Opportunities Through the Live Local Act

Florida Supportive Housing Summit
September 12th, 2023

Purpose and Spirit of the Live Local Act

- Encourage the private sector to be the primary vehicle for affordable housing development
- Leverage state funds to achieve maximum public and private funding commitments, and ensure long-term affordability
- To the extent possible, utilize state funds in the form of repayable loans
- Encourage local initiatives to stimulate private-sector development of affordable housing

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New Estimates Suggest that $4.8 Billion is Needed to Bring Homeless Services Salaries into the Modern Era

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Homelessness Research Institute

Written By: Nicole DuBois, Senior Research Analyst, and Ann Oliva, CEO
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The National Alliance to End Homelessness (the Alliance) estimates that the homeless workforce sector faces a deficit of at least $4.8 billion to adequately pay current workers. This total represents an aggregated sum of individual employee salaries. The Alliance estimates that the average permanent housing employee is paid $42,912 and the average emergency shelter employee is paid $27,830. They would require salary increases of 15 and 77 percent respectively to afford the average cost of a one-bedroom apartment. The federal government, as a major funder of the sector, could step in to address this gap by increasing the staffing component of Homeless Assistance Grants (HAG) commensurately. Ensuring sufficient pay will require substantial and sustained commitments from all levels of government and philanthropy. Addressing this pay gap, even if it isn't easy, is essential to the work of preventing and ending homelessness.

Pay gaps indicate homeless service workers struggle to pay for housing themselves.

On average across the country, the Alliance estimates that emergency shelter staff are paid $27,830 and permanent housing staff are paid $42,912.[1] The differences are likely due to staffing requirements (for example, permanent housing providers are more likely to require a master's degree or licensure, and more likely to employ full-time workers) but could also be due to funding sources or other variations. These estimates align with recent local analyses of sector wages in Los Angeles, San Francisco, and Multnomah County, OR.[2] With these wages, homeless service sector workers, particularly frontline staff, may struggle to afford their own housing.

At best, the Alliance calculates that permanent housing employees require a 15 percent raise and emergency shelter employees require a 77 percent raise to afford the average cost of a one-bedroom apartment.[3] The real gap could be much larger. Applying a one salary per bedroom standard is not a fair proxy for all households: caregivers and single parents might sustain larger households on one income. Permanent housing employees require a 39 percent raise to afford a two-bedroom apartment, and emergency shelter employees would need their salaries to more than double.

Importantly, these are broad national estimates that mask variation by region and by role. People in high-cost cities and at organizations with large pay disparities between program management and frontline staff are likely to face even higher individual salary gaps. And, putting a number to this salary gap is merely a starting point to shore up the homeless services workforce.

Source: https://endhomelessness.org/wp-content/uploads/2023/09/WorkforceSalaryNeeds-9-5-2023.pdf

Key Live Local Act Opportunities

- Live Local Act provides new tools to incentivize developing affordable housing serving higher incomes
- Opportunity to advocate for targeting of traditional resources towards lower incomes while also utilizing new tools
- Opportunity for new partnerships

Program	Live Local FY 23-24	FY 22-23	FY 21-22
SHIP	$252m	$209.475m	$146.7m
SAIL	$259m	$53.25m	$62.5m
Hurricane Housing Recovery		$150m	
Hometown Hero Program	$100m (from GR)	$100m (from SHTF)	
Inflation Response Program	$100m		
Live Local Tax Donation Program	up to $100m		
Total funding	**$811,000,000**	**$512,725,000**	**$209,200,000**

HOMETOWN HEROES

- $100 million
- Maximum assistance $35,000
- Any full-time employee of a Florida-based employer is eligible
- Income limit set at 150% of AMI – about $123,150 for a household of 4 for Tampa Bay MSA counties

Source: Zillow https://www.zillow.com/homedetails/3704-Phillips-St-Tampa-FL-33619/45089326_zpid/

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Additional $150 million/year for 10 years for SAIL

At least 70% for:

- Rehab/new construction
- Addressing urban infill
- Provide for mixed-use housing
- Provide housing near military installations

Max of 30% for projects that:

- Use or lease public lands
- Address needs of adults aging out of foster care
- Meet needs of elderly persons
- Provide housing in areas of rural opportunity

New automatic property tax exemptions

- Land owned entirely by a nonprofit and is leased for a period of 99-years for providing affordable housing to up to moderate-income households
- Newly-constructed multifamily developments of more than 70 affordable units for households up to moderate-income (no LURA with FHFC)
  - Units that serve households 80-120% AMI = automatic 75% property tax exemption
  - Units that serve households <80% AMI = automatic 100% property tax exemption

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New local option property tax incentive

- SB 102/HB 627 authorizes local governments to provide property tax exemptions for specified affordable housing developments.
- Tax exemptions only apply to the affordable units.
- **Eligible developments**:
  - Contain at least 50 or more units
  - At least 20% of the units affordable to households at or below 60% AMI
- Property tax exemptions allowed are based on % of affordability
  - <100% of the units are affordable = up to 75% property tax exemption:
  - 100% of the units are affordable = up to 100% property tax exemption
- Exemption authorized by City or County expires "before the fourth January 1 after adoption"; can be renewed after expiration

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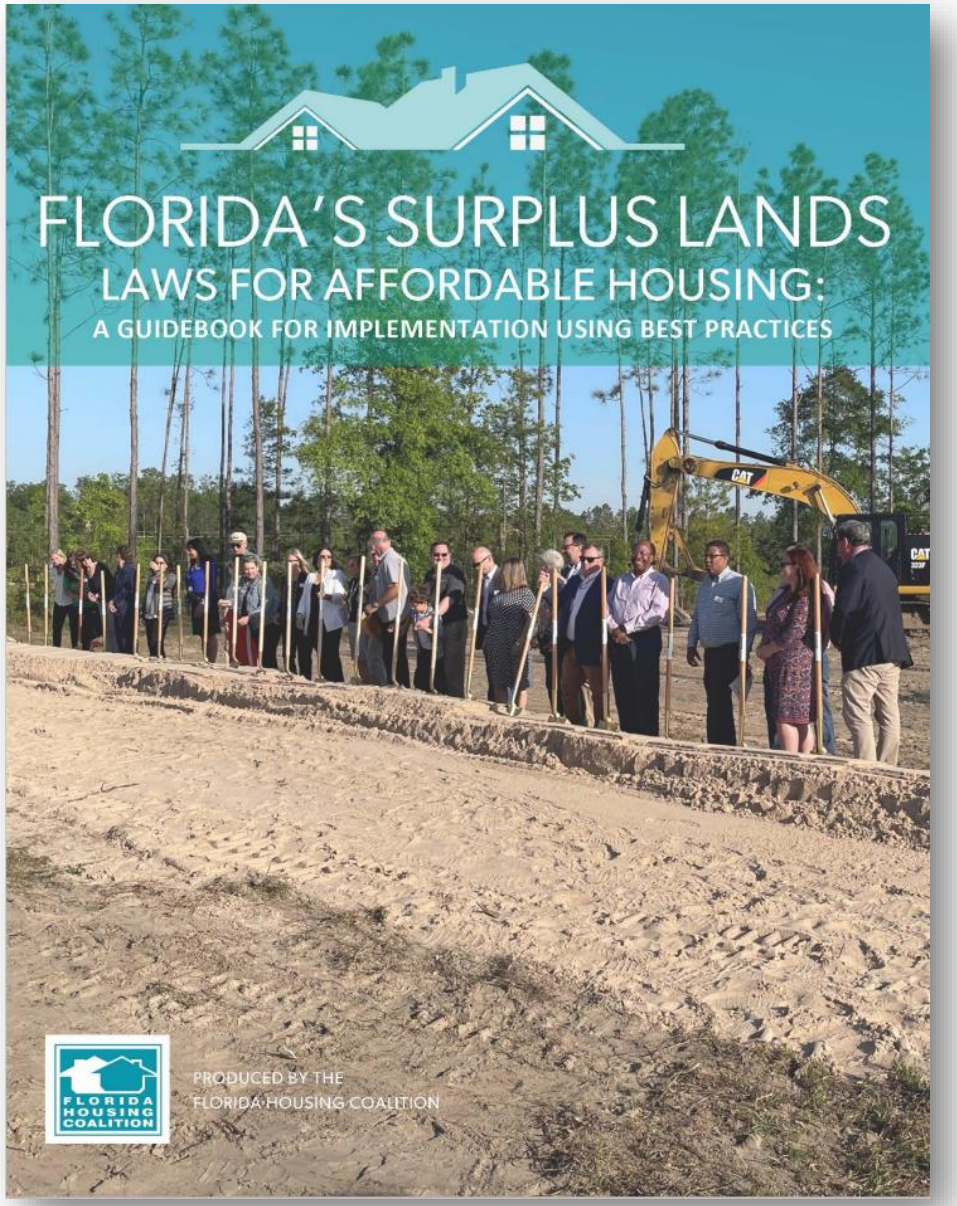
Addressing Immediate Needs

- Local Option Property Tax Exemptions can help open up new units in the short term
- Key point of advocacy:
  - Show that the math works
    - For local governments
    - For property owners
  - Demonstrate good partnerships with property managers and service providers

Using publicly-owned land for affordable housing

- **F.S. 125.379/166.0451** – Florida's surplus land laws
  - Adopted in 2006
  - Requires every city and county to identify publicly-owned lands that are "appropriate for use as affordable housing"



Using publicly-owned land for affordable housing – Live Local Amendments

- Newly apply to all dependent special districts, including CRAs
- Require local government to post their affordable housing inventory list online
- Encourage local governments to adopt best practices including:
  - Establishing eligibility criteria for the receipt or purchase of surplus land by developers;
  - Making the process for requesting surplus land publicly available; and
  - Ensuring long-term affordability through ground leases by retaining the right of first refusal to purchase property

Evergreen Village. Pinellas Park, Photo Source: https://advantagepinellas.org/homes-for-pinellas/

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Incentivizing Partnerships for New Housing Production

- Partnerships with nonprofits
  - Land owned by nonprofits and leased for affordable housing is exempt from ad valorem taxes
- Disposing of public land for affordable housing through ground leasing as best practice for permanent or long-term affordability

The Heights at Gracepointe, Photo Source: https://ddadevelopment.com/portfolio/the-heights-at-gracepoint/

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Incorporate Affordable Into Redevelopment Plans

- HB 1339 from 2020 – updated to allow affordable housing developments in commercial and industrial zones
- New Live Local rules – allows for maximizing height and density when building larger-scale developments in commercial zones and committing to long-term affordability

Photo Source: Top: Carrfour Supportive Housing: http://carrfour.org/communities/ ;
Borrom: Ability Housing: https://abilityhousing.org/bezos-academy/

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Other provisions and incentives

- Requires local governments to post expediting permitting procedures online
- Precludes state funding for housing to local governments whose comprehensive plans have been found not in compliance with Chapter 163
- New sales tax refund for affordable housing developments subject to agreements with FHFC
- Increases Community Contribution Tax Credit to $25 Million (up from $14.4 million)
- Expands Job Growth Grant Fund for state or local public infrastructure projects to facilitate the development of affordable housing

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How to Create Housing Affordability?

Planning + Financing + Long-Term Assurances = Affordability

Thank you

Ashon Nesbitt

Chief Executive Officer

nesbitt@flhousing.org

813-476-4170