

1
2 An act relating to neighborhood revitalization;
3 amending s. 212.08, F.S.; providing an
4 exemption from the tax on sales, use, and other
5 transactions for building materials used in the
6 construction of certain single-family homes
7 located in an enterprise zone, empowerment
8 zone, or Front Porch Florida Community;
9 providing an exemption from the tax on sales,
10 use, and other transactions for building
11 materials used in the construction of specified
12 redevelopment projects; providing requirements
13 for refund applications; providing for rules;
14 directing the Department of Community Affairs
15 to recommend certain economic incentives and
16 propose modifications to the Brownfields
17 Redevelopment Act for consideration by the
18 Legislature; amending s. 159.805, F.S.;
19 revising procedures for obtaining allocations
20 of private activity bonds; amending s. 159.806,
21 F.S.; specifying use of Florida First Business
22 allocation pool for priority projects before
23 using regional allocation pools; amending s.
24 159.807, F.S.; requiring availability of the
25 state allocation pool for certain purposes;
26 amending s. 159.8083, F.S.; clarifying
27 preservation of allocations for certain Florida
28 First Business projects; amending s. 159.809,
29 F.S.; clarifying recapture by the Florida First
30 Business allocation pool of portions of certain
31 unused allocations; amending s. 159.81, F.S.;

1 providing for granting requests for
2 carryforward of certain allocations relating to
3 Florida First Business projects under certain
4 circumstances; amending s. 196.1978, F.S.;
5 expanding the classes of certain low-income
6 housing property as property owned by an exempt
7 entity and used for charitable purposes;
8 amending s. 420.507, F.S.; providing special
9 powers of the corporation with respect to
10 reservation of future allocation or funding and
11 designation of private activity bond
12 allocation; amending s. 420.5099, F.S.;
13 correcting an administrative rule cross
14 reference; amending s. 420.526, F.S.; revising
15 provisions of the Predevelopment Loan Program
16 to provide for targeting of funds and
17 forgiveness of loans under certain
18 circumstances; amending s. 420.609, F.S.;
19 requiring the corporation to assist the
20 Affordable Housing Study Commission for certain
21 purposes; requiring the commission to provide
22 certain commission recommendations to the
23 corporation; changing the date of submittal for
24 the commission's report; revising the
25 commission's recommended studies requirements;
26 amending s. 420.9071, F.S.; revising certain
27 definitions; amending s. 420.9075, F.S.;
28 revising entities authorized to monitor and
29 determine tenant eligibility under local
30 housing assistance plans; revising criteria for
31 eligibility awards under such plans; creating

1 s. 760.26, F.S.; prohibiting discrimination in
2 land use decisions and in permitting of
3 development; establishing the State Farmworker
4 Housing Pilot Loan Program; providing for
5 administration by the Florida Housing Finance
6 Corporation; providing sponsor requirements;
7 requiring the corporation to issue a request
8 for proposals for loan applications for certain
9 purposes; requiring the corporation to
10 establish a loan distribution mechanism;
11 providing eligible loan applicant requirements;
12 providing for establishment of an application
13 review committee; providing criteria for loan
14 applications; providing duties and
15 responsibilities of the corporation and review
16 committee; providing requirements for such
17 loans; providing procedures and requirements
18 for loan defaults; requiring the corporation to
19 contract with the Florida Farmworker Housing
20 Coalition, Inc., for certain purposes;
21 requiring a report to the Governor and
22 Legislature; providing report requirements;
23 authorizing the corporation to adopt rules;
24 preserving certain exemptions for certain
25 entities; providing effective dates.

26
27 WHEREAS, Florida's urban-core neighborhoods continue to
28 have inadequate supplies of affordable housing units, and

29 WHEREAS, these same neighborhoods contain vacant or
30 abandoned industrial and manufacturing facilities, and

31

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2000 Legislature

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1 WHEREAS, vacant and dilapidated structures can have a
2 blighting influence on the neighborhood, and

3 WHEREAS, the opportunity exists to convert these vacant
4 or abandoned industrial and manufacturing facilities into
5 alternative housing options, such as loft apartments, and

6 WHEREAS, the opportunity exists to convert these vacant
7 or abandoned industrial and manufacturing facilities into
8 mixed-use facilities that include businesses in the art,
9 entertainment, and related fields, thereby attracting tourists
10 and other visitors to the neighborhoods and encouraging
11 individuals who work in such fields to reside in those
12 neighborhoods, and

13 WHEREAS, the Legislature finds that the state should
14 encourage adaptive reuse of existing buildings in these
15 urban-core neighborhoods, NOW, THEREFORE,

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Paragraphs (n) and (o) are added to
20 subsection (5) of section 212.08, Florida Statutes, to read:

21 212.08 Sales, rental, use, consumption, distribution,
22 and storage tax; specified exemptions.--The sale at retail,
23 the rental, the use, the consumption, the distribution, and
24 the storage to be used or consumed in this state of the
25 following are hereby specifically exempt from the tax imposed
26 by this chapter.

27 (5) EXEMPTIONS; ACCOUNT OF USE.--

28 (n) Materials for construction of single-family homes
29 in certain areas.--

30 1. As used in this paragraph, the term:
31

1 a. "Building materials" means tangible personal
2 property that becomes a component part of a qualified home.

3 b. "Qualified home" means a single-family home having
4 an appraised value of no more than \$160,000 which is located
5 in an enterprise zone, empowerment zone, or Front Porch
6 Florida Community and which is constructed and occupied by the
7 owner thereof for residential purposes.

8 c. "Substantially completed" has the same meaning as
9 provided in s. 192.042(1).

10 2. Building materials used in the construction of a
11 qualified home and the costs of labor associated with the
12 construction of a qualified home are exempt from the tax
13 imposed by this chapter upon an affirmative showing to the
14 satisfaction of the department that the requirements of this
15 paragraph have been met. This exemption inures to the owner
16 through a refund of previously paid taxes. To receive this
17 refund, the owner must file an application under oath with the
18 department which includes:

19 a. The name and address of the owner.

20 b. The address and assessment roll parcel number of
21 the home for which a refund is sought.

22 c. A copy of the building permit issued for the home.

23 d. A certification by the local building inspector
24 that the home is substantially completed.

25 e. A sworn statement, under penalty of perjury, from
26 the general contractor licensed in this state with whom the
27 owner contracted to construct the home, which statement lists
28 the building materials used in the construction of the home
29 and the actual cost thereof, the labor costs associated with
30 such construction, and the amount of sales tax paid on these
31 materials and labor costs. If a general contractor was not

1 used, the owner shall provide this information in a sworn
2 statement, under penalty of perjury. Copies of invoices
3 evidencing payment of sales tax must be attached to the sworn
4 statement.

5 f. A sworn statement, under penalty of perjury, from
6 the owner affirming that he or she is occupying the home for
7 residential purposes.

8 3. An application for a refund under this paragraph
9 must be submitted to the department within 6 months after the
10 date the home is deemed to be substantially completed by the
11 local building inspector. Within 30 working days after receipt
12 of the application, the department shall determine if it meets
13 the requirements of this paragraph. A refund approved pursuant
14 to this paragraph shall be made within 30 days after formal
15 approval of the application by the department. The provisions
16 of s. 212.095 do not apply to any refund application made
17 under this paragraph.

18 4. The department shall establish by rule an
19 application form and criteria for establishing eligibility for
20 exemption under this paragraph.

21 5. The exemption shall apply to purchases of materials
22 on or after July 1, 2000.

23 (o) Building materials in redevelopment projects.--

24 1. As used in this paragraph, the term:

25 a. "Building materials" means tangible personal
26 property that becomes a component part of a housing project or
27 a mixed-use project.

28 b. "Housing project" means the conversion of an
29 existing manufacturing or industrial building to housing units
30 in an urban high-crime area, enterprise zone, empowerment
31 zone, Front Porch Community, designated brownfield area, or

1 urban infill area and in which the developer agrees to set
2 aside at least 20 percent of the housing units in the project
3 for low-income and moderate-income persons.

4 c. "Mixed-use project" means the conversion of an
5 existing manufacturing or industrial building to mixed-use
6 units that include artists' studios, art and entertainment
7 services, or other compatible uses. A mixed-use project must
8 be located in an urban high-crime area, enterprise zone,
9 empowerment zone, Front Porch Community, designated brownfield
10 area, or urban infill area and the developer must agree to set
11 aside at least 20 percent of the square footage of the project
12 for low-income and moderate-income housing.

13 d. "Substantially completed" has the same meaning as
14 provided in s. 192.042(1).

15 2. Building materials used in the construction of a
16 housing project or mixed-use project are exempt from the tax
17 imposed by this chapter upon an affirmative showing to the
18 satisfaction of the department that the requirements of this
19 paragraph have been met. This exemption inures to the owner
20 through a refund of previously paid taxes. To receive this
21 refund, the owner must file an application under oath with the
22 department which includes:

23 a. The name and address of the owner.

24 b. The address and assessment roll parcel number of
25 the project for which a refund is sought.

26 c. A copy of the building permit issued for the
27 project.

28 d. A certification by the local building inspector
29 that the project is substantially completed.

30 e. A sworn statement, under penalty of perjury, from
31 the general contractor licensed in this state with whom the

1 owner contracted to construct the project, which statement
2 lists the building materials used in the construction of the
3 project and the actual cost thereof, and the amount of sales
4 tax paid on these materials. If a general contractor was not
5 used, the owner shall provide this information in a sworn
6 statement, under penalty of perjury. Copies of invoices
7 evidencing payment of sales tax must be attached to the sworn
8 statement.

9 3. An application for a refund under this paragraph
10 must be submitted to the department within 6 months after the
11 date the project is deemed to be substantially completed by
12 the local building inspector. Within 30 working days after
13 receipt of the application, the department shall determine if
14 it meets the requirements of this paragraph. A refund approved
15 pursuant to this paragraph shall be made within 30 days after
16 formal approval of the application by the department. The
17 provisions of s. 212.095 do not apply to any refund
18 application made under this paragraph.

19 4. The department shall establish by rule an
20 application form and criteria for establishing eligibility for
21 exemption under this paragraph.

22 5. The exemption shall apply to purchases of materials
23 on or after July 1, 2000.

24 Section 2. The Department of Community Affairs, in
25 conjunction with the Office of Tourism, Trade, and Economic
26 Development, the Office of Urban Opportunities, and Enterprise
27 Florida, Inc., shall recommend new economic incentives or
28 revisions to existing economic incentives in order to promote
29 the reuse of vacant industrial and manufacturing facilities
30 for affordable housing and mixed-use development. The report
31 must also identify any state regulatory or programmatic

1 barriers to the reuse of such facilities. The department
2 shall submit a report to the President of the Senate and the
3 Speaker of the House of Representatives containing its
4 recommendations by January 31, 2001. Based upon consultation
5 with the Department of Environmental Protection, the
6 department shall include, as a component of the report, any
7 recommended modifications to the Brownfields Redevelopment
8 Act, sections 376.77-376.85, Florida Statutes, for revising
9 liability protection or economic incentives under the act to
10 promote reuse of such facilities.

11 Section 3. Effective January 1, 2001, subsections (2)
12 and (3) and paragraph (a) of subsection (5) of section
13 159.805, Florida Statutes, are amended to read:

14 159.805 Procedures for obtaining allocations;
15 requirements; limitations on allocations; issuance reports.--

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

23 (3) Upon the expiration of the confirmation or at any
24 time the agency decides the allocation is no longer necessary,
25 but, in any event, not later than the 160th ~~95th~~ calendar day
26 after the date the confirmation was issued, the agency shall
27 notify the division, by overnight common carrier delivery
28 service, of its failure to issue any bonds pursuant to the
29 written confirmation. Such notice of failure to issue shall
30 be filed with the division and the allocation provided in the
31 expired confirmation shall be made available for reallocation

1 pursuant to this part. Upon determining that it will not be
2 using allocation for mortgage credit certificates, the issuer
3 will notify the division in writing within 5 business days
4 that such allocation for mortgage credit certificates,
5 referencing the dollar amount, will not be used, thereby
6 allowing the division to reallocate such amounts.

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

27 Section 4. Effective January 1, 2001, subsection (1)
28 of section 159.806, Florida Statutes, is amended to read:

29 159.806 Regional allocation pools.--

30 (1) Each region listed in s. 159.804(2) has an
31 allocation pool for issuing written confirmations of

1 allocation for private activity bonds. In issuing such
2 written confirmations, the division must first use the
3 allocation pool for the region in which the agency issuing
4 such bonds or on whose behalf such bonds are being issued is
5 located, except prior to June ~~April~~ 1, when the state
6 allocation pool or the Florida First Business allocation pool
7 must be used to finance priority projects until such
8 allocation is exhausted ~~unless the agency requests an~~
9 ~~allocation for a priority project from the regional allocation~~
10 ~~pool~~. Unless otherwise agreed to by the affected agencies,
11 when such bonds are to be issued by an agency whose boundaries
12 include more than one region, the division must first issue an
13 allocation from the allocation pool for the region in which
14 the project is to be located.

15 Section 5. Effective January 1, 2001, subsection (2)
16 of section 159.807, Florida Statutes, is amended to read:

17 159.807 State allocation pool.--

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

1 for priority projects exceeds the total amount of the state
2 allocation pool, the director shall forward all timely notices
3 of intent to issue received by the division for those projects
4 to the Governor who shall render a decision by June ~~April~~ 1 as
5 to which notices of intent to issue are to receive written
6 confirmations. If additional portions of the state volume
7 limitation of private activity bonds permitted to be issued in
8 the state are subsequently placed into the state allocation
9 pool, the remainder of the timely notices of intent to issue
10 for priority projects shall be provided written confirmations
11 in the order established by the Governor prior to any other
12 notices of intent to issue filed with the division.

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

15 159.809 Recapture of unused amounts.--

16 (1) On June ~~April~~ 1 of each year, any portion of each
17 ~~initial~~ allocation made pursuant to s. 159.804(4) for which
18 the division has not issued a written confirmation ~~has not~~
19 ~~been issued by the director or for which an issuance report~~
20 ~~for bonds utilizing such an allocation has not been received~~
21 ~~by the division prior to such date~~ shall be added to the
22 Florida First Business allocation pool.

23 (2) On July 1 of each year, any portion of each
24 ~~initial~~ allocation made pursuant to s. 159.804(2) ~~or (3)~~ for
25 which the division has not issued a written confirmation ~~has~~
26 ~~not been issued by the director or for which an issuance~~
27 ~~report for bonds utilizing such an allocation has not been~~
28 ~~received by the division prior to that date~~ shall be added to
29 the Florida First Business allocation pool. On July 1 of each
30 year, any portion of each allocation made pursuant to s.
31 159.804(3) for which the division has not issued a written

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

8 (3) On October 1 of each year, any portion of the
9 allocation made to the Florida First Business allocation pool
10 pursuant to s. 159.804(5) or subsection (1) or subsection (2),
11 which is eligible for carryforward pursuant to s. 146(f) of
12 the Code but which has not been certified for carryforward by
13 the Office of Tourism, Trade, and Economic Development, shall
14 be returned to the Florida First Business allocation pool.

15 (4)~~(3)~~ On November 16 of each year, any portion of the
16 ~~initial~~ allocation, made pursuant to s. 159.804(1), s.
17 159.804(5), or subsection (1), ~~or~~ subsection (2), ~~or~~
18 subsection (3), other than as provided in s. 159.8083, for
19 which an issuance report for bonds utilizing such an
20 allocation has not been received by the division prior to that
21 date shall be added to the state allocation pool.

22 Section 7. Effective January 1, 2001, subsection (1)
23 of section 159.81, Florida Statutes, is amended to read:

24 159.81 Unused allocations; carryforwards.--

25 (1) The division shall, when requested, provide
26 carryforwards pursuant to s. 146(f) of the Code for written
27 confirmations for priority projects which qualify for a
28 carryforward pursuant to s. 146(f) of the Code, if such
29 request is accompanied by an opinion of bond counsel to that
30 effect. In addition, in the case of Florida First Business
31 projects, the division shall, when requested, grant requests

1 for carryforward only after receipt of a certification from
2 the Office of Tourism, Trade, and Economic Development that
3 the project has been approved by such office to receive
4 carryforward.

5 Section 8. Effective January 1, 2001, section
6 159.8083, Florida Statutes, is amended to read:

7 159.8083 Florida First Business allocation pool.--The
8 Florida First Business allocation pool is hereby established.
9 The Florida First Business allocation pool shall be available
10 solely to provide written confirmation for private activity
11 bonds to finance Florida First Business projects certified by
12 the Office of Tourism, Trade, and Economic Development as
13 eligible to receive a written confirmation. Allocations from
14 such pool shall be awarded statewide pursuant to procedures
15 specified in s. 159.805, except that the provisions of s.
16 159.805(2), (3), and (6) do not apply. Florida First Business
17 projects that are eligible for a carryforward shall not lose
18 their allocation pursuant to s. 159.809(3) on October 1, or
19 pursuant to s. 159.809(4) on November 16, if they have applied
20 for and have been granted a carryforward by the division
21 pursuant to s. 159.81(1). In issuing written confirmations of
22 allocations for Florida First Business projects, the division
23 shall use the Florida First Business allocation pool. If
24 allocation is not available from the Florida First Business
25 allocation pool, the division shall issue written
26 confirmations of allocations for Florida First Business
27 projects pursuant to s. 159.806 or s. 159.807, in such order.
28 For the purpose of determining priority within a regional
29 allocation pool or the state allocation pool, notices of
30 intent to issue bonds for Florida First Business projects to
31 be issued from a regional allocation pool or the state

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

19 Section 9. Effective upon this act becoming a law and
20 operating retroactively to January 1, 2000, section 196.1978,
21 Florida Statutes, is amended to read:

22 196.1978 Affordable ~~Low-income~~ housing property
23 exemption.--Property used to provide affordable housing
24 servicing eligible ~~pursuant to any state housing program~~
25 ~~authorized under chapter 420 to low-income or very-low-income~~
26 persons as defined by s. 159.603(7) and persons meeting income
27 limits specified in s. 420.0004(9), (10), and (14), which
28 property is owned entirely by a nonprofit entity ~~corporation~~
29 which is qualified as charitable under s. 501(c)(3) of the
30 Internal Revenue Code and which complies with Rev. Proc.
31 96-32, 1996-1 C.B. 717, shall be considered property owned by

1 an exempt entity and used for a charitable purpose, and those
2 portions of the affordable housing property which provide
3 housing to individuals with incomes as defined in s.
4 420.0004(9) and (14)~~such property~~ shall be exempt from ad
5 valorem taxation to the extent authorized in s. 196.196. All
6 property identified in this section shall comply with the
7 criteria for determination of exempt status to be applied by
8 property appraisers on an annual basis as defined in s.
9 196.195. The Legislature intends that any property owned by a
10 limited liability company which is disregarded as an entity
11 for federal income tax purposes pursuant to Treasury
12 Regulation 301.7701-3(b)(1)(ii) shall be treated as owned by
13 its sole member.

14 Section 10. Subsections (37) and (38) are added to
15 section 420.507, Florida Statutes, to read:

16 420.507 Powers of the corporation.--The corporation
17 shall have all the powers necessary or convenient to carry out
18 and effectuate the purposes and provisions of this part,
19 including the following powers which are in addition to all
20 other powers granted by other provisions of this part:

21 (37) To provide by rule, in connection with any
22 corporation competitive program, for the reservation of future
23 allocation or funding to provide a remedy for a litigant which
24 is ultimately successful in its litigation regarding a
25 competitive application, and to establish a date certain by
26 which, if litigation is not resolved, the successful litigant
27 will be funded from a subsequent year's available allocation
28 or funding.

29 (38) To designate private activity allocation for
30 tax-exempt bonds received by the corporation pursuant to part
31

1 VI of chapter 159 between single-family and multifamily
2 projects.

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

5 420.5099 Allocation of the low-income housing tax
6 credit.--

7 (3) The corporation may request such information from
8 applicants as will enable it to make the allocations according
9 to the guidelines set forth in subsection (2), including, but
10 not limited to, the information required to be provided the
11 corporation by chapter 67 91-21, Florida Administrative Code.

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

14 420.526 Predevelopment Loan Program; loans and grants
15 authorized; activities eligible for support.--

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

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

21 (b) Federal, state, or local public funds or private
22 funds are available or likely to be available to aid in the
23 site acquisition, site development, construction,
24 rehabilitation, maintenance, or support of the housing
25 proposed in the application.

26 (2) If a loan is made, the corporation is authorized
27 to forgive such loan, and thereby make a grant to a sponsor
28 for any moneys which are unable to be repaid due to the
29 sponsor's inability to obtain construction or permanent
30 financing for the development. The corporation shall not
31 forgive the portion of the loan, if any, which is secured by a

1 mortgage to the extent such loan could be repaid from the sale
2 of the mortgaged property ~~shall not award a grant or loan to a~~
3 ~~sponsor that is unable to demonstrate the ability to proceed~~
4 ~~as verified by a qualified development team.~~

5 (3) The corporation shall establish rules for the
6 equitable distribution of the funds in a manner that meets the
7 need and demand for housing for the target population.
8 ~~However, during the first 6 months of fund availability, at~~
9 ~~least 40 percent of the total funds made available under this~~
10 ~~program shall be reserved for Sponsors of farmworker housing,~~
11 if any, shall receive first priority under this program, and
12 further priorities shall be as established by rule of the
13 corporation.

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

17 (a) Site acquisition.

18 (b) Site development.

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

21 (d) Marketing expenses relating to advertisement.

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

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

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

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

28 (5)~~(6)~~ Any funds paid out of the Housing

29 Predevelopment Fund for activities under ss. 420.521-420.529
30 which are reimbursed to the sponsor from another source shall
31 be repaid to the fund.

1 ~~(7) Sponsors receiving loans for professional fees may~~
2 ~~receive forgiveness of such loans if it is determined that the~~
3 ~~proposed project would not be feasible for housing for the~~
4 ~~target population.~~

5 (6)~~(8)~~ Terms and conditions of housing predevelopment
6 loan agreements shall be established by rule and shall
7 include:

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

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

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

21 ~~Reasonable security shall be a promissory note secured by a~~
22 ~~mortgage from the sponsor on the property to be purchased,~~
23 ~~improved, or purchased and improved with the proceeds of the~~
24 ~~housing predevelopment loan or other collateral acceptable to~~
25 ~~the corporation.~~

26 (d) Provisions to ensure that the land acquired will
27 be used for the development of housing and related services
28 for the target population.

29 (e) Provisions to ensure, to the extent possible, that
30 any accrued savings in cost due to the availability of these
31 funds will be passed on to the target population in the form

1 of lower land prices. The corporation shall ensure that such
2 savings in land prices shall be passed on in the form of lower
3 prices or rents for dwellings constructed on such land.

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

11 (7)~~(9)~~ No predevelopment loan made under this section
12 shall exceed the lesser of:

13 (a) The development and acquisition costs for the
14 project, as determined by rule of the corporation; or

15 (b) Five hundred thousand dollars.

16 (8)~~(10)~~ Any real property or any portion thereof
17 purchased or developed under ss. 420.521-420.529 may be
18 disposed of by the eligible sponsor upon the terms and
19 conditions established by rule of the corporation and
20 consistent with ss. 420.521-420.529, at a price not to exceed
21 the actual prorated land costs, development costs, accrued
22 taxes, and interest.

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

25 420.609 Affordable Housing Study Commission.--Because
26 the Legislature firmly supports affordable housing in Florida
27 for all economic classes:

28 (3) The department and the corporation ~~agency~~ shall
29 supply such information, assistance, and facilities as are
30 deemed necessary for the commission to carry out its duties
31 under this section and shall provide such staff assistance as

1 is necessary for the performance of required clerical and
2 administrative functions of the commission.

3 (5) The commission shall review, evaluate, and make
4 recommendations regarding existing and proposed housing
5 programs and initiatives. The commission shall provide these
6 and any other housing recommendations to the secretary of the
7 Department of Community Affairs and the executive director of
8 the corporation.

9 (7) By July 15 ~~December 31~~ of each year beginning in
10 2001 ~~1992~~, the commission shall prepare and submit to the
11 Governor, the President of the Senate, and the Speaker of the
12 House of Representatives a report detailing its findings and
13 making specific program, legislative, and funding
14 recommendations and any other recommendations it deems
15 appropriate.

16 (8) The commission shall recommend studies to be
17 conducted for ~~included in the annual research agenda of the~~
18 ~~Multidisciplinary Center for affordable housing. These~~
19 ~~recommendations shall be submitted to the department and the~~
20 ~~center in order to assist them in establishing an appropriate~~
21 ~~research agenda for the center.~~

22 Section 14. Subsections (4) and (27) of section
23 420.9071, Florida Statutes, are amended to read:

24 420.9071 Definitions.--As used in ss.
25 420.907-420.9079, the term:

26 (4) "Annual gross income" means annual income as
27 defined under the Section 8 housing assistance payments
28 programs in 24 C.F.R. part 5; annual income as reported under
29 the census long form for the recent available decennial
30 census; or adjusted gross income as defined for purposes of
31 reporting under Internal Revenue Service Form 1040 for

1 individual federal annual income tax purposes. Counties and
2 eligible municipalities shall calculate income by annualizing
3 verified sources ~~projecting the prevailing annual rate~~ of
4 income for ~~all adults~~ in the household as the amount of income
5 to be received in a household during the 12 months following
6 the effective date of the determination.

7 (27) "Sales price" or "value" means, in the case of
8 acquisition of an existing or newly constructed unit, the
9 amount on the executed sales contract. For eligible persons
10 who are building a unit on land that they own, the sales price
11 is determined by an appraisal performed by a state-certified
12 appraiser. The appraisal must include the value of the land
13 and the improvements using the after-construction value of the
14 property and must be dated within 12 months of the date
15 construction is to commence. The sales price of any unit must
16 include the value of the land in order to qualify as eligible
17 housing as defined in subsection (8). In the case of
18 rehabilitation or emergency repair of an existing unit that
19 does not create additional living space, sales price or value
20 means the value of the real property, as determined by an
21 appraisal performed by a state-certified appraiser and dated
22 within 12 months of the date construction is to commence or
23 the assessed value of the real property as determined by the
24 county property appraiser, ~~plus the cost of the improvements~~.
25 In the case of rehabilitation of an existing unit that
26 includes the addition of new living space, sales price or
27 value means the value of the real property, as determined by
28 an appraisal performed by a state-certified appraiser and
29 dated within 12 months of the date construction is to commence
30 or the assessed value of the real property as determined by
31

1 the county property appraiser, plus the cost of the
2 improvements in either case.

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

6 420.9075 Local housing assistance plans;
7 partnerships.--

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

10 (e) The staff or entity that has administrative
11 authority for implementing a local housing assistance plan
12 assisting rental developments shall annually monitor and
13 determine tenant eligibility or, to the extent the Florida
14 Housing Finance Corporation provides the same monitoring and
15 determination, a municipality, county, or local housing
16 financing authority may rely on such monitoring and
17 determination of tenant eligibility.

18 (4) The following criteria apply to awards made to
19 eligible sponsors or eligible persons for the purpose of
20 providing eligible housing:

21 (c) The sales price or value of new or existing
22 eligible housing may not exceed 90 percent of the average
23 median area purchase price in the statistical area in which
24 where the eligible housing is located, which housing was
25 purchased during the most recent 12-month period for which
26 sufficient statistical information is available or, as
27 established by the United States Department of Treasury.

28
29 If both an award under the local housing assistance plan and
30 federal low-income housing tax credits are used to assist a
31 project and there is a conflict between the criteria

1 prescribed in this subsection and the requirements of s. 42 of
2 the Internal Revenue Code of 1986, as amended, the county or
3 eligible municipality may resolve the conflict by giving
4 precedence to the requirements of s. 42 of the Internal
5 Revenue Code of 1986, as amended, in lieu of following the
6 criteria prescribed in this subsection with the exception of
7 paragraphs (a) and (d) of this subsection.

8 Section 16. Section 760.26, Florida Statutes, is
9 created to read:

10 760.26 Prohibited discrimination in land use decisions
11 and in permitting of development.--It is unlawful to
12 discriminate in land use decisions or in the permitting of
13 development based on race, color, national origin, sex,
14 disability, familial status, religion, or, except as otherwise
15 provided by law, the source of financing of a development or
16 proposed development.

17 Section 17. State Farmworker Housing Pilot Loan
18 Program.--The State Farmworker Housing Pilot Loan Program is
19 created for the purpose of demonstrating the ability to use
20 state dedicated funds to leverage Federal Government, local
21 government, and private resources to provide affordable, safe,
22 and sanitary rental housing units for farmworkers.

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

28 (a) Agrees to:

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

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

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

5 b. Forty percent of adjusted local median income in
6 metropolitan statistical areas; and

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

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

13 (2) The corporation shall issue a request for
14 proposals to solicit applications for loans offered pursuant
15 to this section and shall establish a funding cycle to
16 distribute funds pursuant to this section. The corporation
17 shall coordinate this cycle with the fiscal year 2001 federal
18 funding cycle for section 514 or section 516 of Title V of the
19 Federal Housing Act of 1949. The corporation may distribute
20 through this funding cycle any additional funds set aside for
21 farmworker housing under the State Apartment Incentive Loan
22 Program authorized by s. 420.5087, Florida Statutes, or other
23 funds appropriated for the State Farmworker Housing Pilot Loan
24 Program.

25 (3) All eligible applications shall:

26 (a) Demonstrate that the sponsor possesses title to or
27 firm site control of land and evidences availability of
28 required infrastructure.

29 (b) Have grants, donations of land, or contributions
30 from other sources collectively totaling at least 25 percent
31 of the total development cost. Such grants, donations of land,

1 or contributions need not be committed at the time of
2 application. The corporation shall establish a set time for
3 receipt of such commitments.

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

7 (d) Demonstrate accessibility to commercial businesses
8 and services needed to serve the needs of the resident
9 farmworkers or include a viable plan to provide access to
10 those commercial businesses and services.

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

13 (4) The corporation shall establish a review committee
14 composed of staff of the Department of Community Affairs
15 selected by the Secretary of Community Affairs and staff of
16 the corporation and shall establish a scoring system for
17 evaluation and competitive ranking of applications submitted
18 in this program.

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

21 1. A demonstrated need for farmworker housing:
22 Proposed developments in a county determined by the Shimberg
23 Center for Affordable Housing's April 1997 Migrant Farm Worker
24 Needs Assessment, or any subsequent assessment, to have a
25 shortage of affordable housing for 3,000 or more farmworkers
26 shall receive maximum points. Sponsors proposing developments
27 in other counties and demonstrating a high need for farmworker
28 housing through other state or local governmental reports or
29 market studies are eligible for funding under this section,
30 but shall receive less points.

31

1 2. Developer fees: Sponsors with developer fees less
2 than 15 percent shall be awarded additional points. There
3 shall be no identity of interest between the sponsor,
4 affiliated entities, and the contractor, and the sponsor or
5 affiliated entities shall not receive any financial or other
6 remuneration from the contractor as a condition of the
7 contractor's selection.

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

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

16 5. Innovative building designs: Innovative building
17 designs, which are targeted to meet the needs of the
18 hard-to-serve population of migrant, seasonal, and
19 very-low-income tenants which lower costs and rents while
20 providing safe, sanitary, and decent housing shall receive
21 additional points.

22 6. Federal Government contributions: Scoring shall
23 provide additional points based on the percentage of federal
24 funds leveraged. Such funds need not be committed to the
25 proposed project. The corporation shall establish a set time
26 for receipt of such commitments, taking into consideration the
27 application deadlines and projected determination periods set
28 by each of the agencies responsible for the federal funds
29 proposed as leveraged. The corporation may give more points
30 to applications with commitments of federal contributions.

31

1 7. Local government participation: Evidence of local
2 government participation in project planning demonstrating a
3 commitment to the project's success, including, but not
4 limited to, comprehensive planning, letters of support, and
5 other activities, shall receive additional points.

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

16 9. The quality of the project's design: All
17 developments shall include the equivalent of 0.25 full
18 bathroom facilities per bed or tenant; onsite laundry, laundry
19 sink, or hookups and space for a washer and dryer inside each
20 unit; and appropriate minimum storage space. Flexibility shall
21 be permitted for innovative designs which meet the needs of
22 the population served.

23 a. The following items are not required and shall
24 receive no points in the scoring of applications: two full
25 bathrooms in all three-bedroom units, one and one-half
26 bathrooms in all two-bedroom units, swimming pool, dishwasher,
27 garbage disposals, and cable television hookups.

28 b. The following items are not required but shall
29 receive additional points in the scoring of applications:
30 window treatments, 30-year roofing on all buildings, gated
31 community with carded entry or security guard, car care area,

1 covered picnic area, playground, outdoor recreation area for
2 older children, two or more parking spaces per unit, large
3 multipurpose room or clubhouse, air conditioning or
4 whole-house fan as determined by geographic region or seasonal
5 occupancy, hurricane shutters or resistant glass, and energy
6 conservation features.

7 10. The feasibility and economic viability of the
8 project.

9 11. The sponsor's development experience: Scoring
10 shall provide the most points to eligible applicants with
11 successful experience in the development of farmworker housing
12 commensurate to the size and scope of the proposed
13 development. Applicants with less development experience or
14 experience in projects substantially smaller than that
15 proposed shall receive less points. The experience may be
16 that of an affiliated or controlling corporation where the
17 eligible applicant is established to limit liability of the
18 affiliated group.

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

29 13. The ability to proceed with construction: Scoring
30 shall provide the most points to those applicants able to
31 proceed in a timely manner. In addition to local government

1 participation as addressed in subparagraph 7., items to be
2 scored shall include, but not be limited to: environmental
3 safety, infrastructure availability, schematic site plans and
4 elevations, and conceptual, preliminary, or final site plan
5 approval.

6 14. A management plan to attract, serve, and keep
7 eligible farmworker tenants.

8 (b) The corporation may reject any application.

9 (c) The review committee established by the
10 corporation shall make recommendations to the board of
11 directors of the corporation regarding program participation
12 under the State Farmworker Housing Pilot Loan Program. The
13 corporation board shall make the final ranking and the
14 decisions regarding which applicants shall become program
15 participants based on the scores received in the competitive
16 ranking, further review of applications, and the
17 recommendations of the review committee. The corporation
18 board shall approve or reject applications for loans and shall
19 determine the tentative loan amount available to each
20 applicant selected for participation in the program.

21 (5) Loans provided pursuant to this section shall be
22 nonamortizing. The corporation shall establish interest rates
23 for loans made pursuant to this section. Loans to
24 not-for-profit applicants shall have interest rates of zero
25 percent if no low-income housing tax credits are allocated to
26 the development. If low-income housing tax credits are
27 allocated to the development, the interest rate may be
28 adjusted upward to meet appropriate federal requirements.
29 Loans to for-profit applicants shall have interest rates of 3
30 percent if no low-income housing tax credits are allocated to
31 the development. If low-income housing tax credits are

1 allocated to the development, the interest rate may be
2 adjusted upward to meet appropriate federal requirements.
3 Loans shall not exceed \$5 million. The following provisions
4 shall apply to all loans provided under this section:
5 (a) No loan combined with any other mortgage in a
6 superior position shall exceed the development cost or the
7 value of security, whichever is less.
8 (b) The loan term shall be for a period of not less
9 than 20 years. The corporation may renegotiate and extend the
10 loan in order to extend the availability of housing for
11 farmworkers. The term of a loan may not extend beyond the
12 period for which the sponsor agrees to provide housing for
13 farmworkers as provided in subsection (1). Payment on the
14 loans shall be based on the actual development cash flow and
15 principal and interest may be deferred without constituting a
16 default on the loan. The corporation may defer repayment of
17 loans made under this section until the end of the loan
18 period, including any extension, or until the housing no
19 longer meets the requirements of subsection (1), whichever
20 occurs first.
21 (c) The discrimination provisions of s. 420.516,
22 Florida Statutes, shall apply to all loans.
23 (d) The proceeds of all loans shall be used for new
24 construction or substantial rehabilitation which creates
25 affordable, safe, and sanitary housing units.
26 (e) Sponsors shall annually certify the eligibility
27 status and adjusted gross income of all persons or families
28 qualified under subsection (1) who are residing in a project
29 funded by this program. For monitoring purposes, the
30 corporation may rely on a federal governmental entity which is
31 also required to monitor and determine tenant eligibility.

1 (f) If agricultural and market conditions change
2 substantially in a market area in which a project is located,
3 the sponsor may request approval from the corporation for
4 changes in the occupational or income set-aside requirements.
5 The sponsor shall submit evidence of such market changes,
6 including, but not limited to, a market study and statements
7 from agricultural producers and agricultural labor
8 representatives. The board of directors of the corporation
9 may amend set-aside requirements; however, such changes shall
10 preserve the maximum percentage of units for eligible
11 farmworkers as market conditions permit.

12 (6) If a default on a loan occurs, the corporation may
13 foreclose on any mortgage or security interest or commence any
14 legal action to protect the interest of the corporation and
15 recover the amount of the unpaid principal, accrued interest,
16 and fees. The corporation may acquire real or personal
17 property or any interest in such property when that
18 acquisition is necessary or appropriate to: protect any loan;
19 sell, transfer, and convey any such property to a buyer
20 without regard to the provisions of chapters 253 and 270,
21 Florida Statutes; and, if that sale, transfer, or conveyance
22 cannot be effected within a reasonable time, lease such
23 property for occupancy by eligible persons. All sums recovered
24 from the sale, transfer, conveyance, or lease of such property
25 shall be deposited into an account established by the
26 corporation in a qualified public depository meeting the
27 requirements of chapter 280, Florida Statutes, for purposes of
28 expending moneys appropriated to fund the State Farmworker
29 Housing Pilot Loan Program as provided in subsection (1).

30 (7) Subject to the availability of funds appropriated
31 to fund the State Farmworker Housing Pilot Loan Program, the

1 Florida Housing Finance Corporation shall contract with a
2 nonprofit corporation, qualified under s. 501(c)(3) of the
3 Internal Revenue Code, representing a mix of stakeholders
4 concerned with housing conditions faced by migrant and
5 seasonal farmworkers with demonstrated expertise in housing
6 issues. The corporation shall select such contractor within 90
7 days after the effective date of this section to assist the
8 corporation in establishing and implementing the State
9 Farmworker Housing Pilot Loan Program, and to prepare a
10 research report that includes a needs assessment and strategic
11 plan for agricultural labor housing in this state. The
12 research report shall be submitted to the Governor, the
13 President of the Senate, and the Speaker of the House of
14 Representatives. The report shall:

15 (a) Identify localities throughout this state having
16 the greatest need for newly-constructed or rehabilitated
17 agricultural labor housing.

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

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

22 (d) Profile successful state and local government
23 programs within and without this state that address
24 agricultural housing needs.

25 (8) The corporation may adopt rules to implement this
26 section.

27 Section 18. Nothing in this act shall serve to remove
28 the exemption from any entity that is currently eligible for
29 and receives the exemption.

30 Section 19. Except as otherwise provided herein, this
31 act shall take effect July 1, 2000.