell to 134.

The biggest shortage now is for first-line supervisors of retail sales workers, with 317 vacant jobs.

"The fluidity of some of these markets makes it harder for educators to respond to these gaps," Westley said. "What might be a big demand one year can easily be nonexistent the next. Where the gaps seem to persist is among occupations that have higher entry barriers."

The employment gap has risen by 1,353 jobs since 2015, a 40 percent increase.

"That's a pretty big jump," Westley said.

Other highlights of the report include:
- The largest industries by employment are retail trade (19 percent), accommodation and food services (15.5 percent); health care and social assistance (13.8 percent), construction (10.6 percent) and administrative and waste services (7.1 percent).

- The fastest growing industries from 2011-15 based on employment were construction (plus 12,241), accommodation and food services (11,919), retail trade (10,745), health care and social assistance (5,359), and administrative and waste services (5,327).

- The slowest growth industries from 2011-2015 included utilities (minus 32); management of companies and enterprises (plus 92), mining, quarrying and oil and gas extraction (plus 32), and information (plus 151).

The largest contributor to the regional economy for wages is health care and social assistance, providing $2.6 billion in income annually, representing nearly 18 percent of the total from all industries.

Southwest Florida added more than 63,000 employees to its workforce from 2011-15 as the economy continued to strengthen following a housing bust and the Great Recession.

The latest report shows a lack of diversity in the region’s workforce, which may only be getting worse in Collier County.

The county’s economy and employment actually appear more seasonal than they were before the Great Recession, Westley said, but he’s not sure why.

"For most things I blame the Fed," he quipped. "My child is sick, I blame the Fed."

If jobs are more seasonal that also makes it more difficult to afford housing in Collier County, Westley pointed out.

Following the presentation, Michael Dalby, president and CEO of the Greater Naples Chamber of Commerce, stressed the need for business and community leaders to get involved in the push for more affordable housing. It's the chamber's No. 1 public policy issue.

"We have to figure out how we are going to do, both today and certainly into the future, address this issue," Dalby said. "Otherwise we are going to literally lose talent. Talent will both drain away, the talent we currently have, and it will be increasingly difficult to attract talent to come into our market."

The problem is only growing, with more employers and service agencies in the county complaining that it's getting harder to find workers.

"Is it a crisis? Well it depends on where you are sitting on this issue, but we are getting more and more constrained, particularly in our public service sectors, our essential personnel sectors, with those individuals having to come from very far away to serve us," Dalby said.

Naples attorney Patrick White, who attended the chamber breakfast, said he worries his 7-year-old son will have to go elsewhere for a job when he grows up.

"For my child and grandchildren these challenges here need to be faced squarely and real world solutions implemented," he said.
To succeed, he said, the effort will take political will, and with the new makeup of the county commission, he's more optimistic that solutions will be found.

Jace Kentner, the county's interim director of business and economic development, said the data from Workforce Now's report points to some tough issues including an overabundance of low-paying jobs.

"We're all going to have to roll up our sleeves and work on it," he said. "The good news is there are jobs. There is job growth."

**By the Numbers**

Here are the Top 10 long-term growth occupations through 2023:

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<tr>
<th>Occupation</th>
<th>Average Annual Growth</th>
<th>Current Employment</th>
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<tbody>
<tr>
<td>Retail salespeople</td>
<td>1,369</td>
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<td>Waiters and waitresses</td>
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<td>Food preparation/serving workers</td>
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Source: Occupational Supply/Demand Report, Florida Department of Economic Opportunity

_First Appeared in the Naples Daily News on February 8, 2017. © 2017 naplesnews.com._
The city of Bradenton should receive more than $535,000 in SHIP funding, but the Florida Legislature continues to raid the main SHIP revenue source and estimates for fiscal year 2017-18 available dollars for local programs range from $75,000 to $200,000. Herald file photo

LOCAL

APRIL 26, 2017 8:35 PM

Legislature's effort to divert affordable housing dollars is hurting local programs

BY MARK YOUNG
myoung@bradenton.com

BRADENTON-The city of Bradenton is trying to focus crucial state and federal dollars on local affordable housing programs, but it’s not easy to estimate funding when dollars continue to diminish.

The city is moving forward with outlining goals for the next three years regarding State Housing Initiative Partnership programs. The SHIP funds are typically directed toward down payment assistance, housing rehabilitation assistance, housing reconstruction, eviction protection, multifamily rental construction and disaster strategies.

According to a breakdown of Florida cities by the Sadowski Housing Coalition, the city of Bradenton should receive $535,538 in the next budget cycle to put toward those programs. It hasn’t even been close with the city receiving $77,000 last year. If the Florida House has its way, the amount would be $75,000 when the state finalizes a budget in June.
The Florida Senate is recommending the city receive $200,000. The William E. Sadowski Affordable Housing Trust Fund was enacted in 1992, collecting revenues through documentary stamp taxes on real estate transactions. That tax generated $292.37 million this year. Seventy percent of the funds are supposed to go to local SHIP programs while 30 percent is earmarked for the Florida Housing Finance Corp.

However, the Legislature has continued to raid the Sadowski funds, and this year is no different. The Florida Senate wants $130 million of the fund to be placed into the state’s general fund, and the Florida House wants a bigger piece of the pie, asking that $248 million of it be taken. The Sadowski Housing Coalition calculates that if all of the dollars are used in the way the trust fund was intended, it would create 27,800 jobs with a $3.78 billion economic impact this year alone.

“If we get $75,000, what can we really do with it? We’ll have to revisit these goals,” said Vicki White, housing and community development manager.

The assistance programs are not “giveaways,” White said. “People have to be able to sustain themselves once the money is given,” and are typically low-to-zero interest loans. Housing rehabilitation grants and loans have become a priority after reviewing the city’s current housing stock in December. The study showed that half of the city’s housing stock was built prior to 1980, and many homes are much older.

To compound the problem for local funding opportunities to improve homes, and thus increase the tax base, President Donald Trump is targeting a $6 billion reduction in the Department of Housing and Urban Development’s budget. More than $3 billion of the targeted cut would come in the elimination of the Community Development Block Grant funding, which ties into similar programs with SHIP.

CDGB dollars go even further, however. Last year, the city received $384,353 in CDGB funding and through a public process gave $150,000 to Habitat for Humanity to purchase land for new homes. Economic Development Director Carl Callahan said there may come a time in the very near future, “Where we just won’t have that funding anymore.”

Commissioner Harold Byrd said it may get to the point, “Where we can’t accomplish any of these strategies.”
Affordable housing an important factor in hiring, CEOs say

From left to right:
Dr. Alejandro Badia is an orthopedic surgeon who leads a network of orthopedic urgent care centers called OrthoNOW based in Doral. The company has locations in Miami-Dade and Broward counties.
Hilarie Bass is the co-president of Miami law firm Greenberg Traurig, and will lead the American Bar Association as president in 2017.
Meg Daly is founder and president of Friends of The Underline, a nonprofit seeking to turn the underutilized land below Miami’s MetroRail into a 10-mile linear park.
Steven J. Perricone is president and owner of Perricone’s Restaurant in Miami, celebrating its 20th anniversary this year. He will also open Sullivan Street Bakery this spring.
Craig Robins is president and CEO of real estate development firm Dacra. He has spearheaded the development of Miami’s Design District.

This week’s question: How important is housing affordability for hiring and retaining employees? How about as a regional policy issue?

Housing affordability is important for people across all socioeconomic classes. Miami has become a bit opportunistic in terms of pushing what the market will bear. The lack of affordable housing will hurt us as a community if we can’t house low income workers. I believe this is more particular to Miami rather than the region itself and therefore is probably not a regional policy issue but a local policy issue that should be addressed.

Alejandro Badia, orthopedic surgeon and founder, OrthoNOW
Affordable housing is an important element in any community. However, external forces that can affect the hiring and retention of quality employees include educational opportunities in the area, mass transit availability, and access to quality healthcare, among others. A company’s culture is also critical to growing an effective workforce. South Florida is moving in the right direction in all of these areas and, I believe, will continue to do so with the public and private sectors working together towards a single goal of continuously expanding our region’s quality of life.

Hilarie Bass, co-president, Greenberg Traurig

Talent currently living here and talent contemplating moving to our community must evaluate the cost of living when evaluating job opportunities. While the cost of living is less than cities like New York, so is the pay scale. To attract and keep talent at all pay levels it is important to encourage affordable and workforce housing. I particularly think it is extremely important that people of all classes live together. The only way we can do that is to integrate housing at all price points. Collision of ideas and cultures creates a more dynamic, creative community.

Meg Daly, president and CEO, Friends of The Underline

For corporate relocation, aligning workforce with the human resource needs is incredibly critical and is one of the drivers in the relocation decision process. Organizations evaluate labor availability and quality across municipalities and state to state. Depending on the nature of the talent needs, housing affordability may or may not be a criteria in the evaluation process. It depends on the business’s objective. For example, if you are a call center that pays minimum wage, you are going to want to locate your operations in locations where the housing cost supports the labor force you are seeking and where there is adequate access to public transportation. When you look at highly desirable markets with class A office space such as downtown Miami, Brickell and Coral Gables, those tenants are not making the decision based on affordability of housing. Rather the primary driver for these institutions is proximity to business ecosystem and address. From a regional policy perspective, it’s important to have all categories of housing for a local economy be sustainable for the community to flourish. State and local government entities should use tax incentives and subsidies to help promote the development of affordable housing. It should be noted that this is not simply a Miami challenge. Municipalities across the country and the world are all wrestling with this important topic. One would hope that information is being shared amongst municipalities in an effort to scale successful solutions.

Alan Kleber, managing director, JLL (Jones Lang LaSalle)

Housing costs are always of concern, however, I believe that while they are rising in our area, overall costs remain low compared to other major metro areas, such as New York, Los Angeles, San Francisco and Chicago, which happen to be our competitors for skilled workers. Costs are rising fast in these areas too, but they have the disadvantage of a state income tax. When it comes to affordability, I think it’s
critical that we look at housing costs directly attributed to government including the expenses for permits and impact fees. The system remains plagued with layers of government and red tape, requiring developers to pay lawyers, lobbyists, expediters and other assorted consultants in order to get projects approved. In addition, rising cost are directly related to our region’s latest and ongoing economic successes. Our prosperity has as much to do with the rising housing costs as the current price of lumber, nails or concrete. As a region, we need to look for solutions to long commutes and traffic. Housing closer to city centers will always be more expensive, but we have to find ways to make it so those living in affordable homes in the suburbs can get to work without a major hit to their quality of life.

Mario Murgado, president and CEO, Brickell Motors

Housing affordability for Miami’s workforce is essential to our city’s growth and prosperity. Stability in our local economy starts with human capital, the core component of any business. South Florida’s urban sprawl coupled with extremely limited public transportation, creates a significant difficulty and challenge for the labor force to “live and work” in harmony. We should not expect to hire, retain, and develop employees without reasonable and accessible housing and adequate mass transit. Soaring rents that have not corrected in years clearly demonstrate the need for increased lower and midmarket housing — while exposing a glut in the luxury market. Regionally, South Florida’s policymakers should act in the interest of our local economy, supporting housing initiatives and creating a network of public transportation connecting our greater region.

Steve Perricone, president and owner, Perricone’s Restaurant

General quality of life is what determines the desirability of our city, and that comprises housing, transportation and wages, and other issues. Affordable housing is indeed one key factor to making Miami viable. Public transportation has increased in importance as our traffic has gotten more congested. Wages are equally a factor in this complex equation because when we earn more, we can afford more. Ultimately, we need the right balance to offer opportunity and quality of life to those living and working in our community.

Craig Robins, president and CEO, Dacra

The availability and affordability of safe, quality housing is critical for our society, not only regionally but nationally. As a company with nearly 9,000 employees around the state, we look at many factors when it comes to hiring and retention. We focus on providing a diverse, inclusive and supportive culture; competitive compensation; and outstanding benefits. Affordable housing will always be important to hiring and retaining the workforce we need.

Eric Silagy, president and CEO, Florida Power & Light
Affordable housing advocates: Housing money should actually be spent on housing

Gov. Rick Scott has recommended sweeping about two-thirds of this year’s nearly $293 million housing funds to other purposes.

By DANIEL DUCASSI | 03/02/17 12:49 PM EST

TALLAHASSEE — A coalition of affordable housing advocates is calling on lawmakers to actually use housing trust fund money raised for what it was intended — supporting affordable housing — and released a report Thursday they say shows a critical need for more robust appropriations this year.

“If Florida’s housing trust funds are used for Florida’s housing programs in Fiscal Year 2017-18, it will help Floridians, from homeless families and veterans to the lower-paid professional workforce — the entire continuum of Floridians in need of housing assistance,” said Jaimie Ross, president of the Florida Housing Coalition and facilitator of the Sadowski Coalition.

The coalition includes a host of diverse organizations, including Florida Realtors, the Florida Home Builders Association, Associated Industries of Florida, the Florida Coalition for the Homeless and AARP.

The coalition says spending the projected $292.37 million this year in housing trust fund revenue on affordable housing priorities wouldn’t just benefit those who struggle to afford to pay rent or mortgages. They estimate it would create nearly 29,000 jobs and result in a positive economic impact of more than $3.7 billion.

But much of that trust fund money has been “swept” in past years, meaning it was used to fund unrelated purposes.

The governor has recommended sweeping about two-thirds of this year’s funding, said Florida affordable housing consultant Mark Hendrickson.

That money is sorely needed, advocates say, for hundreds of thousands of Floridians who struggle to afford a roof over their heads. They also noted the United Way of Florida’s recent release of its annual “ALICE” report, which found that more than four in 10 Florida families are struggling financially to cover basic needs, including the rising cost of housing.
According to this year’s Home Matters Report, more than 900,000 very low-income households in the state shell out more than half of their income on housing alone. That’s in part because “the limited supply of affordable rental housing for low-income families is continually shrinking” as vacancies decline and rental prices climb. It’s a problem that affects not just the very low-income but also the overall work force.

AIF lobbyist Brewster Bevis highlighted the example of a hospital in Southwest Florida that is having a hard time finding affordable housing for new nurses in the Naples area.

And, advocates say, helping Floridians achieve the dream of ownership helps to form the basis of successful local economies and strong families.

“Owning my own home gave me the stability that enabled me to be successful as a mother, as a first-responder in the workforce, and as a member of my community,” said Anitra Highland, a police officer who told reporters that she was able to afford to purchase home because of a state affordable housing program. “I truly hope the Florida Legislature will use the housing trust funds for housing so others can get the hand-up that they need to be successful too.”