



# Affordable Housing Policy Suggestions for Florida State Legislature Candidates

## About Habitat for Humanity of Lee and Hendry Counties

Since 1982, 1,750+ families in need of a hand up have partnered with Habitat Lee and Hendry to build or improve their home. Habitat homeowners, alongside volunteers, help build their own home and pay an affordable mortgage. Through volunteering, financial or material donations, everyone can help Lee and Hendry county families achieve strength, stability and independence. Through shelter, we empower. For more information, visit [www.habitat4humanity.org](http://www.habitat4humanity.org).

**ON THE COVER:** Habitat Homebuyers Didier and Yeny at their Fort Myers Home Dedication in 2018.

# Why is affordable housing important to Florida residents?

In Southwest Florida and throughout the United States, families are spending too much to cover the cost of their home. As rent and homeownership cost skyrocket, wages largely remain stagnant—resulting in an untenable situation where many families are forced to stretch each paycheck to its absolute limits.

For a home to be considered affordable, the annual costs must amount to 30 percent or less of the household income. However, today in Florida, nearly one million households are spending over 50 percent of their limited income on a place to live, including 52,000 in Lee County.

The majority of these families are just one missed paycheck or medical emergency away from financial ruin and (or) homelessness. They are denied the personal and economic

stability associated with an affordable home and often forced to make impossible decisions. Their choices are between putting quality food on the table, having access to medical care, owning reliable transportation, or simply keeping a roof over their heads.

At Habitat for Humanity, we believe these are choices that no family should have to make.

***Simply put, if not thoroughly addressed, Florida's affordable housing challenges threaten the quality of life for millions of low to moderate-income families, while also hindering statewide economic growth.***

As families struggle to find quality homes due to excessive costs and limited supply, an unnecessary drag is placed on the development of local economies. Consumer spending is limited, tax-bases are constrained, job creation is slowed, and out-of-state investors become weary.

**Danay and her daughter, Adele, celebrate achieving the American Dream of homeownership at their home dedication ceremony.**

Conversely, if our state and local governments prioritize the development of affordable housing, we can create communities of opportunity, promoting sustainable growth that benefits all residents and stakeholders. An adequate supply of affordable housing is vital to creating an energized economy and healthy communities. Though a strong economy doesn't always guarantee an adequate supply of affordable homes, an adequate supply of affordable homes does serve as the foundation for a strong and resilient economy.

As the leading provider of affordable housing, we understand there is no silver bullet for statewide affordable housing challenges. However, we've identified three key policy subthemes and specific policy initiatives that would largely mitigate our affordable housing problems and provide opportunities to hardworking families. The three policy subthemes we've identified are:

- Increasing Supply and Preserving Current Affordable Housing
- Optimizing Land Use for Affordable Housing
- Developing Communities of Opportunity





# Supply and Preservation of Affordable Housing

As one of the fastest-growing states in the union, with an economy driven by agriculture and tourism, many Florida workers are of modest means. This rapid population growth has pressured an already constrained affordable housing market, and the current demand cannot be met by nonprofit and private developers—given regulatory and market conditions. These conditions have resulted in a severe shortage of affordable housing units for households earning less than the area median income (AMI).

In addition to expanding resource allocation for affordable housing developments, several policy solutions can assist in creating market feasibility for private developers looking to build affordable units and ensure production costs are tenable for nonprofit developers. Our recommendations to increase the supply and preservation of affordable housing include:

## ***(1) Fully Appropriating the Sadowski Affordable Housing Trust Fund***

The Sadowski Affordable Housing Trust Fund finances two programs that are key to expanding statewide affordable housing development. The State Housing Initiatives Partnership or SHIP program is used for affordable home construction, land acquisition, down-payment assistance for low-income households, and retrofitting homes

for individuals with special needs. Sadowski Funds also support the State Apartment Incentives Loan or SAIL program, which offers low-interest loans on a competitive basis to affordable housing developers and is crucial to securing private sector investments. It's important to note that the Sadowski Affordable Housing Trust Fund has a dedicated revenue stream through the documentary stamp tax paid on all real estate transactions, meaning general revenue is not required to fully appropriate the trust fund.

## ***(2) Increase Funding for Tax Credit Programs that Leverage Private Capital***

Tax credit initiatives like the Community Contribution Tax Credit Program (CCTCP) are an excellent way for nonprofit affordable housing developers to expand services by leveraging state funds with private capital. The CCTCP encourages private sector participation in community improvement projects by providing up to a 50 percent tax credit on contributions made to approved nonprofit organizations. Tax credit programs have been an effective tool for the state government to facilitate community-based

**Air Force Veteran, Mark, and his wife Teresa purchased their Cape Coral Habitat home in April.**

partnerships that improve the quality of life for low to moderate-income families.

## ***(3) Amend the Florida Impact Fee Act to Promote Affordable Housing Development***

Perhaps, the most significant barrier to the development of affordable housing in many counties and municipalities are the methods in which impact fees are assessed. Though impact fees are not inherently bad and do serve as a critical revenue stream for many local governments, they often are levied and assessed in a manner that disproportionately affects affordable housing development. In order to stimulate private sector investments in affordable housing and keep production costs low for nonprofit developers, the state government should work to ease the burden of impact fees by amending the Florida Impact Fee Act.



# Optimizing Land Use for Affordable Housing

Zoning restrictions and high land prices can make it prohibitively difficult to build or preserve affordable homes in opportunity-connected communities. In some towns and city neighborhoods, zoning ordinances ban small-lot dwellings, accessory-unit dwellings, or multifamily housing. In other communities, strict zoning limits and discretionary approval processes can drive up the time, risk, and cost of building affordable homes to the point that development is no longer viable. In redeveloping and strong-market neighborhoods, high land prices can pose an even more significant barrier to affordable homes, as intense competition increases land costs and makes viable development opportunities scarce. Our recommendations to optimize land use for affordable housing include:

## ***(1) Empower Counties, Municipalities, and Special Districts to Approve Affordable Housing Development***

In communities throughout Florida, shortages of available land pose serious challenges for affordable housing developers. With a propensity of residential parcels zoned for single-family homes, the multi-family affordable

developments needed to meet market demands are often constrained. By passing statewide legislation that codifies the ability of counties, municipalities, and special districts to approve affordable housing developments on any parcel of land zoned for residential, commercial, or industrial use—the state legislature can optimize land use for affordable housing.

## ***(2) Support a Standardized, Efficient, and Streamlined Land Use Approval Process***

The prevalence of highly discretionary and politicized land use approval processes throughout Florida create an unnecessary barrier for affordable housing developments. In many municipalities, the system of land use approvals increases the time, cost, and risk involved in building affordable housing, often giving special interests multiple opportunities to delay the construction of critically needed affordable housing. By establishing a statewide land use approval process for affordable housing, Florida legislators would ensure

consistency and feasibility for affordable housing developers.

## ***(3) Ensure land development and home affordability by utilizing recommended standards in FEMA flood maps***

The Federal Emergency Management Agency (FEMA) creates and continually updates detailed flood maps that states, and localities use for administering building codes, insurance matters, and growth management. These FEMA maps offer guidelines regarding safety and elevation recommendations; however, some localities in Florida have passed additional and burdensome ordinances commonly referred to as FEMA +(x)' that require affordable housing developers to add additional fill to raise elevations beyond the FEMA standards. For many developers, FEMA + ordinances make affordable housing development financially unviable. Adding an amendment to the Florida Building Code that encourages localities to utilize FEMA guidelines would help alleviate this problem.

**A Habitat for Humanity of Lee and Hendry Counties' single-family home.**





# Developing Communities of Opportunity

At Habitat for Humanity, we understand that affordable housing is about more than just a building; it includes the neighborhood and community assets that promote a high quality of life for residents. Key to developing communities of opportunity is ensuring that residents have access to essential public services and resources, including quality infrastructure, schools, employment, transportation, medical centers, and more. By strategically investing in underserved communities and supporting policies that mitigate the long-term effects of redlining and other discriminatory measures, state legislators can help develop communities of opportunity throughout Florida. Our policy recommendations to expand the development of communities of opportunity include:

## ***(1) Promote Housing Stability for Homeowners and Renters***

By improving Florida's homestead exemption and other state tax relief

programs, the state legislature can ensure long-term community residents are able to remain in their homes as new investments arrive. Expanding the homestead exemptions available for low to moderate-income homeowners will combat gentrification, promote wealth building, and help families break the cycle of poverty.

The state government can support housing stability for renters by passing comprehensive renter protection legislation that includes minimum rental standards, rent stabilization provisions, just-cause eviction guidelines, and security deposit protections.

## ***(2) Improve the Quality of Existing Housing Stock***

If the state government appropriates income-targeted resources for home repair, we can improve the housing quality, durability, accessibility, and energy efficiency for many low-income households. Improving existing housing stock assists in

removing health contaminants and building resiliency to natural disasters. Additionally, tailoring statewide code enforcement policies to address neighborhood housing conditions will help ensure properties are maintained safely.

## ***(3) Support Economically Integrated Neighborhoods***

The most robust program currently supporting healthy, economically integrated communities is the Housing and Urban Development's (HUD) housing voucher program. The federal program funds housing vouchers that are used to assist low-income families, senior citizens, and disabled individuals in finding quality, private-sector housing. Housing vouchers are administered by Public Housing Agencies (PHA), and the recipient is free to choose any housing that aligns with the program criteria. However, funding for the voucher program has not kept pace with the demand for affordable housing, and social discrimination often impacts the usability of housing vouchers. The state legislature can assist by passing additional protections for voucher users and appropriating general revenue to PHA's.



**FineMark Village,  
a Habitat for  
Humanity of Lee and  
Hendry Counties  
neighborhood.**

# Next Steps for your Campaign

The issue of home affordability has become a serious concern for voters, and there are many ways you could incorporate the matter in your campaign platform. Habitat for Humanity of Lee and Hendry Counties would like to work with your team on developing and prioritizing affordable housing concepts for your 2020 campaign. We can be of assistance in the following ways:

- Advising and assisting in the development of an affordable housing policy platform
- Providing affordable housing communication strategies and talking points
- One-on-one affordable housing policy and program training sessions
- Personal tour of Habitat for Humanity and our neighborhood developments
- Localized affordable housing data and case studies
- Assistance in drafting of affordable housing related legislation

Thank you for reading Habitat for Humanity of Lee and Hendry Counties' affordable housing policy recommendations for Florida State Legislature candidates. Please use this document and our organization as a resource for your 2020 campaign and beyond. We look forward to working with your campaign to ensure that everyone in Southwest Florida has a decent place to call home.

## Jake Burbach

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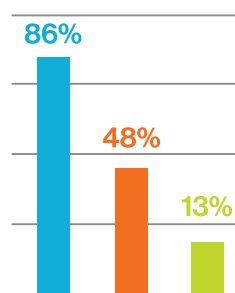
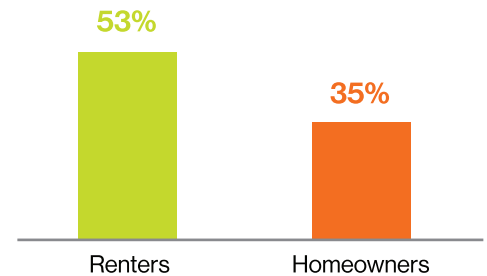
cell: (239) 270-0030 | direct: (239) 652-1679



**Fort Myers Habitat homeowner, LaKasha, is a community advocate for affordable housing.**

## Cost burdened households in Lee County

2018 Attainable Housing Report. Attainable Housing Coalition of Lee County.



- Extremely-low-income (30% of AMI)
- Very-low-income (50% of AMI)
- Low-income (80% of AMI)

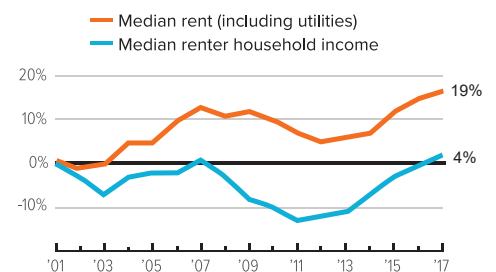
AMI – area median income

## Households spending more than half of their income on housing by income level in Lee County

2018 State Housing Profiles. National Low Income Housing Coalition.

## Florida Rent increases compared to wage increases since 2001 (adjusted for inflation)

National and State Housing Fact Sheets and Data. Center on Budget and Policy Priorities.



Source: CBPP tabulations of the Census Bureau's American Community Survey

**everyone**  
**deserves a decent**  
**place to live.**



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