

1 A bill to be entitled
 2 An act relating to affordable housing; amending s. 421.02,
 3 F.S.; revising a legislative declaration relating to
 4 blighted areas; amending s. 421.08, F.S.; authorizing
 5 certain housing authorities to create business entities
 6 for certain purposes; providing requirements and
 7 limitations; authorizing such authorities to provide for
 8 per diem, travel, and other expenses; amending s. 421.09,
 9 F.S.; providing construction; amending s. 421.23, F.S.;
 10 revising a limitation on financial liabilities of such
 11 authorities; repealing s. 421.54, F.S., relating to
 12 limitations on housing authorities in Orange County and
 13 Seminole County; providing an effective date.

14
 15 Be It Enacted by the Legislature of the State of Florida:

16
 17 Section 1. Subsection (2) of section 421.02, Florida
 18 Statutes, is amended to read:

19 421.02 Finding and declaration of necessity.--It is hereby
 20 declared that:

21 (2) Blighted ~~slum~~ areas in the state cannot be revitalized
 22 ~~cleared~~, nor can the shortage of safe and sanitary dwellings for
 23 persons of low income be relieved, through the operation of
 24 private enterprise, ~~and that the construction of housing~~
 25 ~~projects for persons of low income, as herein defined, would~~
 26 ~~therefore not be competitive with private enterprise.~~

27 Section 2. Subsection (8) of section 421.08, Florida
28 Statutes, is renumbered as subsection (10), and subsections (8)
29 and (9) are added to said section, to read:

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

36 (8) To create for profit and nonprofit corporations,
37 limited liability companies, and such other business entities
38 pursuant to the laws of the state in which housing authorities
39 may hold an ownership interest or participate in their
40 governance to engage in the development, acquisition, leasing,
41 construction, rehabilitation, management, or operation of
42 multifamily and single family residential projects. These
43 projects may include nonresidential uses and may utilize public
44 and private funds to serve individuals or families who meet the
45 applicable income requirements of the state or federal program
46 involved, whose income does not exceed 150 percent of the
47 applicable Area Median Income as established by the United
48 States Department of Housing and Urban Development, and who, in
49 the determination of the housing authority, lack sufficient
50 income or assets to enable them to purchase or rent a decent,
51 safe, and sanitary dwelling. These profit and nonprofit
52 corporations, limited liability companies, or other business
53 entities are authorized and empowered to join partnerships,
54 joint ventures, limited liability companies, or otherwise engage

55 with business entities in the development, acquisition, leasing,
 56 construction, rehabilitation, management, or operation of such
 57 projects. The creation of such corporations, limited liability
 58 companies, or other business entities by housing authorities for
 59 the purposes set forth in this chapter, together with all
 60 proceedings, acts, and things theretofore undertaken, performed,
 61 or done are hereby validated, ratified, confirmed, approved, and
 62 declared legal in all respects.

63 (9) Notwithstanding the provisions for per diem and travel
 64 expenses of public officers, employees, and authorized persons
 65 set forth in s. 112.061, the governing board of an authority may
 66 approve and implement policies for per diem, travel, and other
 67 expenses of its officials, officers, board members, employees,
 68 and authorized persons in a manner consistent with federal
 69 guidelines.

70 Section 3. Section 421.09, Florida Statutes, is amended to
 71 read:

72 421.09 Operation not for profit.--

73 (1) It is the policy of this state that each housing
 74 authority shall manage and operate its housing projects in an
 75 efficient manner so as to enable it to fix the rentals for
 76 dwelling accommodations at the lowest possible rates consistent
 77 with its providing decent, safe and sanitary dwelling
 78 accommodations, and that no housing authority shall construct or
 79 operate any such project for profit, or as a source of revenue
 80 to the city. To this end an authority shall fix the rentals for
 81 dwellings in its project at no higher rate than it shall find to
 82 be necessary in order to produce revenues which, together with

83 all other available moneys, revenue, income and receipts of the
 84 authority from whatever sources derived, will be sufficient:

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

87 ~~(b)(2)~~ To meet the cost of, and to provide for,
 88 maintaining and operating the projects, including the cost of
 89 any insurance, and the administrative expenses of the authority;
 90 and

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

96 (2) This section shall in no way prohibit or restrict the
 97 activities or operations of the business entities created
 98 pursuant to s. 421.08(8).

99 Section 4. Section 421.23, Florida Statutes, is amended to
 100 read:

101 421.23 Liabilities of authority.--In no event shall the
 102 liabilities, whether ex contractu or ex delicto, of an authority
 103 arising from the operation of its housing projects, be payable
 104 from any funds other than the rents, fees or revenues of such
 105 projects and any grants or subsidies paid to such authority by
 106 the Federal Government, unless such other funds are lawfully
 107 pledged by the authority's governing board.

108 Section 5. Section 421.54, Florida Statutes, is repealed.

109 Section 6. This act shall take effect July 1, 2005.