

RESOLUTION # *2003-25*

A RESOLUTION BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, REQUESTING THE GOVERNOR AND STATE LEGISLATORS TO PRESERVE STATE FUNDING FOR THE STATE AND LOCAL GOVERNMENT HOUSING TRUST FUNDS:

RECITALS

Whereas, Governor Bush has proposed to eliminate both the State and Local Government Housing Trust Funds established by the William E. Sadowski Affordable Housing Act in 1992, and shift the dedicated documentary stamp tax revenues from those trust funds to general revenue;

Whereas, Governor Bush's budget proposes general revenue housing spending of approximately \$194.9 million, which is \$83.9 million less than the amount that would be available from the dedicated revenue in the trust funds (under funding of SHIP by \$58.4 million, and under funding of State programs by \$25.5 million);

Whereas, Without a trust fund that can rely on a dedicated revenue source, housing funding will be uncertain, and will remain stagnant or decrease;

Whereas, Over 700,000 of Florida's families are in immediate need of affordable housing (paying over 50% of their total household income for shelter), with over 12,000 in St. Johns County;

Whereas, The most needy of Florida's citizens—first time homebuyers, working families, the elderly, and the homeless will be impacted the greatest;

Whereas, No state expenditure provides as much economic stimulus as affordable housing. The construction industry has a strong multiplier effect—more than 2-1. Combined with the fact that Florida's housing programs leverage private sector investment (bank loans and equity) and federal funding at a ratio of more than 4-1, each \$1 million of state monies spent on housing provides over \$8 million of economic activity and over 160 jobs. Under funding by \$83.9 million will result in the loss of over \$335 million of economic stimulus and thousands of jobs;

Whereas, State and Local Housing Trust Funds are funded from a dedicated revenue source- 20 cents of documentary tax revenue. The tax was increased in 1992 specifically to create a dedicated revenue source for these trust funds. The dedicated revenue source was deliberately designed to be a growth tax, so that housing funding could keep pace with housing costs. The money in the trust fund would not be available to state government if it were not dedicated to affordable housing, because the various and varied interest groups that supported the tax increase would not have supported such an increase to generate general revenue;

Whereas, The trust funds are supported by a diverse coalition of groups, including the Florida Home Builders Association, the Florida Association of Realtors, the Florida League of Cities, the Florida Association of Counties, the Coalition of Affordable Housing Providers, 1000 Friends of Florida, the Florida Housing Coalition, the Florida Catholic Conference, Florida Impact, Florida Legal Services, and the Florida Association of Local Housing Finance Authorities;

Whereas, 70% of the housing funds are returned to local governments (all 67 counties and 48 cities) via the immensely successful and flexible SHIP Program, that allows each community to design affordable housing programs that meet their local needs. And all of the major state housing programs, including SAIL and the State Guarantee Fund are funded from the remainder of the trust funds.

NOW, THEREFORE, BE IT RESOLVED by the Board of County Commissioners of St. Johns County, as follows:

1. In consideration of the above Recitals, the Board of County Commissioners of St. Johns County urges our Governor and State legislators to retain the State and Local Housing Trust Funds and appropriate funding at their full levels in order to serve the most needy, to stimulate the economy and continue housing programs truly designed to serve the needs of our County.
2. This Resolution shall take effect immediately upon passage by the Board of County Commissioners of St. Johns County.

PASSED AND ADOPTED this 11th day of February, 2003.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By: James E. Bryant
James E. Bryant, Chairman

ATTEST: CHERYL STRICKLAND, CLERK

By: Juanne King
Deputy Clerk