

1 relating to certain limitations on constructing
2 housing projects in Orange and Seminole
3 Counties; providing an effective date.
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5 Be It Enacted by the Legislature of the State of Florida:
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7 Section 1. Subsection (2) of section 421.02, Florida
8 Statutes, is amended to read:

9 421.02 Finding and declaration of necessity.--It is
10 hereby declared that:

11 (2) Blighted Slum areas in the state cannot be
12 revitalized ~~cleared~~, nor can the shortage of safe and sanitary
13 dwellings for persons of low income be relieved, through the
14 operation of private enterprise, ~~and that the construction of~~
15 ~~housing projects for persons of low income, as herein defined,~~
16 ~~would therefore not be competitive with private enterprise.~~

17 Section 2. Present subsection (8) of section 421.08,
18 Florida Statutes, is redesignated as subsection (10), and a
19 new subsection (8) and subsection (9) are added to that
20 section, to read:

21 421.08 Powers of authority.--An authority shall
22 constitute a public body corporate and politic, exercising the
23 public and essential governmental functions set forth in this
24 chapter, and having all the powers necessary or convenient to
25 carry out and effectuate the purpose and provisions of this
26 chapter, including the following powers in addition to others
27 herein granted:

28 (8) To create a for-profit or not-for-profit
29 corporation, limited liability company, or other similar
30 business entity under the laws of this state in which the
31 housing authority may hold an ownership interest or

1 participate in its governance in order to develop, acquire,
2 lease, construct, rehabilitate, manage, or operate multifamily
3 or single-family residential projects. These projects may
4 include nonresidential uses and may use public and private
5 funds to serve individuals or families who meet the applicable
6 income requirements of the state or federal program involved,
7 whose income does not exceed 150 percent of the applicable
8 median income for the area, as established by the United
9 States Department of Housing and Urban Development, and who,
10 in the determination of the housing authority, lack sufficient
11 income or assets to enable them to purchase or rent a decent,
12 safe, and sanitary dwelling. These corporations, limited
13 liability companies, or other business entities may join
14 partnerships, joint ventures, or limited liability companies
15 or may otherwise engage with business entities in developing,
16 acquiring, leasing, constructing, rehabilitating, managing, or
17 operating such projects. The creation of such corporations,
18 limited liability companies, or other business entities by a
19 housing authority for the purposes set forth in this chapter,
20 together with all proceedings, acts, and things undertaken,
21 performed, or done before the effective date of this act are
22 validated, ratified, confirmed, approved, and declared legal
23 in all respects.

24 (9) Notwithstanding s. 112.061, the governing board of
25 an authority may approve and implement policies for per diem,
26 travel, and other expenses of its officials, officers, board
27 members, employees, and authorized persons in a manner
28 consistent with federal guidelines.

29 Section 3. Section 421.09, Florida Statutes, is
30 amended to read:

31 421.09 Operation not for profit.--

1 (1) It is the policy of this state that each housing
2 authority shall manage and operate its housing projects in an
3 efficient manner so as to enable it to fix the rentals for
4 dwelling accommodations at the lowest possible rates
5 consistent with its providing decent, safe, and sanitary
6 dwelling accommodations, and that a ~~no~~ housing authority may
7 not shall construct or operate any such project for profit, or
8 as a source of revenue to the city. To this end an authority
9 may not shall fix the rentals for dwellings in its project at
10 a ~~no~~ higher rate than it finds ~~shall find to be~~ necessary in
11 order to produce revenues that ~~which~~, together with all other
12 available moneys, revenue, income, and receipts of the
13 authority from whatever sources derived, will be sufficient:

14 (a)(1) To pay, as they ~~the same shall~~ become due, the
15 principal and interest on the debentures of the authority;

16 (b)(2) To meet the cost of, and to provide for,
17 maintaining and operating the projects, including the cost of
18 any insurance, and the administrative expenses of the
19 authority; and

20 (c)(3) To create, during not less than the 6 years
21 immediately succeeding its issuance of any debentures, a
22 reserve sufficient to meet the largest principal and interest
23 payments that ~~which~~ will be due on such debentures in any one
24 year thereafter, and to maintain such reserve.

25 (2) This section does not prohibit or restrict the
26 activities or operations of a business entity created under s.
27 421.08(8).

28 Section 4. Section 421.23, Florida Statutes, is
29 amended to read:

30 421.23 Liabilities of authority.--~~In no event shall~~
31 The liabilities, whether ex contractu or ex delicto, of an

1 authority arising from the operation of its housing projects,
2 ~~may not be paid payable~~ from any funds other than the rents,
3 fees, or revenues of such projects and any grants or subsidies
4 paid to such authority by the Federal Government, unless other
5 funds are lawfully pledged by the authority's governing board.

6 Section 5. Section 421.54, Florida Statutes, is
7 repealed.

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

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12 SENATE SUMMARY

13 Authorizes a housing authority to create a for-profit or
14 not-for-profit corporation, limited liability company, or
15 other entity to develop and operate residential homes or
16 nonresidential projects. Provides qualifications for a
17 family to live in such a residential home. Authorizes an
18 entity created by a housing authority to join with other
19 business entities to develop and operate a residential or
20 nonresidential project. Authorizes the governing board of
21 a housing authority to implement its own policy regarding
22 per diem and travel expenses. Provides that the certain
23 restrictions regarding the operation and management of a
24 housing project do not limit the activities of an entity
25 created by a housing authority. Provides for a housing
26 authority to use certain funds for liabilities arising
27 from the operation of its housing projects.
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