

Sadowski State and Local Housing Trust Funds Help to End Homelessness

Prepared for *Florida Coalition for the Homeless 2019 Statewide Conference*
By the Florida Housing Coalition

Presented By:

Kody Glazer
Legal Director

Florida Housing Coalition
glazer@flhousing.org



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Our Thanks to the Florida Housing Catalyst Program



AFFORDABLE HOUSING CATALYST PROGRAM

**Sponsored by the Florida Housing
Finance Corporation**



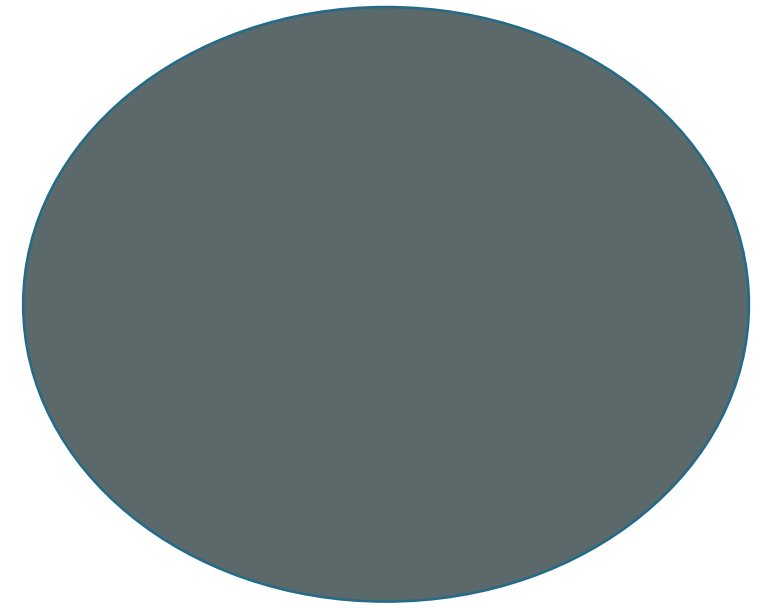
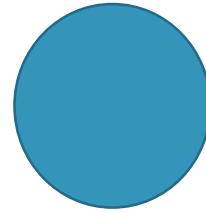
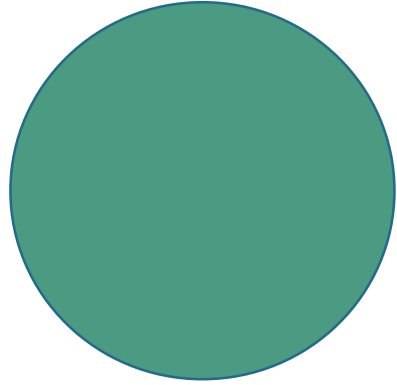
we make housing affordable™

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Agenda

- Intro to Sadowski
- Session Schedule
- Legislative Delegation Schedule
- What Should Advocates Do Now?
- Appropriations Process
- Committee Assignments
- Revenue Estimates for 2020 Session
- New Education Materials
- Action



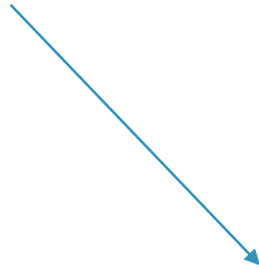
How do Housing Trust Funds Apply to Homelessness?

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Housing is the
solution to
ending
homelessness.



Sadowski
provides funds
for housing.



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What are the Sadowski Trust Funds?

- Enacted in 1992, the William E. Sadowski Affordable Housing Act provided a *documentary stamp tax increase*.
- This tax increase funded two newly created affordable housing trust funds – the local government & the state housing trust fund.

Local Government Housing Trust Fund

- Basis of the State Housing Initiatives Partnership (SHIP) Program.
- A grant/entitlement program that provides funds to local government for their affordable housing programs.

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SHIP is Funded by Population

- Each county or participating municipality is granted funds based on population.
- Each county receives a minimum of \$350,000.

Core Requirements of SHIP

- 65% for homeownership
- 75% for construction/rehab
- Differing income requirements
- All local governments receiving SHIP must adopt a three-year plan for spending funds.
- Each LHAP must contain a report on how the local government is addressing homelessness.

Top uses of SHIP:

- Down-payment assistance
- Rehab of Owner Occupied Housing
- Emergency/Disaster Relief
- Foreclosure Relief
- Rental Housing Gap Financing

Impact:

- Over the life of the program,
**more than \$2.4B used
to help 207,000+ families.**

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SHIP Rent Subsidies

- Allows up to 12 months of rent subsidies
- Subsidies for very-low-income households only
- VLI households are eligible if:
 - At least one adult who is a person with *special needs* as defined in s. 420.0004 or
 - A person who is *homeless* as defined in s. 420.621 when the person initially qualified for a rent subsidy.

State Government Housing Trust Fund

- Utilized by the Florida Housing Finance Corporation (FHFC) for various programs.
- Main programs:
 - **State Apartment Incentive Loan (SAIL) Program** (54%)
 - **Homeownership Assistance (HAP)** (16%)
 - HOME Investment Partnerships (1.5%)
 - **Predevelopment Loan (PLP) Program** (1.4%)

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State Apartment Incentive Loan (SAIL) Program

Low-interest loans (0-1%) on a competitive basis to affordable housing developers.

Often serves to bridge the gap between primary financing and the total cost of development.

Funds are made available based on triennial market study based on county size and across demographic groups.

HOMELESSNESS:

- **Zero-percent interest rates** for developments that maintain 80% of occupancy for farmworkers, commercial fishing workers, or homeless persons.

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SAIL Continued

- Construction or rehabilitation of multifamily units for VLI households (50% AMI)
- Minimum 20% of the development's units must be set aside for VLI (or below) families.
- Varying rules based on set-asides, occupancy for specific populations, and location of the development.



SAIL Set-Asides

Funding made available based
on needs
GEOGRAPHICALLY:

Large Counties (53.2%)
825,000+ population

Medium Counties (36.8%)
101,000 – 824,999 population

Small Counties (10%)
Up to 100,000 population

Funding made available
based on needs
DEMOGRAPHICALLY:

Families (47.4%)

Elders (24.6%)

Persons with Special Needs
(13%)

Homeless Persons (10%)

Farmworkers/Fishing Workers
(5%)

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B. SAIL:

The Corporation expects to offer an estimated \$11,030,000 of SAIL available to proposed Developments under this RFA. A portion of this funding may be used as an ELI Loan for ELI Set-Aside Units as further described in Section Four, A.10.a.(2)(b) of the RFA. The ELI loan is a forgivable loan.

The Corporation's objective is to ensure that, to the extent possible, financing to develop housing to serve Homeless households is provided across the state. To this end, the Corporation has divided the state into four regions with relatively equal Homeless populations, based on the Homeless household counts outlined in the 2016 Statewide Rental Market Study, ensuring that all counties that are part of one regional Homeless Continuum of Care are located in the same region. The Corporation's approach is to target financing to each region over time. The regions are: North Florida Region, Central Florida Region, Tampa Bay Region and South Florida Region, and the counties associated with these Regions can be found in Section Four, A.5.a. of the RFA. This RFA includes a goal to fund at least one Homeless Development in the North and South regions, with a preference to fund at least one Homeless Development in a Large County and at least one Homeless Development in a Medium County. The Large and Medium counties within each region are listed on the chart in Section Four, A.5.a of the RFA. This goal and preference are further outlined in Section Five B of the RFA.

The Corporation is soliciting applications from qualified Applicants that commit to provide housing in accordance with the terms and conditions of this RFA, inclusive of all Exhibits to this RFA, applicable laws, rules and regulations, and the Corporation's generally applicable construction and financial standards.

Using SAIL for Homelessness

Year	Name of Development	County	# of units	SAIL Amount
2019	Seven on Seventh	Broward	72	\$5.41MM
2019	Cypress Village	Lee	95	\$5.28MM
2018	Heritage Park at Crane Creek	Brevard	80	\$4.46MM
2018	Gannet Point	Osceola	80	\$4.50MM
2018	Preserve at Sabel Park 2	Hillsborough	112	\$4.50MM
2016	Cameron Preserve	Osceola	100	\$4.00MM
2016	Woodwinds	Lake	96	\$4.00MM

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Predevelopment Loan Program (PLP)

Provides funding to organizations developing affordable housing for predevelopment costs.

Eligible costs: site acquisition, title searches, engineering fees, appraisals, insurance fees, & other similar costs

Ex)

- Saving Mercy in Marion County received a \$500k loan for its 70 units for homelessness.
- Cameron Preserve in Osceola County - <https://vimeo.com/333195161>

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Housing Impact of Sadowski

- As of 2018, there are **1,597 active units for persons experiencing homelessness**. There are 207,876 active units in total.
- 26,538 units (homeownership and rental) were aided with Sadowski Funds in 2018

Year	SHIP Rental Units	SAIL Rental Units	ELI set-asides for SAIL
2018	1,792	1,056	139
2017	1,373	2,412	254
2016	590	3,010	237
2015	680	2,237	141
2014	292	3,589	595

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What is the Split Between Local SHIP and State Programs?

70% goes to the Local Government Housing Trust Fund for the State Housing Initiatives Partnership (SHIP) Program

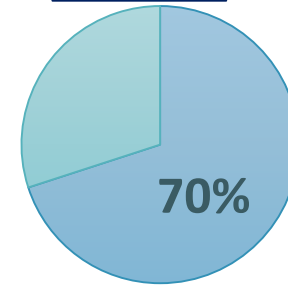
- \$229.99 million for SHIP (includes \$4 million for Homeless Programs at DCF)



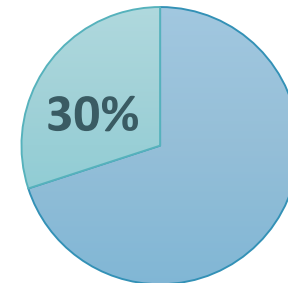
30% goes to the State Housing Trust Fund for the Florida Housing Finance Corporation programs such as the State Apartment Incentive Loan (SAIL) Program

- \$98.21 million for SAIL and other FHFC Programs

SHIP



SAIL



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How do we know how much money to ask for ?

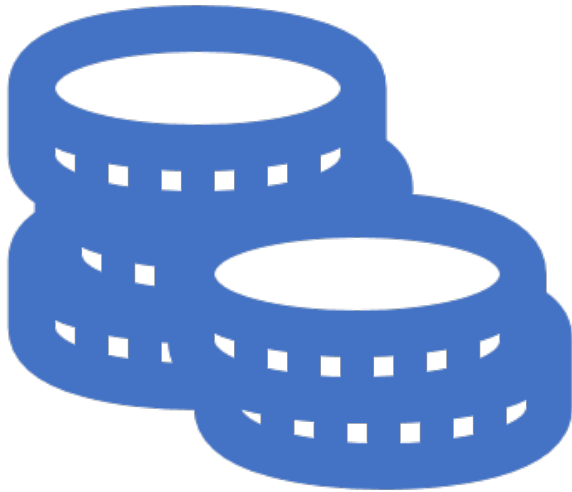
- We ask for the appropriation of all the state and local housing trust fund money; the money collected from the portion of the doc stamp that is dedicated for affordable housing.
- The trust fund money is automatically deposited into the state and local housing trust funds by operation of law (that's what the Sadowski Act- which passed in 1992 accomplished- we have a dedicated revenue source for housing).
- **In FY 2020-21 that is approximately \$350.77 million.**



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Positive Economic Impact



- With the full-funding of the Sadowski AHTF:
 - **30,000+ jobs will be created**
 - **\$4 billion positive economic impact**

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Recap of the 2019 Legislative Session

- Gov. DeSantis put full funding in his 2019-20 Budget
- \$85.6MM for State & Local Housing Trust Funds
- \$115MM diverted to the Panhandle for Hurricane Michael recovery

	GOVERNOR	SENATE	HOUSE	FINAL BUDGET FY 2019-20	FINAL BUDGET FY 2018-19
SAIL	\$85,448,000	\$61,775,600	\$0	\$39,040,000	\$79,180,000
SHIP	\$246,930,000	\$170,102,400	\$0	\$46,560,000	\$43,950,000
HHRP	\$0	\$90,000,000	\$49,450,000	\$65,000,000	\$0
RRLP	\$0	\$10,000,000	\$74,180,000	\$50,000,000	\$0
TOTAL SWEEP	\$0	\$0	\$200,000,000	\$125,000,000	\$182,000,000
TOTAL HOUSING	\$352,378,000	\$331,878,000	\$123,630,000	\$200,600,000	\$123,630,000

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Legislative Process

- Session begins January 14, 2020.
- Committee weeks are:
Sept. 16, Oct. 14, Oct. 21, Nov. 4, Nov. 12, Dec. 9
- District Offices weeks:
Sept. 9, Sept. 23, Sept. 30, Oct. 7, Oct. 28, Nov. 18, Nov. 25, Dec. 16, Dec. 23, Dec. 30
- Consideration of the appropriation of the state and local housing trust fund programs is underway.

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What Should Housing Trust Fund Advocates Do Now?

Elected officials care most about their own constituents.

Immediately after election is GREAT time to meet

Citizens are the most important people in the process.

MEET WITH YOUR LEGISLATORS IN THE DISTRICT OFFICE

- Citizens are the most important part of the lawmaking process (77.78% very important)
- Legislative staffers are important, so meet with legislative staff (61.11%)
- Lobbyists are less important than the Governor, state economists, and political advisors (31.43%)

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State & Local Housing Trust Funds

Local Economic Impact Report for Sen. Randolph Bracy

SENATE DISTRICT 11: ORANGE COUNTY

STATE & LOCAL HOUSING TRUST FUNDS – LOCAL ECONOMIC IMPACT | FISCAL YEAR 2020-21

Florida	Full Funding FY 2020-21	Total Positive Economic Impact	Number of Homes*	Number of People Housed	Jobs Created
State Housing Trust Fund	\$104,970,000	\$1,149,755,658	2,392	5,980	7,922
Local Government Housing Trust Fund (SHIP)	\$245,800,000	\$3,262,289,796	10,747	26,868	22,808
TOTAL:	\$350,770,000	\$4,412,045,455	13,139	32,848	30,730

District 11	Full Funding FY 2020-21	Total Positive Economic Impact	Number of Homes*	Number of People Housed	Jobs Created
Orange County	\$16,148,349	\$214,323,003	706	1,765	1,498
TOTAL:	\$16,148,349	\$214,323,003	706	1,765	1,498

*Homes built, sold, renovated or retrofitted.

HOW THE SWEEP IMPACTED YOUR DISTRICT IN FISCAL YEAR 2019-20

What Orange County Would Have Received:

\$16,223,427

What Orange County Actually Received:

\$1,870,106



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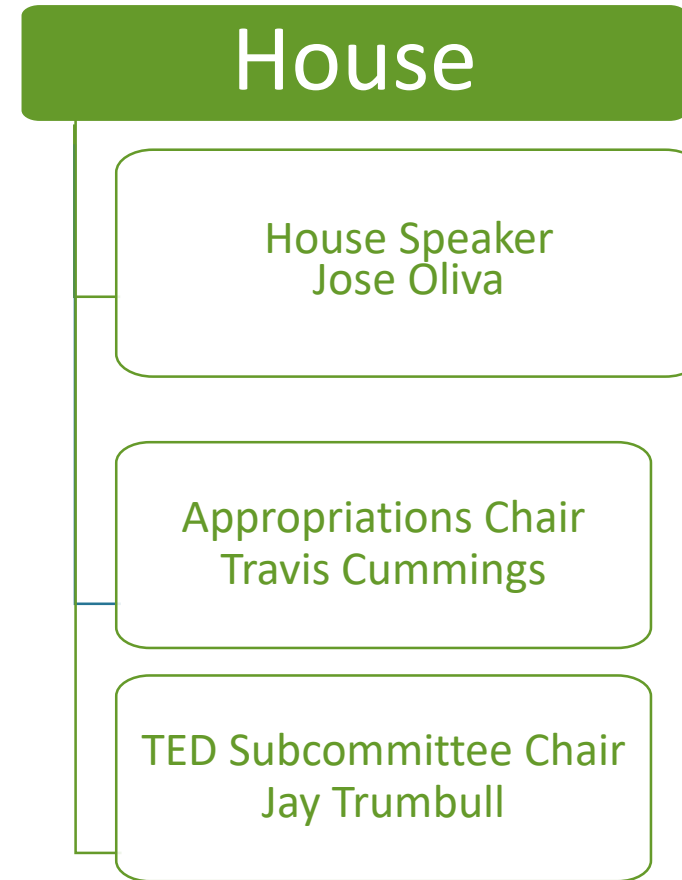
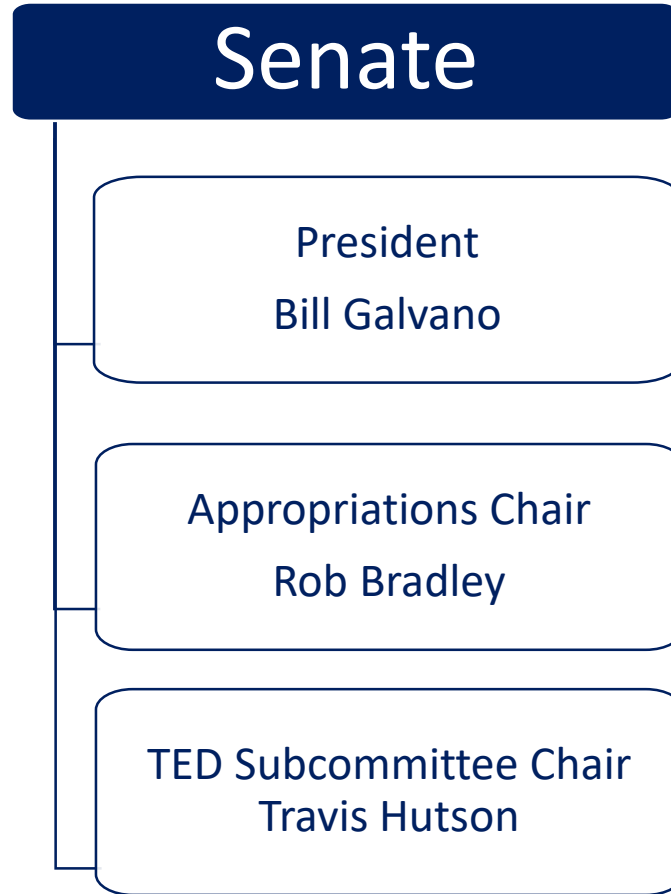


How does the Legislature make appropriations?

- By passing a Budget Bill also known as the Appropriations Act
- There is no “housing bill” for appropriations
- There is an Appropriations Committee in the House and an Appropriations Committee in the Senate
- When the Senate and House Appropriations Committees agree on the amounts of money to allocate for the state and local housing programs (SAIL and SHIP, primarily), it becomes law (after signed by the Governor)



Key Persons for Housing Trust Funds



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Senate President Bill Galvano

(R, District 21 Manatee & part of Hillsborough)



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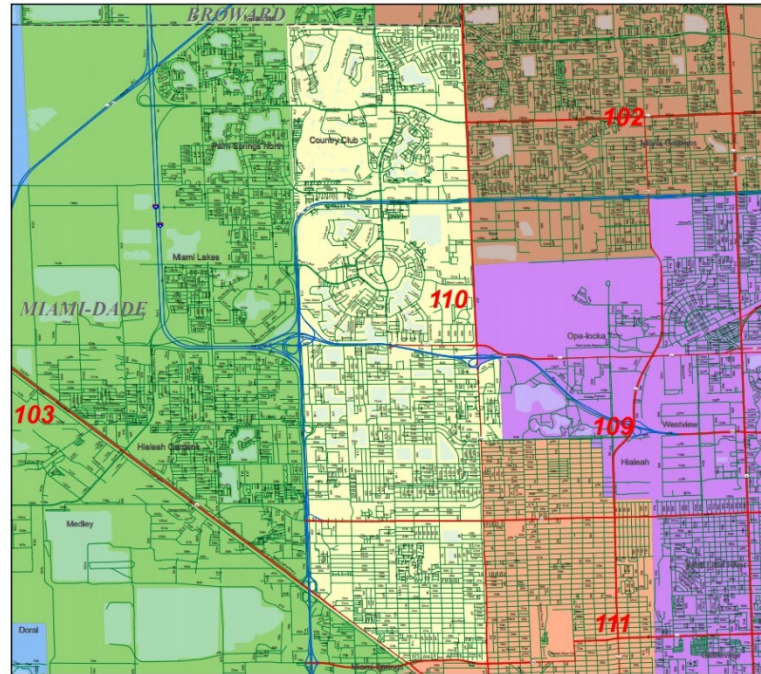


House Speaker Jose Oliva

(R, District 110- part of Miami-Dade)



H000H9049 (2012 House), District 110



In: Miami-Dade County

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Senate Appropriations Chair, Senator Rob Bradley

(R., District 5 Clay, Union, Bradford, Baker, Columbia, Suwannee, Lafayette, Gilchrist, Dixie, Levy)

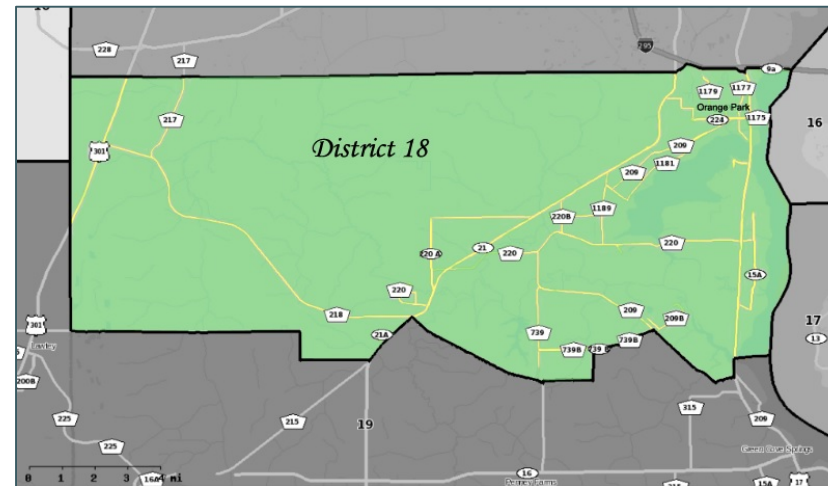


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House Appropriations Chair, Representative Travis Cummings

(R, District 18- Part of Clay)



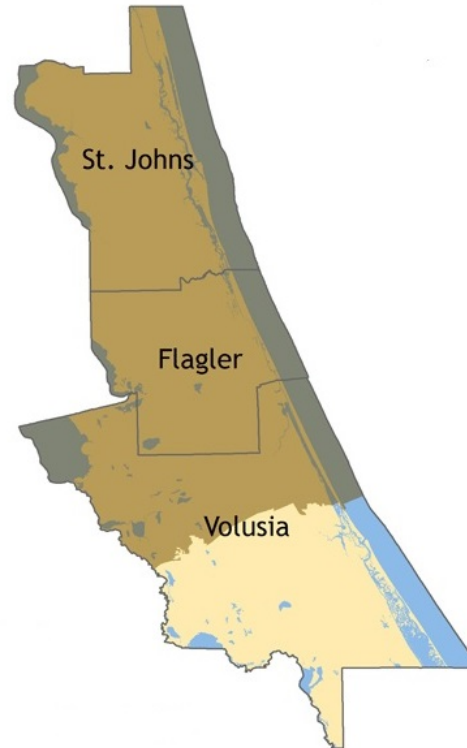
In: Clay County

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Senate TED Appropriations Chair, Senator Travis Hutson

(R., District 7 St. Johns, Flagler and part of Volusia)

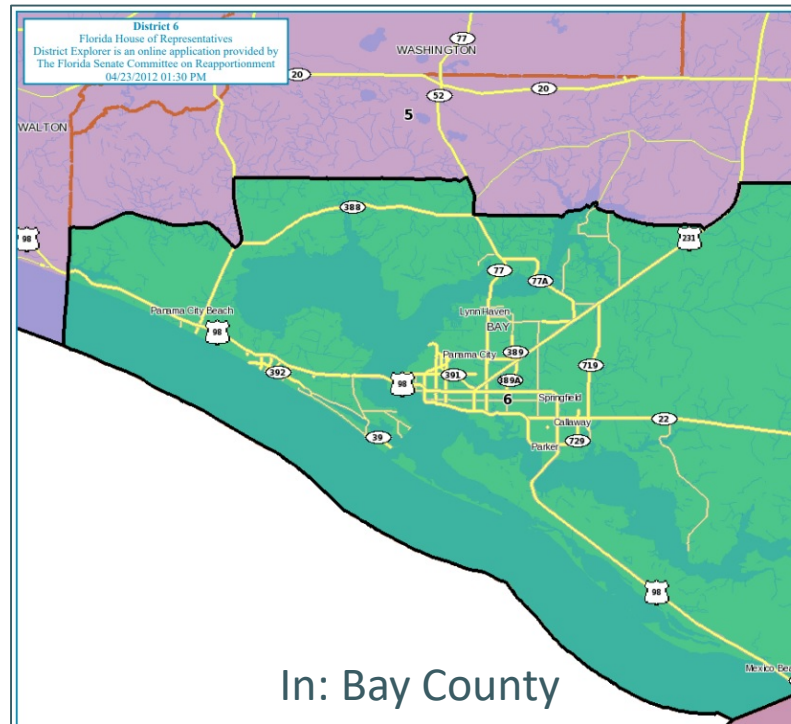


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House Transportation & Tourism Appropriations Chair, Jay Trumbull

(R., District 6, Bay County)



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TED Subcommittees are given an “allocation” of funds to appropriate

The allocation comes from the Chairs of the
Appropriations Committees in House and Senate



House Appropriations Chair **Representative Cummings**
(R, District 18 Part of Clay)



Senate Appropriations Chair **Senator Rob Bradley**
(R, District 5 Clay, Union, Bradford, Baker, Columbia,
Suwannee, Lafayette, Gilchrist, Dixie, Levy)

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Find *YOUR* Legislator



www.flsenate.gov/Senators/Find



www.myfloridahouse.gov/Sections/Representatives/myrepresentative.aspx

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How do you Find Sadowski Info?

www.sadowskicoalition.org

Resources Tab

Toolkit button (each page)



- Sadowski One Pager and Sadowski Affiliates:
 - Talking points for meeting with legislators
 - Includes our “ask” = use all housing trust funds for housing

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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

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

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.

BUSINESS/ INDUSTRY GROUPS

- 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

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

FAITH BASED ORGANIZATIONS

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

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SHIP ASSISTING HOMELESS



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Kissimmee Community HOPE Center

How we know it works? We've seen it!

Mr. & Mrs. Hitch

- Very Low Income
- Chronically Homeless
- Housed since June 1, 2015

SHIP maximum award \$5,000



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West Palm Beach



WEST PALM BEACH

Successful Outcomes

- Housed 3 households who were chronically homeless.
- Woman in photo was homeless for 4 months. After SHIP assistance, city staff worked with the Housing Authority to obtain a voucher.
- Financial counseling is offered to all recipients, another helpful service.

From Homeless
to Housed!

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West Palm Beach



WEST PALM BEACH

Successful Strategies

- The City has 2 outreach offices helping to locate eligible applicants.
- Network of support service providers
- Engagement with Continuum of Care network
- If provided as direct service must have the ability to pay landlords/utilities timely. Otherwise contract on a reimbursement basis
- Landlord outreach
- Rapid Rehousing can benefit chronic in certain cases

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SHIP Rent Subsidies

- Allows up to 12 months of rent subsidies
- Subsidies for very-low-income households only
- VLI households are eligible if:
 - At least one adult who is a person with *special needs* as defined in s. 420.0004 or
 - A person who is *homeless* as defined in s. 420.621 when the person initially qualified for a rent subsidy.

What may be paid for as part of Rent Subsidy Assistance?

- Rent and utility deposits paid
- Monthly rental assistance
- Renters receive housing stability counseling
- Must every SHIP jurisdiction provide Rent Subsidy Assistance? **NO**

FS 420.621- Homeless Definition

“Homeless,” applied to an individual, or “individual experiencing homelessness” means an individual who ***lacks a fixed, regular, and adequate nighttime residence*** and includes an individual who:

- Is sharing the housing of other persons due to loss of housing, economic hardship, or a similar reason;
- Is living in a motel, hotel, travel trailer park, or camping ground due to a lack of alternative adequate accommodations;
- **Is living in an emergency or transitional shelter;**
- **Has a primary nighttime residence that is a public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings;**
- **Is living in a car, park, public space, abandoned building, bus or train station, or similar setting; or**
- Is a migratory individual who qualifies as homeless because he or she is living in circumstances described above

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Maximum Available for Rent Subsidy

100% Allocation

-75% Construction / Rehab set-aside

-10% Administrative

15% Available for rent subsidies

+ Any Program Income

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Using SHIP to Help End Homelessness: Working with CoCs

Continuums of Care (CoCs) offer:

- Experience working with homeless households
- Understanding of best practices in providing short-term rent assistance
- Collaborations with service providers
- Leverage through other funding sources
- Housing Navigators/Locators whose job it is to find rental units and work with landlords

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Using SHIP to Help End Homelessness: Working with CoCs

CoCs also offer:

- Homeless Management Information System
 - helps identify duplication of assistance
 - determine eligibility as “homeless”
 - Identify agencies to provide support services
- Coordinated Entry System to match households with housing/services options
- Community priorities for targeting rapid rehousing assistance

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SHIP Rent Subsidies may complement other rent subsidy programs



- Emergency Solutions Grant (ESG) rapid rehousing
- HUD CoC rapid rehousing
- HOME Tenant Based Rental Assistance (TBRA)
- Challenge Grant funded rapid rehousing
- CDBG or CSBG funded rapid rehousing
- Supportive Services for Veteran Families (SSVF) rapid rehousing

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Targeting SHIP Subsidies

- Work with your local CoC to learn their established prioritization of households for rapid rehousing assistance.
- Do not try to predict which households will be successful (or which won't) – there are no reliable predictors.
- Who will benefit the most? Those that don't “look” sustainable.
- Talk with the CoC before targeting a special group (e.g., Veterans) who may already be prioritized for other funding.

SHIP may partner with a Nonprofit

Why it works to partner with a nonprofit:



- Capacity to follow-up with clients
- Experts in wrap-around services
- Connections to partner with others
- Ability to use multiple funding sources

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Contact Information



For Assistance contact:
Kody Glazer
Legal Director
Florida Housing Coalition
glazer@flhousing.org
(954) 804-1320



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