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CHAMBER ACTION

<u>Senate</u>	.	<u>House</u>
Comm: RCS	.	
3/27/2008	.	
	.	
	.	

1 The Committee on Community Affairs (Wise) recommended the
 2 following **substitute for amendment (727792)**:

Senate Amendment (with title amendment)

5 Delete everything after the enacting clause
6 and insert:

7 Section 1. Section 193.018, Florida Statutes, is created to
8 read:

9 193.018 Land owned by a community land trust used to
10 provide affordable housing; assessment; structural improvements,
11 condominium parcels; cooperative parcels.--

12 (1) As used in this section, the term "community land
13 trust" means a nonprofit entity that is qualified as charitable
14 under s. 501(c) (3) of the Internal Revenue Code and has as one of
15 its purposes the acquisition of land to be held in perpetuity for
16 the primary purpose of providing affordable homeownership.



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17 (2) A community land trust may convey structural
18 improvements, condominium parcels, or cooperative parcels,
19 located on specific parcels of land which are identified by a
20 legal description contained in and subject to a ground lease
21 having a term of at least 99 years, for the purpose of providing
22 affordable housing to natural persons or families who meet the
23 extremely-low, very-low, low, or moderate-income limits specified
24 in s. 420.0004, or the income limits for workforce housing as
25 specified in s. 420.5095(3). A community land trust shall retain
26 a preemptive option to purchase any structural improvements,
27 condominium parcels, or cooperative parcels on the land at a
28 price determined by a formula specified in the ground lease
29 designed to ensure that such structural improvements, condominium
30 parcels, or cooperative parcels remain affordable.

31 (3) In arriving at just valuation under s. 193.011, a
32 structural improvement, condominium parcel, or cooperative parcel
33 providing affordable housing on land owned by a community land
34 trust, and the land owned by a community land trust that is
35 subject to a 99-year or longer ground lease, shall be assessed
36 using the following criteria:

37 (a) The amount a willing purchaser would pay a willing
38 seller for the land is limited to an amount commensurate with the
39 terms of the ground lease, which restricts the use of the land to
40 the provision of affordable housing in perpetuity.

41 (b) The amount a willing purchaser would pay a willing
42 seller for the resale-restricted improvements, condominium
43 parcel, or cooperative parcel is limited to the amount determined
44 by the formula in the ground lease.

45 (c) If the ground lease and all amendments and supplements
46 thereto, or a memorandum documenting how such lease and

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47 | amendments or supplements restrict the price at which the
48 | improvements, condominium parcel, or cooperative parcel may be
49 | sold, is recorded in the official public records of the county in
50 | which the leased land is located, the recorded lease and any
51 | amendments or supplements, or the recorded memorandum, shall be
52 | deemed a land use regulation during the term of the lease as
53 | amended or supplemented.

54 | Section 2. Section 196.1978, Florida Statutes, is amended
55 | to read:

56 | 196.1978 Affordable housing property exemption.--

57 | (1) Property used or held for the purpose of providing to
58 | ~~provide~~ affordable housing serving eligible persons as defined by
59 | s. 159.603(7) and natural persons or families meeting the
60 | extremely low, very low, low, or moderate persons meeting income
61 | limits specified in s. 420.0004 s. 420.0004(8), (10), (11), and
62 | ~~(15)~~, which property is owned entirely by a nonprofit entity that
63 | is a corporation not for profit, qualified as charitable under s.
64 | 501 (c) (3) of the Internal Revenue Code, and in compliance with
65 | Rev. Proc. 96-32, 1996-1 C.B. 717, or a Florida-based limited
66 | partnership, the sole general partner of which is a corporation
67 | not for profit which is qualified as charitable under s.
68 | 501(c)(3) of the Internal Revenue Code and which complies with
69 | Rev. Proc. 96-32, 1996-1 C.B. 717, shall be considered property
70 | owned by an exempt entity and used for a charitable purpose, and
71 | those portions of the affordable housing property which provide
72 | housing to natural persons or families classified as extremely-
73 | low income, very-low income, low-income, or moderate-income under
74 | s. 420.0004 individuals with incomes as defined in s.
75 | ~~420.0004(10) and (15)~~ shall be exempt from ad valorem taxation to
76 | the extent authorized in s. 196.196. All property identified in



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77 | this section shall comply with the criteria for determination of
78 | exempt status to be applied by property appraisers on an annual
79 | basis as defined in s. 196.195. The Legislature intends that any
80 | property owned by a limited liability company or limited
81 | partnership which is disregarded as an entity for federal income
82 | tax purposes pursuant to Treasury Regulation 301.7701-3(b)(1)(ii)
83 | shall be treated as owned by its sole member or sole general
84 | partner.

85 | (2) (a) The exemption provided in this section shall extend
86 | to land that is owned by an exempt entity and that is subject to
87 | a 99-year ground lease for the purpose of providing affordable
88 | housing.

89 | (b) The exemption provided in this section shall also
90 | extend to undeveloped property owned by an exempt entity that
91 | takes affirmative steps to prepare the property to provide
92 | affordable housing to eligible persons as defined by s.
93 | 159.603(7) and natural persons or families meeting the extremely
94 | low, very low, low, or moderate income limits specified in s.
95 | 420.0004. For purposes of this paragraph , the term "affirmative
96 | steps" means demonstrating to the property appraiser that
97 | activities have been initiated which will ensure future use of
98 | the property for affordable housing, including, but not limited
99 | to, proposals for property development, preliminary environmental
100 | or land use permitting activities, site plans or architectural
101 | plans, site preparation, construction or renovation activities,
102 | financial plans, or any other activities demonstrating that the
103 | property will be used to provide affordable housing. If the
104 | property appraiser determines that affirmative steps to ensure
105 | the future use of the property for affordable housing have not
106 | been taken within 5 years after an exemption is granted under



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107 this paragraph, the property appraiser may reject or rescind the
108 exempt status of the property and reassess it based on other
109 uses.

110 Section 3. This act shall take effect July 1, 2008.

111
112 ===== T I T L E A M E N D M E N T =====

113 And the title is amended as follows:

114 Delete everything before the enacting clause
115 and insert:

116 A bill to be entitled
117 An act relating to affordable housing; creating s.
118 193.018, F.S.; defining the term "community land trust";
119 providing for the assessment of structural improvements,
120 condominium parcels, or cooperative parcels on land owned
121 by a community land trust and used to provide affordable
122 housing; providing for the conveyance of structural
123 improvements, condominium parcels, or cooperative parcels
124 subject to certain conditions; specifying the criteria to
125 be used in arriving at just valuation of a structural
126 improvement, condominium parcel, or cooperative parcel;
127 specifying the criteria to be used in arriving at just
128 valuation of land owned by a community land trust that is
129 subject to limited uses; amending s. 196.1978, F.S.;
130 providing that property owned by certain nonprofit
131 entities or Florida-based limited partnerships and used or
132 held for the purpose of providing affordable housing to
133 certain income-qualified persons is exempt from ad valorem
134 taxation; revising legislative intent; providing that such
135 ad valorem tax exemption extends to land owned by an
136 exempt entity and subject to a 99-year ground lease for

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137 | the purpose of providing affordable housing; providing
138 | that such ad valorem tax exemption extends to undeveloped
139 | property owned by an exempt entity that has taken
140 | affirmative steps to prepare the property for future use
141 | as affordable housing; defining the term "affirmative
142 | steps"; providing for the rejection or rescission of the
143 | ad valorem tax exemption under certain circumstances;
144 | providing an effective date.