

CHAMBER ACTION

1 The Economic Development, Trade & Banking Committee recommends
2 the following:

3
4 **Council/Committee Substitute**

5 Remove the entire bill and insert:

6 A bill to be entitled

7 An act relating to affordable housing; amending s. 421.02,
8 F.S.; revising a legislative declaration relating to
9 blighted areas; amending s. 421.08, F.S.; authorizing
10 certain housing authorities to create business entities
11 for certain purposes; providing requirements and
12 limitations; authorizing such authorities to provide for
13 per diem, travel, and other expenses; amending s. 421.09,
14 F.S.; providing construction; amending s. 421.23, F.S.;
15 revising a limitation on financial liabilities of such
16 authorities; repealing s. 421.54, F.S., relating to
17 limitations on housing authorities in Orange and Seminole
18 Counties; providing an effective date.

19
20 Be It Enacted by the Legislature of the State of Florida:

21
22 Section 1. Subsection (2) of section 421.02, Florida
23 Statutes, is amended to read:

HB 545

2005
CS

24 421.02 Finding and declaration of necessity.--It is hereby
25 declared that:

26 (2) Blighted Slum areas in the state cannot be revitalized
27 ~~cleared~~, nor can the shortage of safe and sanitary dwellings for
28 persons of low income be relieved, solely through the operation
29 of private enterprise, ~~and that the construction of housing~~
30 ~~projects for persons of low income, as herein defined, would~~
31 ~~therefore not be competitive with private enterprise.~~

32 Section 2. Subsection (8) of section 421.08, Florida
33 Statutes, is renumbered as subsection (10), and new subsections
34 (8) and (9) are added to said section, to read:

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

41 (8) To organize for the purpose of creating a for-profit
42 or not-for-profit corporation, limited liability company, or
43 other similar business entity pursuant to all applicable laws of
44 the state in which the housing authority may hold an ownership
45 interest or participate in their governance to engage in the
46 development, acquisition, leasing, construction, rehabilitation,
47 management, or operation of multifamily and single family
48 residential projects. These projects may include nonresidential
49 uses and may utilize public and private funds to serve
50 individuals or families who meet the applicable income
51 requirements of the state or federal program involved, whose

52 income does not exceed 150 percent of the applicable area median
 53 income as established by the United States Department of Housing
 54 and Urban Development, and who, in the determination of the
 55 housing authority, lack sufficient income or assets to enable
 56 them to purchase or rent a decent, safe, and sanitary dwelling.
 57 These for-profit and not-for-profit corporations, limited
 58 liability companies, or other business entities are authorized
 59 and empowered to join partnerships, joint ventures, and limited
 60 liability companies pursuant to applicable laws or otherwise
 61 engage with business entities in the development, acquisition,
 62 leasing, construction, rehabilitation, management, or operation
 63 of such projects. The creation of such corporations, limited
 64 liability companies, or other business entities that are
 65 properly registered pursuant to all applicable laws by housing
 66 authorities for the purposes set forth in this chapter, together
 67 with all proceedings, acts, and things theretofore undertaken,
 68 performed, or done, are hereby validated, ratified, confirmed,
 69 approved, and declared legal in all respects.

70 (9) Notwithstanding the provisions for per diem and travel
 71 expenses of public officers, employees, and authorized persons
 72 set forth in s. 112.061, the governing board of an authority may
 73 approve and implement policies for per diem, travel, and other
 74 expenses of its officials, officers, board members, employees,
 75 and authorized persons in a manner consistent with federal
 76 guidelines.

77 Section 3. Section 421.09, Florida Statutes, is amended to
 78 read:

79 421.09 Operation not for profit.--

HB 545

2005
CS

80 (1) It is the policy of this state that each housing
 81 authority shall manage and operate its housing projects in an
 82 efficient manner so as to enable it to fix the rentals for
 83 dwelling accommodations at the lowest possible rates consistent
 84 with its providing decent, safe, and sanitary dwelling
 85 accommodations, and that no housing authority shall construct or
 86 operate any such project for profit, or as a source of revenue
 87 to the city. To this end an authority shall fix the rentals for
 88 dwellings in its project at no higher rate than it shall find to
 89 be necessary in order to produce revenues which, together with
 90 all other available moneys, revenue, income, and receipts of the
 91 authority from whatever sources derived, will be sufficient:

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

94 (b)~~(2)~~ To meet the cost of, and to provide for,
 95 maintaining and operating the projects, including the cost of
 96 any insurance, and the administrative expenses of the authority;
 97 and

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

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

106 Section 4. Section 421.23, Florida Statutes, is amended to
 107 read:

HB 545

2005
CS

108 | 421.23 Liabilities of authority.--In no event shall the
109 | liabilities, whether ex contractu or ex delicto, of an authority
110 | arising from the operation of its housing projects, be payable
111 | from any funds other than the rents, fees, or revenues of such
112 | projects and any grants or subsidies paid to such authority by
113 | the Federal Government, unless such other funds are lawfully
114 | pledged by the authority's governing board.

115 | Section 5. Section 421.54, Florida Statutes, is repealed.

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