



**For Immediate Release**  
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**LIVE LOCAL: Florida Senate President Kathleen Passidomo Unveils Comprehensive  
Statewide Workforce Housing Strategy**

*Senator Alexis Calatayud to sponsor legislation creating attainable housing options, convenient  
for Florida workers who want to live in the communities they serve*

**Tallahassee**—Florida Senate President Kathleen Passidomo (R-Naples) today announced a comprehensive, statewide workforce housing strategy designed to increase the availability of attainable housing options for Florida workers who seek to live in the communities they serve. The legislation, Senate Bill 102, Housing, will be filed today by Senator Alexis Calatayud (R-Miami), Chair of the Senate Committee on Community Affairs.

“All too often housing is stereotyped as a challenge for those living at the lowest income levels, when in reality, finding attainable housing options close to local jobs is a challenge impacting our broader workforce and also our seniors,” said President Passidomo. “The Live Local plan we are unveiling today is the product of my discussions with stakeholders over a number of years. With their advice and input, we are tackling this complex issue from all angles – from incentivizing private sector investment, to increasing state funding, to common sense reductions in regulations, this plan will improve options for both homeownership and affordable rental units in communities across our state.”

“Florida workers need safe and affordable housing to provide for their families and get a step closer to realizing their version of the American dream. ‘Live Local’ is a bold vision to tackle home affordability and attainability for hardworking Floridians across our state,” said Florida House Speaker Paul Renner (R-Palm Coast).

“Here in the free state of Florida, we respect the dignity of work and the value of family life. We know that lower commute times mean a higher quality of life for growing families. President Passidomo’s Live Local plan provides attainable housing options for Floridians at every income level and stage of life with a focus on ensuring our workers have an affordable, convenient place to live and raise their families,” said Senator Calatayud. “Through key partnerships with the private sector, this proposal will make certain that companies expanding in and moving to our state can recruit and retain the workforce needed to keep Florida open for business.”



Housing is considered affordable when it costs less than 30 percent of a family’s gross income. Affordable housing programs help create units that are available at a lower rent and have an income limit on renters. The rent and income limits are expressed as a percentage of the area median income (AMI) level, adjusted for family size. In 2022, Florida’s statewide AMI for a family of four was \$78,300.

“With a growing workforce, demand for additional rental units has increased across the state. Mortgage rates remain higher than in recent years, and many new residents, younger working Floridians, and seniors do not want the added costs and responsibilities that come with home ownership,” continued President Passidomo. “These factors and others are driving the current demand for rental housing, which is outpacing supply, keeping both rents and occupancy rates high, and pushing rental prices beyond affordable prices for families with low-to-moderate incomes.”

Data from the Shimberg Center for Housing Studies at the University of Florida indicates Florida has 825,990 low-income, cost-burdened renters, yet rental availability, particularly the supply of new affordable rental units remains low. Current Shimberg Center data also indicates that Florida has a deficit of affordable and available units in every AMI bracket, from extremely-low-income all the way up to moderate-income households. As of January 2023, market analysis (HIS Markit) anticipated a decline in investment in residential construction of over 17%, and the U.S. Multifamily Outlook Winter 2023 (Yardi Matrix) notes, “regulatory and other delays add nearly 40% to the cost of multifamily development.”

Moody’s Analytics, U.S. Housing Outlook, published in December, notes and “increased supply of apartments will go a long way to fill the nation’s housing deficit and help to stabilize, if not reduce, rent price sand overall inflation.” While continuing strong support of avenues to homeownership for Florida’s workforce, SB 102 seeks to address the lack of affordable rentals by creating incentives for developers to create affordable units for low-to-moderate income workers seeking to live in the communities they serve.

“Our legislation seeks to address the lack of housing options, whether multifamily or single family, by continuing to fund both the SHIP and SAIL programs at historically high funding levels. We provide down-payment assistance to more first-time homebuyers, military families, and veterans, and provide incentives that encourage innovative multifamily rental solutions for workers, families, seniors, and youth aging out of foster care,” continued President Passidomo. “The bill also provides new avenues for solutions in zoning, encouraging more mixed-use developments in latent commercial areas, and enhanced public access to information about expedited permitting and public property that may be suitable for workforce housing.”



“Rising material and labor costs, interest rates and ongoing economic uncertainty are slowing the already supply-constrained new multifamily construction market. As a result, the demand for affordable rental housing is outpacing supply, keeping rents too high for low-to-moderate income families,” said Senator Calatayud. “By super funding SAIL and providing additional financial incentives, such as the ad valorem exemptions the missing middle units as well as the building materials sales tax exemption for affordable units, this important legislation will help address market issues that make new construction financially challenging for multifamily developers, leading to an increase in the number of Florida workers who can afford to live local in the communities they know, love and serve.”

## **CONTINUING HISTORIC FUNDING FOR WORKFORCE HOUSING**

### **Increases Record Funding For Housing Programs**

SB 102 continues the historically high funding for both the State Apartment Incentive Loan (SAIL) and State Housing Initiatives Partnership (SHIP) Programs, maintaining statutory language that prohibits sweeping these funds to general revenue. Based on the current documentary stamp estimate, a total of \$252 million is appropriated to the SHIP program. For the SAIL program, the total appropriation is \$259 million, which includes \$150 million in *new recurring* funds (discussed further below).

### **Redirects Documentary Stamp Funding from General Revenue to Workforce Housing**

A portion of documentary stamp funding is always transferred to general revenue. SB 102 provides \$1.5 billion over 10 years for new rental units by transferring up to \$150 million a year in documentary stamp tax revenue to the SAIL Program, instead of general revenue. This transfer is in addition to the current statutory distribution of documentary stamp funding to affordable housing programs, mentioned above.

The SAIL Program provides low-interest loans on a competitive basis to multifamily affordable housing developers. These funds generally serve to bridge the gap between primary financing and the total cost of the development.

### **Incentives for Innovation and Renovation of Older Properties**

The bill directs the additional funds, appropriated on top of traditional SAIL funding, to be used for innovative projects focusing on mixed-use, urban infill, or developments near military installations in our state. The bill specifically incentivizes the construction of new projects near existing workforce housing units to facilitate rehabilitation of older rental units. For example, when new affordable units are created, community residents can move from an older to a newer unit. Older units can be substantially rebuilt or substantially renovated, creating an overall



increase in the number of affordable units in a community with minimal disruption for current residents.

### **Supports Homeownership for Hometown Heroes**

All work is important to sustaining Florida's communities; therefore, SB 102 broadens the Florida's Hometown Heroes Program funded this year, dedicating an additional \$100 million to the program and expanding eligibility to all of Florida's hometown workforce. This new language makes down payment assistance available to all of our community workforce, including teachers, health care workers, law enforcement, service members, and workers in all other fields.

### **Increases Community Contribution Tax Credit Program Limits**

The bill increases the annual amount of available tax credits to \$25 million (from \$14.5 million), further encouraging Florida businesses to make donations towards community development and housing projects for low-income persons.

## **ENCOURAGING PRIVATE SECTOR INVESTMENT TO ACCELERATE NEW WORKFORCE HOUSING CONSTRUCTION**

### **Creates New Partnership with Businesses to Help Fund Workforce Housing**

A new corporate tax donation program gives businesses the opportunity to contribute directly to the FHFC to benefit the SAIL program instead of paying portions of their corporate and insurance premium taxes, up to a total of \$100 million per year.

### **Creates Sales Tax Refund for Building Materials**

The bill provides for a refund of up to \$5,000 per unit for sales tax paid on building materials for developments financed through the Florida House Finance Corporation, providing additional capacity for loans in the program.

### **Provides Assistance for Workforce Housing Projects in the Pipeline**

In order to maintain the vitality of projects in the development pipeline that may be experiencing unexpected hardships in starting construction, the bill appropriates \$100 million in the current fiscal year to provide additional gap financing through a competitive application process. Material and construction costs increases, inflation, and other economic factors have jeopardized the viability of projects initiated over the past several years. This funding will help bridge the financing gap and ensure these necessary affordable units are completed. Any funds not needed for this assistance will be used for the SAIL program.



## **EXPANDING WORKFORCE HOUSING OPTIONS FOR LOW AND MODERATE INCOMES THROUGH NEW INCENTIVES**

### **Creates “Missing Middle” Property Tax Exemption**

To encourage new or recently constructed and substantially rehabilitated developments to offer attainable units, the bill creates a tax exemption for these developments that set aside at least 70 units for affordable housing. Tax exemptions are targeted to moderate- and low-income brackets:

- Up to 80% AMI unit = 100% tax exemption for the unit (approximate income level of \$62,650 for a family of four)
- 81% up to 120% AMI unit = 75% tax exemption for the unit (approximate income level of \$62,651 to \$94,000 for a family of four)

In addition to meeting affordable housing requirements (rent and income limits), rent for the set-aside units must be at least 10% below market rate.

### **Authorizes Local Option Property Tax Exemption for Lower Income Floridians**

SB 102 allows counties and municipalities the flexibility to offer, through ordinance, a property tax exemption to property owners who dedicate units for affordable housing at extremely-low-income, very-low-income, or both (50% AMI or below, which is \$39,150 or less for a family of four). If all units in the development will be used for affordable housing, then the local government can exempt up to 100% of each unit from property tax; if less are dedicated for affordable housing, then the local government can exempt up to 75% of the value of the unit from property tax. Eligible developments include both new and existing developments and must have at least 50 units and dedicate at least 20 percent for affordable housing.

## **REDUCING REGULATIONS AND PROVIDING TRANSPARENCY TO PROMOTE HOUSING OPTIONS**

### **Promotes Workforce Housing Options in Latent Commercial Areas**

To help meet the growing demand for affordable rentals, the bill promotes the development of affordable multifamily housing in commercial and mixed-use areas by reducing certain regulations for proposals to build a multifamily or a mixed-use residential project that reserves at least 40% of the residential units for households earning up to 120% AMI (\$94,000 or less for a family of four) for at least 30 years. The local government may not require a zoning change to accommodate the residential use. Height and density restrictions are based on maximum limits of nearby developments, and a development must otherwise still comply with all applicable state and local laws and regulations.



**Prohibits Government-Mandated Rent Controls**

Respecting private property rights, the bill removes provisions in current law allowing local governments to impose rent control under certain circumstances. This change forbids rent control under all circumstances.

**Encourages Use of Public Property for Affordable Housing**

The bill requires local governments to publish online the inventory of local government-owned property that may be suitable for development of affordable housing, making the information more accessible. To encourage local governments to consider using the suitable property for affordable housing, the bill also sets forth best practices to consider when using such property and requires technical assistance currently provided to local governments to include information on facilitating use of public property for these purposes.

**Expedited Permitting**

The bill requires local governments to maintain a public written policy outlining procedures for expediting permits and development orders for affordable housing projects.

For more information, please visit [www.FLSenate.gov](http://www.FLSenate.gov).

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