

By the Council for Smarter Government and Committee on
Local Government & Veterans Affairs and Representatives
Sorensen, Brummer, Davis, Gibson, Bowen, Littlefield, Green,
Billirakis, Detert, Farkas, Carassas, Needelman, Pickens,
(Additional Sponsors on Last Printed Page)

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.; authorizing all
12 State Apartment Incentive Loans to be subject
13 to contingent interest based upon available
14 cash flow; providing that projects for
15 occupancy by commercial fishing workers and the
16 homeless are eligible for the lowest interest
17 rate mortgage loans under the State Apartment
18 Incentive Loan Program; authorizing the Florida
19 Housing Finance Corporation to establish
20 subsidiary corporations for certain purposes
21 and to conduct and fund certain demonstration
22 programs and projects; amending s. 420.508,
23 F.S.; authorizing the corporation to establish
24 a procedure for evaluating and ranking
25 applications for private activity bond
26 allocation in connection with multifamily
27 projects and to establish terms of mortgage
28 loans; amending s. 420.5087, F.S.; providing
29 that a project located in a county that
30 includes or has included an area of critical
31 state concern for which the Legislature intends

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

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

Section 1. Subsection (3) is added to section
373.4141, Florida Statutes, to read:
373.4141 Permits; processing.--

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

4 Section 2. Subsection (10) is added to section
5 380.0552, Florida Statutes, to read:

6 380.0552 Florida Keys Area; protection and designation
7 as area of critical state concern.--

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

15 Section 3. Paragraph (a) of subsection (22) of section
16 420.507, Florida Statutes, is amended, and subsections (40)
17 and (41) are added to said section, to read:

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

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

26 (a) Make first, second, and other subordinated
27 mortgage loans including variable or fixed rate loans subject
28 to contingent interest for all State Apartment Incentive Loans
29 provided for in this chapter based upon available cash flow of
30 the projects. The corporation shall make loans exceeding 25
31 percent of project cost available only to nonprofit

1 organizations and public bodies which are able to secure
2 grants, donations of land, or contributions from other sources
3 and to projects meeting the criteria of subparagraph 1.

4 Mortgage loans shall be made available at the following rates
5 of interest:

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

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

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

23 (41) To conduct and fund, solely from funds derived
24 from amounts other than those deposited into the State Housing
25 Trust Fund, demonstration programs and projects which further
26 the statutory purposes of the corporation, including the power
27 to establish selection criteria by rule or by means of
28 requests for proposals.

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

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1 420.508 Special powers; multifamily and single-family
2 projects.--The corporation shall have the special power to:

3 (6) Establish, by rule, a procedure for evaluating,
4 scoring, and competitively ranking all applications for
5 private activity bond allocation in connection with
6 multifamily projects financed under this part.

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

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

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

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

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

27 (b) The sponsor uses taxable financing for the first
28 mortgage and at least 20 percent of the units in the project
29 are set aside for persons or families who have incomes below
30 50 percent of the state or local median income, whichever is
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1 higher, which shall be adjusted by the corporation for family
2 size; ~~or~~
3 (c) The sponsor uses the federal low-income housing
4 tax credit, and the project meets the tenant income
5 eligibility requirements of s. 42 of the Internal Revenue Code
6 of 1986, as amended; ~~or-~~
7 (d) The project is located in a county that includes,
8 or has included within the previous 5 years, an area of
9 critical state concern designated or ratified by the
10 Legislature for which the Legislature has declared its intent
11 to provide affordable housing, and 100 percent of the units in
12 the project are set aside for persons or families who have
13 incomes below 120 percent of the state or local median income,
14 whichever is higher, which shall be adjusted by the
15 corporation for family size.

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

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

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

3 (3) The corporation shall establish rules for the
4 equitable distribution of the funds in a manner that meets the
5 need and demand for housing for the target population. Funds
6 shall be made available under the program on a first-come,
7 first-served basis, unless otherwise established by
8 corporation rule. Sponsors of farmworker housing, if any,
9 shall receive first priority under this program, ~~and further~~
10 ~~priorities shall be as established by rule of the corporation.~~

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

13 420.527 Application procedure.--

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

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

19 ~~(3) The corporation shall publish a notice of fund~~
20 ~~availability in a publication of general circulation~~
21 ~~throughout the state. Such notice shall be published at least~~
22 ~~60 days before the application deadline.~~

23 ~~(2)(4)~~ By rule, the corporation shall establish the
24 criteria ~~a review committee composed of representatives of the~~
25 ~~corporation and a scoring system~~ for determining threshold
26 compliance with corporation objectives ~~evaluating and ranking~~
27 applications. Final decisions regarding funding shall be
28 approved by the corporation board ~~shall make the final ranking~~
29 ~~and shall decide which applicants become program participants~~
30 ~~based on the scores received in the ranking, further review of~~
31 ~~applications, and the recommendations of the review committee.~~

1 The corporation board shall ~~approve or reject applications for~~
2 ~~loans and grants and shall~~ determine the tentative loan or
3 grant amount available to each program participant. The
4 actual loan or grant amount shall be determined pursuant to
5 rule specifying credit underwriting procedures.

6 (3)~~(5)~~ The criteria to be used to determine threshold
7 compliance score applications shall include, but are not
8 limited to, the following:

9 (a) Income target objectives of the corporation.

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

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

15 (d) Sponsor's prior experience.

16 (e) Commitments of other financing.

17 (f) Sponsor's ability to proceed.

18 (g) Project's consistency with the local government
19 comprehensive plan.

20 Section 8. Paragraph (e) of subsection (3), paragraphs
21 (c) and (d) of subsection (4), and paragraph (c) of subsection
22 (9) of section 420.9075, Florida Statutes, are amended to
23 read:

24 420.9075 Local housing assistance plans;
25 partnerships.--

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

28 (e) The staff or entity that has administrative
29 authority for implementing a local housing assistance plan
30 assisting rental developments shall annually monitor and
31 determine tenant eligibility or, to the extent another

1 governmental entity ~~the Florida Housing Finance Corporation~~
2 provides the same monitoring and determination, a
3 municipality, county, or local housing financing authority may
4 rely on such monitoring and determination of tenant
5 eligibility. However, any loan or grant in the original amount
6 of \$3,000 or less shall not be subject to these annual
7 monitoring and determination of tenant eligibility
8 requirements.

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

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

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

27 2. At least 30 percent of the funds deposited into the
28 local housing assistance trust fund must be reserved for
29 awards to very-low-income persons or eligible sponsors who
30 will serve very-low-income persons and at least an additional
31 30 percent of the funds deposited into the local housing

1 assistance trust fund must be reserved for awards to
2 low-income persons or eligible sponsors who will serve
3 low-income persons. This subparagraph does not apply to a
4 county or an eligible municipality that includes, or has
5 included within the previous 5 years, an area of critical
6 state concern designated or ratified by the Legislature for
7 which the Legislature has declared its intent to provide
8 affordable housing.

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

20 (9) Each county or eligible municipality shall submit
21 to the corporation by September 15 of each year a report of
22 its affordable housing programs and accomplishments through
23 June 30 immediately preceding submittal of the report. The
24 report shall be certified as accurate and complete by the
25 local government's chief elected official or his or her
26 designee. Transmittal of the annual report by a county's or
27 eligible municipality's chief elected official, or his or her
28 designee, certifies that the local housing incentive
29 strategies, or, if applicable, the local housing incentive
30 plan, have been implemented or are in the process of being
31 implemented pursuant to the adopted schedule for

1 implementation. The report must include, but is not limited
2 to:

3 (c) The average area purchase ~~sales price or value~~ of
4 ~~a~~ single-family units ~~unit~~ and the amount of rent charged for
5 a rental unit based on unit size.

6 Section 9. This act shall take effect upon becoming a
7 law.

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ADDITIONAL SPONSORS

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Bullard, Holloway, Jennings, Kilmer, Melvin, Trovillion,
Maygarden, Goodlette, Diaz-Balart, Byrd, Flanagan, Paul,
Kravitz, Simmons, Cantens, Heyman, Harrington, Ryan, Evers,
Ausley, Sobel, Seiler, Clarke, Spratt and Arza

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