

By Senator Margolis

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A bill to be entitled

An act relating to affordable housing; amending s. 420.5087, F.S.; reducing the percentage of the loan amount which the sponsor of a housing community for the elderly must commit to match in order to receive the loan under the State Apartment Incentive Loan Program; providing an effective date.

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

Section 1. Subsection (3) of section 420.5087, Florida Statutes, is amended to read:

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

(3) During the first 6 months of loan or loan guarantee availability, program funds shall be reserved for use by sponsors who provide the housing set-aside required in subsection (2) for the tenant groups designated in this subsection. The reservation of funds to each of these groups shall be determined using the most recent statewide very-low-income rental housing market study available at the time of publication of each notice of fund availability required by paragraph (6)(b). The reservation of funds within each notice of fund availability to the tenant groups in paragraphs (a), (b), and (d) may not be less than 10 percent

1 of the funds available at that time. Any increase in funding
2 required to reach the 10-percent minimum shall be taken from
3 the tenant group that has the largest reservation. The
4 reservation of funds within each notice of fund availability
5 to the tenant group in paragraph (c) may not be less than 5
6 percent of the funds available at that time. The tenant groups
7 are:

- 8 (a) Commercial fishing workers and farmworkers;
9 (b) Families;
10 (c) Persons who are homeless; and
11 (d) Elderly persons. Ten percent of the amount
12 reserved for the elderly shall be reserved to provide loans to
13 sponsors of housing for the elderly for the purpose of making
14 building preservation, health, or sanitation repairs or
15 improvements that ~~which~~ are required by federal, state, or
16 local regulation or code, or lifesafety or security-related
17 repairs or improvements to the ~~such~~ housing. The ~~Such~~ a loan
18 may not exceed \$750,000 per housing community for the elderly.
19 In order to receive the loan, the sponsor of the housing
20 community must make a commitment to match at least 5 ~~15~~
21 percent of the loan amount to pay the cost of the ~~such~~ repair
22 or improvement. The corporation shall establish the rate of
23 interest on the loan, which may not exceed 3 percent, and the
24 term of the loan, which may not exceed 15 years. The term of
25 the loan shall be established on the basis of a credit
26 analysis of the applicant. The corporation shall establish, by
27 rule, the procedure and criteria for receiving, evaluating,
28 and competitively ranking all applications for loans under
29 this paragraph. A loan application must include evidence of
30 the first mortgagee's having reviewed and approved the
31 sponsor's intent to apply for a loan. A nonprofit

1 organization or sponsor may not use the proceeds of the loan
2 to pay for administrative costs, routine maintenance, or new
3 construction.

4 Section 2. This act shall take effect upon becoming a
5 law.

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8 SENATE SUMMARY

9 Reduces the percentage of the loan amount which the
10 sponsor of a housing community for the elderly must
11 commit to match in order to receive the loan under the
12 State Apartment Incentive Loan Program.
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