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LEGISLATIVE ACTION

Senate Comm: RCS 04/16/2015

House

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Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Latvala) recommended the following:

Senate Amendment

Delete lines 421 - 612

and insert:

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 $\frac{420.9075(5)(i)}{s. 420.9075(5)(h)}$ from eligible persons or eligible sponsors, which funds were not used for assistance to an eligible household for an eligible activity, when there is a default on the terms of a grant award or loan award.

9 (26) "Rent subsidies" means ongoing monthly rental
10 assistance. The term does not include initial assistance to



11	tenants, such as grants or loans for security and utility
12	deposits.
13	Section 6. Subsection (7) of section 420.9072, Florida
14	Statutes, is amended, present subsections (8) and (9) of that
15	section are redesignated as subsections (9) and (10),
16	respectively, and a new subsection (8) is added to that section,
17	to read:
18	420.9072 State Housing Initiatives Partnership Program.—The
19	State Housing Initiatives Partnership Program is created for the
20	purpose of providing funds to counties and eligible
21	municipalities as an incentive for the creation of local housing
22	partnerships, to expand production of and preserve affordable
23	housing, to further the housing element of the local government
24	comprehensive plan specific to affordable housing, and to
25	increase housing-related employment.
26	(7) A county or an eligible municipality must expend its
27	portion of the local housing distribution only to implement a
28	local housing assistance plan or as provided in this subsection.
29	A county or an eligible municipality may not expend its portion
30	of the local housing distribution to provide rent subsidies;
31	however, this does not prohibit the use of funds for security
32	and utility deposit assistance.
33	(8) A county or an eligible municipality may not expend its
34	portion of the local housing distribution to provide ongoing
35	rent subsidies, except for:
36	(a) Security and utility deposit assistance.
37	(b) Eviction prevention not to exceed 6 months' rent.
38	(c) A rent subsidy program for very-low-income households
39	with at least one adult who is a person with special needs as

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40	defined in s. 420.0004 or homeless as defined in s. 420.621. The
41	period of rental assistance may not exceed 12 months for any
42	eligible household.
43	Section 7. Present subsections (5) through (7) of section
44	420.9073, Florida Statutes, are redesignated as subsections (6)
45	through (8), and a new subsection (5) is added to that section,
46	to read:
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	420.9073 Local housing distributions
48	(5) Notwithstanding subsections (1) through (4), the
49	corporation shall first distribute 4 percent of the total amount
50	to be distributed in a given fiscal year from the Local
51	Government Housing Trust Fund to the Department of Children and
52	Families and the Department of Economic Opportunity as follows:
53	(a) The Department of Children and Families shall receive
54	95 percent of such amount to provide operating funds and other
55	support to the designated lead agency in each continuum of care
56	for the benefit of the designated catchment area as described in
57	s. 420.624.
58	(b) The Department of Economic Opportunity shall receive 5
59	percent of such amount to provide training and technical
60	assistance to lead agencies receiving operating funds and other
61	support under paragraph (a) in accordance with s. 420.606(3).
62	Training and technical assistance funded by this distribution
63	shall be provided by a nonprofit entity that meets the
64	requirements of s. 420.531.
65	Section 8. Paragraph (a) of subsection (2) of section
66	420.9075, Florida Statutes, is amended, paragraph (f) is added
67	to subsection (3), subsection (5) of that section is amended,
68	and paragraph (i) is added to subsection (10) of that section,
00	and paragraph (1) is added to subsection (10) of that section,

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69	to read:
70	420.9075 Local housing assistance plans; partnerships
71	(2)(a) Each county and each eligible municipality
72	participating in the State Housing Initiatives Partnership
73	Program shall encourage the involvement of appropriate public
74	sector and private sector entities as partners in order to
75	combine resources to reduce housing costs for the targeted
76	population. This partnership process should involve:
77	1. Lending institutions.
78	2. Housing builders and developers.
79	3. Nonprofit and other community-based housing and service
80	organizations.
81	4. Providers of professional services relating to
82	affordable housing.
83	5. Advocates for low-income persons, including, but not
84	limited to, homeless people, the elderly, and migrant
85	farmworkers.
86	6. Real estate professionals.
87	7. Other persons or entities who can assist in providing
88	housing or related support services.
89	8. Lead agencies of local homeless assistance continuums of
90	care.
91	(3)
92	(f) Each county and each eligible municipality is
93	encouraged to develop a strategy within its local housing
94	assistance plan which provides program funds for reducing
95	homelessness.
96	(5) The following criteria apply to awards made to eligible
97	sponsors or eligible persons for the purpose of providing



98 eligible housing:

(a) At least 65 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for home ownership for eligible persons.

(b) Up to 25 percent of the funds made available in each county and eligible municipality from the local housing distribution may be reserved for rental housing for eligible persons or for the purposes enumerated in s. 420.9072(8).

(c) (b) At least 75 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for construction, rehabilitation, or emergency repair of affordable, eligible housing.

(d) (c) Not more than 20 percent of the funds made available in each county and eligible municipality from the local housing distribution may be used for manufactured housing.

(e) (d) The sales price or value of new or existing eligible housing may not exceed 90 percent of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs or as otherwise established by the United States Department of the Treasury.

2 <u>(f) (e)</u>1. All units constructed, rehabilitated, or otherwise 3 assisted with the funds provided from the local housing 4 assistance trust fund must be occupied by very-low-income 5 persons, low-income persons, and moderate-income persons except 6 as otherwise provided in this section.

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127 2. At least 30 percent of the funds deposited into the 128 local housing assistance trust fund must be reserved for awards 129 to very-low-income persons or eligible sponsors who will serve 130 very-low-income persons and at least an additional 30 percent of 131 the funds deposited into the local housing assistance trust fund 132 must be reserved for awards to low-income persons or eligible 133 sponsors who will serve low-income persons. This subparagraph 134 does not apply to a county or an eligible municipality that 135 includes, or has included within the previous 5 years, an area 136 of critical state concern designated or ratified by the 137 Legislature for which the Legislature has declared its intent to 138 provide affordable housing. The exemption created by this act 139 expires on July 1, 2013, and shall apply retroactively.

(g) (f) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to serve eligible persons.

143 (h) (g) Loans or grants for eligible rental housing constructed, rehabilitated, or otherwise assisted from the local 145 housing assistance trust fund must be subject to recapture 146 requirements as provided by the county or eligible municipality 147 in its local housing assistance plan unless reserved for eligible persons for 15 years or the term of the assistance, 148 149 whichever period is longer. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining 151 mortgages funded under this program must give a first right of 152 refusal to eligible nonprofit organizations for purchase at the 153 current market value for continued occupancy by eligible 154 persons.

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(i) (h) Loans or grants for eligible owner-occupied housing



156 constructed, rehabilitated, or otherwise assisted from proceeds 157 provided from the local housing assistance trust fund shall be 158 subject to recapture requirements as provided by the county or 159 eligible municipality in its local housing assistance plan.

(j) (i) The total amount of monthly mortgage payments or the amount of monthly rent charged by the eligible sponsor or her or his designee must be made affordable.

(k) (j) The maximum sales price or value per unit and the maximum award per unit for eligible housing benefiting from awards made pursuant to this section must be established in the local housing assistance plan.

(1) (k) The benefit of assistance provided through the State Housing Initiatives Partnership Program must accrue to eligible persons occupying eligible housing. This provision shall not be construed to prohibit use of the local housing distribution funds for a mixed income rental development.

(m)(1) Funds from the local housing distribution not used to meet the criteria established in paragraph (a) or paragraph (c) (b) or not used for the administration of a local housing assistance plan must be used for housing production and finance activities, including, but not limited to, financing preconstruction activities or the purchase of existing units, providing rental housing, and providing home ownership training to prospective home buyers and owners of homes assisted through the local housing assistance plan.

1. Notwithstanding the provisions of paragraphs (a) and (c)
(b), program income as defined in s. 420.9071(24) may also be
used to fund activities described in this paragraph.

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2. When preconstruction due-diligence activities conducted

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185 as part of a preservation strategy show that preservation of the 186 units is not feasible and will not result in the production of 187 an eligible unit, such costs shall be deemed a program expense 188 rather than an administrative expense if such program expenses 189 do not exceed 3 percent of the annual local housing 190 distribution.

191 3. If both an award under the local housing assistance plan 192 and federal low-income housing tax credits are used to assist a project and there is a conflict between the criteria prescribed 193 194 in this subsection and the requirements of s. 42 of the Internal 195 Revenue Code of 1986, as amended, the county or eligible 196 municipality may resolve the conflict by giving precedence to 197 the requirements of s. 42 of the Internal Revenue Code of 1986, 198 as amended, in lieu of following the criteria prescribed in this 199 subsection with the exception of paragraphs (a) and (f) (e) of 200 this subsection.