

1
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. The department
9 inspector general shall perform for the corporation the
10 functions set forth in s. 20.055 and report to the secretary
11 of the department. The corporation shall be deemed an agency
12 for the purposes of s. 20.055.

13 Section 4. Section 420.501, Florida Statutes, is
14 amended to read:

15 420.501 Short title.--This act ~~shall be known and~~ may
16 be cited as the "Florida Housing Finance Corporation Agency
17 Act."

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

20 420.502 Legislative findings.--It is hereby found and
21 declared as follows:

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

29 (7) It is necessary to create a state housing finance
30 corporation agency to encourage the investment of private
31 capital in residential housing through the use of public

1 financing to deal with the problem of disintermediation, to
2 stimulate the construction and rehabilitation of residential
3 housing, to facilitate the purchase and sale of existing
4 residential housing, to provide construction and mortgage
5 loans for projects, and to make loans to and purchase mortgage
6 loans from private lending institutions, each on a
7 quantifiable, measurable basis providing sufficient, clear
8 evidence of the corporation's goals and its success in
9 achieving the goals.

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

12 420.503 Definitions.--As used in this part, the term:

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

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

23 (3) "Authorized investments" means any of the
24 following securities:

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

29 (b) Investment agreements the issuer of which is rated
30 or the guarantor of which is rated in one of the three highest
31 rating categories by a nationally recognized rating service.

1 ~~Bonds, debentures, notes, or other evidences of indebtedness~~
2 ~~issued by any of the following: Bank for Cooperatives;~~
3 ~~federal intermediate credit banks; federal home loan banks;~~
4 ~~Export-Import Bank of the United States; federal land banks;~~
5 ~~Federal National Mortgage Association; Government National~~
6 ~~Mortgage Association; Federal Financing Bank; Small Business~~
7 ~~Administration; or any other agency or instrumentality of the~~
8 ~~United States of America, created by an Act of Congress,~~
9 ~~substantially similar to the foregoing in its legal~~
10 ~~relationship to the United States of America.~~

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

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

25 ~~1. The deposits, certificates, and other arrangements~~
26 ~~are insured to the satisfaction of the agency by the Federal~~
27 ~~Deposit Insurance Corporation or the Federal Savings and Loan~~
28 ~~Insurance Corporation;~~

29 ~~2. The depository institution has combined capital and~~
30 ~~surplus of at least \$10 million and the deposits,~~
31 ~~certificates, and other arrangements are fully secured by~~

1 ~~obligations described in paragraphs (a) through (c),~~
2 ~~inclusive, or a combination thereof; or~~

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

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

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

20 (5) "Commercial fishing worker" means a laborer who is
21 employed on a seasonal, temporary, or permanent basis in
22 fishing in salt water or fresh water and who derived at least
23 50 percent of his income in the immediately preceding 12
24 months from such employment. The term includes a person who
25 has retired as a laborer due to age, disability, or illness.
26 In order to be considered retired due to age, a person must be
27 50 years of age or older and must have been employed for a
28 minimum of 5 years as a commercial fishing worker. In order
29 to be considered retired due to disability or illness, a
30 person must:

31

1 (a) Establish medically that he is unable to be
2 employed as a commercial fishing worker due to that disability
3 or illness; and

4 (b) Establish that he was previously employed as a
5 commercial fishing worker.

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

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

19 (8) "Contract" means the contract between the
20 secretary of the department and the corporation for provision
21 of housing services referenced in s. 420.0006.

22 (9) "Contribution" means a gift, subscription,
23 conveyance, deposit, loan, payment, or distribution of money
24 or anything of value, including contributions in kind having
25 an attributable monetary value in any form, made directly or
26 indirectly for the purpose of influencing an election.

27 (10) "Corporation" means the Florida Housing Finance
28 Corporation.

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

31

- 1 ~~(12)(8)~~ "Department" means the Department of Community
2 Affairs.
- 3 ~~(13)(9)~~ "Development costs" means the sum total of all
4 costs incurred in the development of a project which are
5 approved by the corporation ~~agency~~ as reasonable and
6 necessary. Such costs may include, but are not limited to:
- 7 (a) The cost of acquiring real property and any
8 buildings thereon, including payments for options, deposits,
9 or contracts to purchase properties.
- 10 (b) The cost of site preparation, demolition, and
11 development.
- 12 (c) Any expenses relating to the issuance of the bonds
13 of the corporation ~~agency~~.
- 14 (d) Fees in connection with the planning, execution,
15 and financing of the project, such as those of architects,
16 engineers, attorneys, accountants, and the corporation ~~agency~~.
- 17 (e) The cost of studies, surveys, plans, permits,
18 insurance, interest, financing, tax and assessment costs, and
19 other operating and carrying costs during construction,
20 rehabilitation, or reconstruction of the project.
- 21 (f) The cost of the construction, rehabilitation, and
22 equipping of the project.
- 23 (g) The cost of land improvements, such as landscaping
24 and offsite improvements, whether such costs are paid in cash,
25 property, or services.
- 26 (h) Expenses in connection with initial occupancy of
27 the project.
- 28 (i) A reasonable profit-and-risk fee in addition to
29 job overhead to the general contractor and, if applicable, the
30 sponsor.
- 31

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

5 (k) The cost of such other items, including relocation
6 costs, indemnity and surety bonds, premiums on insurance, and
7 fees and expenses of trustees, depositories, and paying agents
8 for the corporation's ~~agency's~~ bonds, as the corporation
9 ~~agency~~ shall determine to be reasonable and necessary for the
10 development of the project.

11 ~~(14)(10)~~ "Division" means the Division of Bond Finance
12 of the State Board of Administration ~~created by and referred~~
13 ~~to in the State Bond Act.~~

14 ~~(15)(11)~~ "Elderly" means persons 62 years of age or
15 older.

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

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

31 (a) Requirements mandated by federal law.

1 (b) Variations in circumstances in the different areas
2 of the state.

3 (c) Whether the determination is for rental housing or
4 homeownership purposes.

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

7 ~~(14) "Energy audit" means an evaluation of~~
8 ~~energy-saving measures in which the estimates of costs and~~
9 ~~savings are based on an onsite inspection of the residence of~~
10 ~~an eligible customer by an auditor qualified pursuant to s.~~
11 ~~366.82.~~

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

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

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

29 (b) Establish that he was previously employed as a
30 farmworker.

31

1 ~~(19)(17)~~ "Housing for the elderly" means, for purposes
2 of s. 420.5087(3)(c)2., any nonprofit housing community that
3 is financed by a mortgage loan made or insured by the United
4 States Department of Housing and Urban Development under s.
5 202, s. 202 with a s. 8 subsidy, s. 221(d)(3) or (4), or s.
6 236 of the National Housing Act, as amended, and that is
7 subject to income limitations established by the United States
8 Department of Housing and Urban Development, or any program
9 funded by the Rural Development Agency of the United States
10 Department of Agriculture ~~Farmers Home Administration~~ and
11 subject to income limitations established by the United States
12 Department of Agriculture.

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

22 ~~(21)(19)~~ "Loan," for purposes of the State Apartment
23 Incentive Loan Program and HOME Investment Partnership
24 Program, means any direct loan or loan guaranty issued or
25 backed by such funds.

26 ~~(22)(20)~~ "Local government" means a unit of local
27 general-purpose government as defined in s. 218.31(2).

28 ~~(23)(21)~~ "Local partnership" means a formally
29 constituted group, including representatives of local
30 government, lenders, developers, nonprofit organizations,
31 realtors, social service providers, and other entities in the

1 community which are involved with the development of
2 affordable housing.

3 (24) "Members" means the members of the board of
4 directors of the corporation.

5 (25)~~(22)~~ "Mortgage" means:

6 (a) A mortgage, mortgage deed, deed of trust, or other
7 instrument:

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

16 2. Secured, insured, or guaranteed in such manner as
17 the corporation ~~agency~~ determines will protect its interests
18 and those of the bondholders, ~~provided the bonds issued to~~
19 ~~fund or finance such instrument are rated by a nationally~~
20 ~~recognized rating service in any one of the three highest~~
21 ~~classifications, which rating services and classifications are~~
22 ~~determined pursuant to rules adopted by the State Board of~~
23 ~~Administration under s. 215.84(3), unless the bonds are~~
24 ~~privately placed through a negotiated sale as authorized in s.~~
25 ~~420.509(7)(a); or~~

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

28 (26)~~(23)~~ "Mortgage loan" means a financial obligation
29 secured by a mortgage.

30 (27)~~(24)~~ "Nonparticipating local jurisdiction" means a
31 locality which is not a participating local jurisdiction.

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

3 ~~(29)~~~~(25)~~ "Participating local jurisdiction" means a
4 locality which has accrued at least \$750,000 in HOME funds
5 through the federal formula allocation process or which has
6 supplemented its formula allocation by processes approved by
7 the Federal Government to equal \$750,000.

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

18 (31) "Prohibited business solicitation communication"
19 means a private written or verbal communication between a
20 member, officer, or covered employee of the corporation and a
21 service provider regarding the merits of the service provider
22 and whether the corporation should retain the services of the
23 service provider. The term does not include:

24 (a) A verbal communication made on the record during a
25 public meeting;

26 (b) A written communication provided to each member
27 and officer of the corporation and made part of the record at
28 a public meeting;

29 (c) A written proposal or statement of qualifications
30 submitted to the corporation in response to a corporation
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1 advertisement seeking proposals or statements of
2 qualifications as part of a competitive selection process.

3 (d) A verbal or written communication related to the
4 contractual responsibilities of a service provider who was
5 selected to provide services or who was included in a pool of
6 service providers eligible to provide services as a result of
7 a competitive selection process, so long as the communications
8 do not relate to solicitation of business.

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

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

23 (33)(28) "Real property" means all lands, including
24 improvements and fixtures thereon and property of any nature
25 appurtenant thereto or used in connection therewith, and every
26 estate, interest, and right, legal or equitable, therein,
27 including terms of years and liens by way of judgment,
28 mortgage, or otherwise and the indebtedness secured by such
29 liens.

30 (34)(29) "Residential housing" means one or more new
31 or existing residential dwelling units located or to be

1 located in the state, including any buildings, land,
2 improvements, equipment, facilities, or other real or personal
3 properties which are necessary in connection therewith,
4 including, but not limited to, related facilities for streets,
5 sewers, and utilities.

6 (35) "Service provider," except as otherwise defined
7 in s. 420.512(5), means a law firm, investment bank, certified
8 public accounting firm, auditor, trustee bank, credit
9 underwriter, homeowner loan servicer, or any other provider of
10 services to the corporation which offers to perform or
11 performs services to the corporation or other provider for
12 fees in excess of \$25,000 in the aggregate during any fiscal
13 year. The term includes the agents, officers, principals, and
14 professional employees of the service provider.

15 (36) "Services" means the professional services
16 normally provided by the service provider. The term includes,
17 but is not limited to, the services of bond and special
18 counsel, auditor, accountant, trustee bank, and master
19 servicer.

20 (37)~~(30)~~ "Sponsor" means any individual, association,
21 corporation, joint venture, partnership, trust, local
22 government, or other legal entity or any combination thereof
23 which:

24 (a) Has been approved by the corporation ~~agency~~ as
25 qualified to own, construct, acquire, rehabilitate,
26 reconstruct, operate, lease, manage, or maintain a project;
27 and

28 (b) Except for a local government, has agreed to
29 subject itself to the regulatory powers of the corporation
30 ~~agency~~.

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

1 ~~(39)(32)~~ "State Board of Administration" means the
2 State Board of Administration created by and referred to in s.
3 9, Art. XII of the State Constitution.

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

6 ~~(40)(34)~~ "State Housing Trust Fund" means the trust
7 fund established pursuant to s. 420.0005.

8 ~~(41)(35)~~ "Substantial rehabilitation" means repair or
9 restoration of a dwelling unit where the value of such repair
10 or restoration exceeds 40 percent of the value of the
11 dwelling.

12 Section 7. Section 420.504, Florida Statutes, 1996
13 Supplement, is amended to read:

14 420.504 Public corporation ~~Agency~~; creation,
15 membership, terms, expenses.--

16 (1) There is created within the Department of
17 Community Affairs a public corporation and ~~a state agency and~~
18 ~~instrumentality, which shall be~~ a public body corporate and
19 politic, to be known as the "Florida Housing Finance
20 Corporation ~~Agency.~~" It is declared to be the intent of and
21 constitutional construction by the Legislature that the
22 Florida Housing Finance Corporation constitutes an
23 entrepreneurial public corporation organized to provide and
24 promote the public welfare by administering the governmental
25 function of financing or refinancing housing and related
26 facilities in Florida and that the corporation is not a
27 department of the executive branch of state government within
28 the scope and meaning of s. 6, Art. IV of the State
29 Constitution, but is functionally related to the Department of
30 Community Affairs in which it is placed. The executive
31 function of state government to be performed by the secretary

1 of the department in the conduct of the business of the
2 Florida Housing Finance Corporation must be performed pursuant
3 to an annual contract to monitor and set performance standards
4 for the implementation of the business plan for the provision
5 of housing approved for the corporation as provided in s.
6 420.0006. This contract shall include the performance
7 standards for the provision of affordable housing in Florida
8 established in the business plan described in s. 420.511.

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

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

31

1 (a) One citizen actively engaged in the residential
2 home building industry.

3 (b) One citizen actively engaged in the banking or
4 mortgage banking industry.

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

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

9 (e) One citizen actively engaged in the commercial
10 building industry.

11 (f) One citizen who is a former local government
12 elected official.

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

16
17 The changes in membership categories required by this act
18 shall be effective when the term of one citizen member expires
19 in 1998 ~~on November 13, 1988~~.

20 (4)(2)(a) Members of the corporation ~~agency~~ shall be
21 appointed for terms of 4 years, except that any vacancy shall
22 be filled for the unexpired term.

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

27 (5)(3) The chair ~~chairman~~ and a vice chair ~~chairman~~
28 shall be elected annually by the members thereof. Any
29 additional officers, who need not be members, as may be deemed
30 necessary by the members of the corporation ~~agency~~ may be
31 designated and elected by the members thereof.

1 ~~(6)(4)~~ A member of the board of directors of the
2 corporation ~~agency~~ shall receive no compensation for his or
3 her services but shall be entitled to the necessary expenses,
4 including per diem and travel expenses, incurred in the
5 discharge of his duties, as provided by law.

6 ~~(7)(5)~~ Each member of the board of directors of the
7 corporation ~~agency~~ shall file full and public disclosure of
8 financial interests at the times and places and in the same
9 manner required of elected constitutional officers under s. 8,
10 Art. II of the State Constitution and any law implementing s.
11 8, Art. II of the State Constitution.

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

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

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

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

31

1 reasonable cause to believe that his or her conduct was
2 unlawful;

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

5 3. Recklessness or an act or omission that was
6 committed in bad faith or with malicious purpose or in a
7 manner exhibiting wanton and willful disregard of human
8 rights, safety, or property.

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

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

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

17 (10) The members of the agency in office on December
18 31, 1997, shall continue in office as the directors of the
19 corporation without further act of the Governor or Senate for
20 the balance of their respective terms of office with their
21 terms being defined to have commenced as of the date of first
22 appointment for purposes of chapter 112.

23 Section 8. Section 420.505, Florida Statutes, is
24 amended to read:

25 420.505 Meetings; quorum; voting.--The powers of the
26 corporation ~~agency~~ shall be vested in the its members of its
27 board of directors in office from time to time. Five members
28 of the board ~~agency~~ shall constitute a quorum for the purpose
29 of conducting its business and exercising its powers and for
30 all other purposes. Action may be taken by the board ~~agency~~
31 upon an affirmative vote of a majority of the members present,

1 provided that no action shall be taken by an affirmative vote
2 of less than four members.

3 Section 9. Section 420.506, Florida Statutes, is
4 amended to read:

5 420.506 Executive director; agents and employees.--The
6 appointment and removal of an executive director shall be by
7 the Secretary of Community Affairs, with the advice and
8 consent of the corporation's board of directors ~~agency~~. The
9 executive director shall ~~subsequently~~ employ legal and
10 technical experts and such other agents and employees,
11 permanent and temporary, as the corporation ~~agency~~ may
12 require, and shall communicate with and provide information to
13 the Legislature with respect to the corporation's activities.
14 The board is authorized, notwithstanding the provisions of s.
15 216.262, to develop and implement rules regarding the
16 employment of employees of the corporation and service
17 providers, including legal counsel. The corporation may hire
18 any individual who, as of the effective date of this act, is
19 employed by the agency. The corporation is authorized to enter
20 into a lease agreement with the Department of Management
21 Services or the Department of Community Affairs for the lease
22 of state employees from such entities, wherein an employee
23 shall retain his or her status as a state employee but shall
24 work under the direct supervision of the corporation, and
25 shall retain the right to participate in the Florida
26 Retirement System. The board of directors of the corporation
27 is entitled to establish travel procedures and guidelines for
28 employees of the corporation. The executive director's office
29 and the corporation's files and records must be located in
30 Leon County.~~The provisions of the state personnel law~~
31 ~~contained in chapter 110 shall apply, except that no more than~~

1 ~~10 policymaking employees of the agency as determined from~~
2 ~~time to time by the agency may be exempted.~~

3 Section 10. Section 420.5061, Florida Statutes, is
4 created to read:

5 420.5061 Transfer of agency assets and
6 liabilities.--Effective January 1, 1998, all assets and
7 liabilities and rights and obligations, including any
8 outstanding contractual obligations, of the agency shall be
9 transferred to the corporation as legal successor in all
10 respects to the agency. The corporation shall thereupon become
11 obligated to the same extent as the agency under any existing
12 agreements and be entitled to any rights and remedies
13 previously afforded the agency by law or contract, including
14 specifically the rights of the agency under chapter 201 and
15 chapter 159, part VI. Effective January 1, 1998, all
16 references under Florida law to the agency are deemed to mean
17 the corporation. The Corporation shall transfer to the General
18 Revenue fund an amount which otherwise would have been
19 deducted as a service charge pursuant to s. 215.20(1) if the
20 Florida Housing Finance Corporation Fund established by s.
21 420.508(5), the State Apartment Incentive Loan Fund
22 established by s. 420.5087(7), the Florida Homeownership
23 Assistance Fund established by s. 420.5088(5), the HOME
24 Investment Partnership Fund established by s. 420.5089(1) and
25 the Housing Predevelopment Loan Fund established by s.
26 420.525(1) were each trust funds. For purposes of s. 112.313,
27 the corporation is deemed to be a continuation of the agency,
28 and the provisions thereof are deemed to apply as if the same
29 entity remained in place. Any employees of the agency and
30 agency board members covered by s. 112.313(9)(a)6. shall
31 continue to be entitled to the exemption in that subparagraph,

1 notwithstanding being hired by the corporation or appointed as
2 board members of the corporation. Effective January 1, 1998,
3 all state property in use by the agency shall be transferred
4 to and become the property of the corporation.

5 Section 11. Section 420.507, Florida Statutes, is
6 amended to read:

7 420.507 Powers of the corporation ~~agency~~.--The
8 corporation ~~agency~~ shall have all the powers necessary or
9 convenient to carry out and effectuate the purposes and
10 provisions of this part, including the following powers which
11 are in addition to all other powers granted by other
12 provisions of this part:

13 (1) To sue and be sued, to have a seal, to alter the
14 same at pleasure and to authorize the use of a facsimile
15 thereof, and to make and execute contracts and other
16 instruments necessary or convenient to the exercise of the
17 powers of the corporation ~~agency~~.

18 (2) To undertake and carry out studies and analyses of
19 housing needs within the state and ways of meeting those
20 needs.

21 (3) To participate in federal housing assistance and
22 federal community development, insurance, and guarantee
23 programs and to agree and comply with any conditions attached
24 to federal financial assistance, including, without
25 limitation, the waiver of exemption from federal income
26 taxation on interest payable on its bonds, unless expressly
27 prohibited by this act.

28 (4) To provide for the collection and payment of fees
29 and charges, regardless of method of payment, in connection
30 with its loans, commitments, and servicing, including, but not
31 limited to, reimbursement of costs of financing by the

1 corporation agency, service charges and insurance premiums as
2 the corporation agency shall determine to be reasonable and as
3 shall be approved by the corporation agency. The fees and
4 charges may be paid directly by the borrower to the insurer,
5 lender, or servicing agent or may be deducted from the
6 interest collected by such insurer, lender, or servicing
7 agent.

8 (5) To acquire real and personal property or any
9 interest therein when such acquisition is necessary or
10 appropriate to protect any loan or to participate in any
11 program in which the corporation agency has an interest; to
12 sell, transfer, and convey any such property to a buyer
13 without regard to the provisions of chapters 253 and 270; and,
14 in the event that such sale, transfer, or conveyance cannot be
15 effected with reasonable promptness or at a reasonable price,
16 to lease such property for occupancy ~~by eligible persons~~.

17 (6) To borrow money through the issuance of bonds or
18 from the Federal Home Loan Bank or Rural Housing Services of
19 the United States Department of Agriculture for the purposes
20 provided in this part, to provide for and secure the payment
21 thereof, and to provide for the rights of the holders thereof.

22 (7) To purchase bonds of the corporation agency out of
23 any funds or moneys of the corporation agency available
24 therefor and to hold, cancel, or resell such bonds.

25 (8) To invest any funds held in reserves or sinking
26 funds, or any funds not required for immediate disbursement,
27 in such investments as may be authorized for trust funds under
28 s. 215.47 and in any authorized investments, provided such
29 investments will be made on behalf of the corporation agency
30 by the State Board of Administration or by another trustee
31 appointed for that purpose.

1 (9) To set standards for residential housing financed
2 by the corporation ~~agency~~ under this chapter and to provide
3 for inspections to determine compliance with those standards.

4 (10) To contract for and to accept gifts, grants,
5 loans, or other aid from the United States Government or any
6 person or corporation.

7 (11) To insure and procure insurance against any loss
8 in connection with any bonds of the corporation ~~agency~~ and the
9 ~~corporation's~~ ~~agency's~~ operations or property, including
10 without limitation:

11 (a) The repayment of any loans to mortgage lenders or
12 mortgage loans.

13 (b) Any project.

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

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

21 (13) To engage the services of private consultants on
22 a contract basis for rendering professional and technical
23 assistance and advice.

24 (14) To make additional conditions respecting the
25 grant of loans or mortgage loans pursuant to this part,
26 including, without limitation, the regulation of eligible
27 persons and the admission of tenants and other occupants or
28 users of projects and residential housing, and to enter into
29 regulatory and other agreements and contracts under the
30 provisions of this part.

31

1 (15) To institute any action or proceeding against any
2 eligible person or sponsor receiving a loan or owning any
3 residential housing financed under the provisions of this part
4 in any court of competent jurisdiction to enforce the
5 provisions of this part or the terms and provisions of any
6 agreement or contract between the corporation ~~agency~~ and such
7 person and, in connection with any such action or proceeding,
8 to apply for and accept the appointment, by a court of
9 competent jurisdiction, of a receiver to take over, manage,
10 operate, and maintain such residential housing.

11 (16) To procure or require the procurement of a policy
12 or policies of group life insurance or disability insurance,
13 or both, to insure repayment of mortgage loans for residential
14 housing in the event of the death or disability of the
15 eligible person or persons liable therefor, and to pay any
16 premiums therefor.

17 (17) To renegotiate any mortgage loan or any purchase
18 agreement with a borrower ~~or loan to a lending institution~~ in
19 default; to waive any default or consent to the modification
20 of the terms of any mortgage loan or any purchase agreement
21 ~~with or loan to a lending institution~~; and to commence,
22 prosecute, and enforce a judgment in any action or proceeding
23 to protect or enforce any right conferred upon it by law,
24 mortgage loan, loan agreement or purchase agreement ~~with a~~
25 ~~lending institution~~, contract, or other agreement, including
26 without limitation foreclosure of the security interest on the
27 property securing such a mortgage loan ~~or loan to a lending~~
28 ~~institution~~; provided that any such action or proceeding shall
29 be brought in the name of the entity servicing the mortgage
30 loan on behalf of the corporation ~~agency~~ and not in the name
31 of the corporation ~~agency~~, and in connection with any such

1 proceeding, to bid for and purchase the property or acquire or
2 take possession thereof and, in such event, complete,
3 administer, pay the principal of and interest on any
4 obligations incurred in connection with the property and
5 dispose of and otherwise deal with the property in such manner
6 as the corporation ~~agency~~ may deem advisable to protect its
7 interests therein.

8 (18) To make and execute contracts for the
9 administration, servicing, or collection of any mortgage loan
10 or loan agreement or purchase agreement with a mortgage lender
11 or servicing agent for the duration of the loan or agreement
12 and pay the reasonable value of services rendered to the
13 corporation ~~agency~~ pursuant to such contracts. The fees and
14 charges for such services may be paid directly by the borrower
15 to the lender or servicing agent or may be deducted from the
16 interest collected by such lender or servicing agent.

17 (19) To fix, revise from time to time, charge, and
18 collect fees and other charges in connection with the making
19 of mortgage loans ~~and loans to mortgage lenders~~, the
20 purchasing of mortgage loans, and any other services rendered
21 by the corporation ~~agency~~.

22 (20) To make and execute agreements, contracts, and
23 other instruments necessary or convenient in the exercise of
24 the powers and functions of the corporation ~~agency~~ under this
25 part, including contracts with any person, firm, corporation,
26 local government, or other entity; and all local governments
27 established under the laws of the state are hereby authorized
28 to enter into and do all things necessary to perform such
29 contracts and otherwise cooperate with the corporation ~~agency~~
30 to facilitate the accomplishment of the purposes of this part.

31

1 (21) Review all reverse mortgage provisions proposed
2 to be used by an individual lender or a consortium to
3 determine that such provisions are consistent with the
4 purposes and intent of this act. If the corporation ~~agency~~
5 finds that the provisions are consistent, it shall approve
6 those provisions. If the corporation ~~agency~~ finds that the
7 provisions are inconsistent, it shall state its objections and
8 give the parties an opportunity to amend the provisions to
9 overcome such objections. In approving these provisions, the
10 corporation ~~agency~~ must determine:

11 (a) That the mortgagee is either licensed pursuant to
12 ss. 494.006-494.0077 or specifically exempt from ss.
13 494.006-494.0077.

14 (b) That the mortgagee has sufficient resources to
15 finance such mortgages.

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

19 (a) Make first, second, and other subordinated
20 mortgage loans including variable or fixed rate loans subject
21 to contingent interest. The corporation ~~agency~~ shall make
22 loans exceeding 25 percent of project cost available only to
23 nonprofit organizations and public bodies which are able to
24 secure grants, donations of land, or contributions from other
25 sources and to projects meeting the criteria of subparagraph
26 1. Mortgage loans shall be made available at the following
27 rates of interest:

28 1. Zero to 3 percent interest for sponsors of projects
29 that maintain an 80 percent occupancy of residents qualifying
30 as farmworkers as defined in s. 420.306(7) over the life of
31 the loan.

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

3 (b) Geographically and demographically target the
4 utilization of loans.

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

7 (d) Negotiate with governing bodies within the state
8 after a loan has been awarded to obtain local government
9 contributions.

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

13 (f) Establish, by rule, the procedure for evaluating,
14 scoring, and competitively ranking all applications based on
15 the criteria set forth in s. 420.5087(6)(c); determining
16 actual loan amounts; making and servicing loans; and
17 exercising the powers authorized in this subsection.

18 (g) Establish a loan loss insurance reserve to be used
19 to protect the outstanding program investment in case of a
20 default, deed in lieu of foreclosure, or foreclosure of a
21 program loan.

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

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

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

30 3. Make subordinated loans to nonprofit sponsors or
31 developers of housing for construction financing of housing to

1 be offered for sale to eligible borrowers as a primary
2 residence at an affordable price.

3 (b) Establish a loan loss insurance reserve to
4 supplement existing sources of mortgage insurance with
5 appropriated funds.

6 (c) Geographically and demographically target the
7 utilization of loans.

8 (d) Defer repayment of loans for the term of the first
9 mortgage.

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

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

15 (g) Accelerate a loan for monetary default, for
16 failure to provide the benefits of the loans to eligible
17 borrowers, or for violation of any other restriction placed
18 upon the loan.

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

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

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

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

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

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

3 (26) To develop and administer the Predevelopment Loan
4 Program. In developing and administering the program, the
5 corporation ~~agency~~ may make loans and grants as provided in
6 ss. 420.521-420.529.

7 (27) Notwithstanding the provisions of part I of
8 chapter 287, to establish guidelines for and to implement the
9 purchase and procurement of materials for use by the
10 corporation.

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

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

16 (30) To prepare and submit to the secretary of the
17 department a budget request for purposes of the corporation,
18 which request shall, notwithstanding the provisions of chapter
19 216 and in accordance with s. 216.351, contain a request for
20 operational expenditures and separate requests for other
21 authorized corporation programs, each of which shall be
22 classified as a special category appropriation. The request
23 shall not be required to contain information on the number of
24 employees, salaries, or any classification thereof, and the
25 approved operating budget therefor need not comply with s.
26 216.181(7)-(9). The secretary is authorized to include within
27 the department's budget request the corporation's budget
28 request in the form as authorized by this section.

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

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

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

6 Section 12. Section 420.508, Florida Statutes, 1996
7 Supplement, is amended to read:

8 420.508 Special powers; multifamily and single family
9 projects ~~mortgages and loans to lenders.~~--The corporation
10 ~~agency~~ shall have the special power to:

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

22 1. The unpaid principal balance of the mortgage loan
23 and the interest rate thereon have been accurately stated to
24 the corporation ~~agency~~;

25 2. The amount of the unpaid principal balance is
26 justly due and owing;

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

30
31

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

4 5. The mortgage constitutes a valid first lien on the
5 real property described to the corporation ~~authority~~, subject
6 only to such title exceptions as are specifically described to
7 the corporation ~~agency~~ and as are acceptable to the
8 corporation ~~agency~~;

9 6. The mortgagor is not in default in the payment of
10 any installment of principal or interest, escrow funds, real
11 property taxes, or otherwise in the performance of his
12 obligations under the mortgage documents;

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

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

20 9. Either:

21 a. The mortgage loan was originated after such date as
22 the corporation ~~agency~~ shall have specified, for the purpose
23 of selling or assigning such mortgage loan or a participation
24 therein to the corporation ~~agency~~, and was made to an eligible
25 person to finance the construction, purchase, or refinancing
26 of residential housing for occupancy by one to four families,
27 all of whom are eligible persons and one of whom is the
28 mortgagor; or

29 b. An amount at least equal to the aggregate proceeds
30 received by the lending institution upon the sale or
31 assignment will be invested by the lending institution in new

1 mortgage loans originated after such date as the corporation
2 ~~agency~~ shall specify and will be made to eligible persons to
3 finance the construction, purchase, or refinancing of
4 residential housing for occupancy by one to four families, all
5 of whom are eligible persons and one of whom is the mortgagor.

6 (b) Provide, as a condition of any such purchase,
7 that:

8 1. Each lending institution shall submit evidence
9 satisfactory to the corporation ~~agency~~ of the making of the
10 new mortgage loans to eligible persons and, in connection
11 therewith, shall permit the corporation ~~agency~~, through its
12 members, employees, and agents, to inspect the books and
13 records of the lending institution; and

14 2. Each lending institution shall be liable to the
15 corporation ~~agency~~ for any damage suffered by the corporation
16 ~~agency~~ by reason of the untruth of any representation or the
17 breach of any warranty or covenant and, in the event that any
18 representation shall prove to be untrue when made or in the
19 event of any breach of warranty or covenant, the lending
20 institution shall, at the option of the corporation ~~agency~~,
21 repurchase the mortgage loan for the original purchase price
22 adjusted for amounts subsequently paid thereon, as the
23 corporation ~~agency~~ may determine.

24 (c) Make and enter into contracts and agreements with
25 lending institutions for the servicing and processing of
26 mortgage loans purchased by the corporation ~~agency~~ pursuant to
27 this section.

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

31

1 (2)(a) Make loans to lending institutions and purchase
2 from lending institutions obligations issued by such lending
3 institutions and secured by mortgages on residential housing
4 or projects, upon such terms and conditions as the corporation
5 ~~agency~~ may determine, which at a minimum shall include a
6 requirement that an amount at least equal to the proceeds
7 thereof be invested in new mortgage loans originated after
8 such date as the corporation ~~agency~~ shall specify and be made
9 to eligible persons to finance the construction, purchase, or
10 refinancing of residential housing for occupancy by one to
11 four families, all of whom are eligible persons and one of
12 whom is the mortgagor, or be made to sponsors to finance the
13 construction, purchase, or refinancing of projects for tenancy
14 by eligible persons; however, under no circumstances shall any
15 loan or mortgage be made for a term which is longer than the
16 term of the bond, debenture, or note, the proceeds from which
17 have funded the mortgage or loan.

18 (b) Require that loans to, or obligations purchased
19 from, lending institutions shall be additionally secured as to
20 payment of both principal and interest by a pledge of and lien
21 upon collateral security in such amounts and consisting of
22 such obligations, securities, and mortgage loans as the
23 corporation ~~State Board of Administration~~ shall by resolution
24 determine to be necessary to assure the payment of such loans
25 or securities purchased and the interest thereon as the same
26 become due; ~~provided that in no event shall the fair market~~
27 ~~value of the collateral security be less than 100 percent of~~
28 ~~the principal amount of the outstanding loan or obligation, as~~
29 ~~determined at such time or times, but no less frequently than~~
30 ~~annually, as the State Board of Administration shall specify.~~
31 ~~The State Board of Administration may require in the case of~~

1 ~~any or all lending institutions that any required collateral~~
2 ~~security be lodged with a bank or trust company, located~~
3 ~~either within or outside the state, designated by the agency~~
4 ~~as custodian therefor. In the absence of such a requirement,~~
5 ~~a lending institution shall, if collateral is to be provided~~
6 ~~for the loan or obligation purchased, upon receipt of the~~
7 ~~proceeds from the agency, enter into an agreement with the~~
8 ~~agency containing such provisions as the State Board of~~
9 ~~Administration shall deem necessary to adequately identify and~~
10 ~~maintain such collateral and service the same and shall~~
11 ~~provide that the lending institution shall hold the collateral~~
12 ~~as an agent for the agency and shall be held accountable as~~
13 ~~the trustee of an express trust for the application and~~
14 ~~disposition thereof and the income therefrom solely to the~~
15 ~~uses and purposes in accordance with the provisions of the~~
16 ~~agreement. A copy of each agreement and any revisions or~~
17 ~~supplements thereto shall be filed with the Secretary of State~~
18 ~~and no further filing or other action under chapter 679,~~
19 ~~entitled the Uniform Commercial Code Secured Transactions, or~~
20 ~~any other law of the state shall be required to perfect the~~
21 ~~security interest of the agency in the collateral or any~~
22 ~~additions thereto or substitutions therefor. The lien and~~
23 ~~trust so created for the benefit of the agency shall be~~
24 ~~binding from and after the time made as against all parties~~
25 ~~having claims of any kind in tort, contract, or otherwise~~
26 ~~against the lending institution. No loan to a lending~~
27 ~~institution shall be made and no obligation issued by a~~
28 ~~lending institution shall be purchased unless the institution~~
29 ~~shall have certified to the agency that the payment of~~
30 ~~principal and interest due on the collateral security which~~
31 ~~shall secure such loan or obligation shall be sufficient to~~

1 ~~amortize principal and pay interest on the loan or obligation~~
2 ~~secured by the collateral. The agency or the State Board of~~
3 ~~Administration may also establish such additional requirements~~
4 ~~as shall be deemed necessary with respect to the pledging,~~
5 ~~assigning, setting aside, or holding of the collateral~~
6 ~~security, the making of substitutions therefor or additions~~
7 ~~thereto, and the disposition of income and receipts therefrom.~~

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

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

18 1. Each lending institution submit evidence
19 satisfactory to the corporation ~~agency~~ of the making of the
20 new mortgage loans to eligible persons or to sponsors to
21 finance projects for tenancy by eligible persons and, in
22 connection therewith, permit the corporation ~~agency~~, through
23 its members, employees, and agents, to inspect the books and
24 records of such lending institution; and

25 2. Each lending institution be liable to the
26 corporation ~~agency~~ for any damages suffered by the corporation
27 ~~agency~~ by reason of the untruth of any representation or the
28 breach of any warranty or covenant made in connection with any
29 such loan or purchase.

30 (e) Adopt, modify, or repeal any additional conditions
31 governing the making of loans to, or purchasing of obligations

1 from, lending institutions and the application of the proceeds
2 thereof.

3 (3)(a) Make and participate in the making of, and
4 contract to make or participate in the making of, mortgage
5 loans for permanent or construction financing to sponsors for
6 the purposes of financing development costs of projects,
7 provided each mortgage loan for a project made by the
8 corporation ~~agency~~ shall:

9 1. Be evidenced by a properly executed note or other
10 evidence of indebtedness and be secured by a properly recorded
11 mortgage;

12 2. Provide for ~~regular~~ amortization to pay the
13 mortgage loan in full not later than the expiration of the
14 useful life of the property financed with the proceeds of the
15 mortgage loan as determined by the corporation ~~agency~~, and in
16 any event not later than 45 years from the date of the
17 mortgage loan;

18 3. Not exceed such percentage of the development costs
19 as the corporation ~~agency~~ may determine pursuant to rule and,
20 in any event, not more than 95 percent of the development
21 costs;

22 4. If the mortgage loan is to provide financing for
23 the construction of a project, have each advance thereof
24 secured, insured, or guaranteed in such manner as the
25 corporation ~~agency~~ determines will reasonably protect its
26 interests and those of the bondholders, ~~provided the bonds~~
27 ~~issued to fund or finance such loan are rated by a nationally~~
28 ~~recognized rating service in any one of the three highest~~
29 ~~classifications, which rating services and classifications are~~
30 ~~determined pursuant to rules adopted by the State Board of~~
31 ~~Administration under s. 215.84(3), unless the bonds are~~

1 ~~privately placed through a negotiated sale as authorized in s.~~
2 ~~409.509(7)(a); however, under no circumstances shall any loan~~
3 ~~or mortgage be made for a term which is longer than the term~~
4 ~~of the bond, debenture, or note, the proceeds from which have~~
5 ~~funded the mortgage or loan;~~

6 5. Have the initial review, approval, and origination
7 process accomplished by a lending institution in accordance
8 with such procedure as the corporation agency may prescribe,
9 which lending institution shall be paid such fees and charges
10 for its services as the corporation agency may determine; and

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

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

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

25 2. That private enterprise, unaided, is not meeting,
26 and cannot reasonably be expected to meet, the need for such
27 housing; and

28 3. That the need for such housing will be alleviated
29 by providing the project.

30 (c) Adopt and from time to time modify or repeal rules
31 for governing the making of and participation in loans to

1 sponsors for projects to implement the powers authorized, and
2 to achieve the purposes set forth, in this part.

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

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

28 Section 13. Section 420.5087, Florida Statutes, is
29 amended to read:

30 420.5087 State Apartment Incentive Loan
31 Program.--There is hereby created the State Apartment

1 Incentive Loan Program for the purpose of providing first,
2 second, or other subordinated mortgage loans or loan
3 guarantees to sponsors, including for-profit, nonprofit, and
4 public entities, to provide housing affordable to
5 very-low-income persons.

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

16 (a) Counties that have a population of more than
17 500,000 people;

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

20 (c) Counties that have a population of 100,000 or
21 less.

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

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

29 (a) The sponsor uses tax-exempt financing for the
30 first mortgage and at least 20 percent of the units in the
31 project are set aside for persons or families who have incomes

1 which meet the income eligibility requirements of s. 8 of the
2 United States Housing Act of 1937, as amended;

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

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

13

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

26 (3) During the first 6 months of loan or loan
27 guarantee availability, program funds shall be reserved for
28 use by sponsors who provide the housing set-aside required in
29 subsection (2) for tenants in the three tenant groups
30 designated in this subsection. The reservation of funds to
31 each of these groups shall be determined using the most recent

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

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

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

1 competitively ranking all applications for loans under this
2 subparagraph. A loan application must include evidence of the
3 first mortgagee's having reviewed and approved the sponsor's
4 intent to apply for a loan. A nonprofit organization or
5 sponsor may not use the proceeds of a loan received pursuant
6 to this subparagraph to pay for administrative costs, routine
7 maintenance, or new construction.

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

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

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

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

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

30 (c) ~~In consultation with the department, The~~
31 corporation ~~agency~~ shall provide by rule for the establishment

1 of a review committee composed of the department and
2 corporation ~~agency~~ staff and shall establish by rule a scoring
3 system for evaluation and competitive ranking of applications
4 submitted in this program, including, but not limited to, the
5 following criteria:

6 1. Tenant income and demographic targeting objectives
7 of the corporation ~~agency~~.

8 2. Targeting objectives of the corporation ~~agency~~
9 which will ensure an equitable distribution of loans between
10 rural and urban areas.

11 3. Sponsor's agreement to reserve the units for
12 persons or families who have incomes below 50 percent of the
13 state or local median income, whichever is higher, for a time
14 period to exceed the minimum required by federal law or the
15 provisions of this part.

16 4. Sponsor's agreement to reserve more than:

17 a. Twenty percent of the units in the project for
18 persons or families who have incomes that do not exceed 50
19 percent of the state or local median income, whichever is
20 higher; or

21 b. Forty percent of the units in the project for
22 persons or families who have incomes that do not exceed 60
23 percent of the state or local median income, whichever is
24 higher, without requiring a greater amount of the loans as
25 provided in this section.

26 5. Provision for tenant counseling.

27 6. Sponsor's agreement to accept rental assistance
28 certificates or vouchers as payment for rent; however, when
29 certificates or vouchers are accepted as payment for rent on
30 units set aside pursuant to subsection (2), the benefit must

31

1 be divided between the corporation ~~agency~~ and the sponsor, as
2 provided by corporation ~~agency~~ rule.

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

5 8. Local government contributions and local government
6 comprehensive planning and activities that promote affordable
7 housing.

8 9. Project feasibility.

9 10. Economic viability of the project.

10 11. Commitment of first mortgage financing.

11 12. Sponsor's prior experience.

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

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

15 (d) The corporation ~~agency~~ may reject any and all
16 applications.

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

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

1 each applicant selected for participation in the program. The
2 actual loan amount shall be determined pursuant to rule
3 adopted pursuant to s. 420.507(22)(f).

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

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

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

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

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

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

30 (m) Sponsors shall annually certify the adjusted gross
31 income of all persons or families qualified under subsection

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

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

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

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

1 Loan Trust Fund for such purpose as of January 1, 1998, must
2 be transferred to the corporation for deposit in the State
3 Apartment Incentive Loan Fund and the State Apartment
4 Incentive Loan Trust Fund must be closed. There shall be
5 deposited into the fund moneys from the State Housing Trust
6 Fund as created by s. 420.0005, or moneys received from any
7 other source, for the purpose of this program and all proceeds
8 derived from the use of such moneys. In addition, all loan
9 repayments, proceeds from the sale of any property, and any
10 other proceeds that would otherwise accrue pursuant to the
11 activities conducted under the provisions of the State
12 Apartment Incentive Loan Program shall be deposited in the
13 fund and shall not revert to the General Revenue Fund.
14 Expenditures from the State Apartment Incentive Loan Fund
15 shall not be required to be included in the corporation's
16 budget request or be subject to appropriation by the
17 Legislature. If a loan commitment for program funds is
18 entered into during the state fiscal year for which the
19 program funds were appropriated, the funds shall continue to
20 be made available for use during the entire construction
21 period, even if it extends beyond the fiscal year in which the
22 loan commitment was entered. ~~The budget amendment process~~
23 ~~created in s. 216.181 shall be used to make funds available~~
24 ~~throughout the construction period.~~
25 (8) If a default on a loan occurs, the corporation
26 ~~agency~~ may foreclose on any mortgage or security interest or
27 commence any legal action to protect the interest of the
28 corporation ~~agency~~ or the fund and recover the amount of the
29 unpaid principal, accrued interest, and fees on behalf of the
30 fund. The corporation ~~agency~~ may acquire real and personal
31 property or any interest therein when that acquisition is

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

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

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

25 (1) For loans made available pursuant to s.
26 420.507(23)(a)1. or 2.:

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

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

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

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

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

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

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

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

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

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

1 the units in a project financed pursuant to this subsection
2 must be sold to persons or families who have incomes that do
3 not exceed 50 percent of the state or local median income,
4 whichever amount is greater, adjusted for family size.

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

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

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

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

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

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

28 4. The economic feasibility of the proposal.

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

1 local government contributions and local government
2 comprehensive planning and activities that promote affordable
3 housing.

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

6 7. The provision of homeownership counseling.

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

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

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

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

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

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

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

1 loan amount shall be determined pursuant to rule adopted under
2 s. 420.507(23)(h).

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

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

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

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

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

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

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

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

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

27 Section 15. Section 420.5089, Florida Statutes, is
28 amended to read:

29 420.5089 HOME Investment Partnership Program; HOME
30 ~~trust~~ fund.--

31

1 (1) There is authorized to be established by the
2 corporation with a qualified public depository meeting the
3 requirements of chapter 280 in the State Treasury the HOME
4 Investment Partnership Trust Fund, which shall be administered
5 by the corporation ~~agency~~ according to the provisions of the
6 HOME Investment Partnership Program which is hereby created.
7 Any amounts held in the HOME Partnership Trust Fund for such
8 purposes as of January 1, 1998, must be transferred to the
9 corporation for deposit in the HOME Investment Partnership
10 Fund, whereupon the HOME Partnership Trust Fund must be
11 closed. There shall be deposited into the fund moneys from the
12 State Housing Trust Fund or moneys received from any other
13 source for the purpose of this program, and all proceeds
14 derived from the use of such moneys. In addition, all loan
15 repayments, proceeds from the sale of any property, and any
16 other proceeds that would otherwise accrue pursuant to the
17 activities conducted under the provisions of the HOME
18 Investment Partnership Program shall be deposited into the
19 fund and shall not revert to the General Revenue Fund.
20 Expenditures from the HOME Investment Partnership Fund shall
21 not be required to be included in the corporation's budget
22 request or be subject to appropriation by the Legislature. If
23 a loan commitment for program funds is entered into during the
24 state fiscal year for which the program funds were
25 appropriated, the funds shall continue to be made available
26 for use during the entire construction period of any project
27 financed by the program, even if it extends beyond the fiscal
28 year in which the loan commitment was entered. ~~The budget~~
29 ~~amendment process created in s. 216.181 shall be used to make~~
30 ~~funds available throughout the construction period.~~
31

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

1 demonstration projects may be granted or provided a HOME loan
2 with forgivable terms.

3 ~~(5)(3)~~ Loans made under this program shall be made
4 used for eligible applicants and activities as enumerated in
5 24 C.F.R. part 92, and as enumerated in the program rule
6 approved by the corporation's board of directors. ~~including~~
7 ~~acquisition, moderate and substantial rehabilitation, new~~
8 ~~construction, site improvement, demolition and relocation~~
9 ~~expenses, and rental assistance. Loans shall be made~~
10 ~~available directly to eligible housing providers for eligible~~
11 ~~activities relating to rental or homeownership projects the~~
12 ~~intended beneficiaries of which meet income guidelines and~~
13 ~~rent and sales price limits specified by agency rule.~~

14 ~~(4)~~ All loans must be matched with local funds ~~as~~
15 ~~specified in 24 C.F.R. part 92 and agency rule and must be~~
16 ~~limited to the amount needed to make the project economically~~
17 ~~feasible.~~

18 ~~(6)(5)~~ Applications for loans under any competitive
19 scoring process established by program rule must ~~made under~~
20 ~~this program shall be approved~~ scored and ranked by a review
21 committee established by corporation ~~agency~~ rule which shall
22 analyze factors, including, but not limited to, the following:

23 (a) ~~Tenant and homeowner income and~~ Demographic
24 targeting objectives of the corporation ~~agency~~.

25 (b) Corporation ~~Agency~~ portfolio diversification.

26 (c) ~~Developer's agreement to make more than a minimum~~
27 ~~number of units in the project available for the targeted~~
28 ~~group.~~

29 ~~(c)(d)~~ Developer's agreement to make units for the
30 targeted group available for more than the minimum period
31 required by rule.

1 ~~(e) Incorporation of the proposed housing within a~~
2 ~~coordinated community or neighborhood development strategy.~~

3 (d)(f) Leveraging of HOME funds.

4 (e) Local match funds.

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

7 (g)(h) Demonstrated capacity of the proposed project's
8 development team.

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

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

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

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

31

1 (8)~~(7)~~ The loan term shall be for a minimum period
2 equal to the affordability period as stated in 24 C.F.R. part
3 92 or 15 years for rental rehabilitations and 20 years for
4 rental or homeownership new construction loans.~~period of not~~
5 ~~more than 15 years for rental projects and 5 years for~~
6 ~~homeownership construction or rehabilitation loans. However,~~
7 ~~if both a program loan and federal low-income housing tax~~
8 ~~credits are to be used to assist a project, the agency may set~~
9 ~~the loan term for a period commensurate with the investment~~
10 ~~requirements associated with the tax credit syndication.~~The
11 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 set aside units for the~~
15 ~~target population.~~

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

28 (10)~~(9)~~ All sums recovered from the sale, transfer,
29 conveyance, or lease of such property shall be deposited into
30 the HOME Investment Partnership ~~Trust~~ Fund.
31

1 ~~(11)(10)~~ The corporation agency shall monitor all
2 projects funded under this section to ensure compliance with
3 federal and state requirements. The corporation agency may
4 inspect such projects or records pertaining to those projects
5 at any reasonable time.

6 Section 16. Section 420.509, Florida Statutes, is
7 amended to read:

8 420.509 Bonds; purpose, terms, approval,
9 limitations.--

10 (1) The issuance of revenue bonds, ~~as defined in this~~
11 ~~part,~~ to provide sufficient funds to achieve the purposes of
12 this part; pay interest on bonds; pay expenses incident to the
13 issuance and sale of any bond issued pursuant to this part,
14 including costs of validating, printing, and delivering the
15 bonds, printing the official statement, publishing notices of
16 sale of the bonds, and related administrative expenses; and
17 pay all other capital expenditures of the corporation agency
18 incident to and necessary or convenient to carry out the
19 purposes and powers granted by this part is authorized,
20 subject and pursuant to the provisions of s. 16, Art. VII of
21 the State Constitution ~~and the applicable provisions of this~~
22 ~~chapter and of the State Bond Act.~~ The provisions of ss.
23 215.57-215.83 shall not be applicable to the corporation.
24 Revenue bonds, ~~as so defined,~~ shall be payable solely from
25 pledged revenues and shall not be secured by the full faith
26 and credit of the state.

27 (2) The State Board of Administration is designated as
28 the state fiscal agency to make the determinations required by
29 s. 16, Art. VII of the State Constitution in connection with
30 the issuance of such bonds that in no state fiscal year will
31 the debt service requirements of the bonds proposed to be

1 issued and all other bonds secured by the same pledged
2 revenues exceed the pledged revenues available for such debt
3 service requirements. The State Board of Administration may
4 delegate to its executive director the authority and power to
5 perform that function without further review of the agency.
6 The determinations pursuant to this paragraph are limited to a
7 review of the matters essential to making the determinations
8 required by s. 16, Art. VII of the State Constitution. The
9 executive director shall report annually to the State Board of
10 Administration and the Legislature regarding the number of
11 bond issues considered and the determination with respect
12 thereto.

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

22 (4) Bonds of the corporation may:

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

27 (b) Have such provisions for payment at maturity and
28 redemption before maturity at such time or times and at such
29 price or prices; and

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

1 (5) The bonds may be signed by the officers of the
2 corporation as is provided for by resolution of the board. The
3 signatures may be manual or facsimile signatures as
4 established by the board. In case any officer whose signature
5 or a facsimile of whose signature appears on any bonds ceases
6 to be an officer before delivery of bonds, the signature or
7 facsimile signature is nevertheless valid and sufficient for
8 all purposes as fully and to the same extent as if he or she
9 had remained in office until the delivery.

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

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

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

1 the proceedings relating to the issuance of the notes as fully
2 and to the same extent as if incorporated verbatim therein.

3 (9) Before the preparation of definitive bonds, the
4 corporation may issue interim receipts or temporary bonds,
5 exchangeable for definitive bonds when the bonds have been
6 executed and are available for delivery under the terms and
7 conditions the board deems advisable. The board may also
8 provide for the replacement of any bonds that become mutilated
9 or destroyed, stolen, or lost under the terms and conditions
10 the board deems advisable.

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

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

30 (10)(b) Bonds of the corporation may be validated
31 pursuant to chapter 75. In actions to validate such bonds

1 pursuant to chapter 75, the complaint shall be filed in the
2 Circuit Court of Leon County, the notice required by s. 75.06
3 shall be published only in Leon County and in two newspapers
4 of general circulation in the state, and the complaint and
5 order of the court shall be served only on the state attorney
6 of the Second Judicial Circuit.

7 (11)~~(6)~~ Any resolution or resolutions authorizing any
8 bonds issued by the corporation ~~on behalf of the agency~~ may
9 contain provisions, without limitation, which shall be a part
10 of the contract or contracts with the holders thereof, as to:

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

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

20 (c) The use and disposition of the income from
21 mortgages owned by the corporation ~~agency~~ and payment of the
22 principal of mortgages owned by the corporation ~~agency~~.

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

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

29 (f) Vesting, for the life of the bonds, in a trustee
30 or trustees such property, rights, powers, and duties in trust
31 as the corporation ~~agency~~ may determine, which may include any

1 or all of the rights, powers, and duties of the trustee
2 appointed by the holders of bonds pursuant to this part, and
3 limiting or abrogating the right of holders of bonds to
4 appoint a trustee under this part or limiting the rights,
5 powers, and duties of such trustee.

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

14 (h) Any other matters, of like or different character,
15 which in any way affect the security or protection of holders
16 of bonds.

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

1 bonds, the managing underwriter, or financial consultant or
2 adviser, if applicable, shall provide to the corporation
3 ~~agency or division~~, prior to the award of bonds to the
4 managing underwriter, a disclosure statement containing the
5 following information:

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

13 2. The names, addresses, and estimated amounts of
14 compensation of any finders connected with the issuance of the
15 bonds.

16 3. The amount of underwriting spread expected to be
17 realized.

18 4. Any management fee charged by the managing
19 underwriter.

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

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

26 7. Any other disclosure that ~~which~~ the corporation
27 ~~agency or division~~ may require.

28

29 This paragraph is not intended to restrict or prohibit the
30 employment of professional services relating to bonds issued
31

1 under this chapter ~~or the issuance of bonds by the agency or~~
2 ~~division under any other chapter.~~

3 (b) In the event an offer of an issue of bonds at
4 public sale produces no bid, or in the event all bids received
5 are rejected, the corporation ~~division~~ is authorized to
6 negotiate for the sale of the bonds under such rates and terms
7 as are acceptable; provided that no bonds shall be so sold or
8 delivered on terms less favorable than the terms contained in
9 any bids rejected at the public sale thereof or, if no bids
10 were received at such public sale, the terms contained in the
11 notice of public sale.

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

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

30
31

1 (b) The willful violation of this subsection is a
2 felony of the third degree, punishable as provided in s.
3 775.082, s. 775.083, or s. 775.084.

4 (c) No violation of this subsection shall affect the
5 validity of the bond issue.

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

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

22 (16)~~(11)~~ All bonds issued by ~~on behalf of~~ the
23 corporation ~~agency~~ are hereby declared to have all the
24 qualities and incidents of negotiable instruments under the
25 applicable laws of the state.

26 (17)~~(12)~~ It is the intention of the Legislature that
27 any pledge of earnings, revenues, or other moneys made by the
28 corporation ~~agency~~ shall be valid and binding from the time
29 when the pledge is made; that the earnings, revenues, or other
30 moneys so pledged and thereafter received by the corporation
31 ~~agency~~ shall immediately be subject to the lien of that pledge

1 without any physical delivery thereof or further act; and that
2 the lien of the pledge shall be valid and binding as against
3 the corporation ~~agency~~ irrespective of whether the parties
4 have notice thereof. Neither the resolution nor any other
5 instrument by which a pledge is created need be recorded or
6 filed pursuant to the Uniform Commercial Code.

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

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

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

19 420.5091 HOPE Program.--

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

1 time, lease such property for occupancy by eligible persons.
2 All sums recovered from the sale, transfer, conveyance, or
3 lease of such property shall be deposited into the HOME
4 Investment Partnership Trust Fund.

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

10 Section 18. Section 420.5092, Florida Statutes, 1996
11 Supplement, is amended to read:

12 420.5092 Florida Affordable Housing Guarantee
13 Program.--

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

16 (a) Stimulating creative private sector lending
17 activities to increase the supply and lower the cost of
18 financing or refinancing eligible housing;

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

21 (c) Encouraging affordable housing lending activities
22 that would not have taken place or that serve persons who
23 would not have been served but for the creation of this
24 program.

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

26 (a) "Affordable housing guarantee" means an obligation
27 of the guarantee fund to guarantee the payment of an
28 obligation made to finance or refinance the purchase,
29 construction, or rehabilitation of eligible housing.

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

31

1 **(b)**~~(c)~~ "Annual debt service reserve" means the reserve
2 maintained in the guarantee fund in an amount equal to the
3 maximum reserve amount for each series of revenue bonds issued
4 to establish the guarantee fund.

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

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

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

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

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

29 (4) The corporation ~~agency~~ may, by rule, establish
30 rates and fees for the issuance of an affordable housing
31 guarantee, including contractual provisions to foster

1 reimbursement, in the event of default, to the guarantee fund
2 of payments made pursuant to an affordable housing guarantee
3 issued for eligible housing.

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

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

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

17 (b) If the claims payment obligations under affordable
18 housing guarantees from amounts on deposit in the guarantee
19 fund would cause the claims paying rating assigned to the
20 guarantee fund to be less than the third-highest ~~third highest~~
21 rating classification of any nationally recognized rating
22 service, which classifications being consistent with s.
23 215.84(3) and rules adopted thereto by the State Board of
24 Administration, the corporation ~~agency~~ shall certify to the
25 Comptroller the amount of such claims payment obligations.
26 Upon receipt of such certification, the Comptroller shall
27 transfer to the guarantee fund, from the first available taxes
28 distributed to the State Housing Trust Fund pursuant to s.
29 201.15(6)(a) and (7)(a) during the ensuing state fiscal year,
30 the amount certified as necessary to meet such obligations,
31 such transfer to be subordinate to any transfer referenced in

1 paragraph (a) and not to exceed 50 percent of the amounts
2 distributed to the State Housing Trust Fund pursuant to s.
3 201.15(6)(a) and (7)(a) during the preceding state fiscal
4 year.

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

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

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

27 (10) Revenue bonds may not be issued to establish and
28 create a guarantee fund until validated pursuant to the
29 provisions of chapter 75.
30
31

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

4 Section 19. Section 420.5099, Florida Statutes, is
5 amended to read:

6 420.5099 Allocation of the low-income housing tax
7 credit.--

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

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

25 (3) The corporation ~~agency~~ may request such
26 information from applicants as will enable it to make the
27 allocations according to the guidelines set forth in
28 subsection (2), including, but not limited to, the information
29 required to be provided the corporation ~~agency~~ by chapter
30 9I-21 ~~91-21~~, Florida Administrative Code.

31

1 (4) The executive director of the corporation agency
2 shall administer the allocation procedures and determine
3 allocations on behalf of the corporation agency. Any
4 applicant disputing the amount of an allocation or the denial
5 of a request for an allocation may request an appeal to the
6 ~~governing board of directors~~ of the corporation agency.

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

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

22 Section 20. Section 420.51, Florida Statutes, is
23 amended to read:

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

1 shall be, or shall be deemed to be, pledged to the payment of
2 any bonds of the corporation ~~agency~~.

3 Section 21. Section 420.511, Florida Statutes, is
4 amended to read:

5 420.511 Business plan; strategic plan; annual
6 report.--

7 (1) The corporation shall develop a business plan for
8 the provision of affordable housing for the state. The plan
9 shall not be inconsistent with the strategic plan prepared
10 pursuant to subsection (2) and shall contain performance
11 measures and specific performance targets for the following:

12 (a) The ability of low-income and moderate-income
13 Floridians to access housing that is decent and affordable.

14 (b) The continued availability and affordability of
15 housing financed by the corporation to target populations.

16 (c) The availability of affordable financing programs,
17 including equity and debt products, and programs that reduce
18 gaps in conventional financing, to increase individual access
19 to housing and stimulate private production of affordable
20 housing.

21 (d) The stimulus of economic activity created by the
22 affordable housing finance programs administered by the
23 corporation.

24 (e) The establishment and maintenance of efficiencies
25 in the delivery of affordable housing.

26 (f) Such other measures as directed by the
27 corporation's board of directors.

28 (2) The corporation, in equal partnership with the
29 department, shall develop annually a strategic plan for the
30 provision of affordable housing in Florida as part of the
31 department's agency strategic plan required pursuant to

1 chapter 186. In part, the plan shall include provisions that
2 maximize the abilities of the corporation and the department
3 to implement the state housing strategy established under s.
4 420.0003, to respond to federal housing initiatives, and to
5 develop programs in a manner that is more responsive to the
6 needs of public and private partners. The plan shall be
7 developed on a schedule consistent with that established by
8 ss. 186.021 and 186.022. For purposes of this act, the
9 executive director or his or her designee shall serve as the
10 corporation's representative to achieve a coordinated and
11 integrated planning relationship with the department.

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

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

17 (b)~~(2)~~ Its receipts and expenditures during the fiscal
18 year in accordance with the categories or classifications
19 established by the corporation ~~agency~~ for its operating and
20 capital outlay purposes;

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

24 (d)~~(4)~~ A schedule of its bonds outstanding at the end
25 of its fiscal year, together with a statement of the principal
26 amounts of bonds issued and redeemed during the fiscal year;
27 and

28 (e)~~(5)~~ Information relating to the corporation's
29 ~~agency's~~ activities in implementing the provisions of ss.
30 420.5087 and 420.5088. The report required by this subsection
31 shall include, but not be limited to:

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

1 Section 22. Section 420.512, Florida Statutes, is
2 amended to read:

3 420.512 Conflicts of interest.--

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

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

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

1 underwriters on the corporation's approved managing
2 underwriters' list.

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

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

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

29 (b) The service provider shall not participate in
30 fundraising activities for or on behalf of candidates for
31 Governor in Florida while the service provider is included in

1 an applicant pool from which service providers are selected to
2 provide services to the corporation, while the service
3 provider provides services to the corporation, and for the
4 longer of a period of 2 years thereafter or for a period
5 through the next general election for Governor.

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

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

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

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

29 (6) Each solicitation for a service provider to
30 provide services shall require the service provider to
31 formally acknowledge the conditions in subsection (5) and to

1 agree, if selected, to abide by the conditions. When
2 appropriate, the acknowledgment must include a statement that
3 the service provider is currently in compliance with the
4 conditions.

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

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

14 Section 23. Section 420.513, Florida Statutes, is
15 amended to read:

16 420.513 Exemption from taxes and eligibility as
17 investment.--

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

31

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

16 Section 24. Section 420.514, Florida Statutes, is
17 amended to read:

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

26 Section 25. Section 420.517, Florida Statutes, is
27 created to read:

28 420.517 Affordable housing and job training
29 coordination.--The Florida Housing Finance Corporation shall
30 undertake efforts to provide incentives to developers to build
31 housing that encourages onsite job skills training to enable

1 low-income residents to obtain and maintain meaningful
2 employment. To the extent possible, the corporation shall
3 direct all recipients of state housing funds, including
4 municipalities, to work in cooperation with local and regional
5 Job Training Partnerships Boards to provide training to
6 residents and others who may be making the transition from
7 welfare to the workforce. The corporation shall provide
8 incentives through housing policy and program guidelines to
9 prioritize those developments that encourage workforce
10 training and skills development.

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

13 420.523 Purpose.--The purpose of the Predevelopment
14 Loan Program is to:

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

17 Section 27. Section 420.525, Florida Statutes, is
18 amended to read:

19 420.525 Housing Predevelopment ~~Trust~~ Fund.--

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

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

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

24 (a) The Rural Housing Land Acquisition and Site
25 Development Act;

26 (b) The Farmworker Housing Assistance Act; and

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

29 Section 28. Section 420.526, Florida Statutes, is
30 amended to read:

31

1 420.526 Predevelopment Loan Program; loans and grants
2 authorized; activities eligible for support.--

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

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

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

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

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

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

25 (a) Site acquisition.

26 (b) Site development.

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

29 (d) Marketing expenses relating to advertisement.
30
31

- 1 (5) The activities of sponsors which are eligible for
2 housing predevelopment grants shall include, but not be
3 limited to:
- 4 (a) Administrative expenses.
5 (b) Market and feasibility studies.
6 (c) Consulting fees.
- 7 (6) Any funds paid out of the Housing Predevelopment
8 ~~Trust~~ Fund for activities under ss. 420.521-420.529 which are
9 reimbursed to the sponsor from another source shall be repaid
10 to the fund.
- 11 (7) Sponsors receiving loans for professional fees may
12 receive forgiveness of such loans if it is determined that the
13 proposed project would not be feasible for housing for the
14 target population.
- 15 (8) Terms and conditions of housing predevelopment
16 loan agreements shall be established by rule and shall
17 include:
- 18 (a) Provision for interest, which shall be set at 3
19 percent per year.
- 20 (b) Provision of a schedule for the repayment of
21 principal and interest for a term not to exceed 3 years or
22 initiation of permanent financing, whichever event occurs
23 first. However, the corporation ~~agency~~ may extend the term of
24 a loan for an additional period not to exceed 1 year if
25 extraordinary circumstances exist and if such extension would
26 not jeopardize the corporation's ~~agency's~~ security interest.
- 27 (c) Provision of reasonable security for the housing
28 predevelopment loan to ensure the repayment of the principal
29 and any interest accrued within the term specified.
30 Reasonable security shall be a promissory note secured by a
31 mortgage from the sponsor on the property to be purchased,

1 improved, or purchased and improved with the proceeds of the
2 housing predevelopment loan or other collateral acceptable to
3 the corporation ~~agency~~.

4 (d) Provisions to ensure that the land acquired will
5 be used for the development of housing and related services
6 for the target population.

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

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

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

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

25 (b) Five hundred thousand dollars.

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

31

1 the actual prorated land costs, development costs, accrued
2 taxes, and interest.

3 Section 29. Section 420.527, Florida Statutes, is
4 amended to read:

5 420.527 Application procedure.--

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

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

11 (3) The corporation ~~agency~~ shall publish a notice of
12 fund availability in a publication of general circulation
13 throughout the state. Such notice shall be published at least
14 60 days before the application deadline.

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

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

31

1 (a) Income target objectives of the corporation
2 ~~agency~~.

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

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

8 (d) Sponsor's prior experience.

9 (e) Commitments of other financing.

10 (f) Sponsor's ability to proceed.

11 (g) Project's consistency with the local government
12 comprehensive plan.

13 Section 30. Section 420.528, Florida Statutes, is
14 amended to read:

15 420.528 Rules; annual reports.--

16 (1) The corporation ~~agency~~ may adopt rules necessary
17 to implement ss. 420.521-420.529 and to further specify the
18 purposes for which loan and grant funds may be expended, the
19 required content of applications, the procedure for evaluating
20 and competitively ranking all applications, and reporting
21 requirements for sponsors awarded funds under ss.
22 420.521-420.529.

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

29 Section 31. Section 420.529, Florida Statutes, is
30 amended to read:

31

1 420.529 Default by sponsor.--If a default on a loan
2 occurs, the corporation ~~agency~~ may foreclose on any mortgage
3 or security interest or commence any legal action to protect
4 the interest of the corporation ~~agency~~ or the fund and recover
5 the amount of the unpaid principal, accrued interest, and fees
6 on behalf of the fund. The corporation ~~agency~~ may also
7 acquire real and personal property or any interest in the
8 property if such acquisition is necessary or appropriate to
9 protect any loan; to sell, transfer, and convey any such
10 property to a buyer without regard to the provisions of
11 chapters 253 and 270; and, if such sale, transfer, or
12 conveyance cannot be effected within a reasonable time, to
13 lease such property for occupancy by eligible persons. All
14 sums recovered from the sale, transfer, conveyance, or lease
15 of such property shall be deposited into the Housing
16 Predevelopment ~~Trust~~ Fund.

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

20 420.602 Definitions.--As used in this part, the
21 following terms shall have the following meanings, unless the
22 context otherwise requires:

23 ~~(5)(4)~~ "Corporation" means the Florida Housing Finance
24 Corporation as created in s. 420.504. ~~"Agency" means the~~
25 ~~Florida Housing Finance Agency as created in s. 420.504(1).~~

26 Section 33. Section 420.606, Florida Statutes, is
27 amended to read:

28 420.606 Training and technical assistance program.--

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

1 (a) Housing in economically declining or distressed
2 areas is frequently substandard and is often unaffordable to
3 very-low-income persons and low-income persons;

4 (b) Community-based organizations often have limited
5 experience in development of quality housing for
6 very-low-income persons and low-income persons in economically
7 declining or distressed areas; and

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

12 (d) The staffs of state agencies and local
13 governments, whether directly involved in the production of
14 affordable housing or acting in a supportive role, can better
15 serve the goals of state and local governments if their
16 expertise in housing development is expanded.

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

23 (3) TRAINING AND TECHNICAL ASSISTANCE PROGRAM.--The
24 Department of Community Affairs shall be responsible for
25 securing the necessary expertise to provide training and
26 technical assistance to staff of local governments, to staff
27 of state agencies, as appropriate, and to community-based
28 organizations, and to persons forming such organizations,
29 which are formed for the purpose of developing new housing and
30 rehabilitating existing housing which is affordable for
31 very-low-income persons, low-income persons, and

1 moderate-income persons. To the maximum extent feasible, the
2 entity to provide the necessary expertise must be recognized
3 by the Internal Revenue Service as a nonprofit tax-exempt
4 organization. It must have as its primary mission the
5 provision of affordable housing training and technical
6 assistance; an ability to provide training and technical
7 assistance statewide; and a proven track record of
8 successfully providing training and technical assistance under
9 the Affordable Housing Catalyst Program.

10 (a) The training component of the program shall be
11 designed to build the housing development capacity of
12 community-based organizations and local governments as a
13 permanent resource for the benefit of communities in this
14 state.

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

22 2. Training activities may include, but are not
23 limited to, materials for self-instruction, workshops,
24 seminars, internships, coursework, and special programs
25 developed in conjunction with state universities and community
26 colleges.

27 (b) The technical assistance component of the program
28 shall be designed to assist applicants for state-administered
29 programs in developing applications and in expediting project
30 implementation. Technical assistance activities for the
31 staffs of community-based organizations and local governments

1 who are directly involved in the production of affordable
2 housing may include, but are not limited to, workshops for
3 program applicants, onsite visits, guidance in achieving
4 project completion, and a newsletter to community-based
5 organizations and local governments.

6 ~~(c)(4) TECHNICAL SUPPORT FOR THE HOME, HOPE, AND STATE~~
7 ~~HOUSING INITIATIVES PARTNERSHIP PROGRAMS.~~--The department
8 shall establish a program known as the Affordable Housing
9 Catalyst Program to be responsible for securing the necessary
10 expertise as provided in this section for providing
11 specialized technical support to local governments to
12 implement the HOME Investment Partnership Program, ~~the HOPE~~
13 ~~Program, and the~~ State Housing Initiatives Partnership
14 Program, and other affordable housing programs. The technical
15 support shall, at a minimum, provide training relating to the
16 following key elements of the partnership programs:

17 1.(a) The formation of local and regional housing
18 partnerships as a means of bringing together resources to
19 provide affordable housing.

20 2.(b) The implementation of regulatory reforms to
21 reduce the risk and cost of developing affordable housing.

22 3.(c) The implementation of affordable housing
23 programs included in local government comprehensive plans.

24 4.(d) The compliance with requirements of federally
25 funded housing programs.

26 ~~(4)(5) POWERS.~~--The Department of Community Affairs
27 may do all things necessary or appropriate to carry out the
28 purposes of this section, including exercising the power to:

29 (a) Enter into contracts and agreements with the
30 Federal Government or with other agencies of the state, with

31

1 local governments, or with any other person, association,
2 corporation, or entity;

3 (b) Seek and accept funding from any public or private
4 source; and

5 (c) Adopt and enforce rules consistent with this
6 section.

7 Section 34. Section 420.9071, Florida Statutes, 1996
8 Supplement, is amended to read:

9 420.9071 Definitions.--As used in ss.
10 420.907-420.9079, the term:

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

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

25 ~~(2)~~~~(3)~~ "Affordable" means that monthly rents or
26 monthly mortgage payments including taxes and insurance do not
27 exceed 30 percent of that amount which represents the
28 percentage of the median ~~adjusted gross~~ annual gross income
29 for the households as indicated in subsection (19), subsection
30 (20), or subsection ~~(28)~~~~(25)~~. However, it is not the intent
31 to limit an individual household's ~~individual's~~ ability to

1 devote more than 30 percent of its ~~his~~ income for housing, and
2 housing for which a household devotes more than 30 percent of
3 its income shall be deemed affordable if the first
4 institutional mortgage lender is satisfied that the household
5 can afford mortgage payments in excess of the 30 percent
6 benchmark.

7 ~~(3)(4)~~ "Affordable housing advisory committee" means
8 the committee appointed by the governing body of a county or
9 eligible municipality for the purpose of recommending specific
10 initiatives and incentives to encourage or facilitate
11 affordable housing as provided in s. 420.9076.

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

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

26 ~~(5)(6)~~ "Award" means a loan, grant, or subsidy funded
27 wholly or partially by the local housing assistance trust fund
28 distribution.

29 ~~(6)(7)~~ "Community-based organization" means a
30 nonprofit organization that has among its purposes the
31 provision of affordable housing to persons who have special

1 needs or have very low income, low income, or moderate income
2 within a designated area, which may include a municipality, a
3 county, or more than one municipality or county, and
4 maintains, through a minimum of one-third representation on
5 the organization's governing board, accountability to housing
6 program beneficiaries and residents of the designated area. A
7 community housing development organization established
8 pursuant to 24 C.F.R. part 92.2 and a community development
9 corporation created pursuant to chapter 290 are examples of
10 community-based organizations.

11 (7) "Corporation" means the Florida Housing Finance
12 Corporation.

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

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

24 (9)(10) "Eligible municipality" means a municipality
25 that is eligible for federal community development block grant
26 entitlement moneys as an entitlement community identified in
27 24 C.F.R. s. 570, subpart D, Entitlement Grants, or a
28 nonentitlement municipality that is receiving local housing
29 distribution funds under an interlocal agreement that provides
30 for possession and administrative control of funds to be
31 transferred to the nonentitlement municipality. An eligible

1 municipality that defers its participation in community
2 development block grants does not affect its eligibility for
3 participation in the State Housing Initiatives Partnership
4 Program.

5 (10)~~(11)~~ "Eligible person" or "eligible household"
6 means one or more natural persons or a family determined by
7 the county or eligible municipality to be of very low income,
8 low income, or moderate income according to the income limits
9 adjusted to family size published annually by the United
10 States Department of Housing and Urban Development based upon
11 the annual adjusted gross income of the household resident
12 ~~with adjustment made for family size.~~

13 (11)~~(12)~~ "Eligible sponsor" means a person or a
14 private or public for-profit or not-for-profit entity that
15 applies for an award under the local housing assistance plan
16 program for the purpose of providing eligible housing for
17 eligible persons.

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

25 (13)~~(14)~~ "Loan" means an award from the local housing
26 assistance trust fund ~~a pledge of the local housing~~
27 ~~distribution moneys~~ to an eligible sponsor or eligible person
28 to partially finance the acquisition, construction, or
29 rehabilitation of eligible housing with requirement for
30 repayment or provision for forgiveness of repayment if the
31 condition of the award is maintained.

1 ~~(14)(15)~~ "Local housing assistance plan" means a
2 concise description of the local housing assistance strategies
3 and local housing incentive strategies ~~program~~ adopted by
4 local government resolution ~~ordinance~~ with an explanation of
5 the way in which the program meets the requirements of ss.
6 420.907-420.9079 and corporation rule.

7 ~~(15)(16)~~ "Local housing assistance strategies ~~program~~"
8 means the housing construction, rehabilitation, repair, or ~~and~~
9 finance program implemented by a participating county or
10 eligible municipality with the local housing distribution or
11 other funds deposited into the local housing assistance trust
12 fund.

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

25 (17) "Local housing distributions" means the proceeds
26 of the taxes collected under chapter 201 deposited into the
27 Local Government Housing Trust Fund and distributed to
28 counties and eligible municipalities participating in the
29 State Housing Initiatives Partnership Program pursuant to s.
30 420.9073.

31

1 (18) "Local housing partnership" means the
2 implementation of the local housing assistance plan program in
3 a manner that involves the applicable county or eligible
4 municipality ~~local government~~, lending institutions, housing
5 builders and developers, real estate professionals, advocates
6 for low-income persons, community-based housing and service
7 organizations, and providers of professional services relating
8 to affordable housing. The term includes initiatives to
9 provide support services for housing program beneficiaries
10 such as training to prepare persons for the responsibility of
11 homeownership, counseling of tenants, and the establishing of
12 support services such as day care, health care, and
13 transportation.

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

1 (20) "Moderate-income person" or "moderate-income
2 household" means one or more natural persons or a family, ~~not~~
3 ~~including students,~~ that has a total annual ~~adjusted~~ gross
4 household income that does not exceed ~~is less than~~ 120 percent
5 of the median annual ~~adjusted gross~~ income adjusted for family
6 size for households within the metropolitan statistical area,
7 the county, or the nonmetropolitan median for the state or 120
8 ~~percent of the median annual adjusted gross income for~~
9 ~~households within the metropolitan statistical area or, if not~~
10 ~~within a metropolitan statistical area, within the county,~~
11 whichever is greatest ~~greater~~. With respect to rental units,
12 the moderate-income household's ~~person's~~ annual income at the
13 time of initial occupancy may not exceed 120 percent of the
14 area's ~~state's~~ median income adjusted for family size. While
15 occupying the rental unit, a moderate-income household's
16 ~~person's~~ annual income may increase to an amount not to exceed
17 140 percent of 120 percent of the area's ~~state's~~ median income
18 adjusted for family size.

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

22 (22) "Plan amendment" means the addition or deletion
23 of a local housing assistance strategy or local housing
24 incentive strategy. Plan amendments must at all times maintain
25 consistency with program requirements and must be submitted to
26 the corporation for review pursuant to s. 420.9072(3).
27 Technical or clarifying revisions may not be considered plan
28 amendments but must be transmitted to the corporation for
29 purposes of notification.

30
31

1 ~~(23)~~(22) "Population" means the latest official state
2 estimate of population certified pursuant to s. 186.901 prior
3 to the beginning of the fiscal year.

4 (24) "Program income" means the proceeds derived from
5 interest earned on or investment of the local housing
6 distribution and other funds deposited into the local housing
7 assistance trust fund, proceeds from loan repayments, recycled
8 funds, and all other income derived from use of funds
9 deposited in the local housing assistance trust fund. It does
10 not include recaptured funds as defined in subsection (25).

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

17 ~~(26)~~(23) "Rent subsidies" means ongoing monthly rental
18 assistance. The term does not include initial assistance to
19 tenants, such as grants or loans for security and utility
20 deposits.

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

29 (27) "Sales price" or "value" means, in the case of
30 acquisition of an existing or newly constructed unit, the
31 amount on the executed sales contract. For eligible persons

1 who are building a unit on land that they own, the sales price
2 is determined by an appraisal performed by a state-certified
3 appraiser. The appraisal must include the value of the land
4 and the improvements using the after-construction value of the
5 property and must be dated within 12 months of the date
6 construction is to commence. The sales price of any unit must
7 include the value of the land in order to qualify as eligible
8 housing as defined in subsection (8). In the case of
9 rehabilitation or emergency repair of an existing unit, sales
10 price or value means the value of the real property, as
11 determined by an appraisal performed by a state-certified
12 appraiser and dated within 12 months of the date construction
13 is to commence or the assessed value of the real property as
14 determined by the county property appraiser, plus the cost of
15 the improvements.

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

1 140 percent of 50 percent of the area's ~~state's~~ median income
2 adjusted for family size.

3 Section 35. Section 420.9072, Florida Statutes, is
4 amended to read:

5 420.9072 State Housing Initiatives Partnership
6 Program.--The State Housing Initiatives Partnership Program is
7 created for the purpose of providing funds to counties and
8 eligible municipalities ~~local governments~~ as an incentive for
9 the creation of local housing partnerships, to expand
10 production of and preserve affordable housing, to further the
11 housing element of the local government comprehensive plan
12 specific to affordable housing, and to increase
13 housing-related employment.

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

1 in s. 120.52(17), and among counties and municipalities
2 ~~between local governments~~ is specifically encouraged. Local
3 governments are also intended to establish an affordable a
4 housing advisory committee to recommend monetary and
5 nonmonetary incentives for affordable housing as provided in
6 s. 420.9076.

7 (b) The Legislature further intends that the State
8 Housing Initiatives Partnership Program provide the maximum
9 flexibility to local governments to determine the use of funds
10 for housing programs while ensuring accountability for the
11 efficient use of public resources and guaranteeing that
12 benefits are provided to those in need.

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

15 1. Submit to the corporation agency and the department
16 its local housing assistance plan describing the local housing
17 assistance strategies program established pursuant to s.
18 420.9075; ~~and~~

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

23 ~~3.2. Within 24 12 months after adopting establishing,~~
24 ~~by ordinance,~~ the amended local housing assistance plan to
25 incorporate the local housing incentive strategies, amend its
26 land development regulations or establish local policies and
27 procedures, as necessary, to implement the local housing
28 incentive strategies adopted by the local governing body. A
29 county or an eligible municipality that has adopted a housing
30 incentive strategy pursuant to s. 420.9076 before the
31 effective date of this act shall review the status of

1 implementation of the plan according to its adopted schedule
2 for implementation and report its findings in the annual
3 report required by s. 420.9075(9). If as a result of the
4 review, a county or an eligible municipality determines that
5 the implementation is complete and in accordance with its
6 schedule, no further action is necessary. If a county or an
7 eligible municipality determines that implementation according
8 to its schedule is not complete, it must amend its land
9 development regulations or establish local policies and
10 procedures, as necessary, to implement the housing incentive
11 plan within 12 months after the effective date of this act, or
12 if extenuating circumstances prevent implementation within 12
13 months, pursuant to s. 420.9075(12) enter into an extension
14 agreement with the corporation program, submit to the agency
15 and the department its affordable housing incentive plan
16 pursuant to s. 420.9076.

17 (b) A county or an eligible municipality seeking
18 approval to receive its share of the local housing
19 distribution must adopt an ordinance containing the following
20 provisions:

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

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

27 3. Designation of the responsibility for the
28 administration of the local housing assistance plan ~~program~~.
29 Such ordinance may also provide for the contracting of all or
30 part of the administrative or other functions of the program
31 to a third person or entity.

1 4. Creation of the affordable housing advisory
2 committee as provided in s. 420.9076.

3
4 The ordinance must not take effect until at least 30 days
5 after the date of formal adoption. Ordinances in effect prior
6 to the effective date of amendments to this section shall be
7 amended as needed to conform to new provisions.

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

21 (b) Within 30 days after receiving a plan, the review
22 committee shall review the plan and either approve it or
23 identify inconsistencies with the requirements of the program.
24 The corporation agency and the department shall assist a local
25 government in revising its plan if it initially proves to be
26 inconsistent with program requirements. A plan that is
27 revised by the local government to achieve consistency with
28 the program requirements shall be reviewed within 30 days
29 after submission. ~~A local government may twice revise and~~
30 ~~resubmit its plan during any state fiscal year.~~ The deadlines
31 for submitting original and revised plans shall be established

1 by corporation ~~agency~~ rule; however, the corporation shall not
2 require submission of a new local housing assistance plan to
3 implement amendments to this act until the currently effective
4 plan expires ~~during the first year the program is in~~
5 ~~existence, counties and eligible municipalities may submit~~
6 ~~their initial plans not later than June 30, 1993.~~

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

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

31

1 The remaining revenues shall be distributed to the governing
2 body of the county.

3 (5)(a) Local governments are encouraged to make the
4 most efficient use of their resources by cooperating to
5 provide affordable housing assistance. Local governments may
6 enter into an interlocal agreement for the purpose of
7 establishing a joint local housing assistance plan ~~program~~
8 subject to the requirements of ss. 420.907-420.9079. The
9 local housing distributions for such counties and eligible
10 municipalities shall be directly disbursed on a monthly basis
11 to each county or eligible municipality to be administered in
12 conformity with the interlocal agreement providing for a joint
13 local housing assistance plan ~~program~~.

14 (b) If a county or eligible municipality enters into
15 an interlocal agreement with a municipality that becomes
16 eligible as a result of entering into that interlocal
17 agreement, the county or eligible municipality that has agreed
18 to transfer the control of funds to a municipality that was
19 not originally eligible must ensure through its local housing
20 assistance plan and through the interlocal agreement that all
21 program funds are used in a manner consistent with ss.
22 420.907-420.9079. This must be accomplished by:

23 1. Providing that the use of the portion of funds
24 transferred to the municipality meets all requirements of ss.
25 420.907-420.9079, or

26 2. Providing that the use of the portion of funds
27 transferred to the municipality, when taken in combination
28 with the use of the local housing distribution from which
29 funds were transferred, meets all requirements of ss.
30 420.907-420.9079.

31

1 (6) The moneys that otherwise would be distributed
2 pursuant to s. 420.9073 to a local government that does not
3 meet the program's requirements for receipts of such
4 distributions shall remain in the Local Government Housing
5 Trust Fund to be administered ~~used~~ by the corporation ~~agency~~
6 ~~to administer the affordable housing production program~~
7 pursuant to s. 420.9078.

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

11
12 A county or an eligible municipality may not expend its
13 portion of the local housing distribution to provide rent
14 subsidies; however, this does not prohibit the use of funds
15 for security and utility deposit assistance.

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

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

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

22 420.9073 Local Housing Distributions.--

23 (3) Calculation of guaranteed amounts:

24 (a) The guaranteed amount under subsection (1) shall
25 be calculated for each fiscal year by multiplying \$350,000
26 ~~\$250,000~~ by a fraction, the numerator of which is the amount
27 of funds distributed to the Local Government Housing Trust
28 Fund pursuant to s. 201.15(6) and the denominator of which is
29 the total amount of funds distributed to the Local Government
30 Housing Trust Fund pursuant to s. 201.15. ~~For fiscal year~~

31

1 ~~1992-1993, the guaranteed amount in s. 420.9073 shall be~~
2 ~~\$250,000.~~

3 (b) The guaranteed amount under subsection (2) shall
4 be calculated for each fiscal year, ~~beginning in fiscal year~~
5 ~~1995-1996,~~ by multiplying ~~\$350,000~~ ~~\$250,000~~ by a fraction, the
6 numerator of which is the amount of funds distributed to the
7 Local Government Housing Trust Fund pursuant to s. 201.15(7)
8 and the denominator of which is the total amount of funds
9 distributed to the Local Government Housing Trust Fund
10 pursuant to s. 201.15.

11 Section 37. Section 420.9075, Florida Statutes, is
12 amended to read:

13 420.9075 Local housing assistance plans ~~programs~~;
14 ~~partnerships.~~--

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

27 (b) Local housing assistance plans ~~programs~~ may
28 allocate funds to:

29 1. Implement local housing assistance strategies for
30 the provision of affordable housing.

31

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

4 3. Provide the local matching share of federal
5 affordable housing grants or programs.

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

9 5. Further the housing element of the local government
10 comprehensive plan adopted pursuant to s. 163.3184, specific
11 to affordable housing.

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

18 1. Lending institutions.

19 2. Housing builders and developers.

20 3. Nonprofit and other community-based housing and
21 service organizations.

22 4. Providers of professional services relating to
23 affordable housing.

24 5. Advocates for low-income persons.

25 6. Real estate professionals.

26 7.5. Other persons or entities who can assist in
27 providing housing or related support services.

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

31

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

4 (a) Each county, eligible municipality, or entity
5 formed through interlocal agreement to participate in the
6 State Housing Initiatives Partnership Program must develop a
7 qualification system and selection criteria for applications
8 for awards by eligible sponsors,~~and~~ adopt criteria for the
9 selection of eligible persons,and eligible sponsors and adopt
10 a maximum award schedule or system of amounts consistent with
11 the intent and budget of its local housing assistance plan,
12 with ~~program~~ and ss. 420.907-420.9079, and with corporation
13 rule.

14 (b) The county or eligible municipality or its
15 administrative representative shall advertise the notice of
16 funding availability ~~of a housing assistance program~~ in a
17 newspaper of general circulation and periodicals serving
18 ethnic and diverse neighborhoods, at least 30 days before the
19 beginning of the application period. If no funding is
20 available due to a waiting list, no notice of funding
21 availability is required.

22 (c) In accordance with the provisions of ss.
23 760.20-760.37, it is unlawful to discriminate on the basis of
24 race, creed, religion, color, age, sex, marital status,
25 familial status, national origin, or handicap in the award
26 application process for eligible housing.

27 (d) As a condition of receipt of an award, the
28 eligible sponsor or eligible person must contractually commit
29 to comply with the affordable housing criteria provided under
30 ss. 420.907-420.9079 applicable to the affordable housing
31 objective of the award. The plan ~~program~~ criteria adopted by

1 the county or eligible municipality must prescribe the
2 contractual obligations required to ensure compliance with
3 award conditions.

4 (e) The staff or entity that has administrative
5 authority for implementing a local housing assistance plan
6 ~~program~~ assisting rental developments shall annually monitor
7 and determine tenant eligibility.

8 (4) The following criteria apply to awards made to
9 eligible sponsors or eligible persons for the purpose of
10 providing eligible housing:

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

15 (b) At least 75 percent of the funds made available in
16 each county and eligible municipality from the local housing
17 distribution must be reserved for construction,
18 rehabilitation, or emergency repair of affordable, eligible
19 housing.

20 (c) The sales price or value of new or existing
21 eligible housing may not exceed 90 percent of the median area
22 purchase price in the area where the eligible housing is
23 located, as established by the United States Department of
24 Treasury ~~in accordance with s. 3(b)(2) of the United States~~
25 ~~Housing Act of 1937.~~

26 (d) All units constructed, rehabilitated, or otherwise
27 assisted with the funds provided from the local housing
28 assistance trust fund ~~program~~ must be occupied by
29 very-low-income persons, low-income persons, and
30 moderate-income persons. At least 30 percent of the funds
31 deposited into the local housing assistance trust fund must be

1 reserved for awards to ~~must be occupied by~~ very-low-income
2 persons or eligible sponsors who will serve very-low-income
3 persons and at least an additional 30 percent of the funds
4 deposited into the local housing assistance trust fund must be
5 reserved for awards to ~~by~~ low-income persons or eligible
6 sponsors who will serve low-income persons.

7 (e) Loans shall be provided for periods not exceeding
8 30 years, except for deferred payment loans or loans that
9 extend beyond 30 years which continue to serve eligible
10 persons.

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

23 (g) Loans or grants for eligible owner-occupied
24 housing constructed, rehabilitated, or otherwise assisted from
25 proceeds provided from the local housing assistance trust fund
26 ~~program~~ shall be subject to ~~the long-term affordability and~~
27 recapture requirements as provided by the county or eligible
28 municipality in its local housing assistance plan.

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

1 (i) The maximum sales price or value ~~cost~~ per unit and
2 the maximum award ~~cost~~ per unit for eligible housing
3 benefiting from awards made pursuant to this section must be
4 established in the local housing assistance plan ~~by~~
5 ~~resolution~~.

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

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

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

1 criteria prescribed in this subsection with the exception of
2 paragraphs (a) and (d) of this subsection.

3 (5) Each county or eligible municipality receiving
4 local housing distribution moneys shall establish and maintain
5 a local housing assistance trust fund. All moneys of a county
6 or an eligible municipality received from its share of the
7 local housing distribution, program income, recaptured funds,
8 and other funds received or budgeted to implement ~~provide~~ the
9 local housing assistance plan ~~program~~ shall be deposited into
10 the trust fund; however, local housing distribution moneys
11 used to match federal HOME program moneys may be repaid to the
12 HOME program ~~trust~~ fund if required by federal law or
13 regulations. Expenditures other than for the administration
14 and implementation of the local housing assistance plan
15 ~~program~~ may not be made from the ~~trust~~ fund.

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

1 distribution of up to \$350,000 may use up to 10 percent of
2 program income for administrative costs.

3 (7) Pursuant to s. 420.606, the corporation ~~department~~
4 shall provide technical assistance to local governments
5 regarding the creation of partnerships, the design of local
6 housing assistance strategies programs, the implementation of
7 local housing incentive strategies ~~incentive plans~~, and the
8 provision of support services.

9 (8) The corporation ~~department~~ shall monitor the
10 activities of local governments to determine compliance with
11 program requirements and shall collect data on the operation
12 and achievements of housing partnerships.

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

27 (a) The number of households served by income
28 category, age, family size, and race, and data regarding any
29 special needs populations such as farmworkers, ~~rural~~
30 ~~residents~~, homeless persons, and the elderly. Counties shall
31 report this information separately for households served in

1 the unincorporated area and each municipality within the
2 county.

3 (b) The number of units and the average cost of
4 producing units under each local housing assistance strategy
5 program.

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

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

11 (e) A description of the status of implementation of
12 each local housing incentive strategy, or if applicable, the
13 local ~~the affordable~~ housing incentive plan as set forth in
14 the local government's adopted schedule for implementation and
15 the resulting reduction in housing costs.

16 (f) A concise description of the support services that
17 are available to the residents of affordable housing provided
18 by local programs.

19 (g) The sales price or ~~appraised~~ value of housing
20 produced and an accounting of what percentage was financed by
21 the local housing distribution, other public moneys, and
22 private resources.

23 (h) Such other data or affordable housing
24 accomplishments considered significant by the reporting county
25 or eligible municipality.

26 (10)(9) The report shall be made available by the
27 county or eligible municipality ~~local government~~ for public
28 inspection and comment prior to certifying the report and
29 transmitting it to the corporation. The county or eligible
30 municipality shall provide notice of the availability of the
31 proposed report and solicit public comment. The notice must

1 state the public place where a copy of the proposed report can
2 be obtained by interested persons. Members of the public may
3 submit written comments on the report to the county or
4 eligible municipality and the corporation. Written public
5 comments shall identify the author by name, address, and
6 interest affected. The county or eligible municipality shall
7 attach a copy of all such written comments and its responses
8 to the annual report submitted to the corporation department.

9 (11)(10) The corporation agency shall review the
10 report of each county or eligible municipality and any written
11 comments from the public and include ~~transmit~~ any comments
12 concerning the effectiveness of local programs in the report
13 required by s. 420.511 to the department.

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

1 the county or eligible municipality must be suspended until
2 the violation is corrected.

3 (b) If, as a result of its review of the annual
4 report, the corporation determines that a county or eligible
5 municipality has failed to implement a local housing incentive
6 strategy, or, if applicable, a local housing incentive plan,
7 it shall send a notice of termination of the local
8 government's share of the local housing distribution by
9 certified mail to the affected county or eligible
10 municipality.

11 1. The notice must specify a date of termination of
12 the funding if the affected county or eligible municipality
13 does not implement the plan or strategy and provide for a
14 local response. A county or eligible municipality shall
15 respond to the corporation within 30 days after receipt of the
16 notice of termination.

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

25 3. If the county or the eligible municipality has not
26 implemented the incentive strategy or entered into an
27 extension agreement by the termination date specified in the
28 notice, the local housing distribution share terminates, and
29 any uncommitted local housing distribution funds held by the
30 affected county or eligible municipality in its local housing
31 assistance trust fund shall be transferred to the Local

1 Government Housing Trust Fund to the credit of the corporation
2 to administer pursuant to s. 420.9078.

3 4.a. If the affected local government fails to meet
4 the timeframes specified in the agreement, the corporation
5 shall terminate funds. The corporation shall send a notice of
6 termination of the local government's share of the local
7 housing distribution by certified mail to the affected local
8 government. The notice shall specify the termination date, and
9 any uncommitted funds held by the affected local government
10 shall be transferred to the Local Government Housing Trust
11 Fund to the credit of the corporation to administer pursuant
12 to s. 420.9078.

13 b. If the corporation terminates funds to a county,
14 but an eligible municipality receiving a local housing
15 distribution pursuant to an interlocal agreement maintains
16 compliance with program requirements, the corporation shall
17 thereafter distribute directly to the participating eligible
18 municipality its share calculated in the manner provided in s.
19 420.9072.

20 c. Any county or eligible municipality whose local
21 distribution share has been terminated may subsequently elect
22 to receive directly its local distribution share by adopting
23 the ordinance, resolution, and local housing assistance plan
24 in the manner and according to the procedures provided in ss.
25 420.907-420.9079.

26 Section 38. Section 420.9076, Florida Statutes, is
27 amended to read:

28 420.9076 Adoption of affordable housing incentive
29 strategies ~~plans~~; committees.--

30 (1) Each county or eligible municipality participating
31 in the State Housing Initiatives Partnership Program,

1 including a municipality receiving program funds through the
2 county, or an eligible municipality must, within 12 months
3 after the original adoption of the local housing assistance
4 plan, amend the plan to include local housing incentive
5 strategies as defined in s. 420.9071(16) ~~adopt an affordable~~
6 ~~housing incentive plan within 12 months after the date of~~
7 ~~adoption of the ordinance by the county or eligible~~
8 ~~municipality establishing a local housing assistance program.~~

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

19 (a) One citizen who is actively engaged in the
20 residential home building industry in connection with
21 affordable housing.

22 (b) One citizen who is actively engaged in the banking
23 or mortgage banking industry in connection with affordable
24 housing.

25 (c) One citizen who is a representative of those areas
26 of labor actively engaged in home building in connection with
27 affordable housing.

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

31

1 (e) One citizen who is actively engaged as a
2 for-profit a provider of affordable housing.

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

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

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

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

11
12 If a county or eligible municipality whether due to its small
13 size, the presence of a conflict of interest by prospective
14 appointees, or other reasonable factor, is unable to appoint a
15 citizen actively engaged in these activities in connection
16 with affordable housing, a citizen engaged in the activity
17 without regard to affordable housing may be appointed.

18 (3) All meetings of the advisory committee are public
19 meetings, and all committee records are public records.
20 Staff, administrative, and facility support to the advisory
21 committee shall be provided by the appointing county or
22 eligible municipality.

23 (4) ~~The resolution creating and appointing the~~
24 ~~advisory committee must define affordable housing as~~
25 ~~applicable to the county and municipality in a way that is~~
26 ~~consistent with the adopted local comprehensive plan. The~~
27 advisory committee shall review the established policies and
28 procedures, ordinances, land development regulations, and
29 adopted local government comprehensive plan of the appointing
30 local government and shall recommend specific initiatives to
31 encourage or facilitate affordable housing while protecting

1 the ability of the property to appreciate in value. Such
2 recommendations may include the modification or repeal of
3 existing policies, procedures, ordinances, regulations, or
4 plan provisions; the creation of exceptions applicable to
5 affordable housing; or the adoption of new policies,
6 procedures, regulations, ordinances, or plan provisions. At a
7 minimum, each advisory committee shall make recommendations on
8 affordable housing incentives in the following areas:

9 ~~(a) The affordable housing definition in the~~
10 ~~appointing resolution.~~

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

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

18 (c)(d) The allowance of increased density levels for
19 affordable housing.

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

22 (e) The allowance of affordable accessory residential
23 units in residential zoning districts.

24 ~~(f) The transfer of development rights as a financing~~
25 ~~mechanism for housing for very-low-income persons and~~
26 ~~low-income persons.~~

27 (f)(g) The reduction of parking and setback
28 requirements for affordable housing.

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

31

1 (h)~~(i)~~ The modification of street requirements for
2 affordable housing.

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

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

9
10 The advisory committee recommendations must also include other
11 affordable housing incentives identified by the advisory
12 committee. ~~To the maximum extent feasible, the approved~~
13 ~~affordable housing incentive recommendations submitted to the~~
14 ~~governing board of the appointing county or eligible~~
15 ~~municipality must quantify the affordable housing cost~~
16 ~~reduction anticipated from implementing the specific~~
17 ~~recommendation.~~

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

1 (6) Within 90 days after the date of receipt of the
2 local affordable housing incentive strategies recommendations
3 from the advisory committee, the governing body of the
4 appointing local government shall adopt an amendment to its
5 local housing assistance plan to incorporate the local housing
6 incentive strategies it will implement within its jurisdiction
7 ~~affordable housing incentive plan. The amendment~~ Such plan
8 ~~must consist of the adoption of specific initiatives to~~
9 ~~encourage or facilitate affordable housing and a schedule for~~
10 ~~implementation and must include, at a minimum, the local~~
11 housing incentive strategies as defined in s. 420.9071(16) a
12 ~~schedule for implementation of expedited permit processing for~~
13 ~~affordable housing projects and a process for review of local~~
14 ~~policies, ordinances, regulations, and plan provisions that~~
15 ~~significantly impact the cost of housing prior to their~~
16 ~~adoption.~~

17 (7) The governing board of the county or the eligible
18 municipality shall notify the corporation ~~agency~~ by certified
19 mail of its adoption of an amendment of its local housing
20 assistance plan to incorporate local housing incentive
21 strategies ~~affordable housing incentive plan~~. The notice must
22 include a copy of the approved amended plan.

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

1 assistance plan to incorporate local housing incentive
2 strategies ~~affordable housing incentive plan~~. If the county
3 or the eligible municipality has not adopted an amended local
4 housing assistance plan to incorporate local housing incentive
5 strategies ~~affordable housing incentive plan~~ by the
6 termination date specified in the notice of termination, the
7 local distribution share terminates; and any uncommitted local
8 distribution funds held by the affected county or eligible
9 municipality in its local housing assistance trust fund shall
10 be transferred to the Local Government State Housing Trust
11 Fund to the credit of the corporation ~~agency~~ to administer the
12 local government housing program pursuant to s. 420.9078.

13 (b) If a county fails to timely adopt an amended local
14 housing assistance plan to incorporate local housing incentive
15 strategies ~~affordable housing incentive plan~~ but an eligible
16 municipality receiving a local housing distribution pursuant
17 to an interlocal agreement within the county does timely adopt
18 an amended local housing assistance plan to incorporate local
19 housing incentive strategies ~~a plan~~, the corporation ~~agency~~,
20 after receipt of a notice of termination, shall thereafter
21 distribute directly to the participating eligible municipality
22 its share calculated in the manner provided in s. 420.9072 ~~s.~~
23 ~~420.9071~~.

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

1 Section 39. Section 420.9078, Florida Statutes, is
2 amended to read:

3 420.9078 State administration of remaining local
4 housing distribution funds.--When appropriated funds remain in
5 the Local Government Housing Trust Fund, the corporation shall
6 distribute the remaining funds as follows:

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

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

26 ~~(1) With that portion of the documentary stamp tax~~
27 ~~moneys remaining in the Local Government Housing Trust Fund~~
28 ~~pursuant to s. 420.9072(6), the agency shall administer an~~
29 ~~affordable housing production program for counties,~~
30 ~~municipalities, and eligible sponsors in conformity with the~~
31 ~~criteria prescribed in s. 420.9075.~~

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

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

6 ~~(b) For a county or eligible municipality, the extent~~
7 ~~to which the local government applicant has adopted, in land~~
8 ~~development regulations, incentives to encourage or facilitate~~
9 ~~affordable housing.~~

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

12 ~~(d) The amount of project funds other than the~~
13 ~~requested moneys.~~

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

16 ~~1. Counseling to prepare persons for homeownership,~~
17 ~~which may address personal budgeting, home inspection and~~
18 ~~maintenance, the fundamentals of home mortgages and insurance,~~
19 ~~and other pertinent topics.~~

20 ~~2. Counseling to assist tenants in improving their~~
21 ~~economic well-being, which may address educational~~
22 ~~opportunities, job placement, management of personal finances,~~
23 ~~and related concerns.~~

24 ~~3. Providing social services, including day care,~~
25 ~~health care, and transportation.~~

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

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

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

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

10 ~~(3) The rule must provide for the establishment of a~~
11 ~~review committee composed of agency and department staff~~
12 ~~members. Department staff members shall be appointed by the~~
13 ~~secretary of the department.~~

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

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

20 Section 40. Section 420.9079, Florida Statutes, is
21 amended to read:

22 420.9079 Local Government Housing Trust Fund.--

23 (1) There is created in the State Treasury the Local
24 Government Housing Trust Fund, which shall be administered by
25 the corporation on behalf of the department ~~agency~~ according
26 to the provisions of ss. 420.907-420.9078 and this section.
27 There shall be deposited into the fund a portion of the
28 documentary stamp tax revenues as provided in s. 201.15,
29 moneys received from any other source for the purposes of ss.
30 420.907-420.9078 and this section, and all proceeds derived
31 from the investment ~~use~~ of such moneys. Moneys in the ~~trust~~

1 fund that are not currently needed for the purposes of the
2 programs administered pursuant to ss. 420.907-420.9078 and
3 this section shall be deposited ~~with the Treasurer~~ to the
4 credit of the ~~trust~~ fund and may be invested as provided by
5 law. The interest received on any such investment shall be
6 credited to the ~~trust~~ fund.

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

20 Section 41. Sections 420.5085 and 420.5094, Florida
21 Statutes, are repealed.

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

24 239.505 Florida constructive youth programs.--

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

31

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

5 (b) The Vocational Improvement Program, as provided in
6 s. 239.225.

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

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

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

13 (f) Local government contributions.

14 (g) Appropriations, donations, gifts, and grants from
15 private individuals or corporations.

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

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

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

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

30 Section 43. Section 285.11, Florida Statutes, is
31 amended to read:

1 285.11 Reservation; improvement leases.--The trustee
2 shall have the right to lease any part or parts of the
3 reservation to any person willing to enter into an improvement
4 lease. Such lease shall not exceed 15 years, unless such a
5 lease is entered into with a Florida Indian, in which case it
6 may be for a term not to exceed 25 years, and may include an
7 option on the part of the lessee to renew such lease for an
8 additional term of 25 years or less. Notwithstanding the
9 foregoing, if such lease is entered into with a Florida Indian
10 for housing development and residential purposes, it may be
11 for a term not to exceed 50 years.The lessee shall be
12 required to make such improvements to or on the property as
13 are agreed upon in the lease. The improvements shall become a
14 part of the lands of the reservation thereby accruing to the
15 benefit of the tribe upon expiration of the lease. For the
16 purposes of this section a "Florida Indian" is defined as a
17 member of either the Seminole Tribe of Florida or the
18 Miccosukee Tribe of Indians of Florida or an Indian who is
19 eligible for enrollment as a member of either of the foregoing
20 tribes.

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

23 381.0081 Permit required to operate a migrant labor
24 camp or residential migrant housing; penalties for unlawful
25 establishment or operation; allocation of proceeds.--

26 (5) SEIZURE.--

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

1 (b) After satisfying any liens on the property, the
2 remaining proceeds from the sale of the property seized under
3 this section shall be allocated as follows if the department
4 participated in the inspection or investigation leading to
5 seizure and forfeiture under this section:

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

9 2. One-third of the proceeds shall be allocated to the
10 department, to be used for purposes of enforcing the
11 provisions of this section.

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

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

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

1 1998. The agency's auditors shall conduct a final audit of the
2 agency for the period beginning July 1, 1997, and ending
3 December 31, 1997, and the corporation's auditors shall
4 conduct an audit of the corporation for the period beginning
5 January 1, 1998, and ending June 30, 1998. The agency shall be
6 entitled to expend unencumbered amounts deposited into the
7 Florida Housing Finance Agency Trust Fund for payment of
8 transition and startup costs with respect to the establishment
9 of the corporation.

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