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Congress of the United States
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COMMITTEE ON HOMELAND SECURITY
SUBCOMMITTEE ON TRANSPORTATION
AND MARITIME SECURITY

October 23, 2019

The Honorable Bill Galvano
President, Florida Senate
Tallahassee, FL

The Honorable José R. Oliva
Speaker, Florida House of Representatives
Tallahassee, FL

The Honorable Audrey Gibson
Minority Leader, Florida Senate
Tallahassee, FL

The Honorable Kionne McGhee
Minority Leader, Florida House of Representatives
Tallahassee, FL

Dear President Galvano, Minority Leader Gibson, Speaker Oliva, and Minority Leader McGhee:

We write to express our support for the William E. Sadowski Affordable Housing Trust Fund and request that those funds be appropriated to the State and Local Government Housing Trust Funds solely for affordable housing programs during the 2020 legislative session.

Florida is facing an affordable housing crisis. There are nearly one million low-income Floridians spending more than 50 percent of their income on housing, and an additional million Floridians who spend more than 30 percent on housing. While there are many contributing factors, the lack of available, affordable units can be seen in every city and county in Florida. Indeed, there are only 26 affordable and available units for every 100 low-income household in the state. As property values increase and market rate rents rise, even more Floridians will struggle to find housing they can afford. This is an emergency too critical to ignore.

In 1992, the Florida legislature created the Sadowski Affordable Housing Trust Fund as a dedicated revenue source for Florida's affordable housing programs like the Local Government Trust Fund, which funds housing programs in all 67 counties. With proper funding, these programs help hardworking Floridians live in the communities in which they work, provide needed stability for children and families, and provide dignity and self-sufficiency for elderly and disabled Floridians.

Documentary Stamp Tax collections, which contributes to the Sadowski Trust Fund, saw a 5.6 percent growth in FY 2018-2019.¹ Despite this increase in availability of funds, the State Housing Initiative Partnership (SHIP) program and State Apartment Incentive Loan (SAIL) program continue to be underfunded. During the 2018 legislative session, less than half the funds, \$123.6 million, were appropriated for affordable housing programs, while \$182 million

¹ http://edr.state.fl.us/content/presentations/economic/FIEconomicOverview_8-26-19.pdf

were directed for other purposes. Over the last 10 years, nearly \$2 billion has been diverted from the fund, exasperating Florida's already critical housing shortage.

Floridians are hard-working people who power not just the state's economy but contribute to the entire national economy. As of 2015, Florida had the fourth largest economy in the United States behind California, Texas, and New York with a real gross domestic (GDP) product of \$840 billion and a \$77 billion budget. Those numbers are only expected to grow as more people move to the Sunshine State. From 2010 to 2016, Florida added 114,744 households per year. Unfortunately, the supply of affordable housing has not kept up with growing demand.

In Florida, the average rent statewide for a two-bedroom apartment is \$1,189. To afford a two-bedroom apartment, a minimum wage worker would have to work a 108-hour week. A modest one-bedroom apartment at market rate fares no better, requiring a minimum wage worker to work an 87-hour week. In a state where the prime working age population (ages 25-54) represents just 37.2 percent of Florida's total population, and is expected to reach 35.8 percent by 2030, the lack of affordable housing cannot continue to be ignored. An economy and a workforce cannot grow if workers do not have stable roofs over their heads.

Again, thank you for your attention to this bipartisan issue of vital importance. We urge you to listen Floridians and utilize the Sadowski funds as they were intended to be used: to build and refurbish affordable housing.

Sincerely,



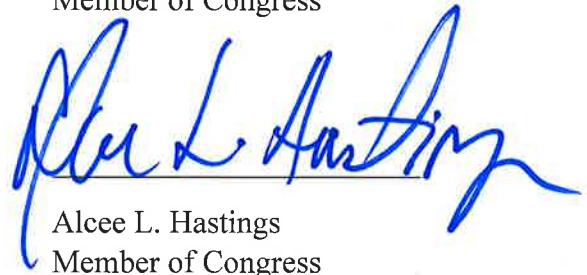
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Member of Congress



Donna E. Shalala
Member of Congress



Alcee L. Hastings
Member of Congress



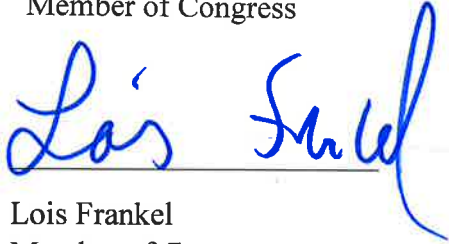
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