A bill to be entitled

An act relating to local housing assistance; amending s. 420.9075, F.S.; providing down payment assistance to essential service and skilled building trades personnel; providing criteria for such assistance; requiring compliance with the eligibility criteria to be verified by the county or eliqible municipality; providing that the program shall provide down payment assistance in an amount to be determined by rule; providing that liens on the recipient's property securing the assistance shall be released under certain conditions; encouraging counties and municipalities to develop an element within their local housing assistance plans emphasizing the recruitment and retention of such personnel; authorizing the Florida Housing Finance Corporation to allocate certain funds; providing the corporation with rulemaking authority; amending ss. 420.9072 and 420.9079, F.S.; conforming cross-references to changes made by the act; providing an appropriation; providing an effective date.

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

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Section 1. Subsections (5) through (12) of section 420.9075, Florida Statutes, are renumbered as subsections (6) through (13), respectively, and a new subsection (5) is added to that section to read:

420.9075 Local housing assistance plans; partnerships.--

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(5) In order to assist in the recruitment and retention of essential service personnel and skilled building trades personnel, the following shall be included in the local housing assistance plan:

- (a) Down payment assistance shall be provided to an eligible person who meets the following criteria, in addition to other requirements of the plan. The person:
- 1. Shall be employed full time in an essential service occupation or skilled building trade.
- 2. Shall declare his or her homestead and maintain residency at his or her homestead.
- 3. Shall demonstrate a 5-year minimum commitment to continued employment in an essential service occupation or skilled building trade within the county of current employment.
- (b) Compliance with the eligibility criteria established under this subsection shall be verified during the life of the loan by the county or eligible municipality.
- (c) The program shall provide down payment assistance in an amount to be determined by rule, not to exceed 25 percent of purchase price, if the county or eligible municipality within which an eligible recipient is employed provides funding through the State Housing Initiatives Partnership Program to the eligible recipient under ss. 420.907-420.9079, whether solely or in conjunction with a local housing finance agency or a private sector partner.
- (d) Any lien on the recipient's property securing the assistance provided under this subsection shall be released if

the recipient fulfills the 5-year commitment specified in subparagraph (a)3.

- (e) Each county and each eligible municipality is encouraged to develop an element within its local housing assistance plan that emphasizes the recruitment and retention of essential service personnel and persons skilled in the building trades.
- (f) Notwithstanding the distribution formula in s. 420.9073, the corporation is authorized to allocate funds to implement this subsection and may allocate funds to projects that are regional or statewide in scope.
- (g) The corporation is authorized to make rules to implement this subsection, including, but not limited to, the allocation of funds and selection of projects for funding under this subsection.
- Section 2. Subsection (2) of section 420.9072, Florida Statutes, is amended to read:
- 420.9072 State Housing Initiatives Partnership
 Program.--The State Housing Initiatives Partnership Program is
 created for the purpose of providing funds to counties and
 eligible municipalities as an incentive for the creation of
 local housing partnerships, to expand production of and preserve
 affordable housing, to further the housing element of the local
 government comprehensive plan specific to affordable housing,
 and to increase housing-related employment.
- (2)(a) To be eligible to receive funds under the program, a county or eligible municipality must:

1. Submit to the corporation its local housing assistance plan describing the local housing assistance strategies established pursuant to s. 420.9075;

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- 2. Within 12 months after adopting the local housing assistance plan, amend the plan to incorporate the local housing incentive strategies defined in s. 420.9071(16) and described in s. 420.9076; and
- Within 24 months after adopting the amended local housing assistance plan to incorporate the local housing incentive strategies, amend its land development regulations or establish local policies and procedures, as necessary, to implement the local housing incentive strategies adopted by the local governing body. A county or an eligible municipality that has adopted a housing incentive strategy pursuant to s. 420.9076 before the effective date of this act shall review the status of implementation of the plan according to its adopted schedule for implementation and report its findings in the annual report required by s. $420.9075(10) \frac{(9)}{(9)}$. If as a result of the review, a county or an eligible municipality determines that the implementation is complete and in accordance with its schedule, no further action is necessary. If a county or an eligible municipality determines that implementation according to its schedule is not complete, it must amend its land development regulations or establish local policies and procedures, as necessary, to implement the housing incentive plan within 12 months after the effective date of this act, or if extenuating circumstances prevent implementation within 12 months, pursuant

to s. 420.9075(13)(12), enter into an extension agreement with the corporation.

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- (b) A county or an eligible municipality seeking approval to receive its share of the local housing distribution must adopt an ordinance containing the following provisions:
- 1. Creation of a local housing assistance trust fund as described in s. $420.9075(6)\frac{(5)}{}$.
- 2. Adoption by resolution of a local housing assistance plan as defined in s. 420.9071(14) to be implemented through a local housing partnership as defined in s. 420.9071(18).
- 3. Designation of the responsibility for the administration of the local housing assistance plan. Such ordinance may also provide for the contracting of all or part of the administrative or other functions of the program to a third person or entity.
- 4. Creation of the affordable housing advisory committee as provided in s. 420.9076.

The ordinance must not take effect until at least 30 days after the date of formal adoption. Ordinances in effect prior to the effective date of amendments to this section shall be amended as needed to conform to new provisions.

- Section 3. Subsection (2) of section 420.9079, Florida Statutes, is amended to read:
 - 420.9079 Local Government Housing Trust Fund. --
- (2) The corporation shall administer the fund exclusively for the purpose of implementing the programs described in ss. 420.907-420.9078 and this section. With the exception of

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CODING: Words stricken are deletions; words underlined are additions.

monitoring the activities of counties and eligible municipalities to determine local compliance with program requirements, the corporation shall not receive appropriations from the fund for administrative or personnel costs. For the purpose of implementing the compliance monitoring provisions of s. 420.9075(9)(8), the corporation may request a maximum of \$200,000 per state fiscal year. When such funding is appropriated, the corporation shall deduct the amount appropriated prior to calculating the local housing distribution pursuant to ss. 420.9072 and 420.9073.

Section 4. Effective July 1, 2006, there is appropriated from the Local Government Housing Trust Fund, for distribution through the State Housing Initiative Partnership Program as provided in s. 420.9075(5), Florida Statutes, to the Florida Housing Finance Corporation an amount sufficient for the purpose of providing funds for affordable housing to assist in retention and recruitment of essential service personnel and persons skilled in the building trades.

Section 5. This act shall take effect July 1, 2006.