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**Florida Apartment Association: Tax Discounts are a Critical Tool
for Solving Florida's Affordable Housing Crisis**

A study commissioned by the Florida Apartment Association (FAA) finds property tax discounts will increase affordable housing stock and spur economic growth across Florida.

Orlando, Fla. – Florida cities no longer need to wait for state and federal solutions to their affordable housing needs. According to a new study released by FAA and HR&A Advisors, local tax discounts for housing providers would expand the affordable housing supply and incentivize additional housing development.

The FAA study finds a 25% tax discount for participating housing providers in the Miami area, for example, could enable an average of 1,250 affordable apartments per year for residents earning up to 60% of the area median household income, roughly \$48,840. As a result, the Miami area would see approximately 424 new jobs, \$20 million in increased earnings, and \$52 million in increased economic activity annually.

“Hardworking residents in Florida are increasingly unable to access safe and affordable housing, and tax discounts are one of the most promising solutions available to local government,” said Kimberly Maggard, FAA president and senior vice president of operations for Royal American Management. “It’s as simple as closing the gap between affordable rents and the operating or development expenses of housing providers. Only then can we increase supply.”

FAA and HR&A further studied the effect of tax discounts of 25%, 50%, and 75% on affordable housing supply, finding that tax discounts of 50% or more will spur additional construction of new affordable units that would not have otherwise been built.

The FAA study provides additional evidence in support of state legislation to authorize these types of local tax discounts. Two bills — SB 674 (Ana Maria Rodriguez, R-39) and HB 563 (Anthony Rodriguez, R-118) — were introduced during this year's Legislative Session and likely will be introduced again in 2022. Tax discount legislation enjoys bipartisan support among voters, including 76% of residents in Southeast Florida and 61% of residents across the state.

The study is based on an analysis of multifamily housing development and demographic data across four metropolitan areas in Florida. For each region, HR&A estimated the initial, direct, indirect, and induced impacts of increased discretionary household income through rent savings, as well as the one-time construction impacts.

Learn more: housingopportunityforall.com