

By the Committees on Fiscal Resource; Comprehensive Planning,
Local and Military Affairs; and Senator Kurth

314-2193-00

1 A bill to be entitled
2 An act relating to affordable housing; amending
3 s. 159.804, F.S.; revising allocations of
4 private activity bonds for Florida First
5 Business projects; amending s. 159.805, F.S.;
6 revising procedures for obtaining allocations
7 of private activity bonds; amending s. 159.806,
8 F.S.; specifying use of Florida First Business
9 allocation pool for priority projects before
10 using regional allocation pools; amending s.
11 159.807, F.S.; requiring availability of the
12 state allocation pool for certain purposes;
13 amending s. 159.8083, F.S.; clarifying
14 availability of allocations from the Florida
15 First Business allocation pool; amending s.
16 159.809, F.S.; deleting a provision for adding
17 certain unused initial allocations to the
18 Florida First Business allocation pool;
19 amending s. 159.813, F.S.; providing
20 legislative intent relating to construction of
21 certain allocation formula provisions; amending
22 s. 196.1978, F.S.; clarifying the classes of
23 certain low-income housing property as property
24 owned by an exempt entity and used for
25 charitable purposes; amending s. 420.507, F.S.;
26 providing special powers of the corporation
27 with respect to reservation of future
28 allocation or funding and designation of
29 private activity bond allocation; amending s.
30 420.5092, F.S.; increasing the maximum total
31 amount of bonds issued to capitalize the

1 Florida Affordable Housing Guarantee Program;
2 amending s. 420.5099, F.S.; correcting an
3 administrative rule cross-reference; amending
4 s. 420.526, F.S.; revising provisions of the
5 Predevelopment Loan Program to provide for
6 targeting of funds and forgiveness of loans
7 under certain circumstances; amending s.
8 420.609, F.S.; requiring the corporation to
9 assist the Affordable Housing Study Commission
10 for certain purposes; requiring the commission
11 to provide certain commission recommendations
12 to the corporation; changing the date of
13 submittal for the commission's report; revising
14 the commission's recommended studies
15 requirements; amending s. 420.9071, F.S.;
16 revising certain definitions; amending s.
17 420.9075, F.S.; revising entities authorized to
18 monitor and determine tenant eligibility under
19 local housing assistance plans; revising
20 criteria for eligibility awards under such
21 plans; creating s. 760.26, F.S.; prohibiting
22 discrimination in land use decisions and in
23 permitting of development; establishing the
24 State Farmworker Housing Pilot Loan Program;
25 providing for administration by the Florida
26 Housing Finance Corporation; providing sponsor
27 requirements; requiring the corporation to
28 issue a request for proposals for loan
29 applications for certain purposes; requiring
30 the corporation to establish a loan
31 distribution mechanism; providing eligible loan

1 applicant requirements; providing for
2 establishment of an application review
3 committee; providing criteria for loan
4 applications; providing duties and
5 responsibilities of the corporation and review
6 committee; providing requirements for such
7 loans; providing procedures and requirements
8 for loan defaults; requiring the corporation to
9 contract with the Florida Farmworker Housing
10 Coalition, Inc., for certain purposes;
11 requiring a report to the Governor and
12 Legislature; providing report requirements;
13 providing for the transfer of unencumbered
14 appropriations to the Department of Children
15 and Family Services for coalitions for the
16 homeless; amending ss. 220.02, 220.13, F.S.;
17 deleting a cross-reference; repealing s.
18 220.185, F.S., relating to the state housing
19 tax credit; repealing s. 420.5093, F.S.,
20 relating to the State Housing Tax Credit
21 Program; providing retroactive applicability;
22 providing effective dates.

23
24 Be It Enacted by the Legislature of the State of Florida:

25
26 Section 1. Effective January 1, 2001, paragraph (b) of
27 subsection (1), paragraph (a) of subsection (2), and
28 subsection (5) of section 159.804, Florida Statutes, are
29 amended to read:

30 159.804 Allocation of state volume limitation.--The
31 division shall annually determine the amount of private

1 activity bonds permitted to be issued in this state under the
2 Code and shall make such information available upon request to
3 any person or agency. The total amount of private activity
4 bonds authorized to be issued in this state pursuant to the
5 Code shall be initially allocated as follows on January 1 of
6 each year:

7 (1)

8 (b) If on January 1 of any year, under federal law,
9 bonds for manufacturing facilities no longer require or are
10 eligible for an allocation pursuant to s. 146 of the Code, the
11 allocation of the state volume limitation in the manufacturing
12 facility pool shall be divided among the remaining pools in
13 the following manner: 60 ~~50~~ percent to be shared by the 17
14 regions for use in the manner prescribed in subsection (2); 25
15 percent for use by the Florida Housing Finance Corporation in
16 the manner prescribed in subsection (3); 5 percent for use in
17 the state allocation pool in the manner prescribed in
18 subsection (4); and 10 ~~20~~ percent for use in the Florida First
19 Business allocation pool in the manner prescribed in
20 subsection (5).

21 (2)(a) Sixty ~~Fifty~~ percent of the state volume
22 limitation remaining after the allocation made pursuant to
23 subsection (1) shall be allocated among the regions
24 established in paragraph (b) for use by all agencies whose
25 boundaries are coterminous with or contained within each
26 region for purposes other than to finance Florida First
27 Business projects prior to June 1 or to issue bonds requiring
28 an allocation under s. 146(m) of the Code. The volume
29 limitation for each regional allocation pool must be an amount
30 that bears the same ratio to 60 ~~50~~ percent of the state volume
31 limitation remaining after the allocation made pursuant to

1 subsection (1) for such calendar year as the population of the
2 region bears to the population of the entire state.

3 (5) Ten ~~Twenty~~ percent of the state volume limitation
4 remaining after the allocation made pursuant to subsection (1)
5 shall be allocated to the Florida First Business allocation
6 pool, to be used as provided in s. 159.8083.

7 Section 2. Effective January 1, 2001, subsections (2)
8 and (3) and paragraph (a) of subsection (5) of section
9 159.805, Florida Statutes, are amended to read:

10 159.805 Procedures for obtaining allocations;
11 requirements; limitations on allocations; issuance reports.--

12 (2) Any written confirmation issued by the director
13 pursuant to subsection (1) ceases to be effective unless the
14 bonds to which that confirmation applies have been issued by
15 the agency and written notice of such issuance has been
16 provided to the director within 155 ~~90~~ calendar days after the
17 date the confirmation was issued or December 29, whichever
18 occurs first.

19 (3) Upon the expiration of the confirmation or at any
20 time the agency decides the allocation is no longer necessary,
21 but, in any event, not later than the 160th ~~95th~~ calendar day
22 after the date the confirmation was issued, the agency shall
23 notify the division, by overnight common carrier delivery
24 service, of its failure to issue any bonds pursuant to the
25 written confirmation. Such notice of failure to issue shall
26 be filed with the division and the allocation provided in the
27 expired confirmation shall be made available for reallocation
28 pursuant to this part. Upon determining that it will not be
29 using allocation for mortgage credit certificates, the issuer
30 will notify the division in writing within 5 business days
31 that such allocation for mortgage credit certificates,

1 referencing the dollar amount, will not be used, thereby
2 allowing the division to reallocate such amounts.

3 (5)(a) When bonds with a written confirmation of an
4 allocation are issued, the agency issuing such bonds, or its
5 designee, shall provide the division with same-day telephonic
6 notice of such issuance, the principal amount of bonds issued,
7 and the availability of any excess unissued allocation. On
8 the day of issuance of the bonds, the agency, or its designee,
9 shall send a written issuance report to the division to arrive
10 no later than the following business day ~~by overnight common~~
11 ~~carrier delivery service~~ containing the information described
12 in paragraph (b). At issuance, any excess allocation
13 unissued, except in the case of a project that received an
14 allocation of \$50 million or more, immediately reverts to the
15 pool from which the allocation was made, except that, after
16 June 30 of such year, it reverts to the state allocation pool
17 and shall be made available for reallocation. Except for
18 allocations for which an election has been made to issue
19 mortgage credit certificates, any allocation made under this
20 part is contingent upon the filing of the issuance report ~~by~~
21 ~~overnight common carrier delivery service~~ with the division no
22 later than the following business day.

23 Section 3. Effective January 1, 2001, subsection (1)
24 of section 159.806, Florida Statutes, is amended to read:

25 159.806 Regional allocation pools.--

26 (1) Each region listed in s. 159.804(2) has an
27 allocation pool for issuing written confirmations of
28 allocation for private activity bonds. In issuing such
29 written confirmations, the division must first use the
30 allocation pool for the region in which the agency issuing
31 such bonds or on whose behalf such bonds are being issued is

1 located, except prior to June ~~April~~ 1, when the state
2 allocation pool or the Florida First Business allocation pool
3 must be used to finance priority projects ~~unless the agency~~
4 ~~requests an allocation for a priority project from the~~
5 ~~regional allocation pool~~. Unless otherwise agreed to by the
6 affected agencies, when such bonds are to be issued by an
7 agency whose boundaries include more than one region, the
8 division must first issue an allocation from the allocation
9 pool for the region in which the project is to be located.

10 Section 4. Effective January 1, 2001, subsection (2)
11 of section 159.807, Florida Statutes, is amended to read:

12 159.807 State allocation pool.--

13 (2) Except as provided in subsection (1), prior to
14 June ~~April~~ 1 of each year, the state allocation pool shall be
15 available solely to provide written confirmations for private
16 activity bonds to finance priority projects except
17 manufacturing facilities. To obtain a written allocation for
18 private activity bonds to finance a priority project from the
19 state allocation pool prior to June ~~April~~ 1 of each year, the
20 notice of intent to issue must be filed with the division no
21 later than May ~~March~~ 1. If the total amount requested in
22 notices of intent to issue for priority projects does not
23 exceed the total amount of the state allocation pool, the
24 director shall issue written confirmation for each notice of
25 intent to issue by May ~~March~~ 15. If the total amount
26 requested in notices of intent to issue private activity bonds
27 for priority projects exceeds the total amount of the state
28 allocation pool, the director shall forward all timely notices
29 of intent to issue received by the division for those projects
30 to the Governor who shall render a decision by June ~~April~~ 1 as
31 to which notices of intent to issue are to receive written

1 confirmations. If additional portions of the state volume
2 limitation of private activity bonds permitted to be issued in
3 the state are subsequently placed into the state allocation
4 pool, the remainder of the timely notices of intent to issue
5 for priority projects shall be provided written confirmations
6 in the order established by the Governor prior to any other
7 notices of intent to issue filed with the division.

8 Section 5. Effective January 1, 2001, section
9 159.8083, Florida Statutes, is amended to read:

10 159.8083 Florida First Business allocation pool.--The
11 Florida First Business allocation pool is hereby established.
12 The Florida First Business allocation pool shall be available
13 solely to provide written confirmation for private activity
14 bonds to finance Florida First Business projects certified by
15 the Office of Tourism, Trade, and Economic Development as
16 eligible to receive a written confirmation. Allocations from
17 such pool shall be awarded statewide pursuant to procedures
18 specified in s. 159.805, except that the provisions of s.
19 159.805(2), (3), and (6) do not apply. Florida First Business
20 projects that are eligible for a carryforward shall not lose
21 their allocation on November 16 if they have applied and have
22 been granted a carryforward. In issuing written confirmations
23 of allocations for Florida First Business projects, the
24 division shall use the Florida First Business allocation pool.
25 If allocation is not available from the Florida First Business
26 allocation pool on or after June 1 of each year, the division
27 shall issue written confirmations of allocations for Florida
28 First Business projects pursuant to s. 159.806 or s. 159.807,
29 in such order. For the purpose of determining priority within
30 a regional allocation pool or the state allocation pool,
31 notices of intent to issue bonds for Florida First Business

1 projects to be issued from a regional allocation pool or the
2 state allocation pool shall be considered to have been
3 received by the division at the time it is determined by the
4 division that the Florida First Business allocation pool is
5 unavailable to issue confirmation for such Florida First
6 Business project. If the total amount requested in notices of
7 intent to issue private activity bonds for Florida First
8 Business projects exceeds the total amount of the Florida
9 First Business allocation pool, the director shall forward all
10 timely notices of intent to issue, which are received by the
11 division for such projects, to the Office of Tourism, Trade,
12 and Economic Development which shall render a decision as to
13 which notices of intent to issue are to receive written
14 confirmations. The Office of Tourism, Trade, and Economic
15 Development, in consultation with the division, shall develop
16 rules to ensure that the allocation provided in such pool is
17 available solely to provide written confirmations for private
18 activity bonds to finance Florida First Business projects and
19 that such projects are feasible and financially solvent.

20 Section 6. Effective January 1, 2001, section 159.809,
21 Florida Statutes, is amended to read:

22 159.809 Recapture of unused amounts.--

23 ~~(1) On April 1 of each year, any portion of each~~
24 ~~initial allocation made pursuant to s. 159.804(4) for which a~~
25 ~~written confirmation has not been issued by the director or~~
26 ~~for which an issuance report for bonds utilizing such an~~
27 ~~allocation has not been received by the division prior to such~~
28 ~~date shall be added to the Florida First Business allocation~~
29 ~~pool.~~

30 (1)(2) On and after July 1 of each year, any portion
31 of each initial allocation made pursuant to s. 159.804(2) or

1 (3), or (4)for which a written confirmation has not been
2 issued by the director or for which an issuance report for
3 bonds utilizing such an allocation has not been received by
4 the division prior to that date shall be added to the Florida
5 First Business allocation pool. On and after July 2 of each
6 year, any portion of such allocations for which a written
7 confirmation has been issued and which confirmation expires or
8 is relinquished by the agency receiving the allocation, shall
9 be added to the state allocation pool.

10 (2)~~(3)~~ On November 16 of each year, any portion of the
11 initial allocation, made pursuant to s. 159.804(1), s.
12 159.804(5), or subsection (1) or subsection (2), other than as
13 provided in s. 159.8083, for which an issuance report for
14 bonds utilizing such an allocation has not been received by
15 the division prior to that date shall be added to the state
16 allocation pool.

17 Section 7. Effective January 1, 2001, section 159.813,
18 Florida Statutes, is amended to read:

19 159.813 Future federal amendments.--In the event that
20 the Code is amended or replaced, or amendments or successor
21 provisions to the Code are proposed which are or would be
22 inconsistent with this part or which would have the effect of
23 impeding the purposes of this part or the purposes for which
24 bonds are authorized to be issued under the laws of this
25 state, the Governor may issue an executive order that shall
26 revise the allocation system provided in this part to be
27 consistent with the Code as amended or as proposed to be
28 amended or replaced. The authority granted to the Governor
29 under this section may be exercised for allocation of any
30 volume limitation imposed by any enacted or proposed federal
31 law or regulation upon bonds authorized to be issued in this

1 state. If such executive order is issued, the division shall
2 notify the President of the Senate and Minority Leader of the
3 Senate and the Speaker of the House of Representatives and
4 Minority Leader of the House of Representatives in writing of
5 such an order and the reasons such order was issued, within 10
6 days of the issuance of the order. Any such order shall remain
7 effective until this part is amended to be consistent with
8 federal law or the regulations issued thereunder. If any such
9 order is issued based upon proposed amendments or successor
10 provisions to the Code, the allocation system provided in this
11 part and the system provided under any such order shall be
12 administered concurrent with one another, to the extent
13 feasible, as long as may be required due to the pendency of
14 any proposed amendments or successor provisions to the Code.
15 It is the intent of the Legislature that the provisions of
16 this section be construed and applied so as to give effect to
17 the framework for the relative allocations of state volume
18 limitation in accordance with the various formulas set forth
19 in this part, and nothing in this section shall be construed
20 or applied so as to have the effect of altering the
21 percentages set forth in this part unless and until the
22 categories of private activity bonds requiring an allocation
23 of such volume limitation are substantially restricted,
24 altered, or deleted under the Code.

25 Section 8. Effective upon this act becoming a law and
26 operating retroactively to January 1, 2000, section 196.1978,
27 Florida Statutes, is amended to read:

28 196.1978 Affordable ~~Low-income~~ housing property
29 exemption.--Property used to provide affordable housing
30 serving eligible ~~pursuant to any state housing program~~
31 ~~authorized under chapter 420 to low-income or very-low-income~~

1 persons as defined by s. 159.603(7) and persons meeting income
2 limits specified in s. 420.0004(9), (10), and (14), which
3 property is owned entirely by a nonprofit entity corporation
4 which is qualified as charitable under s. 501(c)(3) of the
5 Internal Revenue Code and which complies with Rev. Proc.
6 96-32, 1996-1 C.B. 717, shall be considered property owned by
7 an exempt entity and used for a charitable purpose, and those
8 portions of the affordable-housing property which provide
9 housing to individuals with incomes defined in s. 420.0004(9)
10 and (14), such property shall be exempt from ad valorem
11 taxation to the extent authorized in s. 196.196. All property
12 identified in this section shall comply with the criteria for
13 determination of exempt status to be applied by property
14 appraisers on an annual basis as defined in s. 196.195. The
15 Legislature intends that any property owned by a limited
16 liability company which is disregarded as an entity for
17 federal income tax purposes pursuant to Treasury Regulation
18 301.7701-3(b)(1)(ii) shall be treated as owned by its sole
19 member.

20 Section 9. Subsections (37) and (38) are added to
21 section 420.507, Florida Statutes, to read:

22 420.507 Powers of the corporation.--The corporation
23 shall have all the powers necessary or convenient to carry out
24 and effectuate the purposes and provisions of this part,
25 including the following powers which are in addition to all
26 other powers granted by other provisions of this part:

27 (37) To provide by rule, in connection with any
28 corporation competitive program, for the reservation of future
29 allocation or funding to provide a remedy for a litigant which
30 is ultimately successful in its litigation regarding a
31 competitive application, and to establish a date certain by

1 which, if litigation is not resolved, the successful litigant
2 will be funded from a subsequent year's available allocation
3 or funding.

4 (38) To designate private activity allocation for
5 tax-exempt bonds received by the corporation pursuant to part
6 VI of chapter 159 between single-family and multifamily
7 projects.

8 Section 10. Subsection (11) of section 420.5092,
9 Florida Statutes, is amended to read:

10 420.5092 Florida Affordable Housing Guarantee
11 Program.--

12 (11) The maximum total amount of revenue bonds that
13 may be issued by the corporation pursuant to subsection (5) is
14 ~~\$300~~~~\$200~~ million.

15 Section 11. Subsection (3) of section 420.5099,
16 Florida Statutes, is amended to read:

17 420.5099 Allocation of the low-income housing tax
18 credit.--

19 (3) The corporation may request such information from
20 applicants as will enable it to make the allocations according
21 to the guidelines set forth in subsection (2), including, but
22 not limited to, the information required to be provided the
23 corporation by chapter 67 9F-21, Florida Administrative Code.

24 Section 12. Section 420.526, Florida Statutes, is
25 amended to read:

26 420.526 Predevelopment Loan Program; loans and grants
27 authorized; activities eligible for support.--

28 (1) The corporation is authorized to ~~underwrite and~~
29 make loans and grants from the Housing Predevelopment Fund to
30 eligible sponsors when it determines that:

31

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

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

8 (2) If a loan is made, the corporation is authorized
9 to forgive such loan, and thereby make a grant to a sponsor
10 for any moneys which are unable to be repaid due to the
11 sponsor's inability to obtain construction or permanent
12 financing for the development. The corporation shall not
13 forgive the portion of the loan, if any, which is secured by a
14 mortgage to the extent such loan could be repaid from the sale
15 of the mortgaged property shall not award a grant or loan to a
16 sponsor that is unable to demonstrate the ability to proceed
17 as verified by a qualified development team.

18 (3) The corporation shall establish rules for the
19 equitable distribution of the funds in a manner that meets the
20 need and demand for housing for the target population.
21 ~~However, during the first 6 months of fund availability, at~~
22 ~~least 40 percent of the total funds made available under this~~
23 ~~program shall be reserved for Sponsors of farmworker housing,~~
24 if any, shall receive first priority under this program, and
25 further priorities shall be as established by rule of the
26 corporation.

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

30 (a) Site acquisition.

31 (b) Site development.

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

3 (d) Marketing expenses relating to advertisement.

4 ~~(5) The activities of sponsors which are eligible for~~
5 ~~housing predevelopment grants shall include, but not be~~
6 ~~limited to:~~

7 (e)~~(a)~~ Administrative expenses.

8 (f)~~(b)~~ Market and feasibility studies.

9 (g)~~(c)~~ Consulting fees.

10 (5)~~(6)~~ Any funds paid out of the Housing
11 Predevelopment Fund for activities under ss. 420.521-420.529
12 which are reimbursed to the sponsor from another source shall
13 be repaid to the fund.

14 ~~(7) Sponsors receiving loans for professional fees may~~
15 ~~receive forgiveness of such loans if it is determined that the~~
16 ~~proposed project would not be feasible for housing for the~~
17 ~~target population.~~

18 (6)~~(8)~~ Terms and conditions of housing predevelopment
19 loan agreements shall be established by rule and shall
20 include:

21 (a) Provision for interest, which shall be set at
22 between 0 and 3 percent per year, as established by the
23 corporation.

24 (b) Provision of a schedule for the repayment of
25 principal and interest for a term not to exceed 3 years or
26 initiation of permanent financing, whichever event occurs
27 first. However, the corporation may extend the term of a loan
28 for an additional period ~~not to exceed 1 year~~ if extraordinary
29 circumstances exist and if such extension would not jeopardize
30 the corporation's security interest.

31

1 (c) Provision of reasonable security for the housing
2 predevelopment loan to ensure the repayment of the principal
3 and any interest accrued within the term specified.

4 ~~Reasonable security shall be a promissory note secured by a~~
5 ~~mortgage from the sponsor on the property to be purchased,~~
6 ~~improved, or purchased and improved with the proceeds of the~~
7 ~~housing predevelopment loan or other collateral acceptable to~~
8 ~~the corporation.~~

9 (d) Provisions to ensure that the land acquired will
10 be used for the development of housing and related services
11 for the target population.

12 (e) Provisions to ensure, to the extent possible, that
13 any accrued savings in cost due to the availability of these
14 funds will be passed on to the target population in the form
15 of lower land prices. The corporation shall ensure that such
16 savings in land prices shall be passed on in the form of lower
17 prices or rents for dwellings constructed on such land.

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

25 ~~(7)(9)~~ No predevelopment loan made under this section
26 shall exceed the lesser of:

27 (a) The development and acquisition costs for the
28 development project, as determined by rule of the corporation;

29 or

30 (b) Five hundred thousand dollars.

31

1 ~~(8)(10)~~ Any real property or any portion thereof
2 purchased or developed under ss. 420.521-420.529 may be
3 disposed of by the eligible sponsor upon the terms and
4 conditions established by rule of the corporation and
5 consistent with ss. 420.521-420.529, at a price not to exceed
6 the actual prorated land costs, development costs, accrued
7 taxes, and interest.

8 Section 13. Subsections (3), (5), (7), and (8) of
9 section 420.609, Florida Statutes, are amended to read:

10 420.609 Affordable Housing Study Commission.--Because
11 the Legislature firmly supports affordable housing in Florida
12 for all economic classes:

13 (3) The department and the corporation ~~agency~~ shall
14 supply such information, assistance, and facilities as are
15 deemed necessary for the commission to carry out its duties
16 under this section and shall provide such staff assistance as
17 is necessary for the performance of required clerical and
18 administrative functions of the commission.

19 (5) The commission shall review, evaluate, and make
20 recommendations regarding existing and proposed housing
21 programs and initiatives. The commission shall provide these
22 and any other housing recommendations to the secretary of the
23 Department of Community Affairs and the executive director of
24 the corporation.

25 (7) By July 15 ~~December 31~~ of each year beginning in
26 2001 ~~1992~~, the commission shall prepare and submit to the
27 Governor, the President of the Senate, and the Speaker of the
28 House of Representatives a report detailing its findings and
29 making specific program, legislative, and funding
30 recommendations and any other recommendations it deems
31 appropriate.

1 (8) The commission shall recommend studies to be
2 conducted for ~~included in the annual research agenda of the~~
3 ~~Multidisciplinary Center for affordable housing. These~~
4 ~~recommendations shall be submitted to the department and the~~
5 ~~center in order to assist them in establishing an appropriate~~
6 ~~research agenda for the center.~~

7 Section 14. Subsections (4) and (27) of section
8 420.9071, Florida Statutes, are amended to read:

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

11 (4) "Annual gross income" means annual income as
12 defined under the Section 8 housing assistance payments
13 programs in 24 C.F.R. part 5; annual income as reported under
14 the census long form for the recent available decennial
15 census; or adjusted gross income as defined for purposes of
16 reporting under Internal Revenue Service Form 1040 for
17 individual federal annual income tax purposes. Counties and
18 eligible municipalities shall calculate income by annualizing
19 verified sources ~~projecting the prevailing annual rate~~ of
20 income for ~~all adults in~~ the household as the amount of income
21 to be received in a household during the 12 months following
22 the effective date of the determination.

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

1 include the value of the land in order to qualify as eligible
2 housing as defined in subsection (8). In the case of
3 rehabilitation or emergency repair of an existing unit that
4 does not create additional living space, sales price or value
5 means the value of the real property, as determined by an
6 appraisal performed by a state-certified appraiser and dated
7 within 12 months of the date construction is to commence or
8 the assessed value of the real property as determined by the
9 county property appraiser, ~~plus the cost of the improvements.~~
10 In the case of rehabilitation of an existing unit that
11 includes the addition of new living space, sales price or
12 value means the value of the real property, as determined by
13 an appraisal performed by a state-certified appraiser and
14 dated within 12 months of the date construction is to commence
15 or the assessed value of the real property as determined by
16 the county property appraiser, plus the cost of the
17 improvements in either case.

18 Section 15. Paragraph (e) of subsection (3) and
19 paragraph (c) of subsection (4) of section 420.9075, Florida
20 Statutes, are amended to read:

21 420.9075 Local housing assistance plans;
22 partnerships.--

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

25 (e) The staff or entity that has administrative
26 authority for implementing a local housing assistance plan
27 assisting rental developments shall annually monitor and
28 determine tenant eligibility or may rely on another
29 governmental entity which is also required to monitor and
30 determine tenant eligibility.

31

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

4 (c) The sales price or value of new or existing
5 eligible housing may not exceed 90 percent of the average
6 ~~median~~ area purchase price in the statistical area in which
7 ~~where~~ the eligible housing is located, which housing was
8 purchased during the most recent 12-month period for which
9 sufficient statistical information is available or, as
10 established by the United States Department of Treasury.

11
12 If both an award under the local housing assistance plan and
13 federal low-income housing tax credits are used to assist a
14 project and there is a conflict between the criteria
15 prescribed in this subsection and the requirements of s. 42 of
16 the Internal Revenue Code of 1986, as amended, the county or
17 eligible municipality may resolve the conflict by giving
18 precedence to the requirements of s. 42 of the Internal
19 Revenue Code of 1986, as amended, in lieu of following the
20 criteria prescribed in this subsection with the exception of
21 paragraphs (a) and (d) of this subsection.

22 Section 16. Section 760.26, Florida Statutes, is
23 created to read:

24 760.26 Prohibited discrimination in land use decisions
25 and in permitting of development.--It is unlawful to
26 discriminate in land use decisions or in the permitting of
27 development based on race, color, national origin, sex,
28 disability, familial status, religion, or, except as otherwise
29 provided by law, the source of financing of a development or
30 proposed development.

31

1 Section 17. State Farmworker Housing Pilot Loan
2 Program.--The State Farmworker Housing Pilot Loan Program is
3 created for the purpose of demonstrating the ability to use
4 state dedicated funds to leverage Federal Government, local
5 government, and private resources to provide affordable, safe,
6 and sanitary rental housing units for farmworkers.

7 (1) Subject to the availability of funds appropriated
8 to fund the State Farmworker Housing Pilot Loan Program, the
9 Florida Housing Finance Corporation shall have the authority
10 to make farmworker housing loans to a sponsor, as defined in
11 s. 420.503(37), Florida Statutes, provided the sponsor:

12 (a) Agrees to:

13 1. Set aside at least 80 percent of the units for
14 eligible farmworkers, as defined in s. 420.503(18), Florida
15 Statutes;

16 2. Set aside 100 percent of the units for households
17 whose family income does not exceed:

18 a. Fifty percent of the adjusted local median income
19 in areas which are not metropolitan statistical areas; or

20 b. Forty percent of adjusted local median income in
21 metropolitan statistical areas; and

22 3. Limit rents to no more than 30 percent of the
23 maximum household income adjusted to unit size; or

24 (b) Uses federal funds provided under section 514 or
25 section 516 of Title V of the Federal Housing Act of 1949 and
26 meets maximum rental limits, tenant eligibility, and other
27 regulatory requirements established pursuant to such programs.

28 (2) The corporation shall issue a request for
29 proposals to solicit applications for loans offered pursuant
30 to this section and shall establish a funding cycle to
31 distribute funds pursuant to this section. The corporation

1 shall coordinate this cycle with the fiscal year 2001 federal
2 funding cycle for section 514 or section 516 of Title V of the
3 Federal Housing Act of 1949. The corporation may distribute
4 through this funding cycle any additional funds set aside for
5 farmworker housing under the State Apartment Incentive Loan
6 Program authorized by s. 420.5087, Florida Statutes, the HOME
7 Investment Partnership Program authorized by s. 420.5089,
8 Florida Statutes, the low-income housing tax credit authorized
9 by s. 420.5099, Florida Statutes, or other appropriated funds.

10 (3) All eligible applications shall:

11 (a) Demonstrate that the sponsor possesses title to or
12 firm site control of land and evidences availability of
13 required infrastructure.

14 (b) Have grants, donations of land, or contributions
15 from other sources collectively totaling at least 25 percent
16 of the total development cost. Such grants, donations of land,
17 or contributions need not be committed at the time of
18 application. The corporation shall establish a set time for
19 receipt of such commitments.

20 (c) Have local government contributions and private
21 agriculture producer funds and other private leveraged funds
22 totaling no less than 3 percent of the total development cost.

23 (d) Demonstrate accessibility to commercial businesses
24 and services needed to serve the needs of the resident
25 farmworkers or include a viable plan to provide access to
26 those commercial businesses and services.

27 (e) Limit developer fees to no more than 15 percent of
28 the total development cost, less developer fees and land cost.

29 (4) The corporation shall establish a review committee
30 composed of staff of the Department of Community Affairs
31 selected by the Secretary of Community Affairs and staff of

1 the corporation and shall establish a scoring system for
2 evaluation and competitive ranking of applications submitted
3 in this program.

4 (a) Each application shall address and be evaluated
5 and ranked based on the following criteria:

6 1. A demonstrated need for farmworker housing:
7 Proposed developments in a county determined by the Shimberg
8 Center for Affordable Housing's April 1997 Migrant Farm Worker
9 Needs Assessment, or any subsequent assessment, to have a
10 shortage of affordable housing for 3,000 or more farmworkers
11 shall receive maximum points. Sponsors proposing developments
12 in other counties and demonstrating a high need for farmworker
13 housing through other state or local governmental reports or
14 market studies are eligible for funding under this section,
15 but shall receive less points.

16 2. Developer fees: Sponsors with developer fees less
17 than 15 percent shall be awarded additional points. There
18 shall be no identity of interest between the sponsor,
19 affiliated entities, and the contractor, and the sponsor or
20 affiliated entities shall not receive any financial or other
21 remuneration from the contractor as a condition of the
22 contractor's selection.

23 3. The project's mix: Applications providing a
24 set-aside of 20 percent or more units for seasonal, temporary,
25 or migrant workers, including unaccompanied workers, shall
26 receive additional points.

27 4. Innovation: Innovative planning concepts such as a
28 phased development plan for mixed-income or occupational
29 groups, home ownership, or commercial uses on a nearby parcel
30 shall receive additional points.

31

1 5. Federal Government contributions: Scoring shall
2 provide additional points based on the percentage of federal
3 funds leveraged. Such funds need not be committed to the
4 proposed project. The corporation shall establish a set time
5 for receipt of such commitments, taking into consideration the
6 application deadlines and projected determination periods set
7 by each of the agencies responsible for the federal funds
8 proposed as leveraged. The corporation may give more points
9 to applications with commitments of federal contributions.

10 6. Local government participation: Evidence of local
11 government participation in project planning demonstrating a
12 commitment to the project's success, including, but not
13 limited to, comprehensive planning, letters of support, and
14 other activities, shall receive additional points.

15 7. A provision for supportive services accessible
16 onsite or through cooperative agreements with service
17 providers in the community: Scoring shall provide additional
18 points to eligible applications that provide one or more
19 qualified tenant programs to enhance quality of life for
20 residents. Such programs include, but are not limited to, the
21 inclusion of a Title XX or Head Start child care facility for
22 children onsite or within 3 miles of the development, tenant
23 activities, health care, financial counseling, English as a
24 Second Language courses, and GED courses.

25 8. The quality of the project's design: All
26 developments shall include two full bathrooms in all
27 four-bedroom or larger units; onsite laundromat or laundry
28 hookups and space for washer and dryer inside each unit; and
29 exterior storage rooms of a minimum 35 square feet interior
30 area for duplex or detached units and 28 square feet for
31 multifamily or townhouse units.

1 a. The following items are not required and shall
2 receive no points in the scoring of applications: two full
3 bathrooms in all three-bedroom units, one and one-half
4 bathrooms in all two-bedroom units, swimming pool, dishwasher,
5 garbage disposals, and cable television hookups.

6 b. The following items are not required but shall
7 receive additional points in the scoring of applications:
8 window treatments, 30-year roofing on all buildings, gated
9 community with carded entry or security guard, pantry in or
10 adjacent to kitchen area, car care area, covered picnic area,
11 playground, outdoor recreation area for older children, two or
12 more parking spaces per unit, large multipurpose room or
13 clubhouse, air conditioning or whole-house fan as determined
14 by geographic region, hurricane shutters or resistant glass,
15 and energy conservation features.

16 9. The feasibility and economic viability of the
17 project.

18 10. The sponsor's development experience: Scoring
19 shall provide the most points to eligible applicants with
20 successful experience in the development of farmworker housing
21 commensurate to the size and scope of the proposed
22 development. Applicants with less development experience or
23 experience in projects substantially smaller than that
24 proposed shall receive less points. The experience may be
25 that of an affiliated or controlling corporation where the
26 eligible applicant is established to limit liability of the
27 affiliated group.

28 11. The sponsor's management experience: Scoring shall
29 provide the most points to eligible applicants with successful
30 experience in the management of farmworker housing
31 commensurate to the size and scope of the proposed

1 development. Applicants with less management experience or
2 experience in projects substantially smaller than the proposed
3 development shall receive less points. The experience may be
4 that of an affiliated or controlling nonprofit corporation
5 where the eligible applicant is established to limit liability
6 of the affiliated group.

7 12. The ability to proceed with construction: Scoring
8 shall provide the most points to those applicants able to
9 proceed in a timely manner. In addition to local government
10 participation as addressed in subparagraph 7., items to be
11 scored shall include, but not be limited to: environmental
12 safety, infrastructure availability, schematic site plans and
13 elevations, and conceptual, preliminary, or final site plan
14 approval.

15 13. A management plan to attract, serve, and keep
16 eligible farmworker tenants.

17 (b) The corporation may reject any application.

18 (c) The review committee established by the
19 corporation shall make recommendations to the board of
20 directors of the corporation regarding program participation
21 under the State Farmworker Housing Pilot Loan Program. The
22 corporation board shall make the final ranking and the
23 decisions regarding which applicants shall become program
24 participants based on the scores received in the competitive
25 ranking, further review of applications, and the
26 recommendations of the review committee. The corporation
27 board shall approve or reject applications for loans and shall
28 determine the tentative loan amount available to each
29 applicant selected for participation in the program.

30 (5) Loans provided pursuant to this section shall be
31 nonamortizing. The corporation shall establish interest rates

1 for loans made pursuant to this section. Loans to
2 not-for-profit applicants shall have interest rates of zero
3 percent if no low-income housing tax credits are allocated to
4 the development. If low-income housing tax credits are
5 allocated to the development, the interest rate may be
6 adjusted upward to meet appropriate federal requirements.
7 Loans to for-profit applicants shall have interest rates of 3
8 percent if no low-income housing tax credits are allocated to
9 the development. If low-income housing tax credits are
10 allocated to the development, the interest rate may be
11 adjusted upward to meet appropriate federal requirements.
12 Loans shall not exceed \$5 million. The following provisions
13 shall apply to all loans provided under this section:
14 (a) No loan combined with any other mortgage in a
15 superior position shall exceed the development cost or the
16 value of security, whichever is less.
17 (b) The loan term shall be for a period of not less
18 than 20 years. The corporation may renegotiate and extend the
19 loan in order to extend the availability of housing for
20 farmworkers. The term of a loan may not extend beyond the
21 period for which the sponsor agrees to provide housing for
22 farmworkers as provided in subsection (1). Payment on the
23 loans shall be based on the actual development cash flow and
24 principal and interest may be deferred without constituting a
25 default on the loan. The corporation may defer repayment of
26 loans made under this section until the end of the loan
27 period, including any extension, or until the housing no
28 longer meets the requirements of subsection (1), whichever
29 occurs first.
30 (c) The discrimination provisions of s. 420.516,
31 Florida Statutes, shall apply to all loans.

1 (d) The proceeds of all loans shall be used for new
2 construction or substantial rehabilitation which creates
3 affordable, safe, and sanitary housing units.

4 (e) Sponsors shall annually certify the eligibility
5 status and adjusted gross income of all persons or families
6 qualified under subsection (1) who are residing in a project
7 funded by this program. For monitoring purposes, the
8 corporation may rely on a federal governmental entity which is
9 also required to monitor and determine tenant eligibility.

10 (f) If agricultural and market conditions change
11 substantially in a market area in which a project is located,
12 the sponsor may request approval from the corporation for
13 changes in the occupational or income set-aside requirements.
14 The sponsor shall submit evidence of such market changes,
15 including, but not limited to, a market study and statements
16 from agricultural producers and agricultural labor
17 representatives. The board of directors of the corporation
18 may amend set-aside requirements; however, such changes shall
19 preserve the maximum percentage of units for eligible
20 farmworkers as market conditions permit.

21 (6) If a default on a loan occurs, the corporation may
22 foreclose on any mortgage or security interest or commence any
23 legal action to protect the interest of the corporation and
24 recover the amount of the unpaid principal, accrued interest,
25 and fees. The corporation may acquire real or personal
26 property or any interest in such property when that
27 acquisition is necessary or appropriate to: protect any loan;
28 sell, transfer, and convey any such property to a buyer
29 without regard to the provisions of chapters 253 and 270,
30 Florida Statutes; and, if that sale, transfer, or conveyance
31 cannot be effected within a reasonable time, lease such

1 property for occupancy by eligible persons. All sums recovered
2 from the sale, transfer, conveyance, or lease of such property
3 shall be deposited into an account established by the
4 corporation in a qualified public depository meeting the
5 requirements of chapter 280, Florida Statutes, for purposes of
6 expending moneys appropriated to fund the State Farmworker
7 Housing Pilot Loan Program as provided in subsection (1).

8 (7) Subject to the availability of funds appropriated
9 to fund the State Farmworker Housing Pilot Loan Program, the
10 Florida Housing Finance Corporation shall contract with the
11 Florida Farmworker Housing Coalition, Inc., a nonprofit
12 corporation established under chapter 617, Florida Statutes,
13 and qualified under s. 501(c)(3) of the Internal Revenue Code,
14 to assist the corporation in establishing and implementing the
15 State Farmworker Housing Pilot Loan Program, and to prepare a
16 research report that includes a needs assessment and strategic
17 plan for agricultural labor housing in this state. The
18 research report shall be submitted to the Governor, the
19 President of the Senate, and the Speaker of the House of
20 Representatives. The report shall:

21 (a) Identify localities throughout this state having
22 the greatest need for newly-constructed or rehabilitated
23 agricultural labor housing.

24 (b) Identify successful project prototypes to provide
25 safe, decent, and affordable agricultural housing.

26 (c) Provide an analysis of state and local barriers to
27 the development of agricultural housing.

28 (d) Profile successful state and local government
29 programs within and without this state that address
30 agricultural housing needs.

31

1 (8) Any balance of funds appropriated to fund the
2 State Farmworker Housing Pilot Loan Program which are
3 unencumbered at the end of the fiscal year shall be
4 transferred by the corporation to the Department of Children
5 and Family Services to distribute to local coalitions for the
6 homeless pursuant to s. 420.625.

7 Section 18. Subsection (10) of section 220.02, Florida
8 Statutes, is amended to read:

9 220.02 Legislative intent.--

10 (10) It is the intent of the Legislature that credits
11 against either the corporate income tax or the franchise tax
12 be applied in the following order: those enumerated in s.
13 220.18, those enumerated in s. 631.828, those enumerated in s.
14 220.191, those enumerated in s. 220.181, those enumerated in
15 s. 220.183, those enumerated in s. 220.182, those enumerated
16 in s. 220.1895, those enumerated in s. 221.02, those
17 enumerated in s. 220.184, those enumerated in s. 220.186,
18 those enumerated in s. 220.188, those enumerated in s.
19 220.1845, and those enumerated in s. 220.19, ~~and those~~
20 ~~enumerated in s. 220.185.~~

21 Section 19. Paragraph (a) of subsection (1) of section
22 220.13, Florida Statutes, is amended to read:

23 220.13 "Adjusted federal income" defined.--

24 (1) The term "adjusted federal income" means an amount
25 equal to the taxpayer's taxable income as defined in
26 subsection (2), or such taxable income of more than one
27 taxpayer as provided in s. 220.131, for the taxable year,
28 adjusted as follows:

29 (a) Additions.--There shall be added to such taxable
30 income:

31

1 1. The amount of any tax upon or measured by income,
2 excluding taxes based on gross receipts or revenues, paid or
3 accrued as a liability to the District of Columbia or any
4 state of the United States which is deductible from gross
5 income in the computation of taxable income for the taxable
6 year.

7 2. The amount of interest which is excluded from
8 taxable income under s. 103(a) of the Internal Revenue Code or
9 any other federal law, less the associated expenses disallowed
10 in the computation of taxable income under s. 265 of the
11 Internal Revenue Code or any other law, excluding 60 percent
12 of any amounts included in alternative minimum taxable income,
13 as defined in s. 55(b)(2) of the Internal Revenue Code, if the
14 taxpayer pays tax under s. 220.11(3).

15 3. In the case of a regulated investment company or
16 real estate investment trust, an amount equal to the excess of
17 the net long-term capital gain for the taxable year over the
18 amount of the capital gain dividends attributable to the
19 taxable year.

20 4. That portion of the wages or salaries paid or
21 incurred for the taxable year which is equal to the amount of
22 the credit allowable for the taxable year under s. 220.181.
23 The provisions of this subparagraph shall expire and be void
24 on June 30, 2005.

25 5. That portion of the ad valorem school taxes paid or
26 incurred for the taxable year which is equal to the amount of
27 the credit allowable for the taxable year under s. 220.182.
28 The provisions of this subparagraph shall expire and be void
29 on June 30, 2005.

30 6. The amount of emergency excise tax paid or accrued
31 as a liability to this state under chapter 221 which tax is

1 deductible from gross income in the computation of taxable
2 income for the taxable year.

3 7. That portion of assessments to fund a guaranty
4 association incurred for the taxable year which is equal to
5 the amount of the credit allowable for the taxable year.

6 8. In the case of a nonprofit corporation which holds
7 a pari-mutuel permit and which is exempt from federal income
8 tax as a farmers' cooperative, an amount equal to the excess
9 of the gross income attributable to the pari-mutuel operations
10 over the attributable expenses for the taxable year.

11 9. The amount taken as a credit for the taxable year
12 under s. 220.1895.

13 ~~10. Up to nine percent of the eligible basis of any~~
14 ~~designated project which is equal to the credit allowable for~~
15 ~~the taxable year under s. 220.185.~~

16 Section 20. Sections 220.185 and 420.5093, Florida
17 Statutes, are repealed.

18 Section 21. Except as otherwise provided in this act,
19 this act shall take effect July 1, 2000.

20

21 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
22 COMMITTEE SUBSTITUTE FOR
23 CS/SB 2310

24

25 The committee substitute limits ad valorem tax exemptions to
26 housing for persons with low and very low incomes, removing
27 moderate-income persons from the list of eligible occupants.

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31