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2 An act relating to public housing; amending s.
3 420.5087, F.S.; authorizing the Florida Housing
4 Finance Corporation to waive annual
5 recertification under certain conditions;
6 amending s. 421.02, F.S.; clarifying a
7 legislative finding with respect to the
8 inability of private enterprise to revitalize
9 blighted areas; public housing; amending s.
10 421.08, F.S.; authorizing a housing authority
11 to organize for the purpose of creating a
12 for-profit or not-for-profit corporation,
13 limited liability company, or similar entity to
14 develop and operate residential homes or
15 nonresidential projects; providing
16 qualifications for a family to live in such a
17 residential home; authorizing a corporation,
18 limited liability company, or similar entity
19 created by a housing authority to join with
20 other entities to develop and operate
21 residential or nonresidential projects;
22 ratifying certain prior actions of a housing
23 authority; authorizing the governing board of a
24 housing authority to implement its own policy
25 regarding per diem and travel expenses of its
26 officials, officers, employees, and board
27 members; amending s. 421.09, F.S.; providing
28 that the certain limitations regarding the
29 operation and management of a housing project
30 do not restrict the activities of a for-profit
31 or not-for-profit business entity created by

1 the housing authority under s. 421.08, F.S.;
2 amending s. 421.23, F.S.; authorizing a housing
3 authority to use certain pledged funds to pay
4 liabilities arising from the operation of its
5 housing projects; repealing s. 421.54, F.S.,
6 relating to certain limitations on constructing
7 housing projects in Orange and Seminole
8 Counties; providing an effective date.
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10 Be It Enacted by the Legislature of the State of Florida:

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12 Section 1. Paragraph (m) of subsection (6) of section
13 420.5087, Florida Statutes, is amended to read:

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

21 (6) On all state apartment incentive loans, except
22 loans made to housing communities for the elderly to provide
23 for lifesafety, building preservation, health, sanitation, or
24 security-related repairs or improvements, the following
25 provisions shall apply:

26 (m) Sponsors shall annually certify the adjusted gross
27 income of all persons or families qualified under subsection
28 (2) at the time of initial occupancy, who are residing in a
29 project funded by this program. All persons or families
30 qualified under subsection (2) may continue to qualify under
31 subsection (2) in a project funded by this program if the

1 adjusted gross income of those persons or families at the time
2 of annual recertification meets the requirements established
3 in s. 142(d)(3)(B) of the Internal Revenue Code of 1986, as
4 amended. If the annual recertification of persons or families
5 qualifying under subsection (2) results in noncompliance with
6 income occupancy requirements, the next available unit must be
7 rented to a person or family qualifying under subsection (2)
8 in order to ensure continuing compliance of the project. The
9 Corporation may waive the annual recertification if 100
10 percent of the units are set aside as affordable.

11 Section 2. Subsection (2) of section 421.02, Florida
12 Statutes, is amended to read:

13 421.02 Finding and declaration of necessity.--It is
14 hereby declared that:

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

22 Section 3. Present subsection (8) of section 421.08,
23 Florida Statutes, is redesignated as subsection (10), and a
24 new subsection (8) and subsection (9) are added to that
25 section, to read:

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

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

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

1 corporation, limited liability company, or other business
2 entity was created and registered.

3 (c) Proceedings or acts performed by a housing
4 authority or a corporation, limited liability company, or
5 other business entity authorized pursuant to paragraph (b) are
6 ratified and validated if such proceedings or acts were in
7 furtherance of the purposes set forth in this chapter and
8 would have been valid had this act been in effect at the time
9 such proceedings or acts were performed.

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

15 Section 4. Section 421.09, Florida Statutes, is
16 amended to read:

17 421.09 Operation not for profit.--

18 (1) It is the policy of this state that each housing
19 authority shall manage and operate its housing projects in an
20 efficient manner so as to enable it to fix the rentals for
21 dwelling accommodations at the lowest possible rates
22 consistent with its providing decent, safe, and sanitary
23 dwelling accommodations, and that a ~~no~~ housing authority may
24 not shall construct or operate any such project for profit, or
25 as a source of revenue to the city. To this end an authority
26 may not shall fix the rentals for dwellings in its project at
27 a ~~no~~ higher rate than it finds ~~shall find to be~~ necessary in
28 order to produce revenues that ~~which~~, together with all other
29 available moneys, revenue, income, and receipts of the
30 authority from whatever sources derived, will be sufficient:
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1 ~~(a)(1)~~ To pay, as they ~~the same shall~~ become due, the
2 principal and interest on the debentures of the authority;
3 ~~(b)(2)~~ To meet the cost of, and to provide for,
4 maintaining and operating the projects, including the cost of
5 any insurance, and the administrative expenses of the
6 authority; and
7 ~~(c)(3)~~ To create, during not less than the 6 years
8 immediately succeeding its issuance of any debentures, a
9 reserve sufficient to meet the largest principal and interest
10 payments that ~~which~~ will be due on such debentures in any one
11 year thereafter, and to maintain such reserve.
12 (2) This section does not prohibit or restrict the
13 activities or operations of a business entity created under s.
14 421.08(8).
15 Section 5. Section 421.23, Florida Statutes, is
16 amended to read:
17 421.23 Liabilities of authority.--~~In no event shall~~
18 The liabilities, whether ex contractu or ex delicto, of an
19 authority arising from the operation of its housing projects,
20 may not be paid payable from any funds other than the rents,
21 fees, or revenues of such projects and any grants or subsidies
22 paid to such authority by the Federal Government, unless other
23 funds are lawfully pledged by the authority's governing board.
24 Section 6. Section 421.54, Florida Statutes, is
25 repealed.
26 Section 7. This act shall take effect upon becoming a
27 law.
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