

1 housing projects; repealing s. 421.54, F.S.,
2 relating to certain limitations on constructing
3 housing projects in Orange and Seminole
4 Counties; providing an effective date.
5

6 Be It Enacted by the Legislature of the State of Florida:
7

8 Section 1. Subsection (2) of section 421.02, Florida
9 Statutes, is amended to read:

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

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

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

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

30 (8)(a) To organize for the purpose of creating a
31 for-profit or not-for-profit corporation, limited liability

1 company, or other similar business entity pursuant to all
2 applicable laws of this state in which the housing authority
3 may hold an ownership interest or participate in its
4 governance in order to develop, acquire, lease, construct,
5 rehabilitate, manage, or operate multifamily or single-family
6 residential projects. These projects may include
7 nonresidential uses and may use public and private funds to
8 serve individuals or families who meet the applicable income
9 requirements of the state or federal program involved; whose
10 income does not exceed 150 percent of the applicable median
11 income for the area, as established by the United States
12 Department of Housing and Urban Development; and who, in the
13 determination of the housing authority, lack sufficient income
14 or assets to enable them to purchase or rent a decent, safe,
15 and sanitary dwelling. These corporations, limited liability
16 companies, or other business entities may join partnerships,
17 joint ventures, or limited liability companies pursuant to
18 applicable laws or may otherwise engage with business entities
19 in developing, acquiring, leasing, constructing,
20 rehabilitating, managing, or operating such projects.

21 (b) The creation by a housing authority of such a
22 corporation, limited liability company, or other business
23 entity that is properly registered pursuant to all applicable
24 laws before the effective date of this act is ratified and
25 validated if the creation of such corporation, limited
26 liability company, or other business entity would have been
27 valid had this act been in effect at the time such
28 corporation, limited liability company, or other business
29 entity was created and registered.

30 (c) Proceedings or acts performed by a housing
31 authority or a corporation, limited liability company, or

1 other business entity authorized pursuant to paragraph (b) are
2 ratified and validated if such proceedings or acts were in
3 furtherance of the purposes set forth in this chapter and
4 would have been valid had this act been in effect at the time
5 such proceedings or acts were performed.

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

11 Section 3. Section 421.09, Florida Statutes, is
12 amended to read:

13 421.09 Operation not for profit.--

14 (1) It is the policy of this state that each housing
15 authority shall manage and operate its housing projects in an
16 efficient manner so as to enable it to fix the rentals for
17 dwelling accommodations at the lowest possible rates
18 consistent with its providing decent, safe, and sanitary
19 dwelling accommodations, and that ~~a no~~ housing authority may
20 ~~not shall~~ construct or operate any such project for profit, or
21 as a source of revenue to the city. To this end an authority
22 may not shall fix the rentals for dwellings in its project at
23 ~~a no~~ higher rate than it finds shall find to be necessary in
24 order to produce revenues that which, together with all other
25 available moneys, revenue, income, and receipts of the
26 authority from whatever sources derived, will be sufficient:

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

29 (b)(2) To meet the cost of, and to provide for,
30 maintaining and operating the projects, including the cost of
31

1 any insurance, and the administrative expenses of the
2 authority; and

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

8 (2) This section does not prohibit or restrict the
9 activities or operations of a business entity created under s.
10 421.08(8).

11 Section 4. Section 421.23, Florida Statutes, is
12 amended to read:

13 421.23 Liabilities of authority.--~~In no event shall~~
14 The liabilities, whether ex contractu or ex delicto, of an
15 authority arising from the operation of its housing projects,
16 ~~may not be paid payable~~ from any funds other than the rents,
17 fees, or revenues of such projects and any grants or subsidies
18 paid to such authority by the Federal Government, unless other
19 funds are lawfully pledged by the authority's governing board.

20 Section 5. Section 421.54, Florida Statutes, is
21 repealed.

22 Section 6. This act shall take effect upon becoming a
23 law.

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25 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
26 COMMITTEE SUBSTITUTE FOR
27 CS/SB 334

28 Clarifies that entities created by housing authorities prior
29 to the effective date of the bill are ratified and validated
30 only if the creation of those entities would be authorized by
31 the bill.

Clarifies that the acts of those entities are ratified and
validated only if those acts would be authorized by the bill.