

By the Committee on Community Affairs and Representatives
Gay, Arnall, Constantine, Livingston, Goode, K. Pruitt,
Valdes, Morse, Mackenzie, King, Starks, Horan and Turnbull

1 A bill to be entitled
2 An act relating to affordable housing; amending
3 s. 420.0003, F.S.; revising provisions relating
4 to implementation of the State Housing
5 Strategy; amending s. 420.0005, F.S.; providing
6 directions for use of the State Housing Trust
7 Fund; creating s. 420.0006, F.S.; directing the
8 Secretary of Community Affairs to contract with
9 the Florida Housing Finance Corporation to
10 provide affordable housing; amending s.
11 420.501, F.S.; conforming terminology; amending
12 s. 420.502, F.S.; providing legislative
13 findings; amending s. 420.503, F.S.; defining
14 terms; amending s. 420.504, F.S.; renaming the
15 Florida Housing Finance Agency as the Florida
16 Housing Finance Corporation; specifying its
17 status as a public corporation; revising
18 membership of its board of directors; providing
19 liability of members; amending s. 420.505,
20 F.S.; conforming terminology; amending s.
21 420.506, F.S.; providing employment conditions
22 for the executive director and other employees;
23 creating s. 420.5061, F.S.; providing for the
24 transfer of agency assets and liabilities;
25 amending s. 420.507, F.S.; providing powers of
26 the corporation; amending s. 420.508, F.S.;
27 providing special powers of the corporation
28 with respect to multifamily and single family
29 projects; revising requirements relating to
30 security for loans and bonds; establishing the
31 Florida Housing Finance Corporation Fund and

1 providing for deposit of funds in the Housing
2 Finance Agency Trust Fund therein and for
3 closure of the trust fund; amending s.
4 420.5087, F.S.; renaming and revising the
5 status of the State Apartment Incentive Loan
6 Trust Fund and transferring amounts to the
7 renamed fund; conforming terminology; amending
8 s. 420.5088, F.S.; renaming and revising the
9 status of the Florida Homeownership Assistance
10 Trust Fund and transferring amounts to the
11 renamed fund; conforming terminology; amending
12 s. 420.5089, F.S.; renaming and revising the
13 status of the HOME Partnership Trust Fund and
14 transferring amounts to the renamed fund;
15 eliminating pilot programs; amending s.
16 420.509, F.S.; providing conditions for the
17 issuance of bonds by the corporation; amending
18 ss. 420.5091 and 420.5092, F.S.; conforming
19 terminology; amending s. 420.5099, F.S.;
20 providing for allocation of low-income housing
21 tax credits; providing considerations for
22 assessment of tax credit developments; amending
23 s. 420.51, F.S.; conforming terminology;
24 amending s. 420.511, F.S.; directing the
25 corporation to develop a business plan and a
26 strategic plan and make an annual report;
27 requiring submission of a financial audit and
28 compliance audit with the annual report;
29 amending s. 420.512, F.S.; providing for
30 standards of conduct and conflicts of interest;
31 amending s. 420.513, F.S.; providing for

1 exemption from taxes; amending ss. 420.514 and
2 420.523, F.S.; conforming terminology; creating
3 s. 420.517, F.S.; providing for affordable
4 housing and job training coordination; amending
5 s. 420.525, F.S.; renaming and revising the
6 status of the Housing Predevelopment Trust Fund
7 and transferring amounts to the renamed fund;
8 amending ss. 420.526, 420.527, 420.528, and
9 420.529, F.S.; conforming terminology; amending
10 s. 420.602, F.S.; revising definitions under
11 the Affordable Housing Planning and Community
12 Assistance Act; amending s. 420.606, F.S.;
13 revising provisions relating to training and
14 technical assistance; amending s. 420.9071,
15 F.S.; revising definitions under the State
16 Housing Initiatives Partnership Program;
17 amending s. 420.9072, F.S.; revising
18 requirements for the State Housing Initiatives
19 Partnership Program; amending s. 420.9073,
20 F.S., relating to local housing distributions;
21 raising the guaranteed minimum allocation;
22 amending s. 420.9075, F.S.; providing for local
23 housing assistance plans; amending s. 420.9076,
24 F.S.; providing for the adoption of local
25 housing incentive strategies; amending ss.
26 420.9078 and 420.9079, F.S.; providing for the
27 administration of, and distributions from, the
28 Local Government Housing Trust Fund; repealing
29 s. 420.5085, F.S., relating to energy
30 conservation loans; repealing s. 420.5094,
31 F.S., relating to the single-family mortgage

1 revenue bond program; amending ss. 239.505 and
2 381.0081, F.S.; conforming terminology;
3 amending s. 285.11, F.S.; providing that leases
4 of Seminole Indian Reservation land entered
5 into with a Florida Indian for housing
6 development and residential purposes may be for
7 a term not to exceed 50 years; providing for
8 transition; providing an effective date.

9
10 Be It Enacted by the Legislature of the State of Florida:

11
12 Section 1. Subsection (4) of section 420.0003, Florida
13 Statutes, is amended to read:

14 420.0003 State housing strategy.--

15 (4) IMPLEMENTATION.--The Department of Community
16 Affairs and the Florida Housing Finance Corporation in
17 carrying out the strategy articulated herein shall have the
18 following duties:

19 (a) The fiscal resources of the Department of
20 Community Affairs shall be directed to achieve the following
21 programmatic objectives:

22 1. Effective technical assistance and
23 capacity-building programs shall be established at the state
24 and local levels.

25 2. The Shimberg Center for Affordable Housing at the
26 University of Florida shall develop and maintain statewide
27 data on housing needs and production, provide technical
28 assistance relating to real estate development and finance,
29 operate an information clearinghouse on housing programs, and
30 coordinate state housing initiatives with local government and
31 federal programs.

1 (b) The agency strategic functional plan of the
2 Department of Community Affairs, prepared pursuant to the
3 provisions of ss. 186.021 and 186.022, shall include specific
4 goals, objectives, and strategies that ~~which~~ implement the
5 housing policies in this section and shall include the
6 strategic plan for housing production prepared by the
7 corporation pursuant to s. 420.511.

8 (c) The Shimberg Center for Affordable Housing, in
9 consultation with the Department of Community Affairs and
10 ~~cooperation with~~ the Florida Housing Finance Corporation
11 ~~Agency~~, shall review and evaluate existing housing
12 rehabilitation, production, and finance programs to determine
13 their consistency with relevant policies in this section and
14 identify the needs of specific populations, including, but not
15 limited to, elderly and handicapped persons, and shall
16 recommend statutory modifications where appropriate. The
17 Shimberg Center for Affordable Housing, in consultation with
18 the Department of Community Affairs and ~~cooperation with~~ the
19 corporation ~~agency~~, shall also evaluate the degree of
20 coordination between state housing programs, and between
21 state, federal, and local housing activities, and shall
22 recommend improved program linkages. The recommendations
23 required above and a report of any programmatic modifications
24 made as a result of these policies shall be included in the
25 housing report required by s. 420.6075, beginning December 31,
26 1991, and every 5 years thereafter.

27 (d) The department and the corporation ~~agency~~ are
28 anticipated to conform the administrative rules for each
29 housing program to the policies stated in this section,
30 provided that such changes in the rules are consistent with
31 the statutory intent or requirements for the program. This

1 authority applies only to programs offering loans, grants, or
2 tax credits and only to the extent that state policies are
3 consistent with applicable federal requirements.

4 Section 2. Section 420.0005, Florida Statutes, is
5 amended to read:

6 420.0005 State Housing Trust Fund.--There is hereby
7 established in the State Treasury a separate trust fund to be
8 named the "State Housing Trust Fund." There shall be deposited
9 in the fund all moneys appropriated by the Legislature, or
10 moneys received from any other source, for the purpose of this
11 chapter, and all proceeds derived from the use of such moneys.
12 ~~Portions of~~ The fund shall be administered by the ~~Department~~
13 ~~of Community Affairs and the~~ Florida Housing Finance
14 Corporation on behalf of the department Agency, as specified
15 in this chapter. Money deposited to the fund and appropriated
16 by the Legislature must, notwithstanding the provisions of
17 chapter 216, be transferred quarterly in advance, to the
18 extent available, or, if not so available, as soon as received
19 into the State Housing Trust Fund, and subject to the
20 provisions of s. 420.5092(6)(a) and (b) by the Comptroller to
21 the corporation upon certification by the Secretary of
22 Community Affairs that the corporation is in compliance with
23 the requirements of s. 420.0006. The certification made by the
24 secretary shall also include the split of funds among programs
25 administered by the corporation and the department as
26 specified in chapter 92-317, Laws of Florida, as amended.
27 Moneys advanced by the Comptroller must be deposited by the
28 corporation into a separate fund established with a qualified
29 public depository meeting the requirements of chapter 280 to
30 be named the "State Housing Fund" and used for the purposes of
31 this chapter.Administrative and personnel costs incurred in

1 implementing this chapter may be paid from the fund, but such
2 costs may not exceed 5 percent of the moneys deposited into
3 the fund. To this fund shall be credited all loan repayments,
4 penalties, and other fees and charges accruing to the fund
5 under this chapter. It is the intent of this chapter that all
6 loan repayments, penalties, and other fees and charges
7 collected be credited in full to the program account from
8 which the loan originated. Moneys in the ~~trust~~ fund which are
9 not currently needed for the purposes of this chapter shall be
10 ~~deposited with the Treasurer to the credit of the trust fund~~
11 ~~and may be~~ invested in such manner as is provided for by
12 statute. The interest received on any such investment shall
13 be credited to the fund.

14 Section 3. Section 420.0006, Florida Statutes, is
15 created to read:

16 420.0006 Authority to contract with corporation.--The
17 secretary of the department shall contract, notwithstanding
18 the provisions of part I of chapter 287, with the Florida
19 Housing Finance Corporation on a multiyear basis to stimulate,
20 provide, and foster affordable housing in the state. The
21 contract must incorporate the performance measures required by
22 s. 420.511. The contract must provide that, in the event the
23 corporation fails to comply with any of the performance
24 measures required by s. 420.511, the secretary shall notify
25 the Governor and shall refer the nonperformance to the
26 department's inspector general for review and determination as
27 to whether such failure is due to forces beyond the
28 corporation's control or whether such failure is due to
29 inadequate management of the corporation's resources. Advances
30 shall continue to be made pursuant to s. 420.0005 during the
31 pendency of the review by the department's inspector general.

1 If such failure is due to outside forces, it shall not be
2 deemed a violation of the contract. If such failure is due to
3 inadequate management, the department's inspector general
4 shall provide recommendations regarding solutions. The
5 Governor is authorized to resolve any differences of opinion
6 with respect to performance under the contract and to direct
7 that advances continue in the event of a failure under the
8 contract due to inadequate management.

9 Section 4. Section 420.501, Florida Statutes, is
10 amended to read:

11 420.501 Short title.--This act ~~shall be known~~ and may
12 be cited as the "Florida Housing Finance Corporation Agency
13 Act."

14 Section 5. Subsections (2) and (7) of section 420.502,
15 Florida Statutes, are amended to read:

16 420.502 Legislative findings.--It is hereby found and
17 declared as follows:

18 (2) There exist presently and periodically serious
19 economic dislocations in the construction and building trade
20 industry, resulting in substantial unemployment, business
21 losses, and bankruptcies, and a general deterioration of the
22 economic well-being of Florida residents, and a need to assist
23 and implement welfare-to-work transitioning initiatives to
24 coordinate with state and federal policies.

25 (7) It is necessary to create a state housing finance
26 corporation agency to encourage the investment of private
27 capital in residential housing through the use of public
28 financing to deal with the problem of disintermediation, to
29 stimulate the construction and rehabilitation of residential
30 housing, to facilitate the purchase and sale of existing
31 residential housing, to provide construction and mortgage

1 loans for projects, and to make loans to and purchase mortgage
2 loans from private lending institutions, each on a
3 quantifiable, measurable basis providing sufficient, clear
4 evidence of the corporation's goals and its success in
5 achieving the goals.

6 Section 6. Section 420.503, Florida Statutes, is
7 amended to read:

8 420.503 Definitions.--As used in this part, the term:

9 (1) "Affordable housing debt" means debt issued by or
10 loans made to the corporation ~~agency~~, counties,
11 municipalities, or other public agencies of this state or
12 not-for-profit corporations or for-profit entities
13 ~~corporations~~ for the purpose of providing affordable housing
14 to residents of the state.

15 (2) "Agency" means the Florida Housing Finance Agency
16 as it exists before January 1, 1998, and thereafter as
17 previously existing under state law ~~created pursuant to this~~
18 ~~part.~~

19 (3) "Authorized investments" means any of the
20 following securities:

21 (a) Investments permitted under s. 215.47(1) and (2),
22 without regard to any limitation set forth therein ~~Direct~~
23 ~~obligations of, or obligations guaranteed by, the United~~
24 ~~States of America.~~

25 (b) Investment agreements the issuer of which is rated
26 or the guarantor of which is rated in one of the three highest
27 rating categories by a nationally recognized rating service.
28 ~~Bonds, debentures, notes, or other evidences of indebtedness~~
29 ~~issued by any of the following: Bank for Cooperatives;~~
30 ~~federal intermediate credit banks; federal home loan banks;~~
31 ~~Export-Import Bank of the United States; federal land banks;~~

1 ~~Federal National Mortgage Association; Government National~~
2 ~~Mortgage Association; Federal Financing Bank; Small Business~~
3 ~~Administration; or any other agency or instrumentality of the~~
4 ~~United States of America, created by an Act of Congress,~~
5 ~~substantially similar to the foregoing in its legal~~
6 ~~relationship to the United States of America.~~

7 ~~(c) Public housing bonds issued by public housing~~
8 ~~agencies and fully secured as to the payment of both principal~~
9 ~~and interest by a pledge of annual contributions under an~~
10 ~~annual contributions contract or contracts with the United~~
11 ~~States of America, and temporary notes, preliminary loan~~
12 ~~notes, or project notes issued by public housing agencies, in~~
13 ~~each case fully secured as to the payment of both principal~~
14 ~~and interest by a requisition or payment agreement with the~~
15 ~~United States of America.~~

16 ~~(d) Interest-bearing time or demand deposits,~~
17 ~~certificates of deposit, or other similar banking arrangements~~
18 ~~with any bank, trust company, national banking association, or~~
19 ~~other depository institution, including any trustee or other~~
20 ~~fiduciary with respect to the bonds of the agency, provided:~~

21 ~~1. The deposits, certificates, and other arrangements~~
22 ~~are insured to the satisfaction of the agency by the Federal~~
23 ~~Deposit Insurance Corporation or the Federal Savings and Loan~~
24 ~~Insurance Corporation;~~

25 ~~2. The depository institution has combined capital and~~
26 ~~surplus of at least \$10 million and the deposits,~~
27 ~~certificates, and other arrangements are fully secured by~~
28 ~~obligations described in paragraphs (a) through (c),~~
29 ~~inclusive, or a combination thereof; or~~

30 ~~3. The depository institution has combined capital and~~
31 ~~surplus of at least \$25 million.~~

1 ~~(e) Contracts for the purchase and sale of obligations~~
2 ~~described in paragraphs (a) and (b), provided that if the~~
3 ~~parties with which the contracts are made are not members of~~
4 ~~the Federal Reserve System or if the parties, including~~
5 ~~members of the Federal Reserve System, are not required to set~~
6 ~~aside and otherwise identify, to the satisfaction of the~~
7 ~~agency, obligations described in paragraph (a) or paragraph~~
8 ~~(b) to such contracts as security or reserve therefor in an~~
9 ~~amount at least equal to the face value of each contract, the~~
10 ~~obligations shall be delivered to and held by a trustee or~~
11 ~~other fiduciary with respect to the bonds of the agency during~~
12 ~~the term of the contracts.~~

13 (4) "Bond" means any bond, debenture, note, or other
14 evidence of financial indebtedness issued by ~~on behalf of~~ the
15 corporation ~~agency~~ under and pursuant to this act.

16 (5) "Commercial fishing worker" means a laborer who is
17 employed on a seasonal, temporary, or permanent basis in
18 fishing in salt water or fresh water and who derived at least
19 50 percent of his income in the immediately preceding 12
20 months from such employment. The term includes a person who
21 has retired as a laborer due to age, disability, or illness.
22 In order to be considered retired due to age, a person must be
23 50 years of age or older and must have been employed for a
24 minimum of 5 years as a commercial fishing worker. In order
25 to be considered retired due to disability or illness, a
26 person must:

27 (a) Establish medically that he is unable to be
28 employed as a commercial fishing worker due to that disability
29 or illness; and

30 (b) Establish that he was previously employed as a
31 commercial fishing worker.

1 (6) "Community-based organization" means a private
2 corporation organized under chapter 617 to assist in the
3 provision of housing-related services on a not-for-profit
4 basis within a designated area, which may include a
5 municipality, a county, or more than one municipality or
6 county.

7 (7) "Community housing development organization" means
8 a nonprofit organization that has among its purposes the
9 provision of affordable housing for low-income families and
10 moderate-income families, maintains accountability to
11 low-income community residents, has demonstrated the capacity
12 to carry out affordable housing activities, and has a history
13 of serving the local community.

14 (8) "Contract" means the contract between the
15 secretary of the department and the corporation for provision
16 of housing services referenced in s. 420.0006.

17 (9) "Contribution" means a gift, subscription,
18 conveyance, deposit, loan, payment, or distribution of money
19 or anything of value, including contributions in kind having
20 an attributable monetary value in any form, made directly or
21 indirectly for the purpose of influencing an election.

22 (10) "Corporation" means the Florida Housing Finance
23 Corporation.

24 (11) "Covered employee" means those corporation
25 employees designated by rule of the corporation.

26 (12)~~(8)~~ "Department" means the Department of Community
27 Affairs.

28 (13)~~(9)~~ "Development costs" means the sum total of all
29 costs incurred in the development of a project which are
30 approved by the corporation ~~agency~~ as reasonable and
31 necessary. Such costs may include, but are not limited to:

1 (a) The cost of acquiring real property and any
2 buildings thereon, including payments for options, deposits,
3 or contracts to purchase properties.

4 (b) The cost of site preparation, demolition, and
5 development.

6 (c) Any expenses relating to the issuance of the bonds
7 of the corporation ~~agency~~.

8 (d) Fees in connection with the planning, execution,
9 and financing of the project, such as those of architects,
10 engineers, attorneys, accountants, and the corporation ~~agency~~.

11 (e) The cost of studies, surveys, plans, permits,
12 insurance, interest, financing, tax and assessment costs, and
13 other operating and carrying costs during construction,
14 rehabilitation, or reconstruction of the project.

15 (f) The cost of the construction, rehabilitation, and
16 equipping of the project.

17 (g) The cost of land improvements, such as landscaping
18 and offsite improvements, whether such costs are paid in cash,
19 property, or services.

20 (h) Expenses in connection with initial occupancy of
21 the project.

22 (i) A reasonable profit-and-risk fee in addition to
23 job overhead to the general contractor and, if applicable, the
24 sponsor.

25 (j) Allowances established by the corporation ~~agency~~
26 for working capital, contingency reserves, and reserves for
27 any anticipated operating deficits during the first 2 years
28 after completion of the project.

29 (k) The cost of such other items, including relocation
30 costs, indemnity and surety bonds, premiums on insurance, and
31 fees and expenses of trustees, depositories, and paying agents

1 for the corporation's ~~agency's~~ bonds, as the corporation
2 ~~agency~~ shall determine to be reasonable and necessary for the
3 development of the project.

4 (14)~~(10)~~ "Division" means the Division of Bond Finance
5 of the State Board of Administration ~~created by and referred~~
6 ~~to in the State Bond Act.~~

7 (15)~~(11)~~ "Elderly" means persons 62 years of age or
8 older.

9 (16)~~(12)~~ "Eligible housing provider" means a
10 for-profit developer or not-for-profit developer or a
11 community housing development organization having demonstrated
12 the capacity to construct or rehabilitate affordable housing.

13 (17)~~(13)~~ "Eligible persons" means one or more natural
14 persons or a family, irrespective of race, creed, national
15 origin, or sex, determined by the corporation ~~agency~~ pursuant
16 to a rule to be of low, moderate, or middle income. Such
17 determination shall not preclude any person or family earning
18 up to 150 percent of the state or county median family income
19 from participating in programs. Persons 62 years of age or
20 older shall be defined as eligible persons regardless of
21 income. In determining the income standards of eligible
22 persons for its various programs, the corporation ~~agency~~ may
23 take into account the following factors:

24 (a) Requirements mandated by federal law.

25 (b) Variations in circumstances in the different areas
26 of the state.

27 (c) Whether the determination is for rental housing or
28 homeownership purposes.

29 (d) The need for family size adjustments to accomplish
30 the purposes set forth in this act.

31

1 ~~(14)~~ "Energy audit" means an evaluation of
2 energy-saving measures in which the estimates of costs and
3 savings are based on an onsite inspection of the residence of
4 an eligible customer by an auditor qualified pursuant to s.
5 366.82.

6 ~~(15)~~ "Energy conservation loan" means a loan made
7 pursuant to s. 366.82(3).

8 (18)~~(16)~~ "Farmworker" means a laborer who is employed
9 on a seasonal, temporary, or permanent basis in the planting,
10 cultivating, harvesting, or processing of agricultural or
11 aquacultural products and who derived at least 50 percent of
12 his income in the immediately preceding 12 months from such
13 employment. "Farmworker" also includes a person who has
14 retired as a laborer due to age, disability, or illness. In
15 order to be considered retired as a farmworker due to age
16 under this part, a person must be 50 years of age or older and
17 must have been employed for a minimum of 5 years as a
18 farmworker before retirement. In order to be considered
19 retired as a farmworker due to disability or illness, a person
20 must:

21 (a) Establish medically that he is unable to be
22 employed as a farmworker due to that disability or illness.

23 (b) Establish that he was previously employed as a
24 farmworker.

25 (19)~~(17)~~ "Housing for the elderly" means, for purposes
26 of s. 420.5087(3)(c)2., any nonprofit housing community that
27 is financed by a mortgage loan made or insured by the United
28 States Department of Housing and Urban Development under s.
29 202, s. 202 with a s. 8 subsidy, s. 221(d)(3) or (4), or s.
30 236 of the National Housing Act, as amended, and that is
31 subject to income limitations established by the United States

1 Department of Housing and Urban Development, or any program
2 funded by the Rural Development Agency of the United States
3 Department of Agriculture ~~Farmers Home Administration~~ and
4 subject to income limitations established by the United States
5 Department of Agriculture.

6 (20)~~(18)~~ "Lending institution" means any bank or trust
7 company, mortgage banker, savings bank, credit union, national
8 banking association, savings and loan association, building
9 and loan association, insurance company, the Florida Housing
10 Development Corporation, or other financial institution or
11 governmental agency authorized to transact business in this
12 state and which customarily provides service or otherwise aids
13 in the financing of mortgages on real property located in the
14 state.

15 (21)~~(19)~~ "Loan," for purposes of the State Apartment
16 Incentive Loan Program and HOME Investment Partnership
17 Program, means any direct loan or loan guaranty issued or
18 backed by such funds.

19 (22)~~(20)~~ "Local government" means a unit of local
20 general-purpose government as defined in s. 218.31(2).

21 (23)~~(21)~~ "Local partnership" means a formally
22 constituted group, including representatives of local
23 government, lenders, developers, nonprofit organizations,
24 realtors, social service providers, and other entities in the
25 community which are involved with the development of
26 affordable housing.

27 (24) "Members" means the members of the board of
28 directors of the corporation.

29 (25)~~(22)~~ "Mortgage" means:

30 (a) A mortgage, mortgage deed, deed of trust, or other
31 instrument:

1 1. Creating a lien, subject only to such title
2 exceptions as may be acceptable to the corporation ~~agency~~, on
3 a fee interest in real property located within the state or on
4 a leasehold on such a fee interest which has a remaining term
5 at the time of computation that exceeds the maturity date of
6 the mortgage loan by a number of years determined by the
7 corporation ~~agency~~ to be sufficient to protect its interests;
8 and

9 2. Secured, insured, or guaranteed in such manner as
10 the corporation ~~agency~~ determines will protect its interests
11 and those of the bondholders, ~~provided the bonds issued to~~
12 ~~fund or finance such instrument are rated by a nationally~~
13 ~~recognized rating service in any one of the three highest~~
14 ~~classifications, which rating services and classifications are~~
15 ~~determined pursuant to rules adopted by the State Board of~~
16 ~~Administration under s. 215.84(3), unless the bonds are~~
17 ~~privately placed through a negotiated sale as authorized in s.~~
18 ~~420.509(7)(a); or~~

19 (b) A pledge of stock in a cooperative association and
20 a security interest in the related lease.

21 (26)~~(23)~~ "Mortgage loan" means a financial obligation
22 secured by a mortgage.

23 (27)~~(24)~~ "Nonparticipating local jurisdiction" means a
24 locality which is not a participating local jurisdiction.

25 (28) "Officers" means the chair, vice chair, and
26 secretary of the board of directors of the corporation.

27 (29)~~(25)~~ "Participating local jurisdiction" means a
28 locality which has accrued at least \$750,000 in HOME funds
29 through the federal formula allocation process or which has
30 supplemented its formula allocation by processes approved by
31 the Federal Government to equal \$750,000.

1 ~~(30)~~~~(26)~~ "Pledged revenues" means revenues to be
2 derived from the financing of residential housing, mortgages,
3 or loan payments and any other revenues or assets that may be
4 legally available to pay the principal of, redemption premium,
5 if any, and interest on the bonds derived from sources other
6 than ad valorem taxation, including revenues from other
7 sources or any combination thereof and any funds or accounts
8 designated by the corporation; however, in no event shall the
9 full faith and credit of the state be pledged to secure such
10 revenue bonds.

11 (31) "Prohibited business solicitation communication"
12 means a private written or verbal communication between a
13 member, officer, or covered employee of the corporation and a
14 service provider regarding the merits of the service provider
15 and whether the corporation should retain the services of the
16 service provider. The term does not include:

17 (a) A verbal communication made on the record during a
18 public meeting;

19 (b) A written communication provided to each member
20 and officer of the corporation and made part of the record at
21 a public meeting;

22 (c) A written proposal or statement of qualifications
23 submitted to the corporation in response to a corporation
24 advertisement seeking proposals or statements of
25 qualifications as part of a competitive selection process.

26 (d) A verbal or written communication related to the
27 contractual responsibilities of a service provider who was
28 selected to provide services or who was included in a pool of
29 service providers eligible to provide services as a result of
30 a competitive selection process, so long as the communications
31 do not relate to solicitation of business.

1 (e) A verbal or written communication related to a
2 proposed method of financing or proposed projects, so long as
3 the communications do not relate to solicitation of business.

4 ~~(32)(27)~~ "Project" means any work or improvement
5 located or to be located in the state, including real
6 property, buildings, and any other real and personal property,
7 designed and intended for the primary purpose of providing
8 decent, safe, and sanitary residential housing for persons or
9 ~~four or more~~ families, whether new construction, the
10 acquisition of existing residential housing, or the
11 remodeling, improvement, rehabilitation, or reconstruction of
12 existing housing, together with such related nonhousing
13 facilities as the corporation ~~agency~~ determines to be
14 necessary, convenient, or desirable.

15 ~~(33)(28)~~ "Real property" means all lands, including
16 improvements and fixtures thereon and property of any nature
17 appurtenant thereto or used in connection therewith, and every
18 estate, interest, and right, legal or equitable, therein,
19 including terms of years and liens by way of judgment,
20 mortgage, or otherwise and the indebtedness secured by such
21 liens.

22 ~~(34)(29)~~ "Residential housing" means one or more new
23 or existing residential dwelling units located or to be
24 located in the state, including any buildings, land,
25 improvements, equipment, facilities, or other real or personal
26 properties which are necessary in connection therewith,
27 including, but not limited to, related facilities for streets,
28 sewers, and utilities.

29 (35) "Service provider," except as otherwise defined
30 in s. 420.512(5), means a law firm, investment bank, certified
31 public accounting firm, auditor, trustee bank, credit

1 underwriter, homeowner loan servicer, or any other provider of
2 services to the corporation which offers to perform or
3 performs services to the corporation or other provider for
4 fees in excess of \$25,000 in the aggregate during any fiscal
5 year. The term includes the agents, officers, principals, and
6 professional employees of the service provider.

7 (36) "Services" means the professional services
8 normally provided by the service provider. The term includes,
9 but is not limited to, the services of bond and special
10 counsel, auditor, accountant, trustee bank, and master
11 servicer.

12 (37)~~(30)~~ "Sponsor" means any individual, association,
13 corporation, joint venture, partnership, trust, local
14 government, or other legal entity or any combination thereof
15 which:

16 (a) Has been approved by the corporation ~~agency~~ as
17 qualified to own, construct, acquire, rehabilitate,
18 reconstruct, operate, lease, manage, or maintain a project;
19 and

20 (b) Except for a local government, has agreed to
21 subject itself to the regulatory powers of the corporation
22 ~~agency~~.

23 (38)~~(31)~~ "State" means the State of Florida.

24 (39)~~(32)~~ "State Board of Administration" means the
25 State Board of Administration created by and referred to in s.
26 9, Art. XII of the State Constitution.

27 ~~(33) "State Bond Act" means ss. 215.57-215.83, as the~~
28 ~~same may be amended from time to time.~~

29 (40)~~(34)~~ "State Housing Trust Fund" means the trust
30 fund established pursuant to s. 420.0005.

31

1 ~~(41)(35)~~ "Substantial rehabilitation" means repair or
2 restoration of a dwelling unit where the value of such repair
3 or restoration exceeds 40 percent of the value of the
4 dwelling.

5 Section 7. Section 420.504, Florida Statutes, 1996
6 Supplement, is amended to read:

7 420.504 Public corporation ~~Agency~~; creation,
8 membership, terms, expenses.--

9 (1) There is created within the Department of
10 Community Affairs a public corporation and ~~a state agency and~~
11 ~~instrumentality, which shall be~~ a public body corporate and
12 politic, to be known as the "Florida Housing Finance
13 Corporation Agency." It is declared to be the intent of and
14 constitutional construction by the Legislature that the
15 Florida Housing Finance Corporation constitutes an
16 entrepreneurial public corporation organized to provide and
17 promote the public welfare by administering the governmental
18 function of financing or refinancing housing and related
19 facilities in Florida and that the corporation is not a
20 department of the executive branch of state government within
21 the scope and meaning of s. 6, Art. IV of the State
22 Constitution, but is functionally related to the Department of
23 Community Affairs in which it is placed. The executive
24 function of state government to be performed by the secretary
25 of the department in the conduct of the business of the
26 Florida Housing Finance Corporation must be performed pursuant
27 to an annual contract to monitor and set performance standards
28 for the implementation of the business plan for the provision
29 of housing approved for the corporation as provided in s.
30 420.0006. This contract shall include the performance
31

1 standards for the provision of affordable housing in Florida
2 established in the business plan described in s. 420.511.

3 (2) The corporation is constituted as a public
4 instrumentality, and the exercise by the corporation of the
5 power conferred by this act is considered to be the
6 performance of an essential public function. The corporation
7 shall constitute an agency for the purposes of s. 120.52. The
8 corporation is subject to chapter 119, subject to exceptions
9 applicable to the corporation, and to the provisions of
10 chapter 286. The corporation is not governed by chapter 607,
11 but by the provisions of this part. If for any reason the
12 establishment of the corporation is deemed in violation of
13 law, such provision is severable and the remainder of this act
14 remains in full force and effect.

15 (3) The corporation is a separate budget entity and is
16 not subject to control, supervision, or direction by the
17 Department of Community Affairs in any manner, including, but
18 not limited to, personnel, purchasing, transactions involving
19 real or personal property, and budgetary matters. The
20 corporation ~~agency~~ shall consist of a board of directors
21 composed of the Secretary of Community Affairs as an ex
22 officio and voting member and eight members appointed by the
23 Governor subject to confirmation by the Senate from the
24 following:

25 (a) One citizen actively engaged in the residential
26 home building industry.

27 (b) One citizen actively engaged in the banking or
28 mortgage banking industry.

29 (c) One citizen who is a representative of those areas
30 of labor engaged in home building.

31

1 (d) One citizen with experience in housing development
2 who is an advocate for low-income persons.

3 (e) One citizen actively engaged in the commercial
4 building industry.

5 (f) One citizen who is a former local government
6 elected official.

7 (g)~~(e)~~ Two ~~Four~~ citizens of the state who are not
8 principally employed as members or representatives of any of
9 the groups specified in paragraphs (a) through (f)~~(d)~~.

10
11 The changes in membership categories required by this act
12 shall be effective when the term of one citizen member expires
13 in 1998 ~~on November 13, 1988.~~

14 (4)~~(2)~~(a) Members of the corporation ~~agency~~ shall be
15 appointed for terms of 4 years, except that any vacancy shall
16 be filled for the unexpired term.

17 (b) Subject to removal or reinstatement of the member
18 by the Senate, the Governor may suspend a member for cause,
19 including, but not limited to, failure to attend at least 3
20 meetings of the board during any 12-month period.

21 (5)~~(3)~~ The chair ~~chairman~~ and a vice chair ~~chairman~~
22 shall be elected annually by the members thereof. Any
23 additional officers, who need not be members, as may be deemed
24 necessary by the members of the corporation ~~agency~~ may be
25 designated and elected by the members thereof.

26 (6)~~(4)~~ A member of the board of directors of the
27 corporation ~~agency~~ shall receive no compensation for his or
28 her services but shall be entitled to the necessary expenses,
29 including per diem and travel expenses, incurred in the
30 discharge of his duties, as provided by law.

31

1 ~~(7)(5)~~ Each member of the board of directors of the
2 corporation ~~agency~~ shall file full and public disclosure of
3 financial interests at the times and places and in the same
4 manner required of elected constitutional officers under s. 8,
5 Art. II of the State Constitution and any law implementing s.
6 8, Art. II of the State Constitution.

7 (8) A member of the board of directors of the
8 corporation is not personally liable for monetary damages to
9 the corporation or to any person for any statement, vote,
10 decision, or failure to take an action regarding corporation
11 management or policy by that member, unless:

12 (a) The member breached or failed to perform his or
13 her duties as a member; and

14 (b) The member's breach of, or failure to perform, his
15 or her duties constitutes:

16 1. A violation of criminal law, unless the member had
17 reasonable cause to believe his or her conduct was lawful or
18 had no reasonable cause to believe his or her conduct was
19 unlawful. A judgment or other final adjudication against a
20 member in any criminal proceeding for violation of the
21 criminal law estops that member from contesting the fact that
22 his or her breach, or failure to perform, constitutes a
23 violation of the criminal law, but does not estop the member
24 from establishing that he or she had reasonable cause to
25 believe that his or her conduct was lawful or had no
26 reasonable cause to believe that his or her conduct was
27 unlawful;

28 2. A transaction from which the member derived an
29 improper personal benefit, either directly or indirectly; or

30 3. Recklessness or an act or omission that was
31 committed in bad faith or with malicious purpose or in a

1 manner exhibiting wanton and willful disregard of human
2 rights, safety, or property.

3 (9) For purposes of this section, the term
4 "recklessness" means the acting, or omission to act, in
5 conscious disregard of a risk:

6 (a) Known, or so obvious that it should have been
7 known, to the member; and

8 (b) Known to the member, or so obvious that it should
9 have been known, to be so great as to make it highly probable
10 that harm would follow from the action or omission.

11 (10) The members of the agency in office on December
12 31, 1997, shall continue in office as the directors of the
13 corporation without further act of the Governor or Senate for
14 the balance of their respective terms of office with their
15 terms being defined to have commenced as of the date of first
16 appointment for purposes of chapter 112.

17 Section 8. Section 420.505, Florida Statutes, is
18 amended to read:

19 420.505 Meetings; quorum; voting.--The powers of the
20 corporation ~~agency~~ shall be vested in the its ~~its~~ members of its
21 board of directors in office from time to time. Five members
22 of the board ~~agency~~ shall constitute a quorum for the purpose
23 of conducting its business and exercising its powers and for
24 all other purposes. Action may be taken by the board ~~agency~~
25 upon an affirmative vote of a majority of the members present,
26 provided that no action shall be taken by an affirmative vote
27 of less than four members.

28 Section 9. Section 420.506, Florida Statutes, is
29 amended to read:

30 420.506 Executive director; agents and employees.--The
31 appointment and removal of an executive director shall be by

1 the Secretary of Community Affairs, with the advice and
2 consent of the corporation's board of directors ~~agency~~. The
3 executive director shall ~~subsequently~~ employ legal and
4 technical experts and such other agents and employees,
5 permanent and temporary, as the corporation ~~agency~~ may
6 require, and shall communicate with and provide information to
7 the Legislature with respect to the corporation's activities.
8 The board is authorized, notwithstanding the provisions of s.
9 216.262, to develop and implement rules regarding the
10 employment of employees of the corporation and service
11 providers, including legal counsel. The corporation may hire
12 any individual who, as of the effective date of this act, is
13 employed by the agency. The corporation is authorized to enter
14 into a lease agreement with the Department of Management
15 Services or the Department of Community Affairs for the lease
16 of state employees from such entities, wherein an employee
17 shall retain his or her status as a state employee but shall
18 work under the direct supervision of the corporation, and
19 shall retain the right to participate in the Florida
20 Retirement System. The board of directors of the corporation
21 is entitled to establish travel procedures and guidelines for
22 employees of the corporation. The executive director's office
23 and the corporation's files and records must be located in
24 Leon County. ~~The provisions of the state personnel law~~
25 ~~contained in chapter 110 shall apply, except that no more than~~
26 ~~10 policymaking employees of the agency as determined from~~
27 ~~time to time by the agency may be exempted.~~

28 Section 10. Section 420.5061, Florida Statutes, is
29 created to read:

30 420.5061 Transfer of agency assets and
31 liabilities.--Effective January 1, 1998, all assets and

1 liabilities and rights and obligations, including any
2 outstanding contractual obligations, of the agency shall be
3 transferred to the corporation as legal successor in all
4 respects to the agency. The corporation shall thereupon become
5 obligated to the same extent as the agency under any existing
6 agreements and be entitled to any rights and remedies
7 previously afforded the agency by law or contract, including
8 specifically the rights of the agency under chapter 201 and
9 chapter 159, part VI. Effective January 1, 1998, all
10 references under Florida law to the agency are deemed to mean
11 the corporation. For purposes of s. 112.313, the corporation
12 is deemed to be a continuation of the agency, and the
13 provisions thereof are deemed to apply as if the same entity
14 remained in place. Any employees of the agency and agency
15 board members covered by s. 112.313(9)(a)6. shall continue to
16 be entitled to the exemption in that subparagraph,
17 notwithstanding being hired by the corporation or appointed as
18 board members of the corporation. Effective January 1, 1998,
19 all state property in use by the agency shall be transferred
20 to and become the property of the corporation.

21 Section 11. Section 420.507, Florida Statutes, is
22 amended to read:

23 420.507 Powers of the corporation ~~agency~~.--The
24 corporation ~~agency~~ shall have all the powers necessary or
25 convenient to carry out and effectuate the purposes and
26 provisions of this part, including the following powers which
27 are in addition to all other powers granted by other
28 provisions of this part:

29 (1) To sue and be sued, to have a seal, to alter the
30 same at pleasure and to authorize the use of a facsimile
31 thereof, and to make and execute contracts and other

1 instruments necessary or convenient to the exercise of the
2 powers of the corporation ~~agency~~.

3 (2) To undertake and carry out studies and analyses of
4 housing needs within the state and ways of meeting those
5 needs.

6 (3) To participate in federal housing assistance and
7 federal community development, insurance, and guarantee
8 programs and to agree and comply with any conditions attached
9 to federal financial assistance, including, without
10 limitation, the waiver of exemption from federal income
11 taxation on interest payable on its bonds, unless expressly
12 prohibited by this act.

13 (4) To provide for the collection and payment of fees
14 and charges, regardless of method of payment, in connection
15 with its loans, commitments, and servicing, including, but not
16 limited to, reimbursement of costs of financing by the
17 corporation ~~agency~~, service charges and insurance premiums as
18 the corporation ~~agency~~ shall determine to be reasonable and as
19 shall be approved by the corporation ~~agency~~. The fees and
20 charges may be paid directly by the borrower to the insurer,
21 lender, or servicing agent or may be deducted from the
22 interest collected by such insurer, lender, or servicing
23 agent.

24 (5) To acquire real and personal property or any
25 interest therein when such acquisition is necessary or
26 appropriate to protect any loan or to participate in any
27 program in which the corporation ~~agency~~ has an interest; to
28 sell, transfer, and convey any such property to a buyer
29 without regard to the provisions of chapters 253 and 270; and,
30 in the event that such sale, transfer, or conveyance cannot be
31

1 effected with reasonable promptness or at a reasonable price,
2 to lease such property for occupancy ~~by eligible persons~~.
3 (6) To borrow money through the issuance of bonds or
4 from the Federal Home Loan Bank or Rural Housing Services of
5 the United States Department of Agriculture for the purposes
6 provided in this part, to provide for and secure the payment
7 thereof, and to provide for the rights of the holders thereof.
8 (7) To purchase bonds of the corporation ~~agency~~ out of
9 any funds or moneys of the corporation ~~agency~~ available
10 therefor and to hold, cancel, or resell such bonds.
11 (8) To invest any funds held in reserves or sinking
12 funds, or any funds not required for immediate disbursement,
13 in such investments as may be authorized for trust funds under
14 s. 215.47 and in any authorized investments, provided such
15 investments will be made on behalf of the corporation ~~agency~~
16 by the State Board of Administration or by another trustee
17 appointed for that purpose.
18 (9) To set standards for residential housing financed
19 by the corporation ~~agency~~ under this chapter and to provide
20 for inspections to determine compliance with those standards.
21 (10) To contract for and to accept gifts, grants,
22 loans, or other aid from the United States Government or any
23 person or corporation.
24 (11) To insure and procure insurance against any loss
25 in connection with any bonds of the corporation ~~agency~~ and the
26 ~~corporation's~~ ~~agency's~~ operations or property, including
27 without limitation:
28 (a) The repayment of any loans to mortgage lenders or
29 mortgage loans.
30 (b) Any project.
31

1 (c) Any bonds of the corporation ~~agency~~, in such
2 amounts and from such insurers, including the Federal
3 Government, as it may deem necessary or desirable, and to pay
4 any premiums therefor.

5 (12) To make rules necessary to carry out the purposes
6 of this part and to exercise any power granted in this part
7 pursuant to the provisions of chapter 120.

8 (13) To engage the services of private consultants on
9 a contract basis for rendering professional and technical
10 assistance and advice.

11 (14) To make additional conditions respecting the
12 grant of loans or mortgage loans pursuant to this part,
13 including, without limitation, the regulation of eligible
14 persons and the admission of tenants and other occupants or
15 users of projects and residential housing, and to enter into
16 regulatory and other agreements and contracts under the
17 provisions of this part.

18 (15) To institute any action or proceeding against any
19 eligible person or sponsor receiving a loan or owning any
20 residential housing financed under the provisions of this part
21 in any court of competent jurisdiction to enforce the
22 provisions of this part or the terms and provisions of any
23 agreement or contract between the corporation ~~agency~~ and such
24 person and, in connection with any such action or proceeding,
25 to apply for and accept the appointment, by a court of
26 competent jurisdiction, of a receiver to take over, manage,
27 operate, and maintain such residential housing.

28 (16) To procure or require the procurement of a policy
29 or policies of group life insurance or disability insurance,
30 or both, to insure repayment of mortgage loans for residential
31 housing in the event of the death or disability of the

1 eligible person or persons liable therefor, and to pay any
2 premiums therefor.

3 (17) To renegotiate any mortgage loan or any purchase
4 agreement with a borrower ~~or loan to a lending institution~~ in
5 default; to waive any default or consent to the modification
6 of the terms of any mortgage loan or any purchase agreement
7 ~~with or loan to a lending institution~~; and to commence,
8 prosecute, and enforce a judgment in any action or proceeding
9 to protect or enforce any right conferred upon it by law,
10 mortgage loan, loan agreement or purchase agreement ~~with a~~
11 ~~lending institution~~, contract, or other agreement, including
12 without limitation foreclosure of the security interest on the
13 property securing such a mortgage loan ~~or loan to a lending~~
14 ~~institution~~; provided that any such action or proceeding shall
15 be brought in the name of the entity servicing the mortgage
16 loan on behalf of the corporation ~~agency~~ and not in the name
17 of the corporation ~~agency~~, and in connection with any such
18 proceeding, to bid for and purchase the property or acquire or
19 take possession thereof and, in such event, complete,
20 administer, pay the principal of and interest on any
21 obligations incurred in connection with the property and
22 dispose of and otherwise deal with the property in such manner
23 as the corporation ~~agency~~ may deem advisable to protect its
24 interests therein.

25 (18) To make and execute contracts for the
26 administration, servicing, or collection of any mortgage loan
27 or loan agreement or purchase agreement with a mortgage lender
28 or servicing agent for the duration of the loan or agreement
29 and pay the reasonable value of services rendered to the
30 corporation ~~agency~~ pursuant to such contracts. The fees and
31 charges for such services may be paid directly by the borrower

1 to the lender or servicing agent or may be deducted from the
2 interest collected by such lender or servicing agent.

3 (19) To fix, revise from time to time, charge, and
4 collect fees and other charges in connection with the making
5 of mortgage loans ~~and loans to mortgage lenders~~, the
6 purchasing of mortgage loans, and any other services rendered
7 by the corporation ~~agency~~.

8 (20) To make and execute agreements, contracts, and
9 other instruments necessary or convenient in the exercise of
10 the powers and functions of the corporation ~~agency~~ under this
11 part, including contracts with any person, firm, corporation,
12 local government, or other entity; and all local governments
13 established under the laws of the state are hereby authorized
14 to enter into and do all things necessary to perform such
15 contracts and otherwise cooperate with the corporation ~~agency~~
16 to facilitate the accomplishment of the purposes of this part.

17 (21) Review all reverse mortgage provisions proposed
18 to be used by an individual lender or a consortium to
19 determine that such provisions are consistent with the
20 purposes and intent of this act. If the corporation ~~agency~~
21 finds that the provisions are consistent, it shall approve
22 those provisions. If the corporation ~~agency~~ finds that the
23 provisions are inconsistent, it shall state its objections and
24 give the parties an opportunity to amend the provisions to
25 overcome such objections. In approving these provisions, the
26 corporation ~~agency~~ must determine:

27 (a) That the mortgagee is either licensed pursuant to
28 ss. 494.006-494.0077 or specifically exempt from ss.
29 494.006-494.0077.

30 (b) That the mortgagee has sufficient resources to
31 finance such mortgages.

1 (22) To develop and administer the State Apartment
2 Incentive Loan Program. In developing and administering that
3 program, the corporation ~~agency~~ may:

4 (a) Make first, second, and other subordinated
5 mortgage loans including variable or fixed rate loans subject
6 to contingent interest. The corporation ~~agency~~ shall make
7 loans exceeding 25 percent of project cost available only to
8 nonprofit organizations and public bodies which are able to
9 secure grants, donations of land, or contributions from other
10 sources and to projects meeting the criteria of subparagraph
11 1. Mortgage loans shall be made available at the following
12 rates of interest:

13 1. Zero to 3 percent interest for sponsors of projects
14 that maintain an 80 percent occupancy of residents qualifying
15 as farmworkers as defined in s. 420.306(7) over the life of
16 the loan.

17 2. Three to 9 percent interest for sponsors of
18 projects targeted at populations other than farmworkers.

19 (b) Geographically and demographically target the
20 utilization of loans.

21 (c) Underwrite credit, and reject projects which do
22 not meet the established standards of the corporation ~~agency~~.

23 (d) Negotiate with governing bodies within the state
24 after a loan has been awarded to obtain local government
25 contributions.

26 (e) Inspect any records of a sponsor at any time
27 during the life of the loan or the agreed period for
28 maintaining the provisions of s. 420.5087.

29 (f) Establish, by rule, the procedure for evaluating,
30 scoring, and competitively ranking all applications based on
31 the criteria set forth in s. 420.5087(6)(c); determining

1 actual loan amounts; making and servicing loans; and
2 exercising the powers authorized in this subsection.

3 (g) Establish a loan loss insurance reserve to be used
4 to protect the outstanding program investment in case of a
5 default, deed in lieu of foreclosure, or foreclosure of a
6 program loan.

7 (23) To develop and administer the Florida
8 Homeownership Assistance Program. In developing and
9 administering the program, the corporation ~~agency~~ may:

10 (a)1. Make subordinated loans to eligible borrowers
11 for down payments or closing costs related to the purchase of
12 the borrower's primary residence.

13 2. Make permanent loans to eligible borrowers related
14 to the purchase of the borrower's primary residence.

15 3. Make subordinated loans to nonprofit sponsors or
16 developers of housing for construction financing of housing to
17 be offered for sale to eligible borrowers as a primary
18 residence at an affordable price.

19 (b) Establish a loan loss insurance reserve to
20 supplement existing sources of mortgage insurance with
21 appropriated funds.

22 (c) Geographically and demographically target the
23 utilization of loans.

24 (d) Defer repayment of loans for the term of the first
25 mortgage.

26 (e) Establish flexible terms for loans with an
27 interest rate not to exceed 3 percent per annum and which are
28 nonamortizing for the term of the first mortgage.

29 (f) Require repayment of loans upon sale, transfer,
30 refinancing, or rental of secured property.

31

1 (g) Accelerate a loan for monetary default, for
2 failure to provide the benefits of the loans to eligible
3 borrowers, or for violation of any other restriction placed
4 upon the loan.

5 (h) Adopt rules for the program and exercise the
6 powers authorized in this subsection.

7 (24) To do any and all things necessary or convenient
8 to carry out the purposes of, and exercise the powers given
9 and granted in, this part.

10 (25) To develop and administer the Florida Affordable
11 Housing Guarantee Program. In developing and administering
12 the program, the corporation ~~agency~~ may:

13 (a) Develop criteria for determining the priority for
14 expending the moneys in the State Housing Trust Fund.

15 (b) Select affordable housing debt to be guaranteed or
16 additionally secured by amounts on deposit in the Affordable
17 Housing Guarantee ~~Trust~~ Fund.

18 (c) Adopt rules for the program and exercise the
19 powers authorized in this subsection.

20 (26) To develop and administer the Predevelopment Loan
21 Program. In developing and administering the program, the
22 corporation ~~agency~~ may make loans and grants as provided in
23 ss. 420.521-420.529.

24 (27) Notwithstanding the provisions of part I of
25 chapter 287, to establish guidelines for and to implement the
26 purchase and procurement of materials for use by the
27 corporation.

28 (28) To expend amounts advanced from the State Housing
29 Trust Fund for the purposes of this part.

30
31

1 (29) To own real and personal property for the
2 purposes of this part and to sell the property without regard
3 to the provisions of chapters 253 and 270.

4 (30) To prepare and submit to the secretary of the
5 department a budget request for purposes of the corporation,
6 which request shall, notwithstanding the provisions of chapter
7 216 and in accordance with s. 216.351, contain a request for
8 operational expenditures and separate requests for other
9 authorized corporation programs, each of which shall be
10 classified as a special category appropriation. The request
11 shall not be required to contain information on the number of
12 employees, salaries, or any classification thereof, and the
13 approved operating budget therefor need not comply with s.
14 216.181(7)-(9). The secretary is authorized to include within
15 the department's budget request the corporation's budget
16 request in the form as authorized by this section.

17 (31) Notwithstanding the provisions of s. 216.301, to
18 retain any unused operational expenditure appropriation for
19 other lawful purposes of the corporation.

20 (32) To pay pensions and establish pension plans,
21 pension trusts, and benefit and incentive plans for any and
22 all of its current or former employees and agents.

23 (33) To receive federal funding in connection with the
24 corporation's programs directly from the Federal Government.

25 (34) To appoint an inspector general to perform the
26 functions set forth in s. 20.055. The corporation shall be
27 deemed an agency for purposes of s. 20.055.

28 Section 12. Section 420.508, Florida Statutes, 1996
29 Supplement, is amended to read:

30
31

1 420.508 Special powers; multifamily and single family
2 projects mortgages and loans to lenders.--The corporation
3 agency shall have the special power to:

4 (1)(a) Purchase or take assignments of, and enter into
5 commitments to purchase or to take assignments of, mortgage
6 loans and promissory notes accompanying such mortgage loans
7 (including participations therein) from lending institutions
8 acting as a principal or as an agent of the corporation
9 agency; provided, at or before the time of any such purchase
10 or assignment, each lending institution shall represent and
11 warrant to, and covenant with, the corporation agency with
12 respect to each mortgage loan to be so purchased or assigned
13 or in which the corporation agency is to purchase a
14 participation that:

15 1. The unpaid principal balance of the mortgage loan
16 and the interest rate thereon have been accurately stated to
17 the corporation agency;

18 2. The amount of the unpaid principal balance is
19 justly due and owing;

20 3. The lending institution has no notice of the
21 existence of any counterclaim, offset, or defense asserted by
22 the mortgagor or his successor in interest;

23 4. The mortgage loan is evidenced by a duly executed
24 promissory note and a duly executed mortgage which has been
25 properly recorded with the appropriate public official;

26 5. The mortgage constitutes a valid first lien on the
27 real property described to the corporation authority, subject
28 only to such title exceptions as are specifically described to
29 the corporation agency and as are acceptable to the
30 corporation agency;

31

1 6. The mortgagor is not in default in the payment of
2 any installment of principal or interest, escrow funds, real
3 property taxes, or otherwise in the performance of his
4 obligations under the mortgage documents;

5 7. The improvements to the mortgaged real property are
6 covered by a valid and subsisting policy of insurance issued
7 by a company authorized to issue such policies in the state
8 and providing fire and extended coverage in such amounts as
9 the corporation ~~agency~~ may prescribe by rule;

10 8. The mortgage loan meets the prevailing investment
11 quality standards for such mortgage loans in the state; and

12 9. Either:

13 a. The mortgage loan was originated after such date as
14 the corporation ~~agency~~ shall have specified, for the purpose
15 of selling or assigning such mortgage loan or a participation
16 therein to the corporation ~~agency~~, and was made to an eligible
17 person to finance the construction, purchase, or refinancing
18 of residential housing for occupancy by one to four families,
19 all of whom are eligible persons and one of whom is the
20 mortgagor; or

21 b. An amount at least equal to the aggregate proceeds
22 received by the lending institution upon the sale or
23 assignment will be invested by the lending institution in new
24 mortgage loans originated after such date as the corporation
25 ~~agency~~ shall specify and will be made to eligible persons to
26 finance the construction, purchase, or refinancing of
27 residential housing for occupancy by one to four families, all
28 of whom are eligible persons and one of whom is the mortgagor.

29 (b) Provide, as a condition of any such purchase,
30 that:

31

1 1. Each lending institution shall submit evidence
2 satisfactory to the corporation ~~agency~~ of the making of the
3 new mortgage loans to eligible persons and, in connection
4 therewith, shall permit the corporation ~~agency~~, through its
5 members, employees, and agents, to inspect the books and
6 records of the lending institution; and

7 2. Each lending institution shall be liable to the
8 corporation ~~agency~~ for any damage suffered by the corporation
9 ~~agency~~ by reason of the untruth of any representation or the
10 breach of any warranty or covenant and, in the event that any
11 representation shall prove to be untrue when made or in the
12 event of any breach of warranty or covenant, the lending
13 institution shall, at the option of the corporation ~~agency~~,
14 repurchase the mortgage loan for the original purchase price
15 adjusted for amounts subsequently paid thereon, as the
16 corporation ~~agency~~ may determine.

17 (c) Make and enter into contracts and agreements with
18 lending institutions for the servicing and processing of
19 mortgage loans purchased by the corporation ~~agency~~ pursuant to
20 this section.

21 (d) Sell, at public or private sale, with or without
22 public biddings, any mortgage or other obligation held by the
23 corporation ~~agency~~.

24 (2)(a) Make loans to lending institutions and purchase
25 from lending institutions obligations issued by such lending
26 institutions and secured by mortgages on residential housing
27 or projects, upon such terms and conditions as the corporation
28 ~~agency~~ may determine, which at a minimum shall include a
29 requirement that an amount at least equal to the proceeds
30 thereof be invested in new mortgage loans originated after
31 such date as the corporation ~~agency~~ shall specify and be made

1 to eligible persons to finance the construction, purchase, or
2 refinancing of residential housing for occupancy by one to
3 four families, all of whom are eligible persons and one of
4 whom is the mortgagor, or be made to sponsors to finance the
5 construction, purchase, or refinancing of projects for tenancy
6 by eligible persons; however, under no circumstances shall any
7 loan or mortgage be made for a term which is longer than the
8 term of the bond, debenture, or note, the proceeds from which
9 have funded the mortgage or loan.

10 (b) Require that loans to, or obligations purchased
11 from, lending institutions shall be additionally secured as to
12 payment of both principal and interest by a pledge of and lien
13 upon collateral security in such amounts and consisting of
14 such obligations, securities, and mortgage loans as the
15 corporation State Board of Administration shall by resolution
16 determine to be necessary to assure the payment of such loans
17 or securities purchased and the interest thereon as the same
18 become due; ~~provided that in no event shall the fair market~~
19 ~~value of the collateral security be less than 100 percent of~~
20 ~~the principal amount of the outstanding loan or obligation, as~~
21 ~~determined at such time or times, but no less frequently than~~
22 ~~annually, as the State Board of Administration shall specify.~~
23 ~~The State Board of Administration may require in the case of~~
24 ~~any or all lending institutions that any required collateral~~
25 ~~security be lodged with a bank or trust company, located~~
26 ~~either within or outside the state, designated by the agency~~
27 ~~as custodian therefor. In the absence of such a requirement,~~
28 ~~a lending institution shall, if collateral is to be provided~~
29 ~~for the loan or obligation purchased, upon receipt of the~~
30 ~~proceeds from the agency, enter into an agreement with the~~
31 ~~agency containing such provisions as the State Board of~~

1 ~~Administration shall deem necessary to adequately identify and~~
2 ~~maintain such collateral and service the same and shall~~
3 ~~provide that the lending institution shall hold the collateral~~
4 ~~as an agent for the agency and shall be held accountable as~~
5 ~~the trustee of an express trust for the application and~~
6 ~~disposition thereof and the income therefrom solely to the~~
7 ~~uses and purposes in accordance with the provisions of the~~
8 ~~agreement. A copy of each agreement and any revisions or~~
9 ~~supplements thereto shall be filed with the Secretary of State~~
10 ~~and no further filing or other action under chapter 679,~~
11 ~~entitled the Uniform Commercial Code-Secured Transactions, or~~
12 ~~any other law of the state shall be required to perfect the~~
13 ~~security interest of the agency in the collateral or any~~
14 ~~additions thereto or substitutions therefor. The lien and~~
15 ~~trust so created for the benefit of the agency shall be~~
16 ~~binding from and after the time made as against all parties~~
17 ~~having claims of any kind in tort, contract, or otherwise~~
18 ~~against the lending institution. No loan to a lending~~
19 ~~institution shall be made and no obligation issued by a~~
20 ~~lending institution shall be purchased unless the institution~~
21 ~~shall have certified to the agency that the payment of~~
22 ~~principal and interest due on the collateral security which~~
23 ~~shall secure such loan or obligation shall be sufficient to~~
24 ~~amortize principal and pay interest on the loan or obligation~~
25 ~~secured by the collateral. The agency or the State Board of~~
26 ~~Administration may also establish such additional requirements~~
27 ~~as shall be deemed necessary with respect to the pledging,~~
28 ~~assigning, setting aside, or holding of the collateral~~
29 ~~security, the making of substitutions therefor or additions~~
30 ~~thereto, and the disposition of income and receipts therefrom.~~
31

1 (c) Collect, enforce the collection of, and foreclose
2 on any collateral security securing a loan made to, or an
3 obligation purchased from, a lending institution and acquire
4 or take possession of such collateral and sell the same at
5 public or private sale, with or without public bidding, and
6 otherwise deal with such collateral as may be necessary to
7 protect the interest of the corporation ~~agency~~ therein, all
8 subject to any agreement with the bondholders.

9 (d) Provide, as a condition of any such loan or
10 purchase, that:

11 1. Each lending institution submit evidence
12 satisfactory to the corporation ~~agency~~ of the making of the
13 new mortgage loans to eligible persons or to sponsors to
14 finance projects for tenancy by eligible persons and, in
15 connection therewith, permit the corporation ~~agency~~, through
16 its members, employees, and agents, to inspect the books and
17 records of such lending institution; and

18 2. Each lending institution be liable to the
19 corporation ~~agency~~ for any damages suffered by the corporation
20 ~~agency~~ by reason of the untruth of any representation or the
21 breach of any warranty or covenant made in connection with any
22 such loan or purchase.

23 (e) Adopt, modify, or repeal any additional conditions
24 governing the making of loans to, or purchasing of obligations
25 from, lending institutions and the application of the proceeds
26 thereof.

27 (3)(a) Make and participate in the making of, and
28 contract to make or participate in the making of, mortgage
29 loans for permanent or construction financing to sponsors for
30 the purposes of financing development costs of projects,
31

1 provided each mortgage loan for a project made by the
2 corporation ~~agency~~ shall:

3 1. Be evidenced by a properly executed note or other
4 evidence of indebtedness and be secured by a properly recorded
5 mortgage;

6 2. Provide for ~~regular~~ amortization to pay the
7 mortgage loan in full not later than the expiration of the
8 useful life of the property financed with the proceeds of the
9 mortgage loan as determined by the corporation ~~agency~~, and in
10 any event not later than 45 years from the date of the
11 mortgage loan;

12 3. Not exceed such percentage of the development costs
13 as the corporation ~~agency~~ may determine pursuant to rule and,
14 in any event, not more than 95 percent of the development
15 costs;

16 4. If the mortgage loan is to provide financing for
17 the construction of a project, have each advance thereof
18 secured, insured, or guaranteed in such manner as the
19 corporation ~~agency~~ determines will reasonably protect its
20 interests and those of the bondholders, ~~provided the bonds~~
21 ~~issued to fund or finance such loan are rated by a nationally~~
22 ~~recognized rating service in any one of the three highest~~
23 ~~classifications, which rating services and classifications are~~
24 ~~determined pursuant to rules adopted by the State Board of~~
25 ~~Administration under s. 215.84(3), unless the bonds are~~
26 ~~privately placed through a negotiated sale as authorized in s.~~
27 ~~409.509(7)(a); however, under no circumstances shall any loan~~
28 ~~or mortgage be made for a term which is longer than the term~~
29 ~~of the bond, debenture, or note, the proceeds from which have~~
30 ~~funded the mortgage or loan;~~
31

1 5. Have the initial review, approval, and origination
2 process accomplished by a lending institution in accordance
3 with such procedure as the corporation ~~agency~~ may prescribe,
4 which lending institution shall be paid such fees and charges
5 for its services as the corporation ~~agency~~ may determine; and

6 6. Be serviced by such lending institution or other
7 private entity engaged in the business of servicing mortgage
8 loans in the state as the corporation ~~agency~~ shall approve in
9 accordance with such procedures as the corporation ~~agency~~ may
10 prescribe, which servicer shall be paid such fees and charges
11 for its services as the agency may determine.

12 (b) Make the following determinations, which must be
13 made before the corporation ~~agency~~ may make a mortgage loan to
14 ~~a sponsor~~ for a project:

15 1. That a significant number of low-income,
16 moderate-income, or middle-income persons in the local
17 government in which the project is to be located, or in an
18 area reasonably accessible thereto, are subject to hardship in
19 finding adequate, safe, and sanitary housing;

20 2. That private enterprise, unaided, is not meeting,
21 and cannot reasonably be expected to meet, the need for such
22 housing; and

23 3. That the need for such housing will be alleviated
24 by providing the project.

25 (c) Adopt and from time to time modify or repeal rules
26 for governing the making of and participation in loans to
27 sponsors for projects to implement the powers authorized, and
28 to achieve the purposes set forth, in this part.

29 (4) Sell, transfer, or otherwise encumber any loan
30 made pursuant to this part.

31

1 (5) Establish with a qualified depository meeting the
2 requirements of chapter 280, a separate fund to be known as
3 the "Florida Housing Finance Corporation Fund," to be
4 administered by the corporation in accordance with the
5 purposes of this chapter. All fees collected by the
6 corporation directly from the Federal Government for
7 administration of the United States Department of Housing and
8 Urban Development Section 8 housing program, all annual
9 administrative fees collected by trustees for bond programs
10 and remitted to the corporation, all expense fees related to
11 costs of bond issuance collected by trustees and remitted to
12 the corporation, and all tax credit program fees must be
13 deposited into the fund. The fund shall be utilized for the
14 purposes of the corporation, including payment of
15 administrative expenses. Effective January 1, 1998, all
16 amounts held in the Housing Finance Agency Trust Fund
17 established pursuant to state law must be transferred to the
18 corporation for deposit in the Florida Housing Finance
19 Corporation Fund, whereupon the Housing Finance Agency Trust
20 Fund must be closed. Expenditures from the Florida Housing
21 Finance Corporation Fund shall not be required to be included
22 in the corporation's budget request or be subject to
23 appropriation by the Legislature.

24 Section 13. Section 420.5087, Florida Statutes, is
25 amended to read:

26 420.5087 State Apartment Incentive Loan
27 Program.--There is hereby created the State Apartment
28 Incentive Loan Program for the purpose of providing first,
29 second, or other subordinated mortgage loans or loan
30 guarantees to sponsors, including for-profit, nonprofit, and
31

1 public entities, to provide housing affordable to
2 very-low-income persons.

3 (1) Program funds shall be distributed over successive
4 3-year periods in a manner that meets the need and demand for
5 very-low-income housing throughout the state. That need and
6 demand must be determined by using the most recent statewide
7 low-income rental housing market studies available at the
8 beginning of each 3-year period. However, at least 10 percent
9 of the program funds distributed during a 3-year period must
10 be allocated to each of the following categories of counties,
11 as determined by using the population statistics published in
12 the most recent edition of the Florida Statistical Abstract:

13 (a) Counties that have a population of more than
14 500,000 people;

15 (b) Counties that have a population between 100,000
16 and 500,000 people; and

17 (c) Counties that have a population of 100,000 or
18 less.

19
20 Any increase in funding required to reach the 10-percent
21 minimum shall be taken from the county category that has the
22 largest allocation.

23 (2) The corporation ~~agency~~ shall have the power to
24 underwrite and make state apartment incentive loans or loan
25 guarantees to sponsors, provided:

26 (a) The sponsor uses tax-exempt financing for the
27 first mortgage and at least 20 percent of the units in the
28 project are set aside for persons or families who have incomes
29 which meet the income eligibility requirements of s. 8 of the
30 United States Housing Act of 1937, as amended;

31

1 (b) The sponsor uses taxable financing for the first
2 mortgage and at least 20 percent of the units in the project
3 are set aside for persons or families who have incomes below
4 50 percent of the state or local median income, whichever is
5 higher, which shall be adjusted by the corporation ~~agency~~ for
6 family size; or

7 (c) The sponsor uses the federal low-income housing
8 tax credit, and the project meets the tenant income
9 eligibility requirements of s. 42 of the Internal Revenue Code
10 of 1986, as amended.

11
12 This subsection does not prohibit a tenant from qualifying
13 under the income eligibility criteria of paragraph (a),
14 paragraph (b), or paragraph (c) due to the tenant's
15 participation in a job training program approved by the
16 corporation ~~agency~~. Compliance with the provisions of this
17 subsection must be contractually provided for the term of the
18 loan or 12 years, whichever is longer; however, this
19 subsection does not apply to loans made to housing communities
20 for the elderly to provide for lifesafety, building
21 preservation, health, sanitation, or security-related repairs
22 or improvements. Such loans shall be subject to tenant income
23 criteria established by corporation ~~agency~~ rule.

24 (3) During the first 6 months of loan or loan
25 guarantee availability, program funds shall be reserved for
26 use by sponsors who provide the housing set-aside required in
27 subsection (2) for tenants in the three tenant groups
28 designated in this subsection. The reservation of funds to
29 each of these groups shall be determined using the most recent
30 statewide very-low-income rental housing market study
31 available at the time of publication of each notice of fund

1 availability required by paragraph (6)(b). The reservation of
2 funds within each notice of fund availability to the three
3 tenant groups designated in this subsection may not be less
4 than 10 percent of the funds available at that time. Any
5 increase in funding required to reach the 10-percent minimum
6 shall be taken from the tenant group that has the largest
7 reservation. The three tenant groups are:

8 (a) Commercial fishing workers and farmworkers;
9 (b) Families; and
10 (c)1. Elderly persons.

11 2. Ten percent of the amount reserved pursuant to
12 subparagraph 1. shall be reserved to provide loans to sponsors
13 of housing for the elderly, as defined in s. 420.503, for the
14 purpose of making building preservation, health, or sanitation
15 repairs or improvements which are required by federal, state,
16 or local regulation or code, or lifesafety or security-related
17 repairs or improvements to such housing. A loan for a
18 lifesafety, building preservation, health, sanitation, or
19 security-related repair or improvement may not exceed \$200,000
20 per housing community for the elderly. In order to receive
21 the loan, the sponsor of the housing community for the elderly
22 must make a commitment to match at least 15 percent of the
23 loan amount to pay the cost of such repair or improvement.
24 The corporation ~~agency~~ shall establish the rate of interest on
25 the loan, which may not exceed 3 percent, and the term of the
26 loan, which may not exceed 15 years. The term of the loan
27 shall be established on the basis of a credit analysis of the
28 applicant. The corporation ~~agency~~ shall establish, by rule,
29 the procedure and criteria for receiving, evaluating, and
30 competitively ranking all applications for loans under this
31 subparagraph. A loan application must include evidence of the

1 first mortgagee's having reviewed and approved the sponsor's
2 intent to apply for a loan. A nonprofit organization or
3 sponsor may not use the proceeds of a loan received pursuant
4 to this subparagraph to pay for administrative costs, routine
5 maintenance, or new construction.

6 (4) Loans shall be in an amount not to exceed the
7 lesser of 25 percent of the total project cost or the minimum
8 amount required to make the project economically feasible;
9 however, loans exceeding 25 percent of project cost may be
10 made as provided in s. 420.507.

11 (5) The amount of the mortgage provided under this
12 program combined with any other mortgage in a superior
13 position shall be less than the value of the project without
14 the housing set-aside required by subsection (2).

15 (6) On all state apartment incentive loans, except
16 loans made to housing communities for the elderly to provide
17 for lifesafety, building preservation, health, sanitation, or
18 security-related repairs or improvements, the following
19 provisions shall apply:

20 (a) The corporation ~~agency~~ shall establish two
21 interest rates in accordance with s. 420.507(22)(a)1. and 2.

22 (b) The corporation ~~agency~~ shall publish a notice of
23 fund availability in a publication of general circulation
24 throughout the state. Such notice shall be published at least
25 60 days prior to the application deadline and shall provide
26 notice of the temporary reservations of funds established in
27 subsection (3).

28 (c) ~~In consultation with the department, The~~
29 corporation ~~agency~~ shall provide by rule for the establishment
30 of a review committee composed of the department and
31 corporation ~~agency~~ staff and shall establish by rule a scoring

1 system for evaluation and competitive ranking of applications
2 submitted in this program, including, but not limited to, the
3 following criteria:

- 4 1. Tenant income and demographic targeting objectives
5 of the corporation ~~agency~~.
- 6 2. Targeting objectives of the corporation ~~agency~~
7 which will ensure an equitable distribution of loans between
8 rural and urban areas.
- 9 3. Sponsor's agreement to reserve the units for
10 persons or families who have incomes below 50 percent of the
11 state or local median income, whichever is higher, for a time
12 period to exceed the minimum required by federal law or the
13 provisions of this part.
- 14 4. Sponsor's agreement to reserve more than:
 - 15 a. Twenty percent of the units in the project for
16 persons or families who have incomes that do not exceed 50
17 percent of the state or local median income, whichever is
18 higher; or
 - 19 b. Forty percent of the units in the project for
20 persons or families who have incomes that do not exceed 60
21 percent of the state or local median income, whichever is
22 higher, without requiring a greater amount of the loans as
23 provided in this section.
- 24 5. Provision for tenant counseling.
- 25 6. Sponsor's agreement to accept rental assistance
26 certificates or vouchers as payment for rent; however, when
27 certificates or vouchers are accepted as payment for rent on
28 units set aside pursuant to subsection (2), the benefit must
29 be divided between the corporation ~~agency~~ and the sponsor, as
30 provided by corporation ~~agency~~ rule.

31

1 7. Projects requiring the least amount of a state
2 apartment incentive loan compared to overall project cost.

3 8. Local government contributions and local government
4 comprehensive planning and activities that promote affordable
5 housing.

6 9. Project feasibility.

7 10. Economic viability of the project.

8 11. Commitment of first mortgage financing.

9 12. Sponsor's prior experience.

10 13. Sponsor's ability to proceed with construction.

11 14. Projects that directly implement or assist
12 welfare-to-work transitioning.

13 (d) The corporation ~~agency~~ may reject any and all
14 applications.

15 (e) The corporation ~~agency~~ may approve and reject
16 applications for the purpose of achieving geographic
17 targeting.

18 (f) The review committee established by corporation
19 ~~agency~~ rule pursuant to this subsection shall make
20 recommendations to the board of directors of the corporation
21 ~~Housing Finance Agency Board~~ regarding program participation
22 under the State Apartment Incentive Loan Program. The
23 corporation ~~agency~~ board shall make the final ranking and the
24 decisions regarding which applicants shall become program
25 participants based on the scores received in the competitive
26 ranking, further review of applications, and the
27 recommendations of the review committee. The corporation
28 ~~agency~~ board shall approve or reject applications for loans
29 and shall determine the tentative loan amount available to
30 each applicant selected for participation in the program. The
31

1 actual loan amount shall be determined pursuant to rule
2 adopted pursuant to s. 420.507(22)(f).

3 (g) The loan term shall be for a period of not more
4 than 15 years; however, if both a program loan and federal
5 low-income housing tax credits are to be used to assist a
6 project, the corporation ~~agency~~ may set the loan term for a
7 period commensurate with the investment requirements
8 associated with the tax credit syndication. The term of the
9 loan may also exceed 15 years if necessary to conform to
10 requirements of the Federal National Mortgage Association.
11 The corporation ~~agency~~ may renegotiate and extend the loan in
12 order to extend the availability of housing for the targeted
13 population. The term of a loan may not extend beyond the
14 period for which the sponsor agrees to provide the housing
15 set-aside required by subsection (2).

16 (h) The loan shall be subject to sale, transfer, or
17 refinancing. However, all requirements and conditions of the
18 loan shall remain following sale, transfer, or refinancing.

19 (i) The discrimination provisions of s. 420.516 shall
20 apply to all loans.

21 (j) The corporation ~~agency~~ may require units dedicated
22 for the elderly.

23 (k) Rent controls shall not be allowed on any project
24 except as required in conjunction with the issuance of
25 tax-exempt bonds or federal low-income housing tax credits.

26 (l) The proceeds of all loans shall be used for new
27 construction or substantial rehabilitation which creates
28 affordable, safe, and sanitary housing units.

29 (m) Sponsors shall annually certify the adjusted gross
30 income of all persons or families qualified under subsection
31 (2) at the time of initial occupancy, who are residing in a

1 project funded by this program. All persons or families
2 qualified under subsection (2) may continue to qualify under
3 subsection (2) in a project funded by this program if the
4 adjusted gross income of those persons or families at the time
5 of annual recertification meets the requirements established
6 in s. 142(d)(3)(B) of the Internal Revenue Code of 1986, as
7 amended. If the annual recertification of persons or families
8 qualifying under subsection (2) results in noncompliance with
9 income occupancy requirements, the next available unit must be
10 rented to a person or family qualifying under subsection (2)
11 in order to ensure continuing compliance of the project.

12 (n) Upon submission and approval of a marketing plan
13 which demonstrates a good faith effort of a sponsor to rent a
14 unit or units to persons or families reserved under subsection
15 (3) and qualified under subsection (2), the sponsor may rent
16 such unit or units to any person or family qualified under
17 subsection (2) notwithstanding the reservation.

18 (o) Sponsors may participate in federal mortgage
19 insurance programs and must abide by the requirements of those
20 programs. If a conflict occurs between the requirements of
21 federal mortgage insurance programs and the requirements of
22 this section, the requirements of federal mortgage insurance
23 programs shall take precedence.

24 (7) There is authorized to be established by the
25 corporation with a qualified public depository meeting the
26 requirements of chapter 280 established in the State Treasury
27 a separate ~~trust~~ fund to be named the "State Apartment
28 Incentive Loan ~~Trust~~ Fund," which shall be administered by the
29 corporation ~~agency~~ according to the provisions of this
30 program. Any amounts held in the State Apartment Incentive
31 Loan Trust Fund for such purpose as of January 1, 1998, must

1 be transferred to the corporation for deposit in the State
2 Apartment Incentive Loan Fund and the State Apartment
3 Incentive Loan Trust Fund must be closed. There shall be
4 deposited into the fund moneys from the State Housing Trust
5 Fund as created by s. 420.0005, or moneys received from any
6 other source, for the purpose of this program and all proceeds
7 derived from the use of such moneys. In addition, all loan
8 repayments, proceeds from the sale of any property, and any
9 other proceeds that would otherwise accrue pursuant to the
10 activities conducted under the provisions of the State
11 Apartment Incentive Loan Program shall be deposited in the
12 fund and shall not revert to the General Revenue Fund.
13 Expenditures from the State Apartment Incentive Loan Fund
14 shall not be required to be included in the corporation's
15 budget request or be subject to appropriation by the
16 Legislature. If a loan commitment for program funds is
17 entered into during the state fiscal year for which the
18 program funds were appropriated, the funds shall continue to
19 be made available for use during the entire construction
20 period, even if it extends beyond the fiscal year in which the
21 loan commitment was entered. ~~The budget amendment process~~
22 ~~created in s. 216.181 shall be used to make funds available~~
23 ~~throughout the construction period.~~

24 (8) If a default on a loan occurs, the corporation
25 ~~agency~~ may foreclose on any mortgage or security interest or
26 commence any legal action to protect the interest of the
27 corporation ~~agency~~ or the fund and recover the amount of the
28 unpaid principal, accrued interest, and fees on behalf of the
29 fund. The corporation ~~agency~~ may acquire real and personal
30 property or any interest therein when that acquisition is
31 necessary or appropriate to protect any loan; to sell,

1 transfer, and convey any such property to a buyer without
2 regard to the provisions of chapters 253 and 270; and, if that
3 sale, transfer, or conveyance cannot be effected within a
4 reasonable time, to lease such property for occupancy by
5 eligible persons. All sums recovered from the sale, transfer,
6 conveyance, or lease of such property shall be deposited into
7 the State Apartment Incentive Loan ~~Trust~~ Fund. ~~The budget~~
8 ~~amendment process created in s. 216.181 shall be used to make~~
9 ~~funds available for the loan loss insurance reserve authorized~~
10 ~~in s. 420.507.~~

11 Section 14. Section 420.5088, Florida Statutes, is
12 amended to read:

13 420.5088 Florida Homeownership Assistance
14 Program.--There is created the Florida Homeownership
15 Assistance Program for the purpose of assisting low-income
16 persons in purchasing a home by reducing the cost of the home
17 with below-market construction financing, by reducing the
18 amount of down payment and closing costs paid by the borrower
19 to a maximum of 5 percent of the purchase price, or by
20 reducing the monthly payment to an affordable amount for the
21 purchaser. Loans shall be made available at an interest rate
22 that does not exceed 3 percent. The balance of any loan is due
23 at closing if the property is sold or transferred.

24 (1) For loans made available pursuant to s.
25 420.507(23)(a)1. or 2.:

26 (a) The corporation ~~agency~~ may underwrite and make
27 those mortgage loans through the program to persons or
28 families who are eligible to participate in the corporation's
29 ~~agency's~~ single-family mortgage revenue bond programs and who
30 have incomes that do not exceed 80 percent of the state or
31 local median income, whichever is greater, adjusted for family

1 size. If the corporation ~~agency~~ determines that there is
2 insufficient demand for such loans by persons or families who
3 are eligible to participate in the corporation's ~~agency's~~
4 single-family mortgage revenue bond programs, the corporation
5 ~~agency~~ may make such mortgage loans to other persons or
6 families who have incomes that do not exceed 80 percent of the
7 state or local median income, whichever amount is greater.

8 (b) Loans shall be made available for the term of the
9 first mortgage.

10 (c) Loans are limited to the lesser of 25 percent of
11 the purchase price of the home or the amount necessary to
12 enable the purchaser to meet credit underwriting criteria.

13 (2) For loans made pursuant to s. 420.507(23)(a)3.:

14 (a) Availability is limited to nonprofit sponsors or
15 developers who are selected for program participation pursuant
16 to this subsection.

17 (b) Preference must be given to community development
18 corporations as defined in s. 290.033 and to community-based
19 organizations as defined in s. 420.503.

20 (c) Priority must be given to projects that have
21 received state assistance in funding project predevelopment
22 costs.

23 (d) The benefits of making such loans shall be
24 contractually provided to the persons or families purchasing
25 homes financed under this subsection.

26 (e) At least 30 percent of the units in a project
27 financed pursuant to this subsection must be sold to persons
28 or families who have incomes that do not exceed 80 percent of
29 the state or local median income, whichever amount is greater,
30 adjusted for family size; and at least another 30 percent of
31 the units in a project financed pursuant to this subsection

1 must be sold to persons or families who have incomes that do
2 not exceed 50 percent of the state or local median income,
3 whichever amount is greater, adjusted for family size.

4 (f) The maximum loan amount may not exceed 33 percent
5 of the total project cost.

6 (g) A person who purchases a home in a project
7 financed under this subsection is eligible for a loan
8 authorized by s. 420.507(23)(a)1. or 2. in an aggregate amount
9 not exceeding the construction loan made pursuant to this
10 subsection. The home purchaser must meet all the requirements
11 for loan recipients established pursuant to the applicable
12 loan program.

13 (h) The corporation ~~agency~~ shall provide, by rule, for
14 the establishment of a review committee composed of
15 corporation ~~department and agency~~ staff and shall establish,
16 by rule, a scoring system for evaluating and ranking
17 applications submitted for construction loans under this
18 subsection, including, but not limited to, the following
19 criteria:

20 1. The affordability of the housing proposed to be
21 built.

22 2. The direct benefits of the assistance to the
23 persons who will reside in the proposed housing.

24 3. The demonstrated capacity of the applicant to carry
25 out the proposal, including the experience of the development
26 team.

27 4. The economic feasibility of the proposal.

28 5. The extent to which the applicant demonstrates
29 potential cost savings by combining the benefits of different
30 governmental programs and private initiatives, including the
31 local government contributions and local government

1 comprehensive planning and activities that promote affordable
2 housing.

3 6. The use of the least amount of program loan funds
4 compared to overall project cost.

5 7. The provision of homeownership counseling.

6 8. The applicant's agreement to exceed the
7 requirements of paragraph (e).

8 9. The commitment of first mortgage financing for the
9 balance of the construction loan and for the permanent loans
10 to the purchasers of the housing.

11 10. The applicant's ability to proceed with
12 construction.

13 11. The targeting objectives of the corporation ~~agency~~
14 which will ensure an equitable distribution of loans between
15 rural and urban areas.

16 12. The extent to which the proposal will further the
17 purposes of this program.

18 (i) The corporation ~~agency~~ may reject any and all
19 applications.

20 (j) The review committee established by corporation
21 ~~agency~~ rule pursuant to this subsection shall make
22 recommendations to the corporation ~~agency~~ board regarding
23 program participation under this subsection. The corporation
24 ~~agency~~ board shall make the final ranking for participation
25 based on the scores received in the ranking, further review of
26 the applications, and the recommendations of the review
27 committee. The corporation ~~agency~~ board shall approve or
28 reject applicants for loans and shall determine the tentative
29 loan amount available to each program participant. The final
30 loan amount shall be determined pursuant to rule adopted under
31 s. 420.507(23)(h).

1 (3) The corporation ~~agency~~ shall publish a notice of
2 fund availability in a publication of general circulation
3 throughout the state at least 60 days prior to the anticipated
4 availability of funds.

5 (4) During the first 9 months of each fiscal year:

6 (a) Sixty percent of the program funds shall be
7 reserved for use by borrowers pursuant to s. 420.507(23)(a)1.;

8 (b) Twenty percent of the program funds shall be
9 reserved for use by borrowers pursuant to s. 420.507(23)(a)2. ;
10 and

11 (c) Twenty percent of the program funds shall be
12 reserved for use by borrowers pursuant to s. 420.507(23)(a)3.

13

14 If the application of these percentages would cause the
15 reservation of program funds under paragraph (a) to be less
16 than \$1 million, the reservation for paragraph (a) shall be
17 increased to \$1 million or all available funds, whichever
18 amount is less, with the increase to be accomplished by
19 reducing the reservation for paragraph (b) and, if necessary,
20 paragraph (c).

21 (5) There is authorized to be established by the
22 corporation with a qualified public depository meeting the
23 requirements of chapter 280 ~~in the State Treasury~~ the Florida
24 Homeownership Assistance ~~Trust~~ Fund to be administered by the
25 corporation ~~agency~~ according to the provisions of this
26 program. Any amounts held in the Florida Homeownership
27 Assistance Trust Fund for such purposes as of January 1, 1998,
28 must be transferred to the corporation for deposit in the
29 Florida Homeownership Assistance Fund, whereupon the Florida
30 Homeownership Assistance Trust Fund must be closed. There
31 shall be deposited in the fund moneys from the State Housing

1 Trust Fund created by s. 420.0005, or moneys received from any
2 other source, for the purpose of this program and all proceeds
3 derived from the use of such moneys. In addition, all
4 unencumbered funds, loan repayments, proceeds from the sale of
5 any property, ~~existing funds remaining in the Affordable~~
6 ~~Housing Demonstration Loan Program and the Affordable Housing~~
7 ~~Trust Fund~~, and any other proceeds that would otherwise accrue
8 pursuant to the activities of the programs described in this
9 section funded by the Affordable Housing Trust Fund shall be
10 transferred to this fund. In addition, all loan repayments,
11 proceeds from the sale of any property, and any other proceeds
12 that would otherwise accrue pursuant to the activities
13 conducted under the provisions of the Florida Homeownership
14 Assistance Program shall be deposited in the fund and shall
15 not revert to the General Revenue Fund. Expenditures from the
16 Florida Homeownership Assistance Fund shall not be required to
17 be included in the corporation's budget request or be subject
18 to appropriation by the Legislature.

19 (6) No more than one-fifth of the funds available in
20 the Florida Homeownership Assistance ~~Trust~~ Fund may be made
21 available to provide loan loss insurance reserve funds to
22 facilitate homeownership for eligible persons ~~or families~~
23 ~~whose incomes do not exceed 120 percent of the state median~~
24 ~~income or local median income, whichever amount is higher.~~

25 Section 15. Section 420.5089, Florida Statutes, is
26 amended to read:

27 420.5089 HOME Investment Partnership Program; HOME
28 ~~trust~~ fund.--

29 (1) There is authorized to be established by the
30 corporation with a qualified public depository meeting the
31 requirements of chapter 280 in the State Treasury the HOME

1 Investment Partnership Trust Fund, which shall be administered
2 by the corporation ~~agency~~ according to the provisions of the
3 HOME Investment Partnership Program which is hereby created.
4 Any amounts held in the HOME Partnership Trust Fund for such
5 purposes as of January 1, 1998, must be transferred to the
6 corporation for deposit in the HOME Investment Partnership
7 Fund, whereupon the HOME Partnership Trust Fund must be
8 closed. There shall be deposited into the fund moneys from the
9 State Housing Trust Fund or moneys received from any other
10 source for the purpose of this program, and all proceeds
11 derived from the use of such moneys. In addition, all loan
12 repayments, proceeds from the sale of any property, and any
13 other proceeds that would otherwise accrue pursuant to the
14 activities conducted under the provisions of the HOME
15 Investment Partnership Program shall be deposited into the
16 fund and shall not revert to the General Revenue Fund.
17 Expenditures from the HOME Investment Partnership Fund shall
18 not be required to be included in the corporation's budget
19 request or be subject to appropriation by the Legislature. If
20 a loan commitment for program funds is entered into during the
21 state fiscal year for which the program funds were
22 appropriated, the funds shall continue to be made available
23 for use during the entire construction period of any project
24 financed by the program, even if it extends beyond the fiscal
25 year in which the loan commitment was entered. ~~The budget~~
26 ~~amendment process created in s. 216.181 shall be used to make~~
27 ~~funds available throughout the construction period.~~
28 (2) The corporation ~~agency~~ shall make loans available
29 to eligible housing providers or home buyers on the basis of
30 the ~~competitive~~ selection process established in ~~subsections~~
31 ~~(5) and (6) and as~~ described by corporation program rules

1 ~~agency rule. Such process must incorporate and provide~~
2 ~~incentives for welfare-to-work transitioning in coordination~~
3 ~~with applicable state and federal programs. However, in the~~
4 ~~first year of this program, the secretary of the department,~~
5 ~~with the advice and consent of the agency board, may select~~
6 ~~demonstration pilot programs. Pilot programs shall be~~
7 ~~monitored by the agency for compliance with program~~
8 ~~requirements and evaluated to determine what modifications~~
9 ~~might need to be made to the administration of the HOME~~
10 ~~Partnership Program in following years. Selection of pilot~~
11 ~~programs shall be based upon the following criteria:~~
12 ~~(a) Existence of a working local partnership.~~
13 ~~(b) Geographic distribution of the demonstration areas~~
14 ~~throughout the state to include both urban and rural counties~~
15 ~~of varying sizes and populations.~~
16 ~~(c) Need and demand for affordable housing stock.~~
17 ~~(d) Conformance to strategies enumerated in the~~
18 ~~state's Comprehensive Housing Affordability Strategy.~~
19 (3) The corporation may make loans to home buyers in
20 connection with the corporation's single family mortgage
21 revenue bond program on the basis of "first come-first served"
22 or as described in the program rule.
23 (4) The corporation's board of directors may approve
24 projects located in a state or federally declared disaster
25 area or demonstration projects based on selection criteria as
26 approved by the board of directors. In addition, as approved
27 by the corporation's board of directors, disaster projects or
28 demonstration projects may be granted or provided a HOME loan
29 with forgivable terms.
30 ~~(5)~~~~(3)~~ Loans made under this program shall be made
31 used for eligible applicants and activities as enumerated in

1 24 C.F.R. part 92, and as enumerated in the program rule
2 approved by the corporation's board of directors. including
3 ~~acquisition, moderate and substantial rehabilitation, new~~
4 ~~construction, site improvement, demolition and relocation~~
5 ~~expenses, and rental assistance. Loans shall be made~~
6 ~~available directly to eligible housing providers for eligible~~
7 ~~activities relating to rental or homeownership projects the~~
8 ~~intended beneficiaries of which meet income guidelines and~~
9 ~~rent and sales price limits specified by agency rule.~~
10 ~~(4) All loans must be matched with local funds as~~
11 ~~specified in 24 C.F.R. part 92 and agency rule and must be~~
12 ~~limited to the amount needed to make the project economically~~
13 ~~feasible.~~
14 ~~(6)(5)~~ Applications for loans under any competitive
15 scoring process established by program rule must made under
16 this program shall be approved scored and ranked by a review
17 committee established by corporation ~~agency~~ rule which shall
18 analyze factors, including, but not limited to, the following:
19 ~~(a) Tenant and homeowner income and~~ Demographic
20 targeting objectives of the corporation ~~agency~~.
21 ~~(b) Corporation Agency~~ portfolio diversification.
22 ~~(c) Developer's agreement to make more than a minimum~~
23 ~~number of units in the project available for the targeted~~
24 ~~group.~~
25 ~~(c)(d)~~ Developer's agreement to make units for the
26 targeted group available for more than the minimum period
27 required by rule.
28 ~~(e) Incorporation of the proposed housing within a~~
29 ~~coordinated community or neighborhood development strategy.~~
30 ~~(d)(f)~~ Leveraging of HOME funds.
31 ~~(e)~~ Local match funds.

1 ~~(f)(g)~~ The project's feasibility and long-term
2 economic viability.

3 ~~(g)(h)~~ Demonstrated capacity of the proposed project's
4 development team.

5 ~~(h)(i)~~ Conformance with the consolidated plan
6 ~~comprehensive housing affordability strategy~~ for the state and
7 area in which the proposed project will be located.

8 ~~(j)~~ Evidence that the proposed project will be part of
9 a ~~comprehensive neighborhood strategy designed to offer~~
10 ~~full-service support to residents.~~

11 ~~(i)(k)~~ Other factors determined and approved by the
12 corporation's board of directors ~~from the evaluation of the~~
13 ~~first demonstration projects.~~

14 ~~(7)(6)~~ The review committee established by corporation
15 ~~agency~~ rule pursuant to this subsection shall make
16 recommendations to the corporation ~~Florida Housing Finance~~
17 ~~Agency~~ board regarding program participation. The corporation
18 ~~agency~~ board shall approve ~~make~~ the final ranking and decide
19 which applicants become program participants based on the
20 scores received in the ranking, ~~further review of the~~
21 ~~applications, and the recommendations of the review committee.~~
22 ~~The agency board shall approve or reject applications for~~
23 ~~loans and shall determine the tentative loan amount available~~
24 ~~to each applicant selected for participation in the program.~~
25 The actual loan amount shall be determined pursuant to rule
26 and the Notice of Funding Availability (NOFA).

27 ~~(8)(7)~~ The loan term shall be for a minimum period
28 equal to the affordability period as stated in 24 C.F.R. part
29 92 or 15 years for rental rehabilitations and 20 years for
30 rental or homeownership new construction loans. ~~period of not~~
31 ~~more than 15 years for rental projects and 5 years for~~

1 ~~homeownership construction or rehabilitation loans. However,~~
2 ~~if both a program loan and federal low-income housing tax~~
3 ~~credits are to be used to assist a project, the agency may set~~
4 ~~the loan term for a period commensurate with the investment~~
5 ~~requirements associated with the tax credit syndication. The~~
6 corporation agency may renegotiate and extend the loan in
7 order to extend the availability of housing for the targeted
8 population. ~~The term of a loan may not extend beyond the~~
9 ~~period for which the sponsor agrees to set aside units for the~~
10 ~~target population.~~

11 ~~(9)(8)~~ If a default on a loan occurs, the corporation
12 agency may cause a foreclosure ~~foreclose~~ on any mortgage or
13 security interest or commence any legal action to protect the
14 interest of the corporation agency or the fund and recover the
15 amount of the unpaid principal, accrued interest, and fees on
16 behalf of the fund. The corporation agency may acquire real
17 and personal property or any interest in the property if that
18 acquisition is necessary to protect any loan; sell, transfer,
19 and convey any such property to a buyer without regard to the
20 provisions of chapters 253 and 270; and, if that sale,
21 transfer, or conveyance cannot be effected within a reasonable
22 time, lease such property for occupancy by eligible persons.

23 ~~(10)(9)~~ All sums recovered from the sale, transfer,
24 conveyance, or lease of such property shall be deposited into
25 the HOME Investment Partnership Trust ~~Trust~~ Fund.

26 ~~(11)(10)~~ The corporation agency shall monitor all
27 projects funded under this section to ensure compliance with
28 federal and state requirements. The corporation agency may
29 inspect such projects or records pertaining to those projects
30 at any reasonable time.

31

1 Section 16. Section 420.509, Florida Statutes, is
2 amended to read:

3 420.509 Bonds; purpose, terms, approval,
4 limitations.--

5 (1) The issuance of revenue bonds, ~~as defined in this~~
6 ~~part,~~ to provide sufficient funds to achieve the purposes of
7 this part; pay interest on bonds; pay expenses incident to the
8 issuance and sale of any bond issued pursuant to this part,
9 including costs of validating, printing, and delivering the
10 bonds, printing the official statement, publishing notices of
11 sale of the bonds, and related administrative expenses; and
12 pay all other capital expenditures of the corporation agency
13 incident to and necessary or convenient to carry out the
14 purposes and powers granted by this part is authorized,
15 subject and pursuant to the provisions of s. 16, Art. VII of
16 the State Constitution ~~and the applicable provisions of this~~
17 ~~chapter and of the State Bond Act.~~ The provisions of ss.
18 215.57-215.83 shall not be applicable to the corporation.
19 ~~Revenue bonds, as so defined,~~ shall be payable solely from
20 pledged revenues and shall not be secured by the full faith
21 and credit of the state.

22 (2) The State Board of Administration is designated as
23 the state fiscal agency to make the determinations required by
24 s. 16, Art. VII of the State Constitution in connection with
25 the issuance of such bonds that in no state fiscal year will
26 the debt service requirements of the bonds proposed to be
27 issued and all other bonds secured by the same pledged
28 revenues exceed the pledged revenues available for such debt
29 service requirements. The State Board of Administration may
30 delegate to its executive director the authority and power to
31 perform that function without further review of the agency.

1 The determinations pursuant to this paragraph are limited to a
2 review of the matters essential to making the determinations
3 required by s. 16, Art. VII of the State Constitution. The
4 executive director shall report annually to the State Board of
5 Administration and the Legislature regarding the number of
6 bond issues considered and the determination with respect
7 thereto.

8 (3) All such bonds shall be issued by the corporation
9 on behalf of the state ~~on behalf of the agency and in the name~~
10 ~~of the agency by the Division of Bond Finance from time to~~
11 ~~time, as provided by the State Bond Act,~~ with a term of not
12 more than 45 years, and except as otherwise provided herein,
13 in such principal amounts as shall be necessary to provide
14 sufficient funds to achieve the purposes of the corporation
15 ~~agency~~ in carrying out this part and purposes incident
16 thereto.

17 (4) Bonds of the corporation may:

18 (a) Bear interest at a rate or rates not exceeding the
19 interest rate limitation set forth in s. 215.84(3), unless the
20 State Board of Administration authorizes an interest rate in
21 excess of such maximum;

22 (b) Have such provisions for payment at maturity and
23 redemption before maturity at such time or times and at such
24 price or prices; and

25 (c) Be payable at such place or places within or
26 without the state as the board determines by resolution.

27 (5) The bonds may be signed by the officers of the
28 corporation as is provided for by resolution of the board. The
29 signatures may be manual or facsimile signatures as
30 established by the board. In case any officer whose signature
31 or a facsimile of whose signature appears on any bonds ceases

1 to be an officer before delivery of bonds, the signature or
2 facsimile signature is nevertheless valid and sufficient for
3 all purposes as fully and to the same extent as if he or she
4 had remained in office until the delivery.

5 (6) All bonds issued under the provisions of this act
6 are declared to be negotiable instruments under the Uniform
7 Commercial Code - Investment Securities Law of the state.

8 (7) Bonds of the corporation may not be issued unless
9 the face or reverse thereof contains a certificate, executed
10 either manually or with a facsimile signature by the secretary
11 of the board, to the effect that the issuance of the bonds has
12 been approved under this act by the board. The certificate is
13 conclusive evidence as to approval of the issuance of the
14 bonds by the corporation and that the requirements of this act
15 and all of the laws relating to the bonds have been complied
16 with.

17 (8) The corporation has the authority to issue bond
18 anticipation notes in anticipation of the receipt of the
19 proceeds of the bonds in the same manner and subject to the
20 same limitations and conditions as provided by s. 215.431. The
21 rights and remedies of the holders of the notes are the same
22 rights and remedies they would have if they were the holders
23 of the definitive bonds in anticipation of which they are
24 issued; and all of the covenants, agreements, or other
25 proceedings relating to the definitive bonds in anticipation
26 of which the bond anticipation notes are issued are a part of
27 the proceedings relating to the issuance of the notes as fully
28 and to the same extent as if incorporated verbatim therein.

29 (9) Before the preparation of definitive bonds, the
30 corporation may issue interim receipts or temporary bonds,
31 exchangeable for definitive bonds when the bonds have been

1 executed and are available for delivery under the terms and
2 conditions the board deems advisable. The board may also
3 provide for the replacement of any bonds that become mutilated
4 or destroyed, stolen, or lost under the terms and conditions
5 the board deems advisable.

6 ~~(4) There shall be established, from the proceeds of~~
7 ~~each issue of bonds, a debt service reserve account in an~~
8 ~~amount at least equal to the greatest amount of principal and~~
9 ~~interest to become due on such issue in any ensuing state~~
10 ~~fiscal year or an amount at least equal to an average of the~~
11 ~~annual principal and interest, all as may be determined by the~~
12 ~~Division of Bond Finance; except that a reserve of a lesser~~
13 ~~amount may be established if the agency, with the concurrence~~
14 ~~of the Division of Bond Finance, determines that such reserve,~~
15 ~~if any, will adequately protect the interests of bondholders.~~

16 ~~(5)(a) The provisions of the State Bond Act,~~
17 ~~including, without limitation, the definitions contained~~
18 ~~therein, shall be applicable to all bonds issued pursuant to~~
19 ~~this chapter, when not in conflict with the provisions hereof;~~
20 ~~provided the basis of award of sale of such bonds may be~~
21 ~~either the net interest cost or the true or effective interest~~
22 ~~cost, as set forth in the resolution authorizing the sale of~~
23 ~~such bonds. In cases of conflict, the provisions of this~~
24 ~~chapter shall be controlling.~~

25 (10)(b) Bonds of the corporation may be validated
26 pursuant to chapter 75.In actions to validate such bonds
27 pursuant to chapter 75, the complaint shall be filed in the
28 Circuit Court of Leon County, the notice required by s. 75.06
29 shall be published only in Leon County and in two newspapers
30 of general circulation in the state, and the complaint and
31

1 order of the court shall be served only on the state attorney
2 of the Second Judicial Circuit.

3 (11)~~(6)~~ Any resolution or resolutions authorizing any
4 bonds issued by the corporation ~~on behalf of the agency~~ may
5 contain provisions, without limitation, which shall be a part
6 of the contract or contracts with the holders thereof, as to:

7 (a) Pledging all or any part of the income or revenues
8 of the corporation ~~agency~~ to secure the payment of bonds or of
9 any issue thereof, subject to such agreements with holders of
10 bonds as may then exist.

11 (b) Pledging all or any part of the assets of the
12 corporation ~~agency~~, including mortgages and obligations
13 securing the same, to secure the payment of bonds or of any
14 issue of bonds, subject to such agreements with holders of
15 bonds as may then exist.

16 (c) The use and disposition of the income from
17 mortgages owned by the corporation ~~agency~~ and payment of the
18 principal of mortgages owned by the corporation ~~agency~~.

19 (d) The procedure, if any, by which the terms of any
20 contract with holders of bonds may be amended or abrogated,
21 the amount of bonds the holders of which must consent thereto,
22 and the manner in which such consent may be given.

23 (e) Limitations on the amount of moneys to be expended
24 by the corporation ~~agency~~ for its operating expenses.

25 (f) Vesting, for the life of the bonds, in a trustee
26 or trustees such property, rights, powers, and duties in trust
27 as the corporation ~~agency~~ may determine, which may include any
28 or all of the rights, powers, and duties of the trustee
29 appointed by the holders of bonds pursuant to this part, and
30 limiting or abrogating the right of holders of bonds to
31

1 appoint a trustee under this part or limiting the rights,
2 powers, and duties of such trustee.

3 (g) Defining the acts or omissions to act which shall
4 constitute a default in the obligations and duties of the
5 corporation ~~agency~~ to the holders of bonds in providing for
6 the rights and remedies of holders of bonds in the event of
7 such default, including, as a matter of right, the appointment
8 of a receiver; provided such rights and remedies shall not be
9 inconsistent with the general laws of the state and the other
10 provisions of this part.

11 (h) Any other matters, of like or different character,
12 which in any way affect the security or protection of holders
13 of bonds.

14 ~~(12)(7)~~(a) The bonds issued by ~~on behalf of~~ the
15 corporation ~~agency~~ shall be sold at public sale in the manner
16 provided by s. 215.68 ~~the State Bond Act~~. However, if the
17 corporation ~~agency~~ shall by official action at a public
18 meeting determine that a negotiated sale of the bonds is in
19 the best interest of the corporation ~~agency~~, the corporation
20 ~~division~~ may negotiate for sale of the bonds to, or the
21 placement of bonds through, the underwriter or underwriters
22 designated by the corporation ~~agency~~. In the official action
23 authorizing the negotiated sale, the corporation ~~agency~~ shall
24 provide specific findings as to the reasons for the negotiated
25 sale. The reasons shall include, but shall not be limited to,
26 characteristics of the bond issue and prevailing market
27 conditions that necessitate a negotiated sale. In the event
28 the corporation ~~agency~~ decides to negotiate for a sale of
29 bonds, the managing underwriter, or financial consultant or
30 adviser, if applicable, shall provide to the corporation
31 ~~agency or division~~, prior to the award of bonds to the

1 managing underwriter, a disclosure statement containing the
2 following information:

3 1. An itemized list setting forth the nature and
4 estimated amounts of expenses to be incurred by the managing
5 underwriter in connection with the issuance of such bonds.
6 Notwithstanding the foregoing, any such list may include an
7 item for miscellaneous expenses, provided it includes only
8 minor items of expense which cannot be easily categorized
9 elsewhere in the statement.

10 2. The names, addresses, and estimated amounts of
11 compensation of any finders connected with the issuance of the
12 bonds.

13 3. The amount of underwriting spread expected to be
14 realized.

15 4. Any management fee charged by the managing
16 underwriter.

17 5. Any other fee, bonus, or compensation estimated to
18 be paid by the managing underwriter in connection with the
19 bond issue to any person not regularly employed or retained by
20 it.

21 6. The name and address of the managing underwriter or
22 underwriters, if any, connected with the bond issue.

23 7. Any other disclosure that ~~which~~ the corporation
24 ~~agency or division~~ may require.

25

26 This paragraph is not intended to restrict or prohibit the
27 employment of professional services relating to bonds issued
28 under this chapter ~~or the issuance of bonds by the agency or~~
29 ~~division under any other chapter.~~

30 (b) In the event an offer of an issue of bonds at
31 public sale produces no bid, or in the event all bids received

1 are rejected, the corporation ~~division~~ is authorized to
2 negotiate for the sale of the bonds under such rates and terms
3 as are acceptable; provided that no bonds shall be so sold or
4 delivered on terms less favorable than the terms contained in
5 any bids rejected at the public sale thereof or, if no bids
6 were received at such public sale, the terms contained in the
7 notice of public sale.

8 (c) The failure of the corporation ~~agency or division~~
9 to comply with one or more provisions of this section shall
10 not affect the validity of the bond issue; ~~however, upon such~~
11 ~~failure to comply, the agency shall sell all future bonds only~~
12 ~~at public sale as provided for herein, except as provided in~~
13 ~~paragraph (b).~~

14 (13)~~(8)~~(a) No underwriter, commercial bank, investment
15 banker, or financial consultant or adviser shall pay any
16 finder any bonus, fee, or gratuity in connection with the sale
17 of ~~general obligation bonds or~~ revenue bonds issued by the
18 corporation ~~agency~~ unless full disclosure is made to the
19 corporation ~~agency~~ prior to or concurrently with the
20 submission of a purchase proposal for bonds by the
21 underwriter, commercial bank, investment banker, or financial
22 consultant or adviser and is made subsequently in the official
23 statement or offering circular, if any, detailing the name and
24 address of any finder and the amount of bonus, fee, or
25 gratuity paid to such finder.

26 (b) The willful violation of this subsection is a
27 felony of the third degree, punishable as provided in s.
28 775.082, s. 775.083, or s. 775.084.

29 (c) No violation of this subsection shall affect the
30 validity of the bond issue.

31

1 ~~(14)(9)~~ As used in this section, the term "finder"
2 means a person who is neither regularly employed by, nor a
3 partner or officer of, an underwriter, bank, banker, or
4 financial consultant or adviser and who enters into an
5 understanding with either the issuer or the managing
6 underwriter, or both, for any paid or promised compensation or
7 valuable consideration, directly or indirectly, expressly or
8 impliedly, to act solely as an intermediary between such
9 issuer and managing underwriter for the purpose of influencing
10 any transaction in the purchase of such bonds.

11 ~~(15)(10)~~ All bonds issued by ~~on behalf of~~ the
12 corporation ~~agency~~ shall state on the face thereof that they
13 are payable, both as to principal and interest, solely out of
14 the assets of the corporation ~~agency~~ and do not constitute an
15 obligation, either general or special, of the state or of any
16 local government.

17 ~~(16)(11)~~ All bonds issued by ~~on behalf of~~ the
18 corporation ~~agency~~ are hereby declared to have all the
19 qualities and incidents of negotiable instruments under the
20 applicable laws of the state.

21 ~~(17)(12)~~ It is the intention of the Legislature that
22 any pledge of earnings, revenues, or other moneys made by the
23 corporation ~~agency~~ shall be valid and binding from the time
24 when the pledge is made; that the earnings, revenues, or other
25 moneys so pledged and thereafter received by the corporation
26 ~~agency~~ shall immediately be subject to the lien of that pledge
27 without any physical delivery thereof or further act; and that
28 the lien of the pledge shall be valid and binding as against
29 the corporation ~~agency~~ irrespective of whether the parties
30 have notice thereof. Neither the resolution nor any other
31

1 instrument by which a pledge is created need be recorded or
2 filed pursuant to the Uniform Commercial Code.

3 (18)~~(13)~~ Neither the members of the corporation ~~agency~~
4 nor any person executing the bonds of the corporation ~~agency~~
5 shall be liable personally on the bonds or be subject to any
6 personal liability or accountability by reason of the issuance
7 thereof.

8 (19)~~(14)~~ If the proceeds of an issue of revenue bonds
9 the interest on which is not exempt from federal taxation are
10 used to finance a project, 20 percent of the tenants of the
11 project must have annual income under 80 percent of the state
12 or county median income, whichever is higher.

13 Section 17. Section 420.5091, Florida Statutes, is
14 amended to read:

15 420.5091 HOPE Program.--

16 (1) The corporation ~~agency~~ may adopt rules to
17 implement the HOPE Program, created by the 1990 National
18 Affordable Housing Act, to make loans and grants, foreclose on
19 any mortgage or security interest, or commence any legal
20 action to protect the interest of the corporation ~~agency~~ and
21 recover the amount of the unpaid principal, accrued interest,
22 and fees. The corporation ~~agency~~ may acquire real and
23 personal property or any interest in the property if that
24 acquisition is necessary to protect any loan; sell, transfer,
25 and convey any such property to a buyer without regard to the
26 provisions of chapters 253 and 270; and, if that sale,
27 transfer, or conveyance cannot be effected within a reasonable
28 time, lease such property for occupancy by eligible persons.
29 All sums recovered from the sale, transfer, conveyance, or
30 lease of such property shall be deposited into the HOME
31 Investment Partnership ~~Trust~~ Fund.

1 (2) The corporation ~~agency~~ shall monitor all projects
2 funded under this section to ensure compliance with federal
3 and state requirements. The corporation ~~agency~~ may inspect
4 such projects or records pertaining to those projects at any
5 reasonable time.

6 Section 18. Section 420.5092, Florida Statutes, 1996
7 Supplement, is amended to read:

8 420.5092 Florida Affordable Housing Guarantee
9 Program.--

10 (1) There is created the Florida Affordable Housing
11 Guarantee Program for the purposes of:

12 (a) Stimulating creative private sector lending
13 activities to increase the supply and lower the cost of
14 financing or refinancing eligible housing;

15 (b) Creating security mechanisms to allow lenders to
16 sell affordable housing loans in the secondary market; and

17 (c) Encouraging affordable housing lending activities
18 that would not have taken place or that serve persons who
19 would not have been served but for the creation of this
20 program.

21 (2) As used in this section, the term:

22 (a) "Affordable housing guarantee" means an obligation
23 of the guarantee fund to guarantee the payment of an
24 obligation made to finance or refinance the purchase,
25 construction, or rehabilitation of eligible housing.

26 ~~(b) "Agency" means the Florida Housing Finance Agency.~~

27 (b)~~(c)~~ "Annual debt service reserve" means the reserve
28 maintained in the guarantee fund in an amount equal to the
29 maximum reserve amount for each series of revenue bonds issued
30 to establish the guarantee fund.

31

1 (c) "Corporation" means the Florida Housing Finance
2 Corporation.

3 (d) "Eligible housing" means any real and personal
4 property designed and intended for the primary purpose of
5 providing decent, safe, and sanitary residential units for
6 homeownership or rental for eligible persons as determined by
7 the corporation ~~agency~~ pursuant to rule.

8 (e) "Guarantee fund" means the Affordable Housing
9 Guarantee Fund created and established with proceeds of
10 revenue bonds issued by the corporation or its predecessor
11 ~~agency~~ pursuant to this section to implement the Florida
12 Affordable Housing Guarantee Program.

13 (f) "Maximum reserve amount" means, for each series of
14 outstanding revenue bonds issued to establish the guarantee
15 fund, the largest aggregate amount of annual principal
16 installments and interest payments becoming due in any state
17 fiscal year in which the revenue bonds are outstanding.

18 (3) Amounts on deposit in the State Housing Trust Fund
19 may also be used to support the Florida Affordable Housing
20 Guarantee Program. Such use, if any, is in addition to those
21 purposes for which the State Housing Trust Fund was created,
22 and such moneys shall be obligated and committed in accordance
23 with the corporation ~~agency~~ certification provided for in
24 subsection (6).

25 (4) The corporation ~~agency~~ may, by rule, establish
26 rates and fees for the issuance of an affordable housing
27 guarantee, including contractual provisions to foster
28 reimbursement, in the event of default, to the guarantee fund
29 of payments made pursuant to an affordable housing guarantee
30 issued for eligible housing.

31

1 (5) Pursuant to s. 16, Art. VII of the State
2 Constitution, the corporation ~~agency~~ may issue, in accordance
3 with s. 420.509, revenue bonds of the corporation ~~agency~~ to
4 establish the guarantee fund. Such revenue bonds shall be
5 primarily payable from and secured by annual debt service
6 reserves, from interest earned on funds on deposit in the
7 guarantee fund, from fees, charges, and reimbursements
8 established by the corporation ~~agency~~ for the issuance of
9 affordable housing guarantees, and from any other revenue
10 sources received by the corporation ~~agency~~ and deposited by
11 the corporation ~~agency~~ into the guarantee fund for the
12 issuance of affordable housing guarantees. To the extent such
13 primary revenue sources are considered insufficient by the
14 corporation ~~agency~~, pursuant to the certification provided in
15 subsection (6), to fully fund the annual debt service reserve,
16 the certified deficiency in such reserve shall be additionally
17 payable from the first proceeds of the documentary stamp tax
18 moneys deposited into the State Housing Trust Fund pursuant to
19 s. 201.15(6)(a) and (7)(a) during the ensuing state fiscal
20 year.

21 (6)(a) If the primary revenue sources to be used for
22 repayment of revenue bonds used to establish the guarantee
23 fund are insufficient for such repayment, the annual principal
24 and interest due on each series of revenue bonds shall be
25 payable from funds in the annual debt service reserve. The
26 corporation ~~agency~~ shall, before June 1 of each year, perform
27 a financial audit to determine whether at the end of the state
28 fiscal year there will be on deposit in the guarantee fund an
29 annual debt service reserve from interest earned pursuant to
30 the investment of the guarantee fund, fees, charges, and
31 reimbursements received from issued affordable housing

1 guarantees and other revenue sources available to the
2 corporation ~~agency~~. Based upon the findings in such guarantee
3 fund financial audit, the corporation ~~agency~~ shall certify to
4 the Comptroller the amount of any projected deficiency in the
5 annual debt service reserve for any series of outstanding
6 bonds as of the end of the state fiscal year and the amount
7 necessary to maintain such annual debt service reserve. Upon
8 receipt of such certification, the Comptroller shall transfer
9 to the annual debt service reserve, from the first available
10 taxes distributed to the State Housing Trust Fund pursuant to
11 s. 201.15(6)(a) and (7)(a) during the ensuing state fiscal
12 year, the amount certified as necessary to maintain the annual
13 debt service reserve.

14 (b) If the claims payment obligations under affordable
15 housing guarantees from amounts on deposit in the guarantee
16 fund would cause the claims paying rating assigned to the
17 guarantee fund to be less than the third-highest ~~third highest~~
18 rating classification of any nationally recognized rating
19 service, which classifications being consistent with s.
20 215.84(3) and rules adopted thereto by the State Board of
21 Administration, the corporation ~~agency~~ shall certify to the
22 Comptroller the amount of such claims payment obligations.
23 Upon receipt of such certification, the Comptroller shall
24 transfer to the guarantee fund, from the first available taxes
25 distributed to the State Housing Trust Fund pursuant to s.
26 201.15(6)(a) and (7)(a) during the ensuing state fiscal year,
27 the amount certified as necessary to meet such obligations,
28 such transfer to be subordinate to any transfer referenced in
29 paragraph (a) and not to exceed 50 percent of the amounts
30 distributed to the State Housing Trust Fund pursuant to s.
31

1 201.15(6)(a) and (7)(a) during the preceding state fiscal
2 year.

3 (7) Funds on deposit in the guarantee fund shall be
4 used as the primary resource to support the performance by the
5 corporation ~~agency~~ of its obligation under an affordable
6 housing guarantee issued by the corporation ~~agency~~ as
7 determined by rule.

8 (8) Before establishing the fees, charges, and other
9 obligations and conditions for the issuance of an affordable
10 housing guarantee and defining housing eligible to obtain a
11 guarantee, the corporation ~~agency~~ must perform an affordable
12 housing guarantee feasibility study. Such study must
13 determine the eligible housing for which a guarantee is
14 required for the investment of private capital, the
15 anticipated risk of default for classifications of eligible
16 housing, and the level of fees, charges, and reimbursement
17 conditions necessary to establish a financially sound
18 affordable housing guarantee program that exposes funds
19 deposited into the guarantee fund to a reasonable or
20 acceptable level of risk. Revenue bonds may not be issued to
21 create and establish a guarantee fund until the completion of
22 an initial financial feasibility study.

23 (9) This section does not preclude the use of the
24 remaining funds in the State Housing Trust Fund.

25 (10) Revenue bonds may not be issued to establish and
26 create a guarantee fund until validated pursuant to the
27 provisions of chapter 75.

28 (11) The maximum total amount of revenue bonds that
29 may be issued by the corporation ~~agency~~ pursuant to subsection
30 (5) is \$200 million.

31

1 Section 19. Section 420.5099, Florida Statutes, is
2 amended to read:

3 420.5099 Allocation of the low-income housing tax
4 credit.--

5 (1) The Florida Housing Finance Corporation ~~Agency~~ is
6 designated the housing credit agency for the state within the
7 meaning of s. 42(h)(7)(A) of the Internal Revenue Code of 1986
8 and shall have the responsibility and authority to establish
9 procedures necessary for proper allocation and distribution of
10 low-income housing tax credits and shall exercise all powers
11 necessary to administer the allocation of such credits.

12 (2) The corporation ~~agency~~ shall adopt allocation
13 procedures that will ensure the maximum use of available tax
14 credits in order to encourage development of low-income
15 housing in the state, taking into consideration the timeliness
16 of the application, the location of the proposed housing
17 project, the relative need in the area for low-income housing
18 and the availability of such housing, the economic feasibility
19 of the project, and the ability of the applicant to proceed to
20 completion of the project in the calendar year for which the
21 credit is sought.

22 (3) The corporation ~~agency~~ may request such
23 information from applicants as will enable it to make the
24 allocations according to the guidelines set forth in
25 subsection (2), including, but not limited to, the information
26 required to be provided the corporation ~~agency~~ by chapter
27 9I-21 ~~9I-21~~, Florida Administrative Code.

28 (4) The executive director of the corporation ~~agency~~
29 shall administer the allocation procedures and determine
30 allocations on behalf of the corporation ~~agency~~. Any
31 applicant disputing the amount of an allocation or the denial

1 of a request for an allocation may request an appeal to the
2 ~~governing board of directors of the corporation agency.~~

3 (5) For purposes of implementing this program in
4 Florida and in assessing the property for ad valorem taxation
5 under s. 193.011, neither the tax credits, nor financing the
6 ~~value of the equity generated by tax credits allocated to or~~
7 ~~invested in low-income housing tax credit developments~~, shall
8 be considered as income to the property, and the rental income
9 from rent restricted units in a low-income tax credit
10 development shall be recognized by the property appraiser ~~the~~
11 ~~actual rents charged.~~

12 (6) The corporation agency is authorized to expend
13 fees received in conjunction with the allocation of low-income
14 housing tax credits only for the purpose of administration of
15 the program, including private legal services which relate to
16 interpretation of s. 42 of the Internal Revenue Code of 1986,
17 as amended.

18 Section 20. Section 420.51, Florida Statutes, is
19 amended to read:

20 420.51 State and local government not liable on bonds
21 or notes.--The bonds of the corporation agency shall not be a
22 debt of the state or of any local government, and neither the
23 state nor any local government shall be liable thereon. The
24 corporation agency shall not have the power to pledge the
25 credit, the revenues, or the taxing power of the state or of
26 any local government; and neither the credit, the revenues,
27 nor the taxing power of the state or of any local government
28 shall be, or shall be deemed to be, pledged to the payment of
29 any bonds of the corporation agency.

30 Section 21. Section 420.511, Florida Statutes, is
31 amended to read:

1 420.511 Business plan; strategic plan; annual
2 report.--
3 (1) The corporation shall develop a business plan for
4 the provision of affordable housing for the state. The plan
5 shall not be inconsistent with the strategic plan prepared
6 pursuant to subsection (2) and shall contain performance
7 measures and specific performance targets for the following:
8 (a) The ability of low-income and moderate-income
9 Floridians to access housing that is decent and affordable.
10 (b) The continued availability and affordability of
11 housing financed by the corporation to target populations.
12 (c) The availability of affordable financing programs,
13 including equity and debt products, and programs that reduce
14 gaps in conventional financing, to increase individual access
15 to housing and stimulate private production of affordable
16 housing.
17 (d) The stimulus of economic activity created by the
18 affordable housing finance programs administered by the
19 corporation.
20 (e) The establishment and maintenance of efficiencies
21 in the delivery of affordable housing.
22 (f) Such other measures as directed by the
23 corporation's board of directors.
24 (2) The corporation, in equal partnership with the
25 department, shall develop annually a strategic plan for the
26 provision of affordable housing in Florida as part of the
27 department's agency strategic plan required pursuant to
28 chapter 186. In part, the plan shall include provisions that
29 maximize the abilities of the corporation and the department
30 to implement the state housing strategy established under s.
31 420.0003, to respond to federal housing initiatives, and to

1 develop programs in a manner that is more responsive to the
2 needs of public and private partners. The plan shall be
3 developed on a schedule consistent with that established by
4 ss. 186.021 and 186.022. For purposes of this act, the
5 executive director or his or her designee shall serve as the
6 corporation's representative to achieve a coordinated and
7 integrated planning relationship with the department.

8 (3) The corporation ~~agency~~ shall submit to the
9 Governor and the presiding officers of each house of the
10 Legislature, within 6 months after the end of its fiscal year,
11 a complete and detailed report setting forth:

12 ~~(a)(1)~~ Its operations and accomplishments;

13 ~~(b)(2)~~ Its receipts and expenditures during the fiscal
14 year in accordance with the categories or classifications
15 established by the corporation ~~agency~~ for its operating and
16 capital outlay purposes;

17 ~~(c)(3)~~ Its assets and liabilities at the end of its
18 fiscal year and the status of reserve, special, or other
19 funds;

20 ~~(d)(4)~~ A schedule of its bonds outstanding at the end
21 of its fiscal year, together with a statement of the principal
22 amounts of bonds issued and redeemed during the fiscal year;
23 and

24 ~~(e)(5)~~ Information relating to the corporation's
25 ~~agency's~~ activities in implementing the provisions of ss.
26 420.5087 and 420.5088. The report required by this subsection
27 shall include, but not be limited to:

28 1.(a) The number of people served, delineated by
29 income, age, family size, and racial characteristics.

30 2.(b) The number of units produced under each program.

31

1 ~~3.(c)~~ The average cost of producing units under each
2 program.
3 ~~4.(d)~~ The average sales price of single-family units
4 financed under s. 420.5088.
5 ~~5.(e)~~ The average amount of rent charged based on unit
6 size on units financed under s. 420.5087.
7 ~~6.(f)~~ The number of persons in rural communities
8 served under each program.
9 ~~7.(g)~~ The number of farmworkers served under each
10 program.
11 ~~8.(h)~~ The number of elderly persons served under each
12 program.
13 ~~9.(i)~~ The extent to which geographic distribution has
14 been achieved in accordance with the provisions of s.
15 420.5087.
16 ~~10.(j)~~ Any other information the corporation ~~agency~~
17 deems appropriate.
18 (4) The corporation shall submit, with the annual
19 report required by this section, a copy of an annual financial
20 audit of its accounts and records and an annual compliance
21 audit of its programs conducted by an independent certified
22 public accountant performed in accordance with generally
23 accepted auditing standards and government auditing standards.
24 (5) Both the corporation's business plan and annual
25 report shall recognize the different fiscal periods under
26 which the corporation, the state, the Federal Government, and
27 local governments operate.
28 Section 22. Section 420.512, Florida Statutes, is
29 amended to read:
30 420.512 Conflicts of interest.--
31

1 (1) If any member, officer, or employee of the
2 corporation ~~agency~~ shall have an interest, either direct or
3 indirect, in any contract to which the corporation ~~agency~~ is,
4 or is to be, a party or in any sponsor or in any lending
5 institution requesting a loan from, or offering to sell
6 mortgage loans or obligations to, the corporation ~~agency~~, such
7 interest shall be disclosed to the corporation ~~agency~~ in
8 writing and shall be set forth in the minutes of the
9 corporation ~~agency~~. The member, officer, or employee having
10 such interest shall not participate in any action by the
11 corporation ~~agency~~ with respect to the contract, sponsor, or
12 lending institution.

13 (2) Nothing in this section shall be deemed or
14 construed to limit the right of any member, officer, or
15 employee of the corporation ~~agency~~ to acquire an interest in
16 bonds of the corporation ~~agency~~ or have an interest in any
17 banking institution in which the bonds of the corporation
18 ~~agency~~ are, or are to be, deposited or which is, or is to be,
19 acting as trustee or paying agent under any bond resolution,
20 trust indenture, or similar instrument to which the
21 corporation ~~agency~~ is a party.

22 (3) A member, officer, or covered employee of the
23 corporation shall not participate in any political fundraising
24 activities other than for purposes of the corporation's
25 programs through solicitation of contributions from service
26 providers, underwriters on the corporation's approved managing
27 underwriters' list, or their agents, including underwriters'
28 counsel, officers, principals, and professional employees of
29 underwriters on the corporation's approved managing
30 underwriters' list.

31

1 (4) A member, officer, or covered employee of the
2 corporation shall not be an applicant in any program
3 administered by the corporation that is competitively bid or
4 selected. A member, officer, or covered employee shall not
5 have a financial interest in, and shall not be a member of a
6 board or an officer or an employee of, an applicant in any
7 program administered by the corporation which is competitively
8 bid or selected.

9 (5) Service providers shall comply with the following
10 standards of conduct as a condition of eligibility to be
11 considered or retained to provide services. For purposes of
12 this section only, the term "service provider" means and is
13 limited to a law firm, an investment bank, or a credit
14 underwriter, and the agents, officers, principals, and
15 professional employees of the service provider.

16 (a) A service provider may not make contributions in
17 any amounts, directly or indirectly, for or on behalf of
18 candidates for Governor, nor shall any service provider make a
19 contribution in excess of \$100 to any candidate for a member
20 of the State Board of Administration other than the Governor
21 in Florida while the service provider is included in an
22 applicant pool from which service providers are selected to
23 provide services to the corporation, while the service
24 provider provides services to the corporation, and for the
25 longer of a period of 2 years thereafter or for a period
26 through the next general election for Governor.

27 (b) The service provider shall not participate in
28 fundraising activities for or on behalf of candidates for
29 Governor in Florida while the service provider is included in
30 an applicant pool from which service providers are selected to
31 provide services to the corporation, while the service

1 provider provides services to the corporation, and for the
2 longer of a period of 2 years thereafter or for a period
3 through the next general election for Governor.

4 (c) Service providers shall provide to the corporation
5 a statement that the service provider has not contributed to
6 candidates for Governor or contributed in excess of the
7 amounts allowed by this section for a Cabinet position or
8 engaged in fundraising activities for or on behalf of
9 candidates for Governor in Florida since the effective date of
10 this section or during the 24 months preceding the service
11 providers' application to provide services to the corporation,
12 whichever period is shorter.

13 (d) The service provider may not engage in prohibited
14 business solicitation communications with officers, members,
15 or covered employees of the corporation.

16 (e) If a service provider is in doubt as to whether
17 its activities, or the activities of its principals, agents,
18 or employees, violate the provisions of this section, it may
19 request a declaratory statement in accordance with the
20 applicable rule and s. 120.565.

21 (f) If the corporation determines that a service
22 provider has failed to meet the provisions of this section, it
23 shall consider the magnitude of the violation and whether
24 there has been a pattern of violations in determining whether
25 to terminate or decline to enter into contracts with the
26 service provider.

27 (6) Each solicitation for a service provider to
28 provide services shall require the service provider to
29 formally acknowledge the conditions in subsection (5) and to
30 agree, if selected, to abide by the conditions. When
31 appropriate, the acknowledgment must include a statement that

1 the service provider is currently in compliance with the
2 conditions.

3 (7) Each contract or other form of agreement to retain
4 a service provider to provide services must incorporate the
5 conditions in subsection (5) and a provision allowing
6 unilateral cancellation by the corporation for refusal of the
7 service provider to comply with the terms of eligibility.

8 ~~(3) Under no circumstances shall a financial adviser~~
9 ~~to the Florida Housing Finance Agency serve as an underwriter~~
10 ~~for the agency's bonds within 2 years of having been its~~
11 ~~financial adviser.~~

12 Section 23. Section 420.513, Florida Statutes, is
13 amended to read:

14 420.513 Exemption from taxes and eligibility as
15 investment.--

16 (1) The property of the corporation ~~agency~~, the
17 transactions and operations thereof, ~~and~~ the income therefrom,
18 and the bonds of the corporation issued under this act,
19 together with all notes, mortgages, security agreements,
20 letters of credit, or other instruments that arise out of or
21 are given to secure the repayment of bonds issued in
22 connection with the financing of any housing development under
23 this part, as well as the interest thereon and income
24 therefrom, shall be exempt from taxation by the state and its
25 political subdivisions. The exemption granted by this
26 subsection shall not apply to any tax imposed by chapter 220
27 on interest, income, or profits on debt obligations owned by
28 corporations.

29 (2) All bonds of the corporation ~~agency~~ shall be and
30 constitute legal investments without limitation for all public
31 bodies of this state; for all banks, trust companies, savings

1 banks, savings associations, savings and loan associations,
2 and investment companies; for all administrators, executors,
3 trustees, and other fiduciaries; for all insurance companies
4 and associations and other persons carrying on an insurance
5 business; and for all other persons whatsoever who are now or
6 may hereafter be authorized to invest in bonds or other
7 obligations of the state and shall be and constitute eligible
8 securities to be deposited as collateral for the security of
9 any state, county, municipal, or other public funds. This
10 subsection shall be considered as additional and supplemental
11 authority and shall not be limited without specific reference
12 hereto.

13 Section 24. Section 420.514, Florida Statutes, is
14 amended to read:

15 420.514 Corporate existence.--The corporation ~~agency~~
16 and its corporate existence shall continue until terminated by
17 law, provided that no such law shall take effect so long as
18 the corporation ~~agency~~ shall have bonds outstanding, unless
19 adequate provision has been made for the payment thereof.
20 Upon termination of the existence of the corporation ~~agency~~,
21 all its rights and properties in excess of its obligations
22 shall pass to and be vested in the state.

23 Section 25. Section 420.517, Florida Statutes, is
24 created to read:

25 420.517 Affordable housing and job training
26 coordination.--The Florida Housing Finance Corporation shall
27 undertake efforts to provide incentives to developers to build
28 housing that encourages onsite job skills training to enable
29 low-income residents to obtain and maintain meaningful
30 employment. To the extent possible, the corporation shall
31 direct all recipients of state housing funds, including

1 municipalities, to work in cooperation with local and regional
2 Job Training Partnerships Boards to provide training to
3 residents and others who may be making the transition from
4 welfare to the workforce. The corporation shall provide
5 incentives through housing policy and program guidelines to
6 prioritize those developments that encourage workforce
7 training and skills development.

8 Section 26. Subsection (3) of section 420.523, Florida
9 Statutes, is amended to read:

10 420.523 Purpose.--The purpose of the Predevelopment
11 Loan Program is to:

12 (3) Create a Housing Predevelopment ~~Trust~~ Fund to be
13 used by eligible sponsors of housing.

14 Section 27. Section 420.525, Florida Statutes, is
15 amended to read:

16 420.525 Housing Predevelopment ~~Trust~~ Fund.--

17 (1) There is authorized to be established by the
18 corporation with a qualified public depository meeting the
19 requirements of chapter 280 in the State Treasury a separate
20 ~~trust~~ fund to be named the "Housing Predevelopment ~~Trust~~ Fund"
21 which shall be administered by the corporation ~~agency~~
22 according to the provisions of ss. 420.521-420.529. Any
23 amounts held in the Housing Predevelopment Trust Fund for such
24 purposes as of January 1, 1998, must be transferred to the
25 corporation for deposit in the Housing Predevelopment Fund,
26 whereupon the Housing Predevelopment Trust Fund must be
27 closed. There shall be deposited into the fund ~~all~~ moneys
28 from the State Housing Trust Fund as created by s. 420.0005
29 ~~appropriated by the Legislature,~~ or moneys received from any
30 other source, for the purpose of this program ~~ss.~~
31 ~~420.521-420.529~~ and all proceeds derived from the use of such

1 moneys. Administrative and personnel costs incurred in
2 implementing the provisions of ss. 420.521-420.529 may be paid
3 from the fund. Expenditures from the Housing Predevelopment
4 Fund shall not be required to be included in the corporation's
5 budget request or be subject to appropriation by the
6 Legislature.~~If a loan commitment for program funds is entered~~
7 ~~into during the state fiscal year for which the program funds~~
8 ~~were appropriated, the funds shall continue to be made~~
9 ~~available for use during the entire predevelopment period,~~
10 ~~even if it extends beyond the fiscal year in which the loan~~
11 ~~commitment was entered. The budget amendment process created~~
12 ~~in s. 216.181 shall be used to make funds available throughout~~
13 ~~the predevelopment period.~~

14 (2) All unencumbered funds, loan repayments, proceeds
15 from the sale of any property, existing funds remaining in the
16 following programs, and any other proceeds that would
17 otherwise accrue pursuant to the activities conducted under
18 this program and the provisions of the following programs
19 shall be deposited in the fund and shall not revert to the
20 General Revenue Fund:

21 (a) The Rural Housing Land Acquisition and Site
22 Development Act;

23 (b) The Farmworker Housing Assistance Act; and

24 (c) The Community-Based Organization Loan Program
25 created by the Florida Affordable Housing Act of 1986.

26 Section 28. Section 420.526, Florida Statutes, is
27 amended to read:

28 420.526 Predevelopment Loan Program; loans and grants
29 authorized; activities eligible for support.--

30
31

1 (1) The corporation ~~agency~~ is authorized to underwrite
2 and make loans and grants from the Housing Predevelopment
3 ~~Trust~~ Fund to eligible sponsors when it determines that:

4 (a) A need for housing for the target population
5 exists in the area described in the application; and

6 (b) Federal, state, or local public funds or private
7 funds are available or likely to be available to aid in the
8 site acquisition, site development, construction,
9 rehabilitation, maintenance, or support of the housing
10 proposed in the application.

11 (2) The corporation ~~agency~~ shall not award a grant or
12 loan to a sponsor that is unable to demonstrate the ability to
13 proceed as verified by a qualified development team.

14 (3) The corporation ~~agency~~ shall establish rules for
15 the equitable distribution of the funds in a manner that meets
16 the need and demand for housing for the target population.
17 However, during the first 6 months of fund availability, at
18 least 40 percent of the total funds made available under this
19 program shall be reserved for sponsors of farmworker housing.

20 (4) The activities of sponsors which are eligible for
21 housing predevelopment loans shall include, but not be limited
22 to:

23 (a) Site acquisition.

24 (b) Site development.

25 (c) Fees for requisite services from architects,
26 engineers, surveyors, attorneys, and other professionals.

27 (d) Marketing expenses relating to advertisement.

28 (5) The activities of sponsors which are eligible for
29 housing predevelopment grants shall include, but not be
30 limited to:

31 (a) Administrative expenses.

1 (b) Market and feasibility studies.

2 (c) Consulting fees.

3 (6) Any funds paid out of the Housing Predevelopment
4 ~~Trust~~ Fund for activities under ss. 420.521-420.529 which are
5 reimbursed to the sponsor from another source shall be repaid
6 to the fund.

7 (7) Sponsors receiving loans for professional fees may
8 receive forgiveness of such loans if it is determined that the
9 proposed project would not be feasible for housing for the
10 target population.

11 (8) Terms and conditions of housing predevelopment
12 loan agreements shall be established by rule and shall
13 include:

14 (a) Provision for interest, which shall be set at 3
15 percent per year.

16 (b) Provision of a schedule for the repayment of
17 principal and interest for a term not to exceed 3 years or
18 initiation of permanent financing, whichever event occurs
19 first. However, the corporation ~~agency~~ may extend the term of
20 a loan for an additional period not to exceed 1 year if
21 extraordinary circumstances exist and if such extension would
22 not jeopardize the corporation's ~~agency's~~ security interest.

23 (c) Provision of reasonable security for the housing
24 predevelopment loan to ensure the repayment of the principal
25 and any interest accrued within the term specified.
26 Reasonable security shall be a promissory note secured by a
27 mortgage from the sponsor on the property to be purchased,
28 improved, or purchased and improved with the proceeds of the
29 housing predevelopment loan or other collateral acceptable to
30 the corporation ~~agency~~.

31

1 (d) Provisions to ensure that the land acquired will
2 be used for the development of housing and related services
3 for the target population.

4 (e) Provisions to ensure, to the extent possible, that
5 any accrued savings in cost due to the availability of these
6 funds will be passed on to the target population in the form
7 of lower land prices. The corporation ~~agency~~ shall ensure
8 that such savings in land prices shall be passed on in the
9 form of lower prices or rents for dwellings constructed on
10 such land.

11 (f) Provisions to ensure that any land acquired
12 through assistance under ss. 420.521-420.529 for housing for
13 the target population shall not be disposed of or alienated in
14 a manner that violates Title VII of the 1968 Civil Rights Act,
15 which specifically prohibits discrimination based on race,
16 sex, color, religion, or national origin or that violates
17 other applicable federal or state laws.

18 (9) No predevelopment loan made under this section
19 shall exceed the lesser of:

20 (a) The development and acquisition costs for the
21 project, as determined by rule of the corporation ~~agency~~; or

22 (b) Five hundred thousand dollars.

23 (10) Any real property or any portion thereof
24 purchased or developed under ss. 420.521-420.529 may be
25 disposed of by the eligible sponsor upon the terms and
26 conditions established by rule of the corporation ~~agency~~ and
27 consistent with ss. 420.521-420.529, at a price not to exceed
28 the actual prorated land costs, development costs, accrued
29 taxes, and interest.

30 Section 29. Section 420.527, Florida Statutes, is
31 amended to read:

1 420.527 Application procedure.--

2 (1) Applications shall be submitted to the corporation
3 ~~agency~~ in a form that ~~which~~ it establishes by rule.

4 (2) Applications that ~~which~~ propose linkage of
5 predevelopment funds with other financing offered through the
6 corporation ~~agency~~ shall receive preference in funding.

7 (3) The corporation ~~agency~~ shall publish a notice of
8 fund availability in a publication of general circulation
9 throughout the state. Such notice shall be published at least
10 60 days before the application deadline.

11 (4) By rule, the corporation ~~agency~~ shall establish a
12 review committee composed of representatives of the
13 corporation ~~department and of the agency~~ and a scoring system
14 for evaluating and ranking applications. The corporation
15 ~~agency~~ board shall make the final ranking and shall decide
16 which applicants become program participants based on the
17 scores received in the ranking, further review of
18 applications, and the recommendations of the review committee.
19 The corporation ~~agency~~ board shall approve or reject
20 applications for loans and grants and shall determine the
21 tentative loan or grant amount available to each program
22 participant. The actual loan or grant amount shall be
23 determined pursuant to rule specifying credit underwriting
24 procedures.

25 (5) The criteria to be used to score applications
26 shall include, but are not limited to, the following:

27 (a) Income target objectives of the corporation
28 ~~agency~~.

29 (b) Sponsor's agreement to reserve more than the
30 minimum number of units for low-income households and
31 very-low-income households.

1 (c) Projects requiring the least amount of
2 predevelopment funds compared to total predevelopment costs.

3 (d) Sponsor's prior experience.

4 (e) Commitments of other financing.

5 (f) Sponsor's ability to proceed.

6 (g) Project's consistency with the local government
7 comprehensive plan.

8 Section 30. Section 420.528, Florida Statutes, is
9 amended to read:

10 420.528 Rules; annual reports.--

11 (1) The corporation ~~agency~~ may adopt rules necessary
12 to implement ss. 420.521-420.529 and to further specify the
13 purposes for which loan and grant funds may be expended, the
14 required content of applications, the procedure for evaluating
15 and competitively ranking all applications, and reporting
16 requirements for sponsors awarded funds under ss.
17 420.521-420.529.

18 (2) The corporation ~~agency~~ shall submit, within the
19 annual report required by s. 420.511, a summary of loans and
20 grants made, loan and grant recipients, loan commitments
21 received by sponsors, persons or families housed, projects
22 initiated and completed, and the balance on all loans
23 outstanding at the end of each fiscal year.

24 Section 31. Section 420.529, Florida Statutes, is
25 amended to read:

26 420.529 Default by sponsor.--If a default on a loan
27 occurs, the corporation ~~agency~~ may foreclose on any mortgage
28 or security interest or commence any legal action to protect
29 the interest of the corporation ~~agency~~ or the fund and recover
30 the amount of the unpaid principal, accrued interest, and fees
31 on behalf of the fund. The corporation ~~agency~~ may also

1 acquire real and personal property or any interest in the
2 property if such acquisition is necessary or appropriate to
3 protect any loan; to sell, transfer, and convey any such
4 property to a buyer without regard to the provisions of
5 chapters 253 and 270; and, if such sale, transfer, or
6 conveyance cannot be effected within a reasonable time, to
7 lease such property for occupancy by eligible persons. All
8 sums recovered from the sale, transfer, conveyance, or lease
9 of such property shall be deposited into the Housing
10 Predevelopment ~~Trust~~ Fund.

11 Section 32. Subsection (5) of section 420.602, Florida
12 Statutes, is redesignated as subsection (4) of said section,
13 and present subsection (4) of said section is amended to read:

14 420.602 Definitions.--As used in this part, the
15 following terms shall have the following meanings, unless the
16 context otherwise requires:

17 (5)(4)"Corporation" means the Florida Housing Finance
18 Corporation as created in s. 420.504.~~"Agency" means the~~
19 ~~Florida Housing Finance Agency as created in s. 420.504(1).~~

20 Section 33. Section 420.606, Florida Statutes, is
21 amended to read:

22 420.606 Training and technical assistance program.--

23 (1) LEGISLATIVE FINDINGS.--In addition to the
24 legislative findings set forth in s. 420.6015, the Legislature
25 finds and declares that:

26 (a) Housing in economically declining or distressed
27 areas is frequently substandard and is often unaffordable to
28 very-low-income persons and low-income persons;

29 (b) Community-based organizations often have limited
30 experience in development of quality housing for
31

1 very-low-income persons and low-income persons in economically
2 declining or distressed areas; and

3 (c) The staffs and board members of community-based
4 organizations need additional training in housing development
5 as well as technical support to assist them in gaining the
6 experience they need to better serve their communities.

7 (d) The staffs of state agencies and local
8 governments, whether directly involved in the production of
9 affordable housing or acting in a supportive role, can better
10 serve the goals of state and local governments if their
11 expertise in housing development is expanded.

12 (2) PURPOSE.--The purpose of this section is to
13 provide community-based organizations and staff of state and
14 local governments with the necessary training and technical
15 assistance to meet the needs of very-low-income persons,
16 low-income persons, and moderate-income persons for standard,
17 affordable housing.

18 (3) TRAINING AND TECHNICAL ASSISTANCE PROGRAM.--The
19 Department of Community Affairs shall be responsible for
20 securing the necessary expertise to provide training and
21 technical assistance to staff of local governments, to staff
22 of state agencies, as appropriate, and to community-based
23 organizations, and to persons forming such organizations,
24 which are formed for the purpose of developing new housing and
25 rehabilitating existing housing which is affordable for
26 very-low-income persons, low-income persons, and
27 moderate-income persons. To the maximum extent feasible, the
28 entity to provide the necessary expertise must be recognized
29 by the Internal Revenue Service as a nonprofit tax-exempt
30 organization. It must have as its primary mission the
31 provision of affordable housing training and technical

1 assistance; an ability to provide training and technical
2 assistance statewide; and a proven track record of
3 successfully providing training and technical assistance under
4 the Affordable Housing Catalyst Program.

5 (a) The training component of the program shall be
6 designed to build the housing development capacity of
7 community-based organizations and local governments as a
8 permanent resource for the benefit of communities in this
9 state.

10 1. The scope of training shall include, but not be
11 limited to, real estate development skills related to
12 affordable housing, including the construction process and
13 property management and disposition, the development of
14 public-private partnerships to reduce housing costs, model
15 housing projects, and management and board responsibilities of
16 community-based organizations.

17 2. Training activities may include, but are not
18 limited to, materials for self-instruction, workshops,
19 seminars, internships, coursework, and special programs
20 developed in conjunction with state universities and community
21 colleges.

22 (b) The technical assistance component of the program
23 shall be designed to assist applicants for state-administered
24 programs in developing applications and in expediting project
25 implementation. Technical assistance activities for the
26 staffs of community-based organizations and local governments
27 who are directly involved in the production of affordable
28 housing may include, but are not limited to, workshops for
29 program applicants, onsite visits, guidance in achieving
30 project completion, and a newsletter to community-based
31 organizations and local governments.

1 ~~(c)(4)~~ TECHNICAL SUPPORT FOR THE HOME, HOPE, AND STATE
2 ~~HOUSING INITIATIVES PARTNERSHIP PROGRAMS.~~ --The department
3 shall establish a program known as the Affordable Housing
4 Catalyst Program to be responsible for securing the necessary
5 expertise as provided in this section for providing
6 specialized technical support to local governments to
7 implement the HOME Investment Partnership Program, ~~the HOPE~~
8 ~~Program, and the~~ State Housing Initiatives Partnership
9 Program, and other affordable housing programs. The technical
10 support shall, at a minimum, provide training relating to the
11 following key elements of the partnership programs:
12 1.(a) The formation of local and regional housing
13 partnerships as a means of bringing together resources to
14 provide affordable housing.
15 2.(b) The implementation of regulatory reforms to
16 reduce the risk and cost of developing affordable housing.
17 3.(c) The implementation of affordable housing
18 programs included in local government comprehensive plans.
19 4.(d) The compliance with requirements of federally
20 funded housing programs.
21 (4)(5) POWERS.--The Department of Community Affairs
22 may do all things necessary or appropriate to carry out the
23 purposes of this section, including exercising the power to:
24 (a) Enter into contracts and agreements with the
25 Federal Government or with other agencies of the state, with
26 local governments, or with any other person, association,
27 corporation, or entity;
28 (b) Seek and accept funding from any public or private
29 source; and
30 (c) Adopt and enforce rules consistent with this
31 section.

1 Section 34. Section 420.9071, Florida Statutes, 1996
2 Supplement, is amended to read:

3 420.9071 Definitions.--As used in ss.
4 420.907-420.9079, the term:

5 (1) "Adjusted for family size" means adjusted in a
6 manner that ~~which~~ results in an income eligibility level that
7 is lower for households having fewer than four people, or
8 higher for households having more than four people, than the
9 base income eligibility determined as provided in subsection
10 (19), subsection (20), or subsection ~~(28)~~(25), based upon a
11 formula established by the United States Department of Housing
12 and Urban Development.

13 ~~(2) "Adjusted gross income" means wages, income from~~
14 ~~assets, regular cash or noncash contributions, and any other~~
15 ~~resources and benefits determined to be income by the United~~
16 ~~States Department of Housing and Urban Development, adjusted~~
17 ~~for family size, minus the deductions allowable under s. 61 of~~
18 ~~the Internal Revenue Code of 1986, as amended.~~

19 ~~(2)~~(3) "Affordable" means that monthly rents or
20 monthly mortgage payments including taxes and insurance do not
21 exceed 30 percent of that amount which represents the
22 percentage of the median ~~adjusted gross~~ annual gross income
23 for the households as indicated in subsection (19), subsection
24 (20), or subsection ~~(28)~~(25). However, it is not the intent
25 to limit an individual household's ~~individual's~~ ability to
26 devote more than 30 percent of its ~~his~~ income for housing, and
27 housing for which a household devotes more than 30 percent of
28 its income shall be deemed affordable if the first
29 institutional mortgage lender is satisfied that the household
30 can afford mortgage payments in excess of the 30 percent
31 benchmark.

1 ~~(3)(4)~~ "Affordable housing advisory committee" means
2 the committee appointed by the governing body of a county or
3 eligible municipality for the purpose of recommending specific
4 initiatives and incentives to encourage or facilitate
5 affordable housing as provided in s. 420.9076.

6 ~~(5)~~ ~~"Agency" means the Florida Housing Finance Agency~~
7 ~~created under part V of this chapter.~~

8 (4) "Annual gross income" means annual income as
9 defined under the Section 8 housing assistance payments
10 programs in 24 C.F.R. part 813; annual income as reported
11 under the census long form for the recent available decennial
12 census; or adjusted gross income as defined for purposes of
13 reporting under Internal Revenue Service Form 1040 for
14 individual federal annual income tax purposes. Counties and
15 eligible municipalities shall calculate income by projecting
16 the prevailing annual rate of income for all adults in the
17 household as the amount of income to be received in a
18 household during the 12 months following the effective date of
19 the determination.

20 ~~(5)(6)~~ "Award" means a loan, grant, or subsidy funded
21 wholly or partially by the local housing assistance trust fund
22 distribution.

23 ~~(6)(7)~~ "Community-based organization" means a
24 nonprofit organization that has among its purposes the
25 provision of affordable housing to persons who have special
26 needs or have very low income, low income, or moderate income
27 within a designated area, which may include a municipality, a
28 county, or more than one municipality or county, and
29 maintains, through a minimum of one-third representation on
30 the organization's governing board, accountability to housing
31 program beneficiaries and residents of the designated area. A

1 community housing development organization established
2 pursuant to 24 C.F.R. part 92.2 and a community development
3 corporation created pursuant to chapter 290 are examples of
4 community-based organizations.

5 (7) "Corporation" means the Florida Housing Finance
6 Corporation.

7 ~~(8) "Department" means the Department of Community~~
8 ~~Affairs.~~

9 (8)(9) "Eligible housing" means any real and personal
10 property located within the county or the eligible
11 municipality which is designed and intended for the primary
12 purpose of providing decent, safe, and sanitary residential
13 units that are designed to meet the standards of chapter 553
14 for ~~home ownership~~ homeownership or rental for eligible
15 persons as designated by each county or eligible municipality
16 participating in the State Housing Initiatives Partnership
17 Program ~~local housing assistance program~~.

18 (9)(10) "Eligible municipality" means a municipality
19 that is eligible for federal community development block grant
20 entitlement moneys as an entitlement community identified in
21 24 C.F.R. s. 570, subpart D, Entitlement Grants, or a
22 nonentitlement municipality that is receiving local housing
23 distribution funds under an interlocal agreement that provides
24 for possession and administrative control of funds to be
25 transferred to the nonentitlement municipality. An eligible
26 municipality that defers its participation in community
27 development block grants does not affect its eligibility for
28 participation in the State Housing Initiatives Partnership
29 Program.

30 (10)(11) "Eligible person" or "eligible household"
31 means one or more natural persons or a family determined by

1 the county or eligible municipality to be of very low income,
2 low income, or moderate income according to the income limits
3 adjusted to family size published annually by the United
4 States Department of Housing and Urban Development based upon
5 the annual ~~adjusted~~ gross income of the household resident
6 with adjustment made for family size.

7 (11)(12) "Eligible sponsor" means a person or a
8 private or public for-profit or not-for-profit entity that
9 applies for an award under the local housing assistance plan
10 program for the purpose of providing eligible housing for
11 eligible persons.

12 (12)(13) "Grant" means an award from the local housing
13 assistance trust fund a distribution of a portion of a local
14 housing distribution to an eligible sponsor or eligible person
15 to partially assist in the construction, rehabilitation, or
16 financing of eligible housing or to provide the cost of tenant
17 or ownership qualifications without requirement for repayment
18 as long as the condition of award is maintained.

19 (13)(14) "Loan" means an award from the local housing
20 assistance trust fund a pledge of the local housing
21 distribution moneys to an eligible sponsor or eligible person
22 to partially finance the acquisition, construction, or
23 rehabilitation of eligible housing with requirement for
24 repayment or provision for forgiveness of repayment if the
25 condition of the award is maintained.

26 (14)(15) "Local housing assistance plan" means a
27 concise description of the local housing assistance strategies
28 and local housing incentive strategies program adopted by
29 local government resolution ordinance with an explanation of
30 the way in which the program meets the requirements of ss.
31 420.907-420.9079 and corporation rule.

1 ~~(15)~~~~(16)~~ "Local housing assistance strategies program"
2 means the housing construction, rehabilitation, repair, or ~~and~~
3 finance program implemented by a participating county or
4 eligible municipality with the local housing distribution or
5 other funds deposited into the local housing assistance trust
6 fund.

7 (16) "Local housing incentive strategies" means local
8 regulatory reform or incentive programs to encourage or
9 facilitate affordable housing production, which include at a
10 minimum, assurance that permits as defined in s. 163.3164(7)
11 and (8) for affordable housing projects are expedited to a
12 greater degree than other projects; an ongoing process for
13 review of local policies, ordinances, regulations, and plan
14 provisions that increase the cost of housing prior to their
15 adoption; and a schedule for implementing the incentive
16 strategies. Local housing incentive strategies may also
17 include other regulatory reforms, such as those enumerated in
18 s. 420.9076 and adopted by the local governing body.

19 (17) "Local housing distributions" means the proceeds
20 of the taxes collected under chapter 201 deposited into the
21 Local Government Housing Trust Fund and distributed to
22 counties and eligible municipalities participating in the
23 State Housing Initiatives Partnership Program pursuant to s.
24 420.9073.

25 (18) "Local housing partnership" means the
26 implementation of the local housing assistance plan program in
27 a manner that involves the applicable county or eligible
28 municipality ~~local government~~, lending institutions, housing
29 builders and developers, real estate professionals, advocates
30 for low-income persons, community-based housing and service
31 organizations, and providers of professional services relating

1 to affordable housing. The term includes initiatives to
2 provide support services for housing program beneficiaries
3 such as training to prepare persons for the responsibility of
4 homeownership, counseling of tenants, and the establishing of
5 support services such as day care, health care, and
6 transportation.

7 (19) "Low-income person" or "low-income household"
8 means one or more natural persons or a family, ~~not including~~
9 ~~students,~~ that has a total annual ~~adjusted~~ gross household
10 income that does not exceed 80 percent of the median annual
11 ~~adjusted gross~~ income adjusted for family size for households
12 within the metropolitan statistical area, the county, or the
13 nonmetropolitan median for the state ~~or 80 percent of the~~
14 ~~median annual adjusted gross income for households within the~~
15 ~~metropolitan statistical area or, if not within a metropolitan~~
16 ~~statistical area, within the county, whichever amount is~~
17 greatest ~~greater~~. With respect to rental units, the
18 low-income household's ~~person's~~ annual income at the time of
19 initial occupancy may not exceed 80 percent of the area's
20 ~~state's~~ median income adjusted for family size. While
21 occupying the rental unit, a low-income household's ~~person's~~
22 annual income may increase to an amount not to exceed 140
23 percent of 80 percent of the area's ~~state's~~ median income
24 adjusted for family size.

25 (20) "Moderate-income person" or "moderate-income
26 household" means one or more natural persons or a family, ~~not~~
27 ~~including students,~~ that has a total annual ~~adjusted~~ gross
28 household income that does not exceed ~~is less than~~ 120 percent
29 of the median annual ~~adjusted gross~~ income adjusted for family
30 size for households within the metropolitan statistical area,
31 the county, or the nonmetropolitan median for the state ~~or 120~~

1 ~~percent of the median annual adjusted gross income for~~
2 ~~households within the metropolitan statistical area or, if not~~
3 ~~within a metropolitan statistical area, within the county,~~
4 whichever is greatest ~~greater~~. With respect to rental units,
5 the moderate-income household's ~~person's~~ annual income at the
6 time of initial occupancy may not exceed 120 percent of the
7 area's ~~state's~~ median income adjusted for family size. While
8 occupying the rental unit, a moderate-income household's
9 ~~person's~~ annual income may increase to an amount not to exceed
10 140 percent of 120 percent of the area's ~~state's~~ median income
11 adjusted for family size.

12 (21) "Personal property" means major appliances,
13 including a freestanding refrigerator or stove, to be
14 identified on the encumbering documents.

15 (22) "Plan amendment" means the addition or deletion
16 of a local housing assistance strategy or local housing
17 incentive strategy. Plan amendments must at all times maintain
18 consistency with program requirements and must be submitted to
19 the corporation for review pursuant to s. 420.9072(3).
20 Technical or clarifying revisions may not be considered plan
21 amendments but must be transmitted to the corporation for
22 purposes of notification.

23 (23)~~(22)~~ "Population" means the latest official state
24 estimate of population certified pursuant to s. 186.901 prior
25 to the beginning of the fiscal year.

26 (24) "Program income" means the proceeds derived from
27 interest earned on or investment of the local housing
28 distribution and other funds deposited into the local housing
29 assistance trust fund, proceeds from loan repayments, recycled
30 funds, and all other income derived from use of funds

31

1 deposited in the local housing assistance trust fund. It does
2 not include recaptured funds as defined in subsection (25).

3 (25) "Recaptured funds" means funds that are recouped
4 by a county or eligible municipality in accordance with the
5 recapture provisions of its local housing assistance plan
6 pursuant to s. 420.9075(4)(g) from eligible persons or
7 eligible sponsors who default on the terms of a grant award or
8 loan award.

9 (26)~~(23)~~ "Rent subsidies" means ongoing monthly rental
10 assistance. The term does not include initial assistance to
11 tenants, such as grants or loans for security and utility
12 deposits.

13 ~~(24)~~ "Student" ~~means a person not living with the~~
14 ~~person's parent or guardian who is eligible to be claimed by~~
15 ~~the person's parent or guardian as a dependent under the~~
16 ~~federal income tax code and who is enrolled at least half time~~
17 ~~in a secondary school, vocational-technical center, community~~
18 ~~college, or university. The term does not include a person~~
19 ~~participating in a job training program approved by the county~~
20 ~~or the eligible municipality.~~

21 (27) "Sales price" or "value" means, in the case of
22 acquisition of an existing or newly constructed unit, the
23 amount on the executed sales contract. For eligible persons
24 who are building a unit on land that they own, the sales price
25 is determined by an appraisal performed by a state-certified
26 appraiser. The appraisal must include the value of the land
27 and the improvements using the after-construction value of the
28 property and must be dated within 12 months of the date
29 construction is to commence. The sales price of any unit must
30 include the value of the land in order to qualify as eligible
31 housing as defined in subsection (8). In the case of

1 rehabilitation or emergency repair of an existing unit, sales
2 price or value means the value of the real property, as
3 determined by an appraisal performed by a state-certified
4 appraiser and dated within 12 months of the date construction
5 is to commence or the assessed value of the real property as
6 determined by the county property appraiser, plus the cost of
7 the improvements.

8 (28)(25) "Very-low-income person" or "very-low-income
9 household" means one or more natural persons or a family, not
10 including students, that has a total annual adjusted gross
11 household income that does not exceed 50 percent of the median
12 annual adjusted gross income adjusted for family size for
13 households within the metropolitan statistical area, the
14 county, or the nonmetropolitan median for the state or 50
15 percent of the median annual adjusted gross income for
16 households within the metropolitan statistical area or, if not
17 within a metropolitan statistical area, within the county,
18 whichever is greatest greater. With respect to rental units,
19 the very-low-income household's person's annual income at the
20 time of initial occupancy may not exceed 50 percent of the
21 area's state's median income adjusted for family size. While
22 occupying the rental unit, a very-low-income household's
23 person's annual income may increase to an amount not to exceed
24 140 percent of 50 percent of the area's state's median income
25 adjusted for family size.

26 Section 35. Section 420.9072, Florida Statutes, is
27 amended to read:

28 420.9072 State Housing Initiatives Partnership
29 Program.--The State Housing Initiatives Partnership Program is
30 created for the purpose of providing funds to counties and
31 eligible municipalities ~~local governments~~ as an incentive for

1 the creation of local housing partnerships, to expand
2 production of and preserve affordable housing, to further the
3 housing element of the local government comprehensive plan
4 specific to affordable housing, and to increase
5 housing-related employment.

6 (1)(a) In addition to the legislative findings set
7 forth in s. 420.6015, the Legislature finds that affordable
8 housing is most effectively provided by combining available
9 public and private resources to conserve and improve existing
10 housing and provide new housing for very-low-income households
11 persons, low-income households persons, and moderate-income
12 households persons. The Legislature intends to encourage
13 partnerships in order to secure the benefits of cooperation by
14 the public and private sectors and to reduce the cost of
15 housing for the target group by effectively combining all
16 available resources and cost-saving measures. The Legislature
17 further intends that local governments achieve this
18 combination of resources by encouraging active partnerships
19 between government, lenders, builders and developers, real
20 estate professionals, advocates for low-income persons, and
21 community groups to produce affordable housing and provide
22 related services. Extending the partnership concept to
23 encompass cooperative efforts among small counties as defined
24 in s. 120.52(17), and among counties and municipalities
25 ~~between local governments~~ is specifically encouraged. Local
26 governments are also intended to establish an affordable a
27 housing advisory committee to recommend monetary and
28 nonmonetary incentives for affordable housing as provided in
29 s. 420.9076.

30 (b) The Legislature further intends that the State
31 Housing Initiatives Partnership Program provide the maximum

1 flexibility to local governments to determine the use of funds
2 for housing programs while ensuring accountability for the
3 efficient use of public resources and guaranteeing that
4 benefits are provided to those in need.

5 (2)(a) To be eligible to receive funds under the
6 program, a county or eligible municipality must:

7 1. Submit to the corporation ~~agency and the department~~
8 its local housing assistance plan describing the local housing
9 assistance strategies ~~program~~ established pursuant to s.
10 420.9075; ~~and~~

11 2. Within 12 months after adopting the local housing
12 assistance plan, amend the plan to incorporate the local
13 housing incentive strategies defined in s. 420.9071(16) and
14 described in s. 420.7096; and

15 ~~3.2.~~ Within 24 ~~12~~ months after adopting ~~establishing,~~
16 by ordinance, the amended local housing assistance plan to
17 incorporate the local housing incentive strategies, amend its
18 land development regulations or establish local policies and
19 procedures, as necessary, to implement the local housing
20 incentive strategies adopted by the local governing body. A
21 county or an eligible municipality that has adopted a housing
22 incentive strategy pursuant to s. 420.9076 before the
23 effective date of this act shall review the status of
24 implementation of the plan according to its adopted schedule
25 for implementation and report its findings in the annual
26 report required by s. 420.9075(9). If as a result of the
27 review, a county or an eligible municipality determines that
28 the implementation is complete and in accordance with its
29 schedule, no further action is necessary. If a county or an
30 eligible municipality determines that implementation according
31 to its schedule is not complete, it must amend its land

1 development regulations or establish local policies and
2 procedures, as necessary, to implement the housing incentive
3 plan within 12 months after the effective date of this act, or
4 if extenuating circumstances prevent implementation within 12
5 months, pursuant to s. 420.9075(12) enter into an extension
6 agreement with the corporation program, submit to the agency
7 and the department its affordable housing incentive plan
8 pursuant to s. 420.9076.

9 (b) A county or an eligible municipality seeking
10 approval to receive its share of the local housing
11 distribution must adopt an ordinance containing the following
12 provisions:

13 1. Creation of a local ~~an affordable~~ housing
14 assistance trust fund as described in s. 420.9075(5).

15 2. Adoption by resolution ~~Establishment~~ of a local
16 housing assistance plan as defined in s. 420.9071(14) ~~program~~
17 to be implemented through a local housing partnership as
18 defined in s. 420.9071(18) ~~s. 420.9071.~~

19 3. Designation of the responsibility for the
20 administration of the local housing assistance plan ~~program~~.
21 Such ordinance may also provide for the contracting of all or
22 part of the administrative or other functions of the program
23 to a third person or entity.

24 4. Creation of the affordable housing advisory
25 committee as provided in s. 420.9076.

26
27 The ordinance must not take effect until at least 30 days
28 after the date of formal adoption. Ordinances in effect prior
29 to the effective date of amendments to this section shall be
30 amended as needed to conform to new provisions.

31

1 (3)(a) The governing board of the county or of an
2 eligible municipality must submit to the corporation one copy
3 ~~agency and the department two copies~~ of its local housing
4 assistance plan. The transmittal of the plan must include a
5 copy of the ordinance, the adopting resolution, the local
6 housing assistance plan, and such other information as the
7 corporation agency requires by rule; however, information to
8 be included in the plan is intended to demonstrate consistency
9 with the requirements of ss. 420.907-420.9079 and corporation
10 rule ~~this program~~ without posing an undue burden on the local
11 government. Plans shall be reviewed by a committee composed
12 of corporation agency and department staff as established by
13 corporation agency rule, ~~in consultation with the department.~~

14 (b) Within 30 days after receiving a plan, the review
15 committee shall review the plan and either approve it or
16 identify inconsistencies with the requirements of the program.
17 The corporation agency and the department shall assist a local
18 government in revising its plan if it initially proves to be
19 inconsistent with program requirements. A plan that is
20 revised by the local government to achieve consistency with
21 the program requirements shall be reviewed within 30 days
22 after submission. ~~A local government may twice revise and~~
23 ~~resubmit its plan during any state fiscal year.~~ The deadlines
24 for submitting original and revised plans shall be established
25 by corporation agency rule; however, the corporation shall not
26 require submission of a new local housing assistance plan to
27 implement amendments to this act until the currently effective
28 plan expires ~~during the first year the program is in~~
29 ~~existence, counties and eligible municipalities may submit~~
30 ~~their initial plans not later than June 30, 1993.~~

31

1 (c) The Legislature intends that approval of plans be
2 expedited to ensure that the production of needed housing and
3 the related creation of jobs occur as quickly as possible.
4 After being approved for funding, a local government may amend
5 by resolution ~~revise~~ its local housing assistance plan ~~program~~
6 if the plan as amended ~~program as revised~~ complies with
7 program ~~the requirements for such programs~~; however, a local
8 government must submit its amended ~~revised~~ plan for review
9 according to the process established in this subsection in
10 order to ensure continued consistency with the requirements of
11 the State Housing Initiatives Partnership Program.

12 (4) Moneys in the Local Government Housing Trust Fund
13 shall be distributed by the corporation ~~agency~~ to each
14 approved county and eligible municipality within the county as
15 provided in s. 420.9073. Distributions shall be allocated to
16 the participating county and to each eligible municipality
17 within the county according to an interlocal agreement between
18 the county governing authority and the governing body of the
19 eligible municipality or, if there is no interlocal agreement,
20 according to population. The portion for each eligible
21 municipality is computed by multiplying the total moneys
22 earmarked for a county by a fraction, the numerator of which
23 is the population of the eligible municipality and the
24 denominator of which is the total population of the county.
25 The remaining revenues shall be distributed to the governing
26 body of the county.

27 (5)(a) Local governments are encouraged to make the
28 most efficient use of their resources by cooperating to
29 provide affordable housing assistance. Local governments may
30 enter into an interlocal agreement for the purpose of
31 establishing a joint local housing assistance plan ~~program~~

1 subject to the requirements of ss. 420.907-420.9079. The
2 local housing distributions for such counties and eligible
3 municipalities shall be directly disbursed on a monthly basis
4 to each county or eligible municipality to be administered in
5 conformity with the interlocal agreement providing for a joint
6 local housing assistance plan ~~program~~.

7 (b) If a county or eligible municipality enters into
8 an interlocal agreement with a municipality that becomes
9 eligible as a result of entering into that interlocal
10 agreement, the county or eligible municipality that has agreed
11 to transfer the control of funds to a municipality that was
12 not originally eligible must ensure through its local housing
13 assistance plan and through the interlocal agreement that all
14 program funds are used in a manner consistent with ss.
15 420.907-420.9079. This must be accomplished by:

16 1. Providing that the use of the portion of funds
17 transferred to the municipality meets all requirements of ss.
18 420.907-420.9079, or

19 2. Providing that the use of the portion of funds
20 transferred to the municipality, when taken in combination
21 with the use of the local housing distribution from which
22 funds were transferred, meets all requirements of ss.
23 420.907-420.9079.

24 (6) The moneys that otherwise would be distributed
25 pursuant to s. 420.9073 to a local government that does not
26 meet the program's requirements for receipts of such
27 distributions shall remain in the Local Government Housing
28 Trust Fund to be administered ~~used~~ by the corporation ~~agency~~
29 ~~to administer the affordable housing production program~~
30 pursuant to s. 420.9078.

31

1 (7) A county or an eligible municipality must expend
2 its portion of the local housing distribution only to
3 implement a local housing assistance plan ~~program~~.

4
5 A county or an eligible municipality may not expend its
6 portion of the local housing distribution to provide rent
7 subsidies; however, this does not prohibit the use of funds
8 for security and utility deposit assistance.

9 (8) Funds distributed under this program may not be
10 pledged to pay the debt service on any bonds.

11 (9) The corporation shall ~~agency may~~ adopt rules
12 necessary to implement ss. 420.907-420.9079.

13 Section 36. Subsection (3) of section 420.9073,
14 Florida Statutes, is amended to read:

15 420.9073 Local Housing Distributions.--

16 (3) Calculation of guaranteed amounts:

17 (a) The guaranteed amount under subsection (1) shall
18 be calculated for each fiscal year by multiplying \$350,000
19 ~~\$250,000~~ by a fraction, the numerator of which is the amount
20 of funds distributed to the Local Government Housing Trust
21 Fund pursuant to s. 201.15(6) and the denominator of which is
22 the total amount of funds distributed to the Local Government
23 Housing Trust Fund pursuant to s. 201.15. ~~For fiscal year~~
24 ~~1992-1993, the guaranteed amount in s. 420.9073 shall be~~
25 ~~\$250,000.~~

26 (b) The guaranteed amount under subsection (2) shall
27 be calculated for each fiscal year, ~~beginning in fiscal year~~
28 ~~1995-1996,~~ by multiplying \$350,000 ~~\$250,000~~ by a fraction, the
29 numerator of which is the amount of funds distributed to the
30 Local Government Housing Trust Fund pursuant to s. 201.15(7)
31 and the denominator of which is the total amount of funds

1 distributed to the Local Government Housing Trust Fund
2 pursuant to s. 201.15.

3 Section 37. Section 420.9075, Florida Statutes, is
4 amended to read:

5 420.9075 Local housing assistance plans ~~programs~~;
6 partnerships.--

7 (1)(a) Each county or eligible municipality
8 participating in the State Housing Initiatives Partnership
9 Program shall develop and implement ~~establish~~ a local housing
10 assistance plan ~~program~~ created to make affordable residential
11 units available to persons of very low income, low income, or
12 moderate income and to persons who have special housing needs,
13 including, but not limited to, homeless people, the elderly,
14 and migrant farmworkers. The plans ~~programs~~ are intended to
15 increase the availability of affordable residential units by
16 combining local resources and cost-saving measures into a
17 local housing partnership and using private and public funds
18 to reduce the cost of housing.

19 (b) Local housing assistance plans ~~programs~~ may
20 allocate funds to:

21 1. Implement local housing assistance strategies for
22 the provision of affordable housing.

23 2. Supplement funds available to the corporation
24 ~~agency~~ to provide enhanced funding of state housing programs
25 within the county or the eligible municipality.

26 3. Provide the local matching share of federal
27 affordable housing grants or programs.

28 4. Fund emergency repairs, including, but not limited
29 to, repairs performed by existing service providers under
30 weatherization assistance programs under ss. 409.509-409.5093.

31

1 5. Further the housing element of the local government
2 comprehensive plan adopted pursuant to s. 163.3184, specific
3 to affordable housing.

4 (2)(a) Each county and each eligible municipality
5 participating in the State Housing Initiatives Partnership
6 Program shall ~~should~~ encourage the involvement of appropriate
7 public sector and private sector entities as partners in order
8 to combine resources to reduce housing costs for the targeted
9 population. This partnership process should ~~may~~ involve:

- 10 1. Lending institutions.
11 2. Housing builders and developers.
12 3. Nonprofit and other community-based housing and
13 service organizations.
14 4. Providers of professional services relating to
15 affordable housing.

16 5. Advocates for low-income persons.

17 6. Real estate professionals.

18 7.5. Other persons or entities who can assist in
19 providing housing or related support services.

20 (b) The specific participants in partnership
21 activities may vary according to the community's resources and
22 the nature of the local housing assistance plan ~~program~~.

23 (3) Each local housing assistance plan ~~program~~ is
24 governed by the following criteria and administrative
25 procedures:

26 (a) Each county, eligible municipality, or entity
27 formed through interlocal agreement to participate in the
28 State Housing Initiatives Partnership Program must develop a
29 qualification system and selection criteria for applications
30 for awards by eligible sponsors, ~~and~~ adopt criteria for the
31 selection of eligible persons, ~~and eligible sponsors~~ and adopt

1 a maximum award schedule or system of amounts consistent with
2 the intent and budget of its local housing assistance plan,
3 with ~~program and~~ ss. 420.907-420.9079, and with corporation
4 rule.

5 (b) The county or eligible municipality or its
6 administrative representative shall advertise the notice of
7 funding availability of a housing assistance program in a
8 newspaper of general circulation and periodicals serving
9 ethnic and diverse neighborhoods, at least 30 days before the
10 beginning of the application period. If no funding is
11 available due to a waiting list, no notice of funding
12 availability is required.

13 (c) In accordance with the provisions of ss.
14 760.20-760.37, it is unlawful to discriminate on the basis of
15 race, creed, religion, color, age, sex, marital status,
16 familial status, national origin, or handicap in the award
17 application process for eligible housing.

18 (d) As a condition of receipt of an award, the
19 eligible sponsor or eligible person must contractually commit
20 to comply with the affordable housing criteria provided under
21 ss. 420.907-420.9079 applicable to the affordable housing
22 objective of the award. The plan ~~program~~ criteria adopted by
23 the county or eligible municipality must prescribe the
24 contractual obligations required to ensure compliance with
25 award conditions.

26 (e) The staff or entity that has administrative
27 authority for implementing a local housing assistance plan
28 program assisting rental developments shall annually monitor
29 and determine tenant eligibility.

30
31

1 (4) The following criteria apply to awards made to
2 eligible sponsors or eligible persons for the purpose of
3 providing eligible housing:

4 (a) At least 65 percent of the funds made available in
5 each county and eligible municipality from the local housing
6 distribution must be reserved for home ownership ~~homeownership~~
7 for eligible persons.

8 (b) At least 75 percent of the funds made available in
9 each county and eligible municipality from the local housing
10 distribution must be reserved for construction,
11 rehabilitation, or emergency repair of affordable, eligible
12 housing.

13 (c) The sales price or value of new or existing
14 eligible housing may not exceed 90 percent of the median area
15 purchase price in the area where the eligible housing is
16 located, as established by the United States Department of
17 Treasury ~~in accordance with s. 3(b)(2) of the United States~~
18 ~~Housing Act of 1937.~~

19 (d) All units constructed, rehabilitated, or otherwise
20 assisted with the funds provided from the local housing
21 assistance trust fund ~~program~~ must be occupied by
22 very-low-income persons, low-income persons, and
23 moderate-income persons. At least 30 percent of the funds
24 deposited into the local housing assistance trust fund must be
25 reserved for awards to ~~must be occupied by~~ very-low-income
26 persons or eligible sponsors who will serve very-low-income
27 persons and at least an additional 30 percent of the funds
28 deposited into the local housing assistance trust fund must be
29 reserved for awards to ~~by~~ low-income persons or eligible
30 sponsors who will serve low-income persons.

31

1 (e) Loans shall be provided for periods not exceeding
2 30 years, except for deferred payment loans or loans that
3 extend beyond 30 years which continue to serve eligible
4 persons.

5 (f) Loans or grants for eligible rental housing
6 constructed, rehabilitated, or otherwise assisted from the
7 local housing assistance trust fund ~~program moneys~~ must be
8 subject to recapture requirements as provided by the county or
9 eligible municipality in its local housing assistance plan
10 unless reserved for eligible persons for 15 years or the term
11 of the assistance, whichever period is longer. Eligible
12 sponsors that offer rental housing for sale before 15 years or
13 that have remaining mortgages funded under this program must
14 give a first right of refusal to eligible nonprofit
15 organizations for purchase at the current market value for
16 continued occupancy by eligible persons ~~recipients~~.

17 (g) Loans or grants for eligible owner-occupied
18 housing constructed, rehabilitated, or otherwise assisted from
19 proceeds provided from the local housing assistance trust fund
20 ~~<O>program shall be subject to the long-term affordability and~~
21 recapture requirements as provided by the county or eligible
22 municipality in its local housing assistance plan.

23 (h) The total amount of monthly mortgage payments or
24 the amount of monthly rent charged by the eligible sponsor or
25 his designee must be made affordable.

26 (i) The maximum sales price or value ~~cost~~ per unit and
27 the maximum award ~~cost~~ per unit for eligible housing
28 benefiting from awards made pursuant to this section must be
29 established in the local housing assistance plan ~~by~~
30 ~~resolution~~.

31

1 (j) The benefit of assistance provided through the
2 State Housing Initiatives Partnership Program must accrue to
3 eligible persons occupying eligible housing. This provision
4 shall not be construed to prohibit use of the local housing
5 distribution funds for a mixed-income rental development.

6 (k) Funds from the local housing distribution not used
7 to meet the criteria established in paragraph (a) or paragraph
8 (b) or not used for the administration of a local housing
9 assistance plan program must be used for housing production
10 and finance activities, including, but not limited to,
11 financing the purchase of existing units, providing rental
12 housing, and providing home ownership ~~homeownership~~ training
13 to prospective home buyers ~~homebuyers~~ and owners of homes
14 assisted through the local housing assistance plan program.
15 Notwithstanding the provisions of paragraphs (a) and (b),
16 program income as defined in s. 420.9071(24) may also be used
17 to fund activities described in this paragraph.

18
19 If both an award under the local housing assistance plan
20 program and federal low-income housing tax credits are used to
21 assist a project and there is a conflict between the criteria
22 prescribed in this subsection and the requirements of s. 42 of
23 the Internal Revenue Code of 1986, as amended, the county or
24 eligible municipality may resolve the conflict by giving
25 precedence to the requirements of s. 42 of the Internal
26 Revenue Code of 1986, as amended, in lieu of following the
27 criteria prescribed in this subsection with the exception of
28 paragraphs (a) and (d) of this subsection.

29 (5) Each county or eligible municipality receiving
30 local housing distribution moneys shall establish and maintain
31 a local housing assistance trust fund. All moneys of a county

1 or an eligible municipality received from its share of the
2 local housing distribution, program income, recaptured funds,
3 and other funds received or budgeted to implement ~~provide~~ the
4 local housing assistance plan ~~program~~ shall be deposited into
5 the trust fund; however, local housing distribution moneys
6 used to match federal HOME program moneys may be repaid to the
7 HOME program ~~trust~~ fund if required by federal law or
8 regulations. Expenditures other than for the administration
9 and implementation of the local housing assistance plan
10 ~~program~~ may not be made from the ~~trust~~ fund.

11 (6) The moneys deposited in the local housing
12 assistance trust fund shall be used to administer and
13 implement the local housing assistance plan ~~program~~. The cost
14 of administering the plan ~~program~~ may not exceed 5 percent of
15 the local housing distribution moneys and program income
16 deposited into the trust fund. A county or an eligible
17 municipality may not exceed the 5-percent limitation on
18 administrative costs, unless its governing body finds, by
19 resolution, that 5 percent of the local housing distribution
20 plus 5 percent of program income is insufficient to adequately
21 pay the necessary costs of administering the local housing
22 assistance plan ~~program~~. The cost of administering the program
23 may not exceed 10 percent of the local housing distribution
24 plus 5 percent of program income deposited into the trust
25 fund, except that small counties, as defined in s. 120.52(17),
26 and eligible municipalities receiving a local housing
27 distribution of up to \$350,000 may use up to 10 percent of
28 program income for administrative costs.

29 (7) Pursuant to s. 420.606, the corporation ~~department~~
30 shall provide technical assistance to local governments
31 regarding the creation of partnerships, the design of local

1 housing assistance strategies ~~programs~~, the implementation of
2 local housing incentive strategies ~~incentive plans~~, and the
3 provision of support services.

4 (8) The corporation ~~department~~ shall monitor the
5 activities of local governments to determine compliance with
6 program requirements and shall collect data on the operation
7 and achievements of housing partnerships.

8 (9)~~(8)~~ Each county or eligible municipality shall
9 submit to the corporation ~~department~~ ~~and to the agency~~ by
10 September ~~November~~ 15 of each year a report of its affordable
11 housing programs and accomplishments through June 30
12 immediately preceding submittal of the report. The report
13 shall be certified as accurate and complete by the local
14 government's chief elected official or his or her designee.
15 Transmittal of the annual report by a county's or eligible
16 municipality's chief elected official, or his or her designee,
17 certifies that the local housing incentive strategies, or, if
18 applicable, the local housing incentive plan, have been
19 implemented or are in the process of being implemented
20 pursuant to the adopted schedule for implementation. The
21 report must include, but is not limited to:

22 (a) The number of households served by income
23 category, age, family size, and race, and data regarding any
24 special needs populations such as farmworkers, ~~rural~~
25 ~~residents~~, homeless persons, and the elderly. Counties shall
26 report this information separately for households served in
27 the unincorporated area and each municipality within the
28 county.

29 (b) The number of units and the average cost of
30 producing units under each local housing assistance strategy
31 program.

1 (c) The average sales price or value of a
2 single-family unit and the amount of rent charged for a rental
3 unit based on unit size.

4 (d) By income category, the number of mortgages made,
5 the average mortgage amount, and the rate of default.

6 (e) A description of the status of implementation of
7 each local housing incentive strategy, or if applicable, the
8 local ~~the affordable~~ housing incentive plan as set forth in
9 the local government's adopted schedule for implementation and
10 the resulting reduction in housing costs.

11 (f) A concise description of the support services that
12 are available to the residents of affordable housing provided
13 by local programs.

14 (g) The sales price or appraised value of housing
15 produced and an accounting of what percentage was financed by
16 the local housing distribution, other public moneys, and
17 private resources.

18 (h) Such other data or affordable housing
19 accomplishments considered significant by the reporting county
20 or eligible municipality.

21 (10)(9) The report shall be made available by the
22 county or eligible municipality ~~local government~~ for public
23 inspection and comment prior to certifying the report and
24 transmitting it to the corporation. The county or eligible
25 municipality shall provide notice of the availability of the
26 proposed report and solicit public comment. The notice must
27 state the public place where a copy of the proposed report can
28 be obtained by interested persons. Members of the public may
29 submit written comments on the report to the county or
30 eligible municipality and the corporation. Written public
31 comments shall identify the author by name, address, and

1 interest affected. The county or eligible municipality shall
2 attach a copy of all such written comments and its responses
3 to the annual report submitted to the corporation ~~department~~.

4 (11)(10) The corporation ~~agency~~ shall review the
5 report of each county or eligible municipality and any written
6 comments from the public and include ~~transmit~~ any comments
7 concerning the effectiveness of local programs in the report
8 required by s. 420.511 to the ~~department~~.

9 (12)(a)(11) If, as a result of the review of the
10 annual ~~such~~ report or public comment and written response from
11 the county or eligible municipality, or at any other time, the
12 corporation ~~agency or the department~~ determines that a county
13 or eligible municipality may have established a pattern of
14 violation of the criteria for a local housing assistance plan
15 program established under ss. 420.907-420.9079 or that an
16 eligible sponsor or eligible person has violated the
17 applicable award conditions, the corporation ~~agency or~~
18 department shall report such pattern of violation of criteria
19 or violation of award conditions to its compliance monitoring
20 agent and the Executive Office of the Governor and the
21 department's inspector general appointed pursuant to s.
22 20.055. The corporation's compliance monitoring agent
23 department's inspector general must determine within 60 days
24 whether the county or eligible municipality has violated
25 program criteria and shall issue a written report thereon. If
26 a violation has occurred, the distribution of program funds to
27 the county or eligible municipality must be suspended until
28 the violation is corrected.

29 (b) If, as a result of its review of the annual
30 report, the corporation determines that a county or eligible
31 municipality has failed to implement a local housing incentive

1 strategy, or, if applicable, a local housing incentive plan,
2 it shall send a notice of termination of the local
3 government's share of the local housing distribution by
4 certified mail to the affected county or eligible
5 municipality.

6 1. The notice must specify a date of termination of
7 the funding if the affected county or eligible municipality
8 does not implement the plan or strategy and provide for a
9 local response. A county or eligible municipality shall
10 respond to the corporation within 30 days after receipt of the
11 notice of termination.

12 2. The corporation shall consider the local response
13 that extenuating circumstances precluded implementation and
14 grant an extension to the timeframe for implementation. Such
15 an extension shall be made in the form of an extension
16 agreement that provides a timeframe for implementation. The
17 chief elected official of a county or eligible municipality or
18 his or her designee shall have the authority to enter into the
19 agreement on behalf of the local government.

20 3. If the county or the eligible municipality has not
21 implemented the incentive strategy or entered into an
22 extension agreement by the termination date specified in the
23 notice, the local housing distribution share terminates, and
24 any uncommitted local housing distribution funds held by the
25 affected county or eligible municipality in its local housing
26 assistance trust fund shall be transferred to the Local
27 Government Housing Trust Fund to the credit of the corporation
28 to administer pursuant to s. 420.9078.

29 4.a. If the affected local government fails to meet
30 the timeframes specified in the agreement, the corporation
31 shall terminate funds. The corporation shall send a notice of

1 termination of the local government's share of the local
2 housing distribution by certified mail to the affected local
3 government. The notice shall specify the termination date, and
4 any uncommitted funds held by the affected local government
5 shall be transferred to the Local Government Housing Trust
6 Fund to the credit of the corporation to administer pursuant
7 to s. 420.9078.

8 b. If the corporation terminates funds to a county,
9 but an eligible municipality receiving a local housing
10 distribution pursuant to an interlocal agreement maintains
11 compliance with program requirements, the corporation shall
12 thereafter distribute directly to the participating eligible
13 municipality its share calculated in the manner provided in s.
14 420.9072.

15 c. Any county or eligible municipality whose local
16 distribution share has been terminated may subsequently elect
17 to receive directly its local distribution share by adopting
18 the ordinance, resolution, and local housing assistance plan
19 in the manner and according to the procedures provided in ss.
20 420.907-420.9079.

21 Section 38. Section 420.9076, Florida Statutes, is
22 amended to read:

23 420.9076 Adoption of affordable housing incentive
24 strategies ~~plans~~; committees.--

25 (1) Each county or eligible municipality participating
26 in the State Housing Initiatives Partnership Program,
27 including a municipality receiving program funds through the
28 county, or an eligible municipality must, within 12 months
29 after the original adoption of the local housing assistance
30 plan, amend the plan to include local housing incentive
31 strategies as defined in s. 420.9071(16) ~~adopt an affordable~~

1 ~~housing incentive plan within 12 months after the date of~~
2 ~~adoption of the ordinance by the county or eligible~~
3 ~~municipality establishing a local housing assistance program.~~

4 (2) The governing board of a county or municipality
5 shall appoint the members of the affordable housing advisory
6 committee by resolution. Pursuant to the terms of any
7 interlocal agreement, a county and municipality may create and
8 jointly appoint an advisory committee to prepare a joint plan.
9 The ordinance adopted pursuant to s. 420.9072 ~~s. 420.9075~~
10 which creates the advisory committee or the resolution
11 appointing the advisory committee members must provide for
12 nine committee members and their terms. The committee must
13 include:

14 (a) One citizen who is actively engaged in the
15 residential home building industry in connection with
16 affordable housing.

17 (b) One citizen who is actively engaged in the banking
18 or mortgage banking industry in connection with affordable
19 housing.

20 (c) One citizen who is a representative of those areas
21 of labor actively engaged in home building in connection with
22 affordable housing.

23 (d) One citizen who is actively engaged ~~designated~~ as
24 an advocate for low-income persons in connection with
25 affordable housing.

26 (e) One citizen who is actively engaged as a
27 for-profit ~~a~~ provider of affordable housing.

28 (f) One citizen who is actively engaged as a
29 not-for-profit provider of affordable housing.

30 (g) ~~(f)~~ One citizen who is actively engaged as a real
31 estate professional in connection with affordable housing.

1 (h) One citizen who actively serves on the local
2 planning agency pursuant to s. 163.3174.

3 (i) One citizen who resides within the jurisdiction of
4 the local governing body making the appointments.

5
6 If a county or eligible municipality whether due to its small
7 size, the presence of a conflict of interest by prospective
8 appointees, or other reasonable factor, is unable to appoint a
9 citizen actively engaged in these activities in connection
10 with affordable housing, a citizen engaged in the activity
11 without regard to affordable housing may be appointed.

12 (3) All meetings of the advisory committee are public
13 meetings, and all committee records are public records.
14 Staff, administrative, and facility support to the advisory
15 committee shall be provided by the appointing county or
16 eligible municipality.

17 (4) ~~The resolution creating and appointing the~~
18 ~~advisory committee must define affordable housing as~~
19 ~~applicable to the county and municipality in a way that is~~
20 ~~consistent with the adopted local comprehensive plan. The~~
21 advisory committee shall review the established policies and
22 procedures, ordinances, land development regulations, and
23 adopted local government comprehensive plan of the appointing
24 local government and shall recommend specific initiatives to
25 encourage or facilitate affordable housing while protecting
26 the ability of the property to appreciate in value. Such
27 recommendations may include the modification or repeal of
28 existing policies, procedures, ordinances, regulations, or
29 plan provisions; the creation of exceptions applicable to
30 affordable housing; or the adoption of new policies,
31 procedures, regulations, ordinances, or plan provisions. At a

1 minimum, each advisory committee shall make recommendations on
2 affordable housing incentives in the following areas:

3 ~~(a) The affordable housing definition in the~~
4 ~~appointing resolution.~~

5 (a)(b) The expedited processing of approvals of
6 development orders or permits, as defined in s. 163.3164(7)
7 and (8), for affordable housing projects is expedited to a
8 greater degree than other projects.

9 (b)(c) The modification of impact-fee requirements,
10 including reduction or waiver of fees and alternative methods
11 of fee payment for affordable housing.

12 (c)(d) The allowance of increased density levels for
13 affordable housing.

14 (d)(e) The reservation of infrastructure capacity for
15 housing for very-low-income persons and low-income persons.

16 (e) The allowance of affordable accessory residential
17 units in residential zoning districts.

18 ~~(f) The transfer of development rights as a financing~~
19 ~~mechanism for housing for very-low-income persons and~~
20 ~~low-income persons.~~

21 (f)(g) The reduction of parking and setback
22 requirements for affordable housing.

23 (g)(h) The allowance of zero-lot-line configurations
24 for affordable housing.

25 (h)(i) The modification of street requirements for
26 affordable housing.

27 (i)(j) The establishment of a process by which a local
28 government considers, before adoption, policies, procedures,
29 ordinances, regulations, or plan provisions that increase ~~have~~
30 a significant impact on the cost of housing.

31

1 (j)~~(k)~~ The preparation of a printed inventory of
2 locally owned public lands suitable for affordable housing.

3
4 The advisory committee recommendations must also include other
5 affordable housing incentives identified by the advisory
6 committee. ~~To the maximum extent feasible, the approved~~
7 ~~affordable housing incentive recommendations submitted to the~~
8 ~~governing board of the appointing county or eligible~~
9 ~~municipality must quantify the affordable housing cost~~
10 ~~reduction anticipated from implementing the specific~~
11 ~~recommendation.~~

12 (5) The approval by the advisory committee of its
13 local affordable housing incentive strategies recommendations
14 must be made by affirmative vote of a majority of the
15 membership of the advisory committee taken at a public
16 hearing. Notice of the time, date, and place of the public
17 hearing of the advisory committee to adopt final local
18 ~~affordable~~ housing incentive strategies recommendations must
19 be published in a newspaper of general paid circulation in the
20 county. Such notice must contain a short and concise summary
21 of the local housing incentives strategies ~~affordable housing~~
22 ~~initiative~~ recommendations to be considered by the advisory
23 committee. The notice must state the public place where a
24 copy of the tentative advisory committee recommendations can
25 be obtained by interested persons.

26 (6) Within 90 days after the date of receipt of the
27 local affordable housing incentive strategies recommendations
28 from the advisory committee, the governing body of the
29 appointing local government shall adopt an amendment to its
30 local housing assistance plan to incorporate the local housing
31 incentive strategies it will implement within its jurisdiction

1 ~~affordable housing incentive plan. The amendment~~ Such plan
2 ~~must consist of the adoption of specific initiatives to~~
3 ~~encourage or facilitate affordable housing and a schedule for~~
4 ~~implementation and must include, at a minimum, the local~~
5 ~~housing incentive strategies as defined in s. 420.9071(16) a~~
6 ~~schedule for implementation of expedited permit processing for~~
7 ~~affordable housing projects and a process for review of local~~
8 ~~policies, ordinances, regulations, and plan provisions that~~
9 ~~significantly impact the cost of housing prior to their~~
10 ~~adoption.~~

11 (7) The governing board of the county or the eligible
12 municipality shall notify the corporation agency by certified
13 mail of its adoption of an amendment of its local housing
14 assistance plan to incorporate local housing incentive
15 strategies affordable housing incentive plan. The notice must
16 include a copy of the approved amended plan.

17 (a) If the corporation agency fails to receive timely
18 the approved amended local housing assistance plan to
19 incorporate local housing incentive strategies affordable
20 housing incentive plan, a notice of termination of its share
21 of the local housing distribution shall be sent by certified
22 mail by the corporation agency to the affected county or
23 eligible municipality. The notice of termination must specify
24 a date of termination of the funding if the affected county or
25 eligible municipality has not adopted an amended local housing
26 assistance plan to incorporate local housing incentive
27 strategies affordable housing incentive plan. If the county
28 or the eligible municipality has not adopted an amended local
29 housing assistance plan to incorporate local housing incentive
30 strategies affordable housing incentive plan by the
31 termination date specified in the notice of termination, the

1 local distribution share terminates; and any uncommitted local
2 distribution funds held by the affected county or eligible
3 municipality in its local housing assistance trust fund shall
4 be transferred to the Local Government State Housing Trust
5 Fund to the credit of the corporation agency to administer the
6 local government housing program pursuant to s. 420.9078.

7 (b) If a county fails to timely adopt an amended local
8 housing assistance plan to incorporate local housing incentive
9 strategies ~~affordable housing incentive plan~~ but an eligible
10 municipality receiving a local housing distribution pursuant
11 to an interlocal agreement within the county does timely adopt
12 an amended local housing assistance plan to incorporate local
13 housing incentive strategies ~~a plan~~, the corporation agency,
14 after receipt of a notice of termination, shall thereafter
15 distribute directly to the participating eligible municipality
16 its share calculated in the manner provided in s. 420.9072 ~~s.~~
17 ~~420.9071~~.

18 (c) Any county or eligible municipality whose local
19 distribution share has been terminated may subsequently elect
20 to receive directly its local distribution share by adopting
21 an amended local housing assistance plan to incorporate local
22 housing incentive strategies ~~affordable housing incentive plan~~
23 in the manner and according to the procedure provided in this
24 section and by adopting an ordinance in the manner required in
25 s. 420.9072.

26 Section 39. Section 420.9078, Florida Statutes, is
27 amended to read:

28 420.9078 State administration of remaining local
29 housing distribution funds.--When appropriated funds remain in
30 the Local Government Housing Trust Fund, the corporation shall
31 distribute the remaining funds as follows:

1 (1) The corporation shall distribute all remaining
2 funds proportionately as provided in s. 420.9073(2)(b) among
3 counties and eligible municipalities for which an emergency or
4 natural disaster has been declared by executive order and
5 which have an approved local housing assistance plan to
6 implement a local housing assistance strategy, consistent with
7 ss. 420.907-420.9079, for repairing and replacing housing
8 damaged as a result of the emergency or natural disaster.

9 (2) If subsection (1) does not apply, the corporation
10 shall distribute the remaining funds proportionately as
11 provided in s. 420.9072 and s. 420.9073(2)(b) among all
12 counties and eligible municipalities that have fully expended
13 their local housing distributions for the immediately
14 preceding state fiscal year on eligible activities and have an
15 approved local housing assistance plan. A county or eligible
16 municipality that receives local housing distributions
17 pursuant to this subsection shall expend those funds in
18 accordance with the provisions of ss. 420.907-420.9079,
19 corporation rule, and its local housing assistance plan.

20 ~~(1) With that portion of the documentary stamp tax~~
21 ~~moneys remaining in the Local Government Housing Trust Fund~~
22 ~~pursuant to s. 420.9072(6), the agency shall administer an~~
23 ~~affordable housing production program for counties,~~
24 ~~municipalities, and eligible sponsors in conformity with the~~
25 ~~criteria prescribed in s. 420.9075.~~

26 ~~(2) The agency shall, in cooperation with the~~
27 ~~department, provide by rule for a scoring system for~~
28 ~~evaluating applications submitted under the program. The~~
29 ~~scoring system must include the following factors:~~

30 ~~(a) The existence of a local housing partnership.~~

31

1 ~~(b) For a county or eligible municipality, the extent~~
2 ~~to which the local government applicant has adopted, in land~~
3 ~~development regulations, incentives to encourage or facilitate~~
4 ~~affordable housing.~~

5 ~~(c) The extent to which the requested project will~~
6 ~~provide eligible housing.~~

7 ~~(d) The amount of project funds other than the~~
8 ~~requested moneys.~~

9 ~~(e) The provision of or assistance in securing support~~
10 ~~services for housing program beneficiaries, which may include:~~

11 ~~1. Counseling to prepare persons for homeownership,~~
12 ~~which may address personal budgeting, home inspection and~~
13 ~~maintenance, the fundamentals of home mortgages and insurance,~~
14 ~~and other pertinent topics.~~

15 ~~2. Counseling to assist tenants in improving their~~
16 ~~economic well-being, which may address educational~~
17 ~~opportunities, job placement, management of personal finances,~~
18 ~~and related concerns.~~

19 ~~3. Providing social services, including day care,~~
20 ~~health care, and transportation.~~

21 ~~(f) Sponsor's agreement to reserve the units for~~
22 ~~persons or families who have incomes below 50 percent of the~~
23 ~~state or local median income, whichever is higher, for a time~~
24 ~~period that exceeds the minimum required by federal law or the~~
25 ~~provisions of ss. 420.907-420.9079.~~

26 ~~(g) Sponsor's agreement to reserve more than:~~

27 ~~1. Twenty percent of the units in the project for~~
28 ~~persons or families who have incomes that do not exceed 50~~
29 ~~percent of the state median income or local median income,~~
30 ~~whichever is higher; or~~

31

1 ~~2. Forty percent of the units in the project for~~
2 ~~persons or families who have incomes that do not exceed 60~~
3 ~~percent of the state median income or local median income,~~
4 ~~whichever is higher, without requiring a greater amount of the~~
5 ~~loans as provided in this section.~~

6 ~~(3) The rule must provide for the establishment of a~~
7 ~~review committee composed of agency and department staff~~
8 ~~members. Department staff members shall be appointed by the~~
9 ~~secretary of the department.~~

10 ~~(4) The rule must provide measures to be applied if~~
11 ~~there is a documented failure to perform in accordance with~~
12 ~~the award contract.~~

13 ~~(5) At least 60 days before the application deadline,~~
14 ~~the agency must publish a notice of fund availability in a~~
15 ~~publication of general circulation throughout the state.~~

16 Section 40. Section 420.9079, Florida Statutes, is
17 amended to read:

18 420.9079 Local Government Housing Trust Fund.--

19 (1) There is created in the State Treasury the Local
20 Government Housing Trust Fund, which shall be administered by
21 the corporation on behalf of the department agency according
22 to the provisions of ss. 420.907-420.9078 and this section.
23 There shall be deposited into the fund a portion of the
24 documentary stamp tax revenues as provided in s. 201.15,
25 moneys received from any other source for the purposes of ss.
26 420.907-420.9078 and this section, and all proceeds derived
27 from the investment use of such moneys. Moneys in the ~~trust~~
28 fund that are not currently needed for the purposes of the
29 programs administered pursuant to ss. 420.907-420.9078 and
30 this section shall be deposited ~~with the Treasurer~~ to the
31 credit of the ~~trust~~ fund and may be invested as provided by

1 law. The interest received on any such investment shall be
2 credited to the ~~trust~~ fund.

3 (2) The corporation shall administer the fund
4 exclusively for the purpose of implementing the programs
5 described in ss. 420.907-420.9078 and this section. With the
6 exception of monitoring the activities of counties and
7 eligible municipalities to determine local compliance with
8 program requirements, the corporation shall not receive
9 appropriations from the fund for administrative or personnel
10 costs. For the purpose of implementing the compliance
11 monitoring provisions of s. 420.9075(8), the corporation may
12 request a maximum of \$200,000 per fiscal year. When such
13 funding is appropriated, the corporation shall deduct the
14 amount appropriated prior to calculating the local housing
15 distribution pursuant to ss. 420.9072 and 420.9073.

16 Section 41. Sections 420.5085 and 420.5094, Florida
17 Statutes, are repealed.

18 Section 42. Subsection (4) of section 239.505, Florida
19 Statutes, 1996 Supplement, is amended to read:

20 239.505 Florida constructive youth programs.--

21 (4) FUNDING.--Each district school board or community
22 college board of trustees wishing to implement a constructive
23 youth program must submit a comprehensive plan to the
24 Department of Education no later than October 1 of the
25 preceding school year, which plan must include a list of all
26 funding sources, including, but not limited to:

27 (a) Funds available for programs authorized under the
28 Dropout Prevention Act, as provided in s. 230.2316, and
29 dropout prevention programs funded pursuant to the provisions
30 of s. 236.081(1)(c).

31

1 (b) The Vocational Improvement Program, as provided in
2 s. 239.225.

3 (c) Florida private sector and education partnerships,
4 as provided in s. 229.602.

5 (d) The Job Training Partnership Act, as provided in
6 Pub. L. No. 97-300, as it may be amended.

7 (e) The Housing Predevelopment ~~Trust~~ Fund, as provided
8 in s. 420.525.

9 (f) Local government contributions.

10 (g) Appropriations, donations, gifts, and grants from
11 private individuals or corporations.

12 (h) Grants provided by the United States Department of
13 Housing and Urban Development.

14 (i) Grants provided by the United States Department of
15 Agriculture - Rural Development ~~Farmers Home Administration~~.

16 (j) Any grant or other financial assistance from the
17 Federal Government for or in aid of any dropout prevention or
18 retrieval, adult education, community education, career
19 education, housing, neighborhood renewal or revitalization, or
20 historic restoration or preservation project or program.

21 (k) Any grant or other financial assistance from the
22 state for or in aid of any dropout prevention or retrieval,
23 adult education, community education, career education,
24 housing, neighborhood renewal or revitalization, or historic
25 restoration or preservation project or program.

26 Section 43. Section 285.11, Florida Statutes, is
27 amended to read:

28 285.11 Reservation; improvement leases.--The trustee
29 shall have the right to lease any part or parts of the
30 reservation to any person willing to enter into an improvement
31 lease. Such lease shall not exceed 15 years, unless such a

1 lease is entered into with a Florida Indian, in which case it
2 may be for a term not to exceed 25 years, and may include an
3 option on the part of the lessee to renew such lease for an
4 additional term of 25 years or less. Notwithstanding the
5 foregoing, if such lease is entered into with a Florida Indian
6 for housing development and residential purposes, it may be
7 for a term not to exceed 50 years.The lessee shall be
8 required to make such improvements to or on the property as
9 are agreed upon in the lease. The improvements shall become a
10 part of the lands of the reservation thereby accruing to the
11 benefit of the tribe upon expiration of the lease. For the
12 purposes of this section a "Florida Indian" is defined as a
13 member of either the Seminole Tribe of Florida or the
14 Miccosukee Tribe of Indians of Florida or an Indian who is
15 eligible for enrollment as a member of either of the foregoing
16 tribes.

17 Section 44. Subsection (5) of section 381.0081,
18 Florida Statutes, is amended read:

19 381.0081 Permit required to operate a migrant labor
20 camp or residential migrant housing; penalties for unlawful
21 establishment or operation; allocation of proceeds.--

22 (5) SEIZURE.--

23 (a) In addition to other penalties provided by this
24 section, the buildings, personal property, and land used in
25 connection with a felony violation of this section may be
26 seized and forfeited pursuant to the Contraband Forfeiture
27 Act.

28 (b) After satisfying any liens on the property, the
29 remaining proceeds from the sale of the property seized under
30 this section shall be allocated as follows if the department
31

1 participated in the inspection or investigation leading to
2 seizure and forfeiture under this section:

3 1. One-third of the proceeds shall be allocated to the
4 law enforcement agency involved in the seizure, to be used as
5 provided in s. 932.7055.

6 2. One-third of the proceeds shall be allocated to the
7 department, to be used for purposes of enforcing the
8 provisions of this section.

9 3. One-third of the proceeds shall be deposited in the
10 State Apartment Incentive Loan ~~Trust~~ Fund, to be used for the
11 purpose of providing funds to sponsors who provide housing for
12 farmworkers.

13 (c) After satisfying any liens on the property, the
14 remaining proceeds from the sale of the property seized under
15 this section shall be allocated equally between the law
16 enforcement agency involved in the seizure and the State
17 Apartment Incentive Loan ~~Trust~~ Fund if the department did not
18 participate in the inspection or investigation leading to
19 seizure and forfeiture.

20 Section 45. This act shall take effect July 1, 1997,
21 provided that a transitional period shall occur prior to the
22 transfer of all assets and liabilities from the agency to the
23 corporation on January 1, 1998. During this transitional
24 period, by action of the members of the agency on the
25 corporation's behalf, the corporation shall be entitled to
26 execute contracts as an entity in organization and do any
27 other things necessary to assist in the formal establishment
28 of the corporation as a working organization on January 1,
29 1998. The agency's auditors shall conduct a final audit of the
30 agency for the period beginning July 1, 1997, and ending
31 December 31, 1997, and the corporation's auditors shall

1 conduct an audit of the corporation for the period beginning
2 January 1, 1998, and ending June 30, 1998. The agency shall be
3 entitled to expend unencumbered amounts deposited into the
4 Florida Housing Finance Agency Trust Fund for payment of
5 transition and startup costs with respect to the establishment
6 of the corporation.

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