

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.
8 420.507, F.S.; authorizing all State Apartment
9 Incentive Loans to be subject to contingent
10 interest based upon available cash flow;
11 providing that projects for occupancy by
12 commercial fishing workers and the homeless are
13 eligible for the lowest interest rate mortgage
14 loans under the State Apartment Incentive Loan
15 Program; authorizing the Florida Housing
16 Finance Corporation to establish subsidiary
17 corporations for certain purposes and to
18 conduct and fund certain demonstration programs
19 and projects; amending s. 420.508, F.S.;
20 authorizing the corporation to establish a
21 procedure for evaluating and ranking
22 applications for private activity bond
23 allocation in connection with multifamily
24 projects and to establish terms of mortgage
25 loans; amending s. 420.5087, F.S.; providing
26 that a project located in a county that
27 includes or has included an area of critical
28 state concern for which the Legislature intends
29 to provide affordable housing and that meets
30 certain income criteria is eligible under the
31 State Apartment Incentive Loan Program;

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

22
23 Be It Enacted by the Legislature of the State of Florida:

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

27 373.4141 Permits; processing.--

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

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1 Section 2. Paragraph (a) of subsection (22) of section
2 420.507, Florida Statutes, is amended, and subsections (40)
3 and (41) are added to said section, to read:

4 420.507 Powers of the corporation.--The corporation
5 shall have all the powers necessary or convenient to carry out
6 and effectuate the purposes and provisions of this part,
7 including the following powers which are in addition to all
8 other powers granted by other provisions of this part:

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

12 (a) Make first, second, and other subordinated
13 mortgage loans including variable or fixed rate loans subject
14 to contingent interest for all State Apartment Incentive Loans
15 provided for in this chapter based upon available cash flow of
16 the projects. The corporation shall make loans exceeding 25
17 percent of project cost available only to nonprofit
18 organizations and public bodies which are able to secure
19 grants, donations of land, or contributions from other sources
20 and to projects meeting the criteria of subparagraph 1.
21 Mortgage loans shall be made available at the following rates
22 of interest:

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

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

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1 (40) To establish subsidiary corporations for the
2 purpose of taking title to and managing and disposing of
3 property acquired by the corporation. Such subsidiary
4 corporations shall be public corporations wholly owned by the
5 corporation; shall be entitled to own, mortgage, and sell
6 property on the same basis as the corporation; and shall be
7 deemed corporations primarily acting as agents of the state,
8 within the meaning of s. 768.28, on the same basis as the
9 corporation. Any subsidiary created by the corporation shall
10 be subject to chapters 119, 120, and 286 to the same extent as
11 the corporation.

12 (1) To conduct and fund, solely from funds derived
13 from amounts other than those deposited into the State Housing
14 Trust Fund, demonstration programs and projects which further
15 the statutory purposes of the corporation, including the power
16 to establish selection criteria by rule or by means of
17 requests for proposals.

18 Section 3. Subsections (6) and (7) are added to
19 section 420.508, Florida Statutes, to read:

20 420.508 Special powers; multifamily and single-family
21 projects.--The corporation shall have the special power to:

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

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

29 Section 4. Subsection (2) of section 420.5087, Florida
30 Statutes, is amended to read:

31

1 420.5087 State Apartment Incentive Loan
2 Program.--There is hereby created the State Apartment
3 Incentive Loan Program for the purpose of providing first,
4 second, or other subordinated mortgage loans or loan
5 guarantees to sponsors, including for-profit, nonprofit, and
6 public entities, to provide housing affordable to
7 very-low-income persons.

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

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

16 (b) The sponsor uses taxable financing for the first
17 mortgage and at least 20 percent of the units in the project
18 are set aside for persons or families who have incomes below
19 50 percent of the state or local median income, whichever is
20 higher, which shall be adjusted by the corporation for family
21 size; ~~or~~

22 (c) The sponsor uses the federal low-income housing
23 tax credit, and the project meets the tenant income
24 eligibility requirements of s. 42 of the Internal Revenue Code
25 of 1986, as amended; ~~or-~~

26 (d) The project is located in a county that includes,
27 or has included within the previous 5 years, an area of
28 critical state concern designated or ratified by the
29 Legislature for which the Legislature has declared its intent
30 to provide affordable housing, and 100 percent of the units in
31 the project are set aside for persons or families who have

1 incomes below 120 percent of the state or local median income,
2 whichever is higher, which shall be adjusted by the
3 corporation for family size.

4
5 This subsection does not prohibit a tenant from qualifying
6 under the income eligibility criteria of paragraph (a),
7 paragraph (b), ~~or paragraph (c)~~, or paragraph (d) due to the
8 tenant's participation in a job training program approved by
9 the corporation. Compliance with the provisions of this
10 subsection must be contractually provided for the term of the
11 loan or 12 years, whichever is longer; however, this
12 subsection does not apply to loans made to housing communities
13 for the elderly to provide for lifesafety, building
14 preservation, health, sanitation, or security-related repairs
15 or improvements. Such loans shall be subject to tenant income
16 criteria established by corporation rule.

17 Section 5. Subsection (3) of section 420.526, Florida
18 Statutes, is amended to read:

19 420.526 Predevelopment Loan Program; loans and grants
20 authorized; activities eligible for support.--

21 (3) The corporation shall establish rules for the
22 equitable distribution of the funds in a manner that meets the
23 need and demand for housing for the target population. Funds
24 shall be made available under the program on a first-come,
25 first-served basis, unless otherwise established by
26 corporation rule. Sponsors of farmworker housing, if any,
27 shall receive first priority under this program, ~~and further~~
28 ~~priorities shall be as established by rule of the corporation.~~

29 Section 6. Section 420.527, Florida Statutes, is
30 amended to read:

31 420.527 Application procedure.--

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

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

6 ~~(3) The corporation shall publish a notice of fund~~
7 ~~availability in a publication of general circulation~~
8 ~~throughout the state. Such notice shall be published at least~~
9 ~~60 days before the application deadline.~~

10 (2)(4) By rule, the corporation shall establish the
11 criteria ~~a review committee composed of representatives of the~~
12 ~~corporation and a scoring system for~~ determining threshold
13 compliance with corporation objectives ~~evaluating and ranking~~
14 ~~applications. Final decisions regarding funding shall be~~
15 approved by the corporation board ~~shall make the final ranking~~
16 ~~and shall decide which applicants become program participants~~
17 ~~based on the scores received in the ranking, further review of~~
18 ~~applications, and the recommendations of the review committee.~~
19 The corporation board shall ~~approve or reject applications for~~
20 ~~loans and grants and shall~~ determine the tentative loan or
21 grant amount available to each program participant. The
22 actual loan or grant amount shall be determined pursuant to
23 rule specifying credit underwriting procedures.

24 ~~(3)(5)~~ The criteria to be used to determine threshold
25 compliance score ~~applications~~ shall include, but are not
26 limited to, the following:

27 (a) Income target objectives of the corporation.

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

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

3 (d) Sponsor's prior experience.

4 (e) Commitments of other financing.

5 (f) Sponsor's ability to proceed.

6 (g) Project's consistency with the local government
7 comprehensive plan.

8 Section 7. Paragraph (e) of subsection (3), paragraphs
9 (c) and (d) of subsection (4), and paragraph (c) of subsection
10 (9) of section 420.9075, Florida Statutes, are amended to
11 read:

12 420.9075 Local housing assistance plans;
13 partnerships.--

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

16 (e) The staff or entity that has administrative
17 authority for implementing a local housing assistance plan
18 assisting rental developments shall annually monitor and
19 determine tenant eligibility or, to the extent another
20 governmental entity ~~the Florida Housing Finance Corporation~~
21 provides the same monitoring and determination, a
22 municipality, county, or local housing financing authority may
23 rely on such monitoring and determination of tenant
24 eligibility. However, any loan or grant in the original amount
25 of \$3,000 or less shall not be subject to these annual
26 monitoring and determination of tenant eligibility
27 requirements.

28 (4) The following criteria apply to awards made to
29 eligible sponsors or eligible persons for the purpose of
30 providing eligible housing:
31

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

11 (d)1. All units constructed, rehabilitated, or
12 otherwise assisted with the funds provided from the local
13 housing assistance trust fund must be occupied by
14 very-low-income persons, low-income persons, and
15 moderate-income persons.

16 2. At least 30 percent of the funds deposited into the
17 local housing assistance trust fund must be reserved for
18 awards to very-low-income persons or eligible sponsors who
19 will serve very-low-income persons and at least an additional
20 30 percent of the funds deposited into the local housing
21 assistance trust fund must be reserved for awards to
22 low-income persons or eligible sponsors who will serve
23 low-income persons. This subparagraph does not apply to a
24 county or an eligible municipality that includes, or has
25 included within the previous 5 years, an area of critical
26 state concern designated or ratified by the Legislature for
27 which the Legislature has declared its intent to provide
28 affordable housing.

29
30 If both an award under the local housing assistance plan and
31 federal low-income housing tax credits are used to assist a

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

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

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

26 Section 8. This act shall take effect upon becoming a
27 law.