

1 (1) Improvements used for permanently affordable
2 housing subject to a 99-year ground lease shall be assessed
3 under s. 193.011 pursuant to this section.

4 (2) The amount a willing purchaser would pay a willing
5 seller is limited to the restricted resale price permitted
6 under the 99-year ground lease.

7 (3) If a 99-year lease agreement or memorandum of such
8 agreement containing a resale restriction to prove that the
9 property is permanently affordable housing is filed in the
10 official records of the county in which the property is
11 located, the lease agreement and any amendment or supplement
12 thereto shall be considered a land use regulation and a
13 limitation on the highest and best use of the property during
14 the term of the lease or lease renewal.

15 Section 2. Section 196.1978, Florida Statutes, is
16 amended to read:

17 196.1978 Affordable housing property exemption.--

18 (1) Property used to provide affordable housing
19 -serving eligible persons as defined by s. 159.603(7) and
20 persons meeting income limits specified in s. 420.0004(8),
21 (10), (11), and (15), which property is owned entirely by an a
22 ~~nonprofit~~ entity that is a corporation not for profit under
23 chapter 617 or a Florida limited partnership, the sole general
24 partner of which is a corporation not for profit under chapter
25 617, and which is qualified as charitable under s. 501(c)(3)
26 of the Internal Revenue Code and which complies with Rev.
27 Proc. 96-32, 1996-1 C.B. 717, shall be considered property
28 owned by an exempt entity and used for a charitable purpose,
29 and those portions of the affordable housing property which
30 provide housing to individuals with incomes as defined in s.
31 420.0004(10) and (15) shall be exempt from ad valorem taxation

1 to the extent authorized in s. 196.196. All property
2 identified in this section shall comply with the criteria for
3 determination of exempt status to be applied by property
4 appraisers on an annual basis as defined in s. 196.195. The
5 Legislature intends that any property owned by a limited
6 liability company or limited liability partnership which is
7 disregarded as an entity for federal income tax purposes
8 pursuant to Treasury Regulation 301.7701-3(b)(1)(ii) shall be
9 treated as owned by its sole member.

10 (2) The exemption in this section also applies to land
11 that is owned by an exempt entity and subject to a 99-year
12 ground lease to provide permanently affordable housing.

13 Section 3. Section 196.1982, Florida Statutes, is
14 created to read:

15 196.1982 Just valuation of affordable housing.--For
16 the purpose of assessing just valuation of affordable housing
17 properties serving persons having income limits defined as
18 low, moderate, and very low, as specified in ss. 420.0004(9),
19 (10), and (14), the actual rental income from rent-restricted
20 units in such a property shall be recognized by the property
21 appraiser for assessment purposes, and an income approach
22 shall be used for the assessment of property that is funded by
23 the United States Department of Housing and Urban Development
24 under s. 8 of the United States Housing Act of 1937, which is
25 used to provide affordable housing for eligible persons as
26 defined in s. 159.603(7), elderly persons as defined in s.
27 420.0004(7), and very-low-income persons as defined in s.
28 420.0004(14), and that has undergone financial restructuring
29 as provided in s. 501, Title V, Subtitle A of the Multifamily
30 Assisted Housing Reform and Affordability Act of 1997.

1 Section 4. Section 420.5095, Florida Statutes, is
2 amended to read:

3 420.5095 Community Workforce Housing Innovation Pilot
4 Program.--

5 (1) The Legislature finds and declares that recent
6 rapid increases in the median purchase price of a home and the
7 cost of rental housing have far outstripped the increases in
8 median income in the state, preventing essential services
9 personnel from living in the communities where they serve and
10 thereby creating the need for innovative solutions for the
11 provision of housing opportunities for essential services
12 personnel.

13 (2) The Community Workforce Housing Innovation Pilot
14 Program is created to provide affordable rental and home
15 ownership community workforce housing for essential services
16 personnel affected by the high cost of housing, using
17 regulatory incentives and state and local funds to promote
18 local public-private partnerships and leverage government and
19 private resources.

20 (3) For purposes of this section, the following
21 definitions apply:

22 (a) "Workforce housing" means housing affordable to
23 natural persons or families whose total annual household
24 income does not exceed 140 percent of the area median income,
25 adjusted for household size, or 150 percent of area median
26 income, adjusted for household size, in areas of critical
27 state concern designated under s. 380.05, for which the
28 Legislature has declared its intent to provide affordable
29 housing, and areas that were designated as areas of critical
30 state concern for at least 20 consecutive years prior to
31 removal of the designation.

1 (b) "Essential services personnel" means persons in
2 need of affordable housing who are employed in occupations or
3 professions in which they are considered essential services
4 personnel, as defined by each county and eligible municipality
5 within its respective local housing assistance plan pursuant
6 to s. 420.9075(3)(a).

7 (c) "Public-private partnership" means any form of
8 business entity that includes substantial involvement of at
9 least one county, one municipality, or one public sector
10 entity, such as a school district or other unit of local
11 government in which the project is to be located, and at least
12 one private sector for-profit or not-for-profit business or
13 charitable entity, and may be any form of business entity,
14 including a joint venture or contractual agreement.

15 (4) The Florida Housing Finance Corporation is
16 authorized to provide Community Workforce Housing Innovation
17 Pilot Program loans to an applicant for construction or
18 rehabilitation of workforce housing in eligible areas. The
19 corporation shall establish a funding process and selection
20 criteria by rule or request for proposals. The corporation
21 shall establish a review and evaluation committee comprised of
22 three senior members of the corporation and three persons from
23 the private sector who are involved in housing or real estate
24 development, banking, community planning, or other areas
25 related to the development or financing of workforce
26 affordable housing. The review and selection process shall
27 include a process for curing minor errors in the applications.
28 This funding is intended to be used with other public and
29 private sector resources, including the corporation's other
30 housing program resources. The corporation shall expedite the
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1 application and selection process for this program starting
2 July 1 of each fiscal year.

3 (5) The corporation shall provide incentives for local
4 governments in eligible areas to use local affordable housing
5 funds, such as those from the State Housing Initiatives
6 Partnership Program, to assist in meeting the affordable
7 housing needs of persons eligible under this program. Local
8 governments may use funds from the State Housing Initiatives
9 Partnership Program for income levels included in the
10 workforce housing projects.

11 (6) Funding shall be targeted to projects in areas
12 where the disparity between the area median income and the
13 median sales price for a single-family home is greatest, and
14 for projects in areas where population growth as a percentage
15 rate of increase is greatest. The corporation may also fund
16 projects in areas where innovative regulatory and financial
17 incentives are made available. The corporation shall fund at
18 least one eligible project in as many counties as possible.

19 (7) Projects shall receive priority consideration for
20 funding where:

21 (a) The local jurisdiction adopts appropriate
22 regulatory incentives, local contributions or financial
23 strategies, or other funding sources to promote the
24 development and ongoing financial viability of such projects.
25 Local incentives include such actions as expediting review of
26 development orders and permits, supporting development near
27 transportation hubs and major employment centers, and adopting
28 land development regulations designed to allow flexibility in
29 densities, use of accessory units, mixed-use developments, and
30 flexible lot configurations. Financial strategies include such
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1 | actions as promoting employer-assisted housing programs,
2 | providing tax increment financing, and providing land.

3 | (b) Projects are innovative and include new
4 | construction or rehabilitation, mixed-income housing, or
5 | commercial and housing mixed-use elements and those that
6 | promote homeownership. The program funding shall not exceed
7 | the costs attributable to the portion of the project that is
8 | set aside to provide housing for the targeted population.

9 | (c) Projects that set aside at least 80 percent of
10 | units for workforce housing and at least 50 percent for
11 | essential services personnel and for projects that require the
12 | least amount of program funding compared to the overall
13 | housing costs for the project.

14 | (8) Notwithstanding the provisions of s.
15 | 163.3184(3)-(6), any local government comprehensive plan
16 | amendment to implement a Community Workforce Housing
17 | Innovation Pilot Program project found consistent with the
18 | provisions of this section shall be expedited as provided in
19 | this subsection. At least 30 days prior to adopting a plan
20 | amendment pursuant to this subsection, the local government
21 | shall notify the state land planning agency of its intent to
22 | adopt such an amendment, and the notice shall include its
23 | evaluation related to site suitability and availability of
24 | facilities and services. The public notice of the hearing
25 | required by s. 163.3184(15)(e) shall include a statement that
26 | the local government intends to utilize the expedited adoption
27 | process authorized by this subsection. Such amendments shall
28 | require only a single public hearing before the governing
29 | board, which shall be an adoption hearing as described in s.
30 | 163.3184(7), and the state land planning agency shall issue
31 | its notice of intent pursuant to s. 163.3184(8) within 30 days

1 after determining that the amendment package is complete. The
2 Department of Community Affairs shall expedite review of any
3 local government amendment designed to implement a Community
4 Workforce Housing Innovation Pilot Program.

5 (9) The corporation shall award loans with interest
6 rates set at 1 to 3 percent, which may be made forgivable when
7 long-term affordability is provided and when at least 80
8 percent of the units are set aside for workforce housing and
9 at least 50 percent of the units are set aside for essential
10 services personnel.

11 (10) All eligible applications shall:

12 (a) For home ownership, limit the sales price of a
13 detached unit, townhome, or condominium unit to not more than
14 80 percent of the median sales price for that type of unit in
15 that county, or the statewide median sales price for that type
16 of unit, whichever is higher, and require that all eligible
17 purchasers of home ownership units occupy the homes as their
18 primary residence.

19 (b) For rental units, restrict rents for all workforce
20 housing serving those with incomes at or below 120 percent of
21 area median income at the appropriate income level using the
22 restricted rents for the federal low-income housing tax credit
23 program and, for workforce housing units serving those with
24 incomes above 120 percent of area median income, restrict
25 rents to those established by the corporation, not to exceed
26 30 percent of the maximum household income adjusted to unit
27 size.

28 (c) Demonstrate that the applicant is a public-private
29 partnership. The number of community partners and extent of
30 their involvement in the public-private partnership shall be a
31 factor considered in awarding funding.

1 (d) Have grants, donations of land, or contributions
2 from the public-private partnership or other sources
3 collectively totaling at least 10 ~~15~~ percent of the total
4 development cost up to a maximum of \$2 million. Such grants,
5 donations of land, or contributions must be evidenced by a
6 letter of commitment only at the time of application. Grants,
7 donations of land, or contributions in excess of 10 ~~15~~ percent
8 of the development cost shall increase the application score.

9 (e) Demonstrate how the applicant will use the
10 regulatory incentives and financial strategies outlined in
11 paragraph (7)(a) from the local jurisdiction in which the
12 proposed project is to be located. The corporation may consult
13 with the Department of Community Affairs in evaluating the use
14 of regulatory incentives by applicants.

15 (f) Demonstrate that the applicant possesses title to
16 or site control of land and evidences availability of required
17 infrastructure.

18 (g) Demonstrate the applicant's affordable housing
19 development and management experience.

20 (h) Provide any research or facts available supporting
21 the demand and need for rental or home ownership workforce
22 housing for eligible persons in the market in which the
23 project is proposed.

24 (11) Projects may include manufactured housing
25 constructed after June 1994 and installed in accordance with
26 mobile home installation standards of the Department of
27 Highway Safety and Motor Vehicles.

28 (12) The corporation may adopt rules pursuant to ss.
29 120.536(1) and 120.54 to implement the provisions of this
30 section.

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