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

23

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 other projects.

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:

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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. This paragraph expires July 1,  
4 2008.

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

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

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

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

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

1           420.527 Application procedure.--

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

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

7           ~~(3) The corporation shall publish a notice of fund~~  
8 ~~availability in a publication of general circulation~~  
9 ~~throughout the state. Such notice shall be published at least~~  
10 ~~60 days before the application deadline.~~

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

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

28           (a) Income target objectives of the corporation.

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

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. The exemption created by this act expires  
29 on July 1, 2008.

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

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

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

28 Section 8. This act shall take effect upon becoming a  
29 law.

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