

Sadowski Affordable Housing Trust Fund

Background: The Sadowski Act passed in 1992, creating a dedicated revenue source to fund Florida's affordable housing programs. Affordable housing helps to house Florida's most vulnerable populations including veterans, the elderly, those experiencing homelessness, and persons with special needs. The housing trust fund is funded by excise document stamp taxes paid on all real estate transactions.

How This Impacts the Apartment Industry: All Sadowski funds are reinvested into the community: 30 percent to initiatives such as the State Apartment Incentive Loan (SAIL) program, and 70 percent to single-family housing initiatives (SHIP) such as Habitat for Humanity. SAIL funds can be used to rehabilitate existing apartments in dire need of repair or to build new units where needed — often apartments that house Florida's most vulnerable populations, such as the frail elderly and persons with disabilities. Additionally, housing funds can help limit a local government's need for inclusionary zoning policies, which set aside a portion of new units for low- or moderate-income residents.

Economic Impact: Sadowski funds are highly leveraged, with private sector loans and equity providing \$4 to \$6 for every dollar of state funding — thus greatly increasing economic impact. Housing dollars can put Florida's out-of-work housing industry back to work repairing homes and improving the real estate market, and help reduce future state budget deficits. The appropriation of the estimated \$303.43 million in the state and local housing trust funds in fiscal year 2017-18 into Florida's housing programs would create 28,300 jobs and \$3.57 BILLION in positive economic impact in Florida.*

The Florida Apartment Association urges the Florida Legislature to use all of Florida's housing trust fund monies for Florida's housing programs.

*\$303.43 million based upon documentary stamp projection from 2016 Revenue Estimating Conference.