

Opinion

Editorial: DeSantis should veto yet another irresponsible raid of affordable housing funds

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“Our position is that all the housing trust fund money should be used for housing.” That was Gov. Ron DeSantis earlier this year upon presenting his proposed 2019-20 budget to Florida lawmakers before this year’s legislative session.

The governor needs to make good on this statement -- a statement that won him cheers from long-frustrated affordable housing advocates. Advocates who have watched in frustration for the better part of a decade as legislators, with the help of Gov. Rick Scott, swept more than \$2.2 billion meant for affordable housing initiatives into general revenue. DeSantis gave proponents of affordable housing hope that these wrong-headed annual raids would finally end.



Well, here’s his chance. He should use his line-item veto power to reject the Legislature’s plan to sweep another \$125 million from the Sadowski Trust Funds, a (supposedly) dedicated pool of money created from a real estate documentary stamp tax for state and local affordable housing programs. The trust funds are named after a progressive former secretary of the state Department of Community Affairs, Bill Sadowski, who was killed in a plane crash in 1992. DeSantis certainly doesn’t get the blame for where things are now. He made his wishes clear, after all. In his budget proposal, he showed that he recognized the dire lack of affordable housing for low-wage families and, increasingly, middle-class families in Florida.

During the 2019 legislative session, the Senate agreed, and rightly backed an initial spending plan that left affordable housing dollars untouched. The House, not so much. Members said the money -- an estimated \$338 million -- should go only to the Panhandle, still recovering from Hurricane Michael. The two chambers eventually compromised: \$115 million for counties affected by Hurricane Michael; \$85 million for the rest of the state, split between two programs: the State Apartment Incentive Loan program (SAIL), which provides “gap financing” for developers to build rental units that lower-wage families can afford; and the State Housing Initiatives Partnership (SHIP), a program that offers counties flexibility depending on community needs. For instance, money can help make desperately needed home repairs; or retrofit a house for a disabled resident; or bolster a first-time homebuyer’s down payment.

But the last provision of the negotiated legislation was a slap in the face: \$125 million would be “swept” into general revenue to be used for ... whatever. That last part riled the Sadowski Coalition, a statewide group of 32 affordable housing advocacy organizations. The coalition penned and hand-delivered a letter to DeSantis imploring him to stand up to the Legislature and veto that line item.

“With a veto of that sweep, the housing funds would remain in the Sadowski State and Local Housing Trust Funds to be used for affordable housing in the future,” wrote Jamie A. Ross, facilitator of the Sadowski Coalition and CEO of the Florida Housing Coalition. It cannot be understated the significance of this opportunity for DeSantis to show leadership on an intractable issue seemingly affecting every corner our state. Even as the Florida economy chugs along at an enviable clip, the number of middle- and lower-income workers who cannot afford a home grows apace.

As we’ve noted previously, Palm Beach County’s median single-family home price of \$340,000 remains out of reach for many white-collar workers, as well as many college-educated, 30-something millennials who businesses hope to attract and employ. The median monthly rent in the county is now above \$1,900. As a result, more than 40 percent of households in the county paid more than 30 percent of their household income for housing, and over 20 percent paid over 50 percent. That’s what makes continuing to use the Sadowski housing funds for other purposes so reprehensible. Last year, Palm Beach County should have received \$15.4 million but received less than \$1.9 million, according to Suzanne P. Cabrera, president and CEO of the county’s Housing Leadership Council.

This year, she added, if the Legislature would have used the housing trust fund monies solely for housing, Palm Beach County would have received approximately \$17.2 million. “It is time for (lawmakers) to recognize this crisis and use the Housing Trust Funds for housing,” Cabrera wrote in April. We agree. It’s clear that Florida is in the midst of an affordable housing crisis -- from Miami to Mexico Beach. We thought Gov. DeSantis, when he proposed his budget to the legislature, understood how this dilemma impacts so many of our state’s communities. He needs to assure hard-working Florida residents struggling to buy a home that he does, and veto this irresponsible sweep of affordable housing funds.