

By Senator Constantine

9-1199A-02

See HB 547

1                                   A bill to be entitled  
2           An act relating to affordable housing; amending  
3           s. 373.4141, F.S.; providing that processing of  
4           permit applications for affordable housing  
5           projects under pt. IV of ch. 373, F.S.,  
6           relating to management and storage of surface  
7           waters, shall be expedited; amending s.  
8           380.0552, F.S.; providing for carryover of  
9           unused residential permit units from one year  
10          to a subsequent year in the Florida Keys Area;  
11          amending s. 420.507, F.S.; providing that  
12          projects for occupancy by commercial fishing  
13          workers and the homeless are eligible for the  
14          lowest interest rate mortgage loans under the  
15          State Apartment Incentive Loan Program;  
16          authorizing the Florida Housing Finance  
17          Corporation to establish subsidiary  
18          corporations for certain purposes and to  
19          conduct and fund certain demonstration programs  
20          and projects; amending s. 420.508, F.S.;  
21          authorizing the corporation to establish a  
22          procedure for evaluating and ranking  
23          applications for private activity bond  
24          allocation in connection with multifamily  
25          projects and to establish terms of mortgage  
26          loans; amending s. 420.5087, F.S.; providing  
27          that, until a specified date, a project located  
28          in a county that includes or has included an  
29          area of critical state concern for which the  
30          Legislature intends to provide affordable  
31          housing and that meets certain income criteria

1 is eligible under the State Apartment Incentive  
2 Loan Program; amending s. 420.526, F.S.;  
3 revising requirements relating to funding  
4 priorities under the Predevelopment Loan  
5 Program; amending s. 420.527, F.S.; revising  
6 requirements relating to the application  
7 procedure under the program and to evaluation  
8 of applicants; amending s. 420.9075, F.S.;  
9 revising requirements for monitoring and  
10 determining tenant eligibility in connection  
11 with a local housing assistance plan under the  
12 State Housing Initiatives Partnership Program;  
13 revising requirements for determining the  
14 average area purchase price under such plans;  
15 exempting, until a specified date, a county or  
16 municipality that includes or has included an  
17 area of critical state concern for which the  
18 Legislature intends to provide affordable  
19 housing from certain tenant income requirements  
20 under such plans; revising requirements for the  
21 annual report to the corporation required under  
22 the program; providing an effective date.

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

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26 Section 1. Subsection (3) is added to section  
27 373.4141, Florida Statutes, to read:

28 373.4141 Permits; processing.--

29 (3) Processing of applications for permits for  
30 affordable housing projects shall be expedited to a greater  
31 degree than for other projects.

1           Section 2. Subsection (10) is added to section  
2 380.0552, Florida Statutes, to read:

3           380.0552 Florida Keys Area; protection and designation  
4 as area of critical state concern.--

5           (10) CARRYOVER OF UNUSED RESIDENTIAL PERMIT  
6 UNITS.--For any rate-of-growth ordinance adopted pursuant to  
7 this section, under which an annual unit cap for new  
8 residential development is established, any units not used  
9 during the year for which the unit cap applies shall be  
10 carried over to the subsequent year and added to the unit cap  
11 for the subsequent year.

12           Section 3. Paragraph (a) of subsection (22) of section  
13 420.507, Florida Statutes, is amended, and subsections (40)  
14 and (41) are added to said section, to read:

15           420.507 Powers of the corporation.--The corporation  
16 shall have all the powers necessary or convenient to carry out  
17 and effectuate the purposes and provisions of this part,  
18 including the following powers which are in addition to all  
19 other powers granted by other provisions of this part:

20           (22) To develop and administer the State Apartment  
21 Incentive Loan Program. In developing and administering that  
22 program, the corporation may:

23           (a) Make first, second, and other subordinated  
24 mortgage loans including variable or fixed rate loans subject  
25 to contingent interest for all SAIL loans provided for in this  
26 chapter based upon the available cash flow of the projects.

27 The corporation shall make loans exceeding 25 percent of  
28 project cost available only to nonprofit organizations and  
29 public bodies which are able to secure grants, donations of  
30 land, or contributions from other sources and to projects  
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1 meeting the criteria of subparagraph 1. Mortgage loans shall  
2 be made available at the following rates of interest:

3 1. Zero to 3 percent interest for sponsors of projects  
4 that maintain an 80 percent occupancy of residents qualifying  
5 as farmworkers as defined in s. 420.503(18), commercial  
6 fishing workers as defined in s. 420.503(5), or the homeless  
7 as defined in s. 420.621(4) over the life of the loan.

8 2. Three to 9 percent interest for sponsors of  
9 projects targeted at populations other than farmworkers,  
10 commercial fishing workers, and the homeless.

11 (40) To establish subsidiary corporations for the  
12 purpose of taking title to and managing and disposing of  
13 property acquired by the corporation. Such subsidiary  
14 corporations shall be public corporations wholly owned by the  
15 corporation; shall be entitled to own, mortgage, and sell  
16 property on the same basis as the corporation; and shall be  
17 deemed corporations primarily acting as agents of the state,  
18 within the meaning of s. 768.28, on the same basis as the  
19 corporation.

20 (41) To conduct and fund, solely from funds derived  
21 from amounts other than those deposited in the state housing  
22 trust fund, demonstration programs and projects that further  
23 the statutory purposes of the corporation, including the power  
24 to establish selection criteria by rule or by means of  
25 requests for proposals.

26 Section 4. Subsections (6) and (7) are added to  
27 section 420.508, Florida Statutes, to read:

28 420.508 Special powers; multifamily and single-family  
29 projects.--The corporation shall have the special power to:

30 (6) Establish, by rule, a procedure for evaluating,  
31 scoring, and competitively ranking all applications for

1 private activity bond allocation in connection with  
2 multifamily projects financed under this part.

3 (7) Establish terms of mortgage loans funded pursuant  
4 to this part, including applicable security documents and  
5 limitations on sources and uses of funds.

6 Section 5. Subsection (2) of section 420.5087, Florida  
7 Statutes, is amended to read:

8 420.5087 State Apartment Incentive Loan  
9 Program.--There is hereby created the State Apartment  
10 Incentive Loan Program for the purpose of providing first,  
11 second, or other subordinated mortgage loans or loan  
12 guarantees to sponsors, including for-profit, nonprofit, and  
13 public entities, to provide housing affordable to  
14 very-low-income persons.

15 (2) The corporation shall have the power to underwrite  
16 and make state apartment incentive loans or loan guarantees to  
17 sponsors, provided:

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

23 (b) The sponsor uses taxable financing for the first  
24 mortgage and at least 20 percent of the units in the project  
25 are set aside for persons or families who have incomes below  
26 50 percent of the state or local median income, whichever is  
27 higher, which shall be adjusted by the corporation for family  
28 size; ~~or~~

29 (c) The sponsor uses the federal low-income housing  
30 tax credit, and the project meets the tenant income

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1 eligibility requirements of s. 42 of the Internal Revenue Code  
2 of 1986, as amended; ~~or-~~

3 (d) The project is located in a county that includes,  
4 or has included within the previous 5 years, an area of  
5 critical state concern designated or ratified by the  
6 Legislature for which the Legislature has declared its intent  
7 to provide affordable housing, and 100 percent of the units in  
8 the project are set aside for persons or families who have  
9 incomes below 120 percent of the state or local median income,  
10 whichever is higher, which shall be adjusted by the  
11 corporation for family size. This paragraph expires July 1,  
12 2005.

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

26 Section 6. Subsection (3) of section 420.526, Florida  
27 Statutes, is amended to read:

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

30 (3) The corporation shall establish rules for the  
31 equitable distribution of the funds in a manner that meets the

1 need and demand for housing for the target population. Funds  
2 shall be made available under the program on a first-come,  
3 first-served basis, unless otherwise established by  
4 corporation rule. Sponsors of farmworker housing, if any,  
5 shall receive first priority under this program, ~~and further~~  
6 ~~priorities shall be as established by rule of the corporation.~~

7 Section 7. Section 420.527, Florida Statutes, is  
8 amended to read:

9 420.527 Application procedure.--

10 (1) Applications shall be submitted to the corporation  
11 in a form that it establishes by rule.

12 ~~(2) Applications that propose linkage of~~  
13 ~~predevelopment funds with other financing offered through the~~  
14 ~~corporation shall receive preference in funding.~~

15 ~~(3) The corporation shall publish a notice of fund~~  
16 ~~availability in a publication of general circulation~~  
17 ~~throughout the state. Such notice shall be published at least~~  
18 ~~60 days before the application deadline.~~

19 ~~(2)(4)~~ By rule, the corporation shall establish the  
20 criteria a review committee composed of representatives of the  
21 corporation and a scoring system for determining threshold  
22 compliance with corporation objectives evaluating and ranking  
23 applications. Final decisions regarding funding shall be  
24 approved by the corporation board shall make the final ranking  
25 and shall decide which applicants become program participants  
26 based on the scores received in the ranking, further review of  
27 applications, and the recommendations of the review committee.  
28 The corporation board shall ~~approve or reject applications for~~  
29 ~~loans and grants and shall determine the tentative loan or~~  
30 ~~grant amount available to each program participant. The~~

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1 actual loan or grant amount shall be determined pursuant to  
2 rule specifying credit underwriting procedures.

3 ~~(3)(5)~~ The criteria to be used to determine threshold  
4 compliance score applications shall include, but are not  
5 limited to, the following:

6 (a) Income target objectives of the corporation.

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

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

12 (d) Sponsor's prior experience.

13 (e) Commitments of other financing.

14 (f) Sponsor's ability to proceed.

15 (g) Project's consistency with the local government  
16 comprehensive plan.

17 Section 8. Paragraph (e) of subsection (3), paragraphs  
18 (c) and (d) of subsection (4), and paragraph (c) of subsection  
19 (9) of section 420.9075, Florida Statutes, are amended to  
20 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, to the extent that another  
29 governmental entity ~~the Florida Housing Finance Corporation~~  
30 provides the same monitoring and determination, a  
31 municipality, county, or local housing financing authority may



1 rely on such monitoring and determination of tenant  
2 eligibility. However, any loan or grant in the original amount  
3 of \$3,000 or less shall not be subject to these annual  
4 monitoring and determination-of-tenant-eligibility  
5 requirements.

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

9 (c) The sales price or value of new or existing  
10 eligible housing may not exceed 90 percent of the average area  
11 purchase price in the statistical area in which the eligible  
12 housing is located, ~~which housing was purchased during the~~  
13 ~~most recent 12-month period for which sufficient statistical~~  
14 ~~information is available or, as established by the United~~  
15 ~~States Department of Treasury.~~ Such average area purchase  
16 price may be that calculated for any 12-month period beginning  
17 not earlier than the fourth calendar year prior to the year in  
18 which the award occurs.

19 (d)1. All units constructed, rehabilitated, or  
20 otherwise assisted with the funds provided from the local  
21 housing assistance trust fund must be occupied by  
22 very-low-income persons, low-income persons, and  
23 moderate-income persons.

24 2. At least 30 percent of the funds deposited into the  
25 local housing assistance trust fund must be reserved for  
26 awards to very-low-income persons or eligible sponsors who  
27 will serve very-low-income persons and at least an additional  
28 30 percent of the funds deposited into the local housing  
29 assistance trust fund must be reserved for awards to  
30 low-income persons or eligible sponsors who will serve  
31 low-income persons. This subparagraph does not apply, until

1 July 1, 2005, to a county or an eligible municipality that  
2 includes, or has included within the previous 5 years, an area  
3 of critical state concern designated or ratified by the  
4 Legislature for which the Legislature has declared its intent  
5 to provide affordable housing.

6  
7 If both an award under the local housing assistance plan and  
8 federal low-income housing tax credits are used to assist a  
9 project and there is a conflict between the criteria  
10 prescribed in this subsection and the requirements of s. 42 of  
11 the Internal Revenue Code of 1986, as amended, the county or  
12 eligible municipality may resolve the conflict by giving  
13 precedence to the requirements of s. 42 of the Internal  
14 Revenue Code of 1986, as amended, in lieu of following the  
15 criteria prescribed in this subsection with the exception of  
16 paragraphs (a) and (d) of this subsection.

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

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