21-265-00

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A bill to be entitled 1 2 An act relating to housing; providing legislative findings; amending s. 14.2015, 3 4 F.S.; directing the Office of Urban Opportunity 5 to give priority to projects receiving certain 6 federal grants; amending s. 163.2523, F.S.; 7 providing allocation criteria for the Urban Infill and Redevelopment Grant Program; 8 9 amending s. 420.5087, F.S.; providing allocation criteria for the State Apartment 10 Incentive Loan Program; amending s. 420.5089, 11 12 F.S.; providing allocation criteria for the HOME Investment Partnership Program; amending 13 s. 420.5093, F.S.; giving priority to certain 14 15 projects in the State Housing Tax Credit Program; amending s. 420.5099, F.S.; giving 16 17 priority to certain projects in the allocation of low-income housing tax credits; providing an 18 19 effective date. 20 21 WHEREAS, the U.S. Department of Housing and Urban 22 Development awards grants under the Revitalization of Severely Distressed Public Housing (HOPE VI) program to redevelop 23 distressed public housing sites, and 24 25 WHEREAS, these HOPE VI grants intend to create new housing units and broader housing opportunities for families 26 27 who are eliqible for public housing assistance, and 28 WHEREAS, older, distressed, or substandard public housing sites can create a blighting influence on the 29 30 surrounding neighborhoods, and

WHEREAS, the redevelopment of these public housing sites creates unique opportunities to disperse the location of publicly owned or assisted housing and its low-income residents, and

WHEREAS, such redevelopment offers an opportunity to spur the redevelopment of the surrounding neighborhoods, and

WHEREAS, the Legislature finds that the state should encourage the broader redevelopment of neighborhoods surrounding HOPE VI sites by working in partnership with the public housing authority, the unit of local government, and the residents of the public housing and surrounding neighborhoods, NOW, THEREFORE,

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

Section 1. Subsection (9) of section 14.2015, Florida Statutes, is amended to read:

14.2015 Office of Tourism, Trade, and Economic Development; creation; powers and duties.--

- (9)(a) The Office of Urban Opportunity is created within the Office of Tourism, Trade, and Economic Development. The director of the Office of Urban Opportunity shall be appointed by and serve at the pleasure of the Governor.
- (b) The purpose of the Office of Urban Opportunity shall be to administer the Front Porch Florida initiative, a comprehensive, community-based urban core redevelopment program that will empower urban core residents to craft solutions to the unique challenges of each designated community.
- (c) The selection criteria for designating Front Porch Communities must give priority consideration to communities

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where there is an active grant award from the U.S. Department of Housing and Urban Development under the HOPE VI program and there is:

- 1. Documented support by the unit of local government to redevelop the neighborhoods surrounding the HOPE VI project.
- 2. A joint agreement between the local government and the public housing authority receiving the HOPE VI grant regarding the redevelopment of neighborhoods surrounding the HOPE VI project.
- 3. A plan to promote the redevelopment of the HOPE VI neighborhoods; to disperse the location of publicly assisted housing within the neighborhood and to promote mixed-income neighborhoods; to promote home ownership; and to involve the residents of the neighborhood in redevelopment.

Section 2. Section 163.2523, Florida Statutes, is amended to read:

163.2523 Grant program. -- An Urban Infill and Redevelopment Assistance Grant Program is created for local governments. A local government may allocate grant money to special districts, including community redevelopment agencies, and nonprofit community development organizations to implement projects consistent with an adopted urban infill and redevelopment plan or plan employed in lieu thereof. Thirty percent of the general revenue appropriated for this program shall be available for planning grants to be used by local governments for the development of an urban infill and redevelopment plan, including community participation processes for the plan. Sixty percent of the general revenue appropriated for this program shall be available for 31 | fifty/fifty matching grants for implementing urban infill and

redevelopment projects that further the objectives set forth 2 in the local government's adopted urban infill and 3 redevelopment plan or plan employed in lieu thereof. The remaining 10 percent of the revenue must be used for outright 4 5 grants for implementing projects requiring an expenditure of 6 under \$50,000. Projects that provide employment opportunities 7 to clients of the WAGES program, and projects within urban infill and redevelopment areas that include a community redevelopment area, Florida Main Street program, Front Porch 9 10 Florida Community, sustainable community, enterprise zone, 11 federal enterprise zone, enterprise community, or neighborhood improvement district, and projects that include the recipient 12 of a HOPE VI grant from the U.S. Department of Housing and 13 14 Urban Development must be given an elevated priority in the scoring of competing grant applications. The Division of 15 Housing and Community Development of the Department of 16 17 Community Affairs shall administer the grant program. The 18 Department of Community Affairs shall adopt rules establishing 19 grant review criteria consistent with this section. Section 3. Paragraph (c) of subsection (6) of section 20 21 420.5087, Florida Statutes, is amended to read: 420.5087 State Apartment Incentive Loan 22 Program. -- There is hereby created the State Apartment 23 24 Incentive Loan Program for the purpose of providing first, 25 second, or other subordinated mortgage loans or loan guarantees to sponsors, including for-profit, nonprofit, and 26 27 public entities, to provide housing affordable to 28 very-low-income persons. 29 (6) On all state apartment incentive loans, except 30 loans made to housing communities for the elderly to provide

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security-related repairs or improvements, the following provisions shall apply:

- (c) The corporation shall provide by rule for the establishment of a review committee composed of the department and corporation staff and shall establish by rule a scoring system for evaluation and competitive ranking of applications submitted in this program, including, but not limited to, the following criteria:
- Tenant income and demographic targeting objectives of the corporation.
- Targeting objectives of the corporation which will ensure an equitable distribution of loans between rural and urban areas.
- Sponsor's agreement to reserve the units for 3. persons or families who have incomes below 50 percent of the state or local median income, whichever is higher, for a time period to exceed the minimum required by federal law or the provisions of this part.
 - Sponsor's agreement to reserve more than:
- Twenty percent of the units in the project for persons or families who have incomes that do not exceed 50 percent of the state or local median income, whichever is higher; or
- b. Forty percent of the units in the project for persons or families who have incomes that do not exceed 60 percent of the state or local median income, whichever is higher, without requiring a greater amount of the loans as provided in this section.
 - 5. Provision for tenant counseling.
- Sponsor's agreement to accept rental assistance 31 certificates or vouchers as payment for rent; however, when

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certificates or vouchers are accepted as payment for rent on units set aside pursuant to subsection (2), the benefit must be divided between the corporation and the sponsor, as provided by corporation rule.

- 7. Projects requiring the least amount of a state apartment incentive loan compared to overall project cost.
- 8. Local government contributions and local government comprehensive planning and activities that promote affordable housing.
 - 9. Project feasibility.
 - 10. Economic viability of the project.
 - 11. Commitment of first mortgage financing.
 - 12. Sponsor's prior experience.
 - 13. Sponsor's ability to proceed with construction.
- 14. Projects that directly implement or assist welfare-to-work transitioning.
- 15. Projects receiving HOPE VI grants from the U.S. Department of Housing and Urban Development.
- Section 4. Subsection (6) of section 420.5089, Florida Statutes, is amended to read:
- 420.5089 HOME Investment Partnership Program; HOME fund.--
- (6) Applications for loans under any competitive scoring process established by program rule must be approved by a review committee established by corporation rule which shall analyze factors, including, but not limited to, the following:
- (a) Demographic targeting objectives of the corporation.
 - (b) Corporation portfolio diversification.

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- (c) Developer's agreement to make units for the targeted group available for more than the minimum period required by rule.
 - (d) Leveraging of HOME funds.
 - (e) Local matching funds.
- The project's feasibility and long-term economic viability.
- Demonstrated capacity of the proposed project's (a) development team.
- (h) Conformance with the consolidated plan for the state and area in which the proposed project will be located.
- (i) Projects receiving HOPE VI grants from the U.S. Department of Housing and Urban Development.
- (j)(i) Other factors determined and approved by the corporation's board of directors.
- Section 5. Subsection (3) of section 420.5093, Florida Statutes, is amended to read:
 - 420.5093 State Housing Tax Credit Program. --
- (3) The corporation shall adopt allocation procedures that will ensure the maximum use of available tax credits in order to encourage development of low-income housing and associated mixed-use projects in urban areas, taking into consideration the timeliness of the application, the location of the proposed project, the relative need in the area of revitalization and low-income housing and the availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed to completion of the project in the calendar year for which the credit is sought. The allocation procedure must give priority to projects
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- 30 receiving HOPE VI grants from the U.S. Department of Housing
- 31 and Urban Development.

1 Section 6. Subsection (2) of section 420.5099, Florida 2 Statutes, is amended to read: 3 420.5099 Allocation of the low-income housing tax 4 credit. --5 (2) The corporation shall adopt allocation procedures 6 that will ensure the maximum use of available tax credits in 7 order to encourage development of low-income housing in the state, taking into consideration the timeliness of the 8 9 application, the location of the proposed housing project, the 10 relative need in the area for low-income housing and the 11 availability of such housing, the economic feasibility of the project, and the ability of the applicant to proceed to 12 13 completion of the project in the calendar year for which the 14 credit is sought. The allocation procedure must give priority 15 to projects receiving HOPE VI grants from the U.S. Department 16 of Housing and Urban Development. 17 Section 7. This act shall take effect upon becoming a 18 law. 19 20 21 SENATE SUMMARY Requires various state housing programs to give priority status to projects receiving grants from the U.S. Department of Housing and Urban Development under the Revitalization of Severely Distressed Public Housing 22 23 24 (HOPE VI) program. 25 26 27 28 29 30 31