



THE **INFLUENCER** SERIES

Florida lawmakers must stop directing affordable housing funds elsewhere, influencers say

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Year after year, Florida lawmakers have raided hundreds of millions from trust funds designed to develop more affordable housing. That practice needs to end, according to a group of the state's leading political and policy voices.

In a new survey of the Florida Influencers, a clear majority (84 percent) said the next governor and Legislature must direct all the funds from those trusts into state and local programs to properly address Florida's ongoing affordable housing crisis.

"The cost of living everywhere in Florida continues to price the workforce out of markets and out of living close to their workplace," said Mike Fernandez, the chairman of MBF Healthcare Partners. "Funds earmarked for a specific purpose should not be hijacked by politics."

Since the 2008 recession, the William E. Sadowski Affordable Housing Trust Funds have collected a total of around \$2.2 billion from documentary stamp taxes on real estate transactions with the intention to create more low-income housing. But the Florida Legislature has directed nearly \$1.5 billion of that toward other budget priorities over that period.

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According to the National Low Income Housing Coalition, Florida offers just 26 available affordable housing units per 100 extremely low-income renter households, the sixth lowest rate in the country.

"Housing problems are multifaceted and should not be addressed in a singular way," said Rebecca O'Hara, the deputy general counsel of the League of Cities in Tallahassee. "A good first step would be for the state to stop taking money out of the housing trust funds and diverting it to other uses. The uncertainties associated with what the Legislature may or may not do with these trust funds hampers coordinated and strategic planning."

Ahead of the the November elections, the Florida Influencers are sharing their ideas on how to address policy concerns facing the state and responding to questions from readers of the Miami Herald, Bradenton Herald and el Nuevo Herald.

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Several Influencers expressed concern that the lack of affordable housing affects tourism, Florida's top industry. Carol Dover, the president of the Florida Restaurant and Lodging Association, said that because real estate in Key West is so expensive, they are forced to bus in employees from more than two hours away.

"While our state's future will rely on today's growing workforce to fuel a healthy economy that benefits us all, funding for affordable workforce housing lags behind," said Bill Talbert, the president of the Greater Miami Convention and Visitors Bureau. "As we seek to keep our best, brightest and hardworking workforce engaged locally and statewide, it is vital affordable workforce housing programs be funded to the maximum level."

Others noted that the housing problem is intertwined with the state's public transportation issues.

"With new transit-oriented development projects, each can bring in affordable housing units," said Tiffany Troxler, the director of Florida International University's Sea Level Solutions Center. "This approach can not only increase affordable housing, but also help to ease traffic congestion and reduce greenhouse gas emissions."

Some Influencers also said the government should not bear the sole responsibility of providing affordable housing solutions.

"State legislators must make affordable housing a priority and ensure efforts are made to secure its availability," said Eduardo Padrón, the president of Miami Dade College. "Public-private partnerships can ultimately provide housing solutions without having the burden of cost fall entirely on state resources or the private sector."

Readers who weighed in on the topic of housing using the "Your Voice" online tool posed the following question this week: "What steps need to be taken to control the growth of condos and devote property to affordable rental units?"

Many of the Influencers argued the two steps did not have to be mutually exclusive.

“You can build affordable condos with incentives provided by the city, state and federal governments,” said Jorge Pérez the chairman and CEO of the Related Group. “Home ownership should be encouraged in central cities and those must necessarily be condos as single family homes would be prohibitive.”

Other Influencers said that government incentives would be needed to spur the development of more affordable rental units as well.

“Subsidized or low interest loans to promote the development of housing options can make it desirable to investors to shift from the development of condos to affordable rental units,” said Shelley Katz, the vice president of Lutheran Services Florida Health Systems in Jacksonville.

Carol Probstfeld, the president of the State College of Florida, Manatee-Sarasota, said the government should require developers to include below-market units in all their projects.

“This model has been successfully implemented in other states with affordable housing issues,” Probstfeld said.

But Bob McClure, the president of the Tallahassee-based James Madison Institute, said the government should play a minimal role.

“The single biggest reason we have an affordable housing challenge in Florida is because government at the state and local levels over-regulates the market,” McClure said.

With one month to go until the midterms, the Influencers were asked how well they think candidates running for office are focusing on policy solutions this election year. Here’s how they responded:

- Very well: 0 percent
- Fairly well: 21 percent
- Somewhat well: 45 percent
- Slightly well: 21 percent
- Not all well: 11 percent
- Too early to say: 3 percent

This is the 11th of a series of surveys the Miami Herald will conduct with 50 Influencers through the November elections to help focus media and candidate discussion around the policy issues of most importance to Floridians. Look for the next report on Oct. 15 when Influencers will talk about higher education in Florida. Share your thoughts and questions about the state's important policy challenges and solutions here.

For more reaction from our Influencers on housing, look for their quotes on Tuesday's Opinion page.

George Haj contributed reporting.

 COMMENTS 