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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
04/16/2015	.	
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Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Clemens) recommended the following:

**Senate Amendment (with title amendment)**

Between lines 90 and 91

insert:

Section 1. Section 420.57, Florida Statutes, is created to read:

420.57 Affordable Housing; the Florida Keys.-

(1) The requirements herein provide incentives and authorize a process for leveraging resources to provide affordable rental and home ownership opportunities for essential



847062

11 services personnel in the Florida Keys who are affected by the  
12 area's uniquely high housing costs.

13 (2) For purposes of this section, the term:

14 (a) "Essential services personnel" means persons in need of  
15 affordable housing who are employed in occupations or  
16 professions in which they are considered essential services  
17 personnel, including, but not limited to, teachers and  
18 educators, other school district, community college and  
19 university employees, police and fire personnel, health care  
20 personnel, skilled building trades personnel, and other public  
21 or private job categories and who derive at least 70 percent of  
22 their income from employment in the Florida Keys area of  
23 critical state concern.

24 (b) "Innovative project" means those projects that  
25 incorporate one or more of the following design features: green  
26 building principles, alternative energy and water sources,  
27 storm-resistant construction, or other elements that reduce the  
28 long-term costs relating to maintenance, utilities, and  
29 insurance. The term applies to new construction or  
30 rehabilitation of an existing structure.

31 (c) "Project" means, for purposes of an application, the  
32 construction or rehabilitation of workforce housing by a  
33 qualified developer which includes a single site or scattered  
34 sites within the Florida Keys area of critical state concern. A  
35 scattered site is a project developed on noncontiguous parcels  
36 or parcels divided by a street or easement in which the  
37 qualified developer has a leasehold interest or demonstrates  
38 ownership or control of all of the parcels. The sites could be  
39 located in different parts of the county, regardless of the



847062

40 number of building permits required.

41 (d) "Public-private partnership" means a partnership that  
42 includes substantial involvement of at least one county, one  
43 municipality, or one public sector entity, such as a school  
44 district or other unit of local government, in which a project  
45 is to be located, and at least one private sector for-profit or  
46 not-for-profit business or charitable organization, including a  
47 joint venture or other business entity.

48 (e) "Qualified developer" means a private person or entity  
49 that undertakes a development activity and demonstrates it has  
50 adequate financial resources to provide the necessary guarantees  
51 for the underwriting of the project for which it makes  
52 application. The term does not include a governmental agency  
53 that undertakes a development project.

54 (f) "Workforce housing" means multifamily or single-family  
55 rental housing affordable to natural persons or families whose  
56 total annual household income for rental units does not exceed  
57 120 percent of the annual area median income (AMI) for Monroe  
58 County, as determined by the United States Department of Housing  
59 and Urban Development (HUD), and for home ownership, 160 percent  
60 of the annual AMI for Monroe County as determined by HUD.

61 (3) The Florida Housing Finance Corporation, hereinafter  
62 referred to as the "corporation," may provide loans to a  
63 qualified developer for construction or rehabilitation of  
64 workforce housing in the Florida Keys area of critical state  
65 concern. Any eligible project shall qualify for a low-interest  
66 loan of up to 50 percent of the total project cost, including  
67 land, based on a minimum loan amount of \$1 million. This funding  
68 is intended to be used with other public and private sector



847062

69 resources.

70 (4) The corporation shall establish a loan application  
71 process by rule which includes selection criteria, an expedited  
72 application review process, and a funding process, and shall  
73 select the credit underwriter for each project.

74 (a) The selection criteria and application review process  
75 must include a procedure for curing errors in the loan  
76 applications which do not make a substantial change to the  
77 proposed project.

78 (b) The staff of the corporation shall make recommendations  
79 concerning program participation and funding to the  
80 corporation's board of directors and may accept any application  
81 that meets all threshold requirements. Applications shall be  
82 limited to one submission per project.

83 (c) The corporation board of directors shall approve or  
84 reject loan applications, determine the tentative loan amount  
85 available to each applicant, and rank all approved applications.

86 (d) The corporation board of directors shall decide which  
87 approved applicants will become program participants and  
88 determine the maximum loan amount for each project. Awards may  
89 be made to one or more applicants. The board of directors  
90 annually shall fund at least one eligible project, consistent  
91 with this program's goals.

92 (e) Requests for proposals or applications shall be made by  
93 the corporation no less than annually and shall begin as soon as  
94 possible after the beginning of the new fiscal year. Applicants  
95 shall be given no more than a 2-month response time. The  
96 corporation shall conclude its evaluation and award or approve  
97 an application no later than 9 months after the start of the



847062

98 state's fiscal year. Notwithstanding this paragraph, the  
99 corporation may expedite the time frames associated with a  
100 review process, provided the expedited review allows for  
101 responses to requests for proposal, sufficient project  
102 evaluation, and award of a project.

103 (5) Priority consideration for funding will be provided for  
104 projects that:

105 (a) Set aside the highest percent of units for workforce  
106 housing.

107 (b) Require the least amount of program funding compared to  
108 the overall housing cost of the project.

109 (c) Are consistent with the workforce housing objectives  
110 and strategies set forth in the local comprehensive plan or land  
111 development regulations.

112 (d) Are innovative projects.

113 (6) The processing of approvals of development orders or  
114 development permits, as defined in s. 163.3164, for workforce  
115 housing projects under this program shall be expedited.

116 (7) The corporation shall award loans with interest rates  
117 set at 1 to 3 percent, which shall be made forgivable when long-  
118 term affordability is provided and guaranteed and when at least  
119 80 percent of the units are set aside for workforce housing for  
120 essential services personnel. Projects shall be deed restricted  
121 for 99 years to remain compliant with the definition of  
122 affordable housing in the Monroe County, Florida Land  
123 Development Code, section 101-1.

124 (8) All eligible applications must demonstrate the  
125 following:

126 (a) For workforce housing units offered for sale to



847062

127 essential services personnel, the sale or resale will be limited  
128 for a detached unit, townhouse, or condominium unit to not more  
129 than 3.75 times the AMI for studio or one bedroom units; not  
130 more than 4.25 times AMI for two bedroom units; and not more  
131 than 4.75 times AMI for three or more bedroom units, and require  
132 that all eligible purchasers occupy the homes as their primary  
133 residence. Such residences may not be used for tourist housing  
134 or vacation rentals.

135 (b) For rental units of workforce housing serving essential  
136 services personnel, the monthly rent will be limited to not more  
137 than 30 percent of the amount that represents 120 percent of the  
138 monthly AMI for Monroe County. Such residences may not be used  
139 for tourist housing or vacation rentals.

140 (c) The applicant is a public-private partnership as  
141 established in an contract, partnership agreement, memorandum of  
142 understanding, or other written instrument signed by all the  
143 project partners.

144 (d) Any combination of grants, donations of land, or  
145 contributions from the public-private partnership or other  
146 sources must total at least 10 percent of the project  
147 development cost. Such grants, donations of land, or  
148 contributions must be evidenced by a letter of commitment,  
149 agreement, contract, deed, memorandum of understanding, or other  
150 written instrument at the time of application.

151 (e) The applicant must have title to or site control of the  
152 land and evidence of required infrastructure.

153 (f) The applicant must have adequate financial resources to  
154 provide the necessary guarantees for the underwriting of a  
155 project.



847062

156 (9) Eligible projects that may be otherwise subject to a  
157 local rate of growth ordinance are exempt from such ordinances.  
158 Eligible projects may also include manufactured housing  
159 constructed after June 1994 and installed in accordance with  
160 mobile home installation standards of the Department of Highway  
161 Safety and Motor Vehicles.

162 (10) The corporation may adopt only those rules as  
163 necessary to implement this section and ensure proper  
164 administration of the program, consistent with the requirements  
165 of s. 120.536(1) and s. 120.54. The corporation may use a  
166 maximum of 2 percent of the annual program appropriation for  
167 administration and compliance monitoring.

168  
169 ===== T I T L E A M E N D M E N T =====

170 And the title is amended as follows:

171 Delete line 2

172 and insert:

173 An act relating to housing assistance; creating s.  
174 420.57, F.S.; providing legislative intent; defining  
175 terms; authorizing the Florida Housing Finance  
176 Corporation to provide loans to a qualified developer  
177 for construction or rehabilitation of workforce  
178 housing in the Florida Keys area of critical state  
179 concern, subject to certain requirements; requiring  
180 the corporation to establish a loan application  
181 process by rule; requiring the corporation to select  
182 the credit underwriter for each project; specifying  
183 criteria for projects that will be provided priority  
184 consideration for funding; requiring that the



847062

185 processing of approvals of development orders or  
186 development permits for workforce housing projects be  
187 expedited; requiring the corporation to award loans  
188 with interest rates set at a specified range;  
189 requiring projects to be deed restricted for a  
190 specified period of time; specifying requirements for  
191 eligible applications; exempting eligible projects  
192 from local rate of growth ordinances; authorizing  
193 eligible projects to include manufactured housing  
194 subject to certain requirements; authorizing the  
195 corporation to adopt rules subject to certain  
196 requirements and restrictions; authorizing the  
197 corporation to use a certain percent of the annual  
198 program appropriation for administration and  
199 compliance monitoring; amending