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### **What is Affordable Housing?**

Affordable housing can be apartments for rent to Florida's low wage earners and most vulnerable populations like the elderly or disabled. Affordable housing can be homes for sale to Florida's low paid professionals or mid level employees with the financial ability to maintain a house, but not able to save enough for the entire down payment and closing costs.

Public housing is typically distinguished from affordable housing in that public housing is rental housing owned and operated by government and while it is affordable, the term "affordable housing" in the rental arena denotes housing that is built and managed by the private sector.

### **How do we Make Housing Affordable?**

For rental housing, it is made affordable by providing subsidy to the developer/ construction industry. The only difference between market rate apartments and affordable apartments is a small amount of government subsidy that is used to supplement conventional financing and write down the costs of construction or rehabilitation to the private sector.

For homeownership housing, it is made affordable through down payment and closing cost assistance to qualified and counseled homebuyers purchasing homes with fixed rate mortgages.

### **Why is it Important to Provide Affordable Housing?**

Affordable Housing improves the economic health of the community at large and provides a safety net for Florida's most vulnerable citizens, including children and Veterans. More than 49,000 children experience homelessness each year in Florida. Florida has the second largest per capita veteran population in the nation and one of the highest numbers of homeless veterans. When a community has dilapidated housing or people living on the streets, the entire community suffers.

- Stable, affordable and safe housing provides support to children to thrive in school and alleviates the stress on families living in substandard or overcrowded conditions
- Every local government in Florida is required by comprehensive planning law, Chapter 163.3177, Florida Statutes, to provide for housing its current and anticipated population
- Aside from the legal obligation to provide for housing its entire population, every local government in Florida benefits from a mix of housing so that it can continue to grow economically
- When new industries evaluate a prospective community, one of the factors considered is whether adequate housing is available for its anticipated workforce
- Affordable housing co-located with transit, such as bus lines, street cars and commuter rail, increases the ridership that transit depends upon and reduces the cost of housing for the low

income family, improving the families' ability to free themselves from the economic burden of owning and maintaining personal automobiles.

### **What is Local Government's Role in Affordable Housing?**

Local government is not expected to build affordable housing; it is expected to provide an environment in which the private sector will build or preserve affordable housing.

- (1) **Planning.** The implementation of the local comprehensive plan through land development regulations is key to creating an environment in which the private sector will develop or preserve affordable housing. Land development regulations provide incentives to the private sector. Regulatory reform can be coupled with planning incentives to effectively encourage the private sector to produce or rehabilitate affordable housing. Examples are:
  - (a) Inclusionary housing requirements to recapture land value created by local government; when local government rezones private property in a way that substantially increases its value, a portion of that value should benefit the public through the development of affordable housing;
  - (b) Density bonuses and expedited permitting for the development of affordable housing;
  - (c) Permitting accessory dwelling units for affordable housing.
  
- (2) **Financing.** Local Government, typically through its Housing Department, which may or may not be tied to its Planning Department, administers federal, state, and local housing funds to promote the development and rehabilitation of affordable housing. Local government may also use financing techniques, such as tax increment financing under the authority of Community Redevelopment Agencies to direct property tax revenues to areas in need of revitalization. Examples are:
  - (a) SHIP, HOME, CDBG, Bonds;
  - (b) Support for private sector initiatives that provide long term or permanent affordable housing, such as Community Land Trusts, Land Banks, or nonprofit ownership of mobile home parks;
  - (c) Support for private sector initiatives to prevent homelessness, such as supportive housing.

Local government often has the unenviable task of addressing NIMBYism, the Not in My Backyard arguments of residents who oppose the development of affordable housing. Local elected officials are responsible for upholding the federal and state fair housing laws, including Section 760.26, F.S., which makes it unlawful for local government to deny land use approvals for affordable housing that would otherwise be granted for market rate housing.

### **Is Affordable Housing Still Needed in Today's Economy?**

Yes. In addition to redevelopment, we need to use housing funds to rehabilitate existing single family housing stock and provide down payment and closing cost assistance to help families move into now abandoned homes and rehabilitate existing project based rental properties so that we do not lose this irreplaceable federally subsidized housing stock that serves the most vulnerable citizens.