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LEGISLATIVE ACTION

Senate

House

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Floor: 5/AD/2R

04/27/2010 05:13 PM

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Senator Bennett moved the following:

**Senate Amendment (with title amendment)**

Delete lines 548 - 707

and insert:

(47) To provide by rule in connection with any corporation competitive program, criteria establishing, if all other competitive elements are equal, a preference for developers and general contractors who demonstrate the highest rate of Florida job creation in the development and construction of affordable housing domiciled in this state and for developers and general contractors, regardless of domicile, who have substantial experience in developing or building affordable housing through the corporation's programs.



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14           ~~(a) In evaluating whether a developer or general contractor~~  
15 ~~is domiciled in this state, the corporation shall consider~~  
16 ~~whether the developer's or general contractor's principal office~~  
17 ~~is located in this state and whether a majority of the~~  
18 ~~developer's or general contractor's principals and financial~~  
19 ~~beneficiaries reside in Florida.~~

20           ~~(b) In evaluating whether a developer or general contractor~~  
21 ~~has substantial experience, the corporation shall consider~~  
22 ~~whether the developer or general contractor has completed at~~  
23 ~~least five developments using funds either provided by or~~  
24 ~~administered by the corporation.~~

25           Section 8. Subsection (3) and paragraph (c) of subsection  
26 (6) of section 420.5087, Florida Statutes, are amended to read:

27           420.5087 State Apartment Incentive Loan Program.—There is  
28 hereby created the State Apartment Incentive Loan Program for  
29 the purpose of providing first, second, or other subordinated  
30 mortgage loans or loan guarantees to sponsors, including for-  
31 profit, nonprofit, and public entities, to provide housing  
32 affordable to very-low-income persons.

33           (3) During the first 6 months of loan or loan guarantee  
34 availability, program funds shall be reserved for use by  
35 sponsors who provide the housing set-aside required in  
36 subsection (2) for the tenant groups designated in this  
37 subsection. The reservation of funds to each of these groups  
38 shall be determined using the most recent statewide very-low-  
39 income rental housing market study available at the time of  
40 publication of each notice of fund availability required by  
41 paragraph (6) (b). The reservation of funds within each notice of  
42 fund availability to the tenant groups in paragraphs (a), (b),



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43 and (e) ~~(d)~~ may not be less than 10 percent of the funds  
44 available at that time. Any increase in funding required to  
45 reach the 10-percent minimum must be taken from the tenant group  
46 that has the largest reservation. The reservation of funds  
47 within each notice of fund availability to the tenant group in  
48 paragraph (c) may not be less than 5 percent of the funds  
49 available at that time. The reservation of funds within each  
50 notice of fund availability to the tenant group in paragraph (d)  
51 may not be more than 10 percent of the funds available at that  
52 time. The tenant groups are:

- 53 (a) Commercial fishing workers and farmworkers;
- 54 (b) Families;
- 55 (c) Persons who are homeless;
- 56 (d) Persons with special needs; and
- 57 (e) ~~(d)~~ Elderly persons. Ten percent of the amount reserved  
58 for the elderly shall be reserved to provide loans to sponsors  
59 of housing for the elderly for the purpose of making building  
60 preservation, health, or sanitation repairs or improvements  
61 which are required by federal, state, or local regulation or  
62 code, or lifesafety or security-related repairs or improvements  
63 to such housing. Such a loan may not exceed \$750,000 per housing  
64 community for the elderly. In order to receive the loan, the  
65 sponsor of the housing community must make a commitment to match  
66 at least 5 percent of the loan amount to pay the cost of such  
67 repair or improvement. The corporation shall establish the rate  
68 of interest on the loan, which may not exceed 3 percent, and the  
69 term of the loan, which may not exceed 15 years; however, if the  
70 lien of the corporation's encumbrance is subordinate to the lien  
71 of another mortgagee, then the term may be made coterminous with



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72 the longest term of the superior lien. The term of the loan  
73 shall be based on a credit analysis of the applicant. The  
74 corporation may forgive indebtedness for a share of the loan  
75 attributable to the units in a project reserved for extremely-  
76 low-income elderly by nonprofit organizations, as defined in s.  
77 420.0004(5), where the project has provided affordable housing  
78 to the elderly for 15 years or more. The corporation shall  
79 establish, by rule, the procedure and criteria for receiving,  
80 evaluating, and competitively ranking all applications for loans  
81 under this paragraph. A loan application must include evidence  
82 of the first mortgagee's having reviewed and approved the  
83 sponsor's intent to apply for a loan. A nonprofit organization  
84 or sponsor may not use the proceeds of the loan to pay for  
85 administrative costs, routine maintenance, or new construction.

86 (6) On all state apartment incentive loans, except loans  
87 made to housing communities for the elderly to provide for  
88 lifesafety, building preservation, health, sanitation, or  
89 security-related repairs or improvements, the following  
90 provisions shall apply:

91 (c) The corporation shall provide by rule for the  
92 establishment of a review committee composed of the department  
93 and corporation staff and shall establish by rule a scoring  
94 system for evaluation and competitive ranking of applications  
95 submitted in this program, including, but not limited to, the  
96 following criteria:

97 1. Tenant income and demographic targeting objectives of  
98 the corporation.

99 2. Targeting objectives of the corporation which will  
100 ensure an equitable distribution of loans between rural and



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- 101 urban areas.
- 102 3. Sponsor's agreement to reserve the units for persons or  
103 families who have incomes below 50 percent of the state or local  
104 median income, whichever is higher, for a time period to exceed  
105 the minimum required by federal law or the provisions of this  
106 part.
- 107 4. Sponsor's agreement to reserve more than:
- 108 a. Twenty percent of the units in the project for persons  
109 or families who have incomes that do not exceed 50 percent of  
110 the state or local median income, whichever is higher; or
- 111 b. Forty percent of the units in the project for persons or  
112 families who have incomes that do not exceed 60 percent of the  
113 state or local median income, whichever is higher, without  
114 requiring a greater amount of the loans as provided in this  
115 section.
- 116 5. Provision for tenant counseling.
- 117 6. Sponsor's agreement to accept rental assistance  
118 certificates or vouchers as payment for rent.
- 119 7. Projects requiring the least amount of a state apartment  
120 incentive loan compared to overall project cost except that the  
121 share of the loan attributable to units serving extremely-low-  
122 income persons shall be excluded from this requirement.
- 123 8. Local government contributions and local government  
124 comprehensive planning and activities that promote affordable  
125 housing.
- 126 9. Project feasibility.
- 127 10. Economic viability of the project.
- 128 11. Commitment of first mortgage financing.
- 129 12. Sponsor's prior experience, ~~including whether the~~



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130 ~~developer and general contractor have substantial experience, as~~  
131 ~~provided in s. 420.507(47).~~

132 13. Sponsor's ability to proceed with construction.

133 14. Projects that directly implement or assist welfare-to-  
134 work transitioning.

135 15. Projects that reserve units for extremely-low-income  
136 persons.

137 16. Projects that include green building principles, storm-  
138 resistant construction, or other elements that reduce long-term  
139 costs relating to maintenance, utilities, or insurance.

140 17. Job creation rate ~~Domicile~~ of the developer and general  
141 contractor, as provided in s. 420.507(47).

142 18. Projects that reserve units for persons with special  
143 needs if services for such persons are available to the project.

144  
145 ===== T I T L E A M E N D M E N T =====

146 And the title is amended as follows:

147 Delete lines 32 - 51

148 and insert:

149 420.507, F.S.; requiring certain rates of interest to  
150 be made available to sponsors of projects for persons  
151 with special needs; providing additional powers of the  
152 corporation relating to receipt of federal funds;  
153 conforming a cross-reference; amending s. 420.5087,  
154 F.S.; limiting the reservation of funds within each  
155 notice of fund availability to the persons with  
156 special needs tenant group; including persons with  
157 special needs as a tenant group for specified purposes  
158 of the State Apartment Incentive Loan Program;



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159 requiring a specified review committee to include  
160 projects that reserve units for persons with special  
161 needs in its evaluation and competitive ranking of  
162 applications for such program; conforming a