

In Environmental Mandate, Trouble For Affordable Housing?

By [Zac Anderson](#), Herald-Tribune

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As Florida's economy stirs back to life, two growth-related concerns — protecting the environment and promoting affordable housing — are back in the spotlight, and state leaders say a voter-approved mandate to increase funding for one priority could hurt the other.

Environmental programs got a huge boost from the November passage of a constitutional amendment that requires one-third of all funds collected from state taxes on real estate transactions to be spent on conservation efforts.

But those same real estate taxes also are used to pay for statewide affordable housing efforts, such as a Venice complex for disabled adults and rebuilding Sarasota's public housing.

Key lawmakers said this week that the constitutional mandate to fund environmental programs could take money away from affordable housing and other initiatives that rely on that real estate tax money.

"Housing and others may end up having to come up short a little bit," Senate President Andy Gardiner said in response to questions after rolling out a joint legislative agenda with House Speaker Steve Crisafulli this past week.

Such statements — Gardiner previously said that the conservation amendment would cause pain for other areas of the budget that rely on real estate tax money — are prompting affordable housing advocates to ramp up for a major lobbying push this year.

With wages still stagnant for many workers even as property values and rents increase, affordable housing is quickly becoming a major concern again, said Jaimie Ross, president of the Florida Housing Coalition.

"It would be a huge mistake to take any money out of the housing trust fund to be able to meet that constitutional mandate," Ross said. "And we don't need to because we're not in a deficit year, we're in a surplus year."

Affordable housing boosters did not expect to be in this position.

This was supposed to be another big turnaround year for such programs, which received little money during the Great Recession and its aftermath.

“People said: ‘Do we need affordable housing?’ Half the state’s in foreclosure,” Ross said.

Two affordable housing trust funds established in 1992 through a special increase in real estate taxes were routinely tapped to help finance other budget priorities. Hundreds of millions was diverted from housing programs.

Lawmakers began to change their tune last year, though, setting aside \$168 million for affordable housing, the biggest sum in seven years.

Housing advocates were hopeful that funding would continue to grow with the state projecting a surplus for the coming budget cycle. If none of the housing trust fund money is used for other purposes, there will be \$267 million available next year.

But Gardiner has been trying to dampen housing advocates’ expectations. He has noted that the constitution now requires that 33 percent of real estate tax money go toward environmental programs.

“When you constitutionally are mandated to take 33 percent you’ve got to redo the structure of how those monies all go,” Gardiner said.

Environmental groups are firing back. They say that there’s plenty of real estate tax money to go around, and the amendment shouldn’t be used as an excuse for not funding other budget items.

“Amendment 1 becomes the scapegoat for anything that legislators don’t want to fund,” said Audubon Florida executive director Eric Draper.

The state expects to collect more than \$2.2 billion in real estate taxes next year, Draper noted.

Even after a third is set aside for environmental spending, that still leaves roughly \$1.5 billion for other programs such as affordable housing.

And lawmakers can’t point to deficits elsewhere in the budget as a justification for taking money from the housing trust funds, as they have in the past.

There is a \$1 billion overall budget surplus this year. But Gov. Rick Scott and legislative leaders are pitching tax cuts that could chip away at those additional funds.

Draper questioned the need for more tax cuts.

“The voters didn’t vote to cut taxes; they voted to spend money on the environment,” he said.

Some of the talk about cutting housing money may just be the typical pre-session jockeying that goes on over the budget. Lawmakers often challenge those receiving state funding to prove the value of such programs.

“He might be trying to motivate them,” Draper said of Gardiner’s statements on housing funding. “All advocates have the job of going out and rounding up constituencies to support our programs.”

Sarasota Housing Authority president Bill Russell said it’s not hard to make a compelling argument that affordable housing should be a priority.

Russell’s organization recently advertised the availability of so-called Section 8 housing vouchers, federal funds that help subsidize rental payments for low income people.

Nearly 8,000 Sarasota County residents responded. Only 1,000 will be chosen through a lottery program to be on a waiting list for the funding.

Russell estimated that it will take three to four years to work through the waiting list.

“There’s way more need and demand than we have supply” when it comes to affordable housing, Russell said.

The state money helps supplement federal housing assistance.

Roughly 70 percent of state housing funds are distributed to local governments, which can use the money for a variety of programs, from rental and down payment assistance to building new housing units.

Private real estate developers, nonprofit groups and government agencies that are building or rehabilitating housing complexes geared toward middle- and low-income people compete for the rest of the money.

Recent beneficiaries of such funding include Loveland Village in Venice, a 42-unit apartment complex for disabled adults that broke ground last summer, and the ongoing redevelopment of Sarasota’s public housing complexes in Newtown and nearby neighborhoods.

Affordable housing is an especially pressing issue in the metro region that stretches from Bradenton to North Port. An analysis by real estate website Zillow found the region’s rent burden is the second-highest in the nation. Rent typically eats up 46.9 percent of income locally.

Statewide, roughly 920,000 poor families spend more than half of their income on housing, said Ross, the FHC president.

“We need to make sure the Legislature understands how great the housing need is in Florida,” Ross said. “And how important our programs are for overcoming that need.”