

By the Committee on Community Affairs; and Senators Hutson and Mayfield

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1 A bill to be entitled
2 An act relating to affordable housing; amending s.
3 163.31801, F.S.; authorizing local governments to
4 provide exceptions or waivers for impact fees for
5 affordable housing developments; requiring that
6 certain data relating to impact fees be included in
7 the annual financial reports for specified entities;
8 creating s. 420.0007, F.S.; providing a local permit
9 approval process; amending s. 420.5087, F.S.; revising
10 the criteria used by a review committee when
11 evaluating and selecting specified applications for
12 state apartment incentive loans; amending s. 420.5095,
13 F.S.; creating the Community Workforce Housing Loan
14 Program in the place of the Community Workforce
15 Housing Innovation Pilot Program to provide workforce
16 housing for essential services personnel affected by
17 the high cost of housing; redefining the term
18 "workforce housing"; deleting definitions; authorizing
19 the Florida Housing Finance Corporation to provide
20 loans under the program to applicants for construction
21 of workforce housing; requiring the corporation to
22 establish a certain loan application process;
23 requiring projects to receive priority consideration
24 under certain circumstances; requiring that the
25 corporation award loans at a specified interest rate
26 and for a limited term; amending s. 420.9071, F.S.;
27 revising the definition of the term "local housing
28 incentive strategies"; reenacting s. 193.018(2), F.S.,
29 relating to land owned by a community land trust used

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30 to provide affordable housing, to incorporate the
31 amendment made to s. 420.5095, F.S., in a reference
32 thereto; providing an effective date.
33

34 Be It Enacted by the Legislature of the State of Florida:
35

36 Section 1. Subsections (6) and (7) are added to section
37 163.31801, Florida Statutes, to read:

38 163.31801 Impact fees; short title; intent; definitions;
39 ordinances levying impact fees.-

40 (6) A county, municipality, or special district may provide
41 an exception or waiver for an impact fee for the development or
42 construction of housing that is affordable, as defined in s.
43 420.9071. If a county, municipality, or special district
44 provides such an exception or waiver, it is not required to use
45 any revenues to offset the impact.

46 (7) In addition to the items that must be reported in the
47 annual financial reports under s. 218.32, counties,
48 municipalities, and special districts must report all of the
49 following data on all impact fees charged:

50 (a) The specific purpose of the impact fee, including the
51 specific infrastructure needs to be met, such as transportation,
52 parks, water, sewer, and schools.

53 (b) The impact fee schedule policy describing the method of
54 calculating impact fees, such as flat fees, tiered scales based
55 on number of bedrooms, or tiered scales based on square footage.

56 (c) The amount assessed for each purpose and for each type
57 of dwelling.

58 (d) The total amount of impact fees charged by type of

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59 dwelling.

60 (e) Each exception and each waiver provided for affordable
61 housing developments.

62 Section 2. Section 420.0007, Florida Statutes, is created
63 to read:

64 420.0007 Local permit approval process for affordable
65 housing.—

66 (1) A local government has 15 days after the date it
67 receives an application for a development permit, a construction
68 permit, or a certificate of occupancy for affordable housing to
69 examine the application and notify the applicant of any apparent
70 errors or omissions and to request any additional information
71 that the local government is authorized by law to require.

72 (2) If a local government does not request additional
73 information within the timeframe specified in subsection (1),
74 the local government may not deny a development permit,
75 construction permit, or certificate of occupancy for affordable
76 housing if the applicant has failed to correct the error or the
77 omission or to supply additional information.

78 (3) The local government may require any additional
79 requested information to be submitted not later than 10 days
80 after the date of the notice specified in subsection (1).

81 (4) For good cause shown, the local government shall grant
82 a request for an extension of time for submitting the additional
83 information.

84 (5) An application is complete upon receipt of all
85 requested information and upon the correction of any error or
86 omission for which the applicant was timely notified or when the
87 time for notification has expired.

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88 (6) The local government shall approve or deny an
89 application for a development permit, a construction permit, or
90 a certificate of occupancy for affordable housing within 60 days
91 after receipt of a completed application unless a shorter period
92 of time for action by local government is provided by law.

93 (7) If the local government does not approve or deny an
94 application for a development permit, a construction permit, or
95 a certificate of occupancy for affordable housing within the 60-
96 day, or a shorter, time period, the permit is considered
97 approved and the local government shall issue the development
98 permit, the construction permit, or the certificate of
99 occupancy, which may include reasonable conditions as authorized
100 by law.

101 (8) An applicant for a development permit, a construction
102 permit, or a certificate of occupancy seeking to receive a
103 permit by default under this section must notify the local
104 government in writing of the intent to rely upon the default
105 approval provision of this section but may not take any action
106 based upon the default development permit, construction permit,
107 or certificate of occupancy until the applicant receives
108 notification or a receipt that the local government received the
109 notice. The applicant must retain the notification or the
110 receipt.

111 Section 3. Paragraph (c) of subsection (6) of section
112 420.5087, Florida Statutes, is amended to read:

113 420.5087 State Apartment Incentive Loan Program.—There is
114 hereby created the State Apartment Incentive Loan Program for
115 the purpose of providing first, second, or other subordinated
116 mortgage loans or loan guarantees to sponsors, including for-

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117 profit, nonprofit, and public entities, to provide housing
118 affordable to very-low-income persons.

119 (6) On all state apartment incentive loans, except loans
120 made to housing communities for the elderly to provide for
121 lifesafety, building preservation, health, sanitation, or
122 security-related repairs or improvements, the following
123 provisions shall apply:

124 (c) The corporation shall provide by rule for the
125 establishment of a review committee for the competitive
126 evaluation and selection of applications submitted in this
127 program, including, but not limited to, the following criteria:

128 1. Tenant income and demographic targeting objectives of
129 the corporation.

130 2. Targeting objectives of the corporation which will
131 ensure an equitable distribution of loans between rural and
132 urban areas.

133 3. Sponsor's agreement to reserve the units for persons or
134 families who have incomes below 50 percent of the state or local
135 median income, whichever is higher, for a time period that
136 exceeds the minimum required by federal law or this part.

137 4. Sponsor's agreement to reserve more than:

138 a. Twenty percent of the units in the project for persons
139 or families who have incomes that do not exceed 50 percent of
140 the state or local median income, whichever is higher; or

141 b. Forty percent of the units in the project for persons or
142 families who have incomes that do not exceed 60 percent of the
143 state or local median income, whichever is higher, without
144 requiring a greater amount of the loans as provided in this
145 section.

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- 146 5. Provision for tenant counseling.
- 147 6. Sponsor's agreement to accept rental assistance
148 certificates or vouchers as payment for rent.
- 149 7. Projects requiring the least amount of a state apartment
150 incentive loan compared to overall project cost, except that the
151 share of the loan attributable to units serving extremely-low-
152 income persons must be excluded from this requirement.
- 153 8. Local government contributions and local government
154 comprehensive planning and activities that promote affordable
155 housing and policies that promote access to public
156 transportation, reduce the need for onsite parking, and expedite
157 permits for affordable housing projects as provided in s.
158 420.0007.
- 159 9. Project feasibility.
- 160 10. Economic viability of the project.
- 161 11. Commitment of first mortgage financing.
- 162 12. Sponsor's prior experience.
- 163 13. Sponsor's ability to proceed with construction.
- 164 14. Projects that directly implement or assist welfare-to-
165 work transitioning.
- 166 15. Projects that reserve units for extremely-low-income
167 persons.
- 168 16. Projects that include green building principles, storm-
169 resistant construction, or other elements that reduce long-term
170 costs relating to maintenance, utilities, or insurance.
- 171 17. Job-creation rate of the developer and general
172 contractor, as provided in s. 420.507(47).
- 173 Section 4. Section 420.5095, Florida Statutes, is amended
174 to read:

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175 420.5095 Community Workforce Housing Loan ~~Innovation Pilot~~
176 Program.—

177 (1) The Legislature finds and declares that recent rapid
178 increases in the median purchase price of a home and the cost of
179 rental housing have far outstripped the increases in median
180 income in the state, preventing essential services personnel
181 from living in the communities where they serve and thereby
182 creating the need for innovative solutions for the provision of
183 housing opportunities for essential services personnel.

184 (2) The Community Workforce Housing Loan ~~Innovation Pilot~~
185 Program is created to provide ~~affordable rental and home~~
186 ~~ownership community~~ workforce housing for essential services
187 personnel affected by the high cost of housing, ~~using regulatory~~
188 ~~incentives and state and local funds to promote local public-~~
189 ~~private partnerships and leverage government and private~~
190 ~~resources.~~

191 (3) For purposes of this section, the term—

192 ~~(a)~~ “workforce housing” means housing affordable to natural
193 persons or families whose total annual household income does not
194 exceed 80 ~~140~~ percent of the area median income, adjusted for
195 household size, or 120 ~~150~~ percent of area median income,
196 adjusted for household size, in areas of critical state concern
197 designated under s. 380.05, for which the Legislature has
198 declared its intent to provide affordable housing, and areas
199 that were designated as areas of critical state concern for at
200 least 20 consecutive years prior to removal of the designation.

201 ~~(b)~~ “Essential services personnel” means ~~persons in need of~~
202 ~~affordable housing who are employed in occupations or~~
203 ~~professions in which they are considered essential services~~

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204 ~~personnel, as defined by each county and eligible municipality~~
205 ~~within its respective local housing assistance plan pursuant to~~
206 ~~s. 420.9075(3)(a).~~

207 ~~(c) "Public-private partnership" means any form of business~~
208 ~~entity that includes substantial involvement of at least one~~
209 ~~county, one municipality, or one public sector entity, such as a~~
210 ~~school district or other unit of local government in which the~~
211 ~~project is to be located, and at least one private sector for-~~
212 ~~profit or not-for-profit business or charitable entity, and may~~
213 ~~be any form of business entity, including a joint venture or~~
214 ~~contractual agreement.~~

215 (4) The Florida Housing Finance Corporation is authorized
216 to provide loans under the Community Workforce Housing
217 Innovation Pilot program loans to applicants ~~an applicant~~ for
218 construction ~~or rehabilitation~~ of workforce housing in eligible
219 areas. ~~This funding is intended to be used with other public and~~
220 ~~private sector resources.~~

221 (5) The corporation shall establish a loan application
222 process under s. 420.5087 ~~by rule which includes selection~~
223 ~~criteria, an application review process, and a funding process.~~
224 ~~The corporation shall also establish an application review~~
225 ~~committee that may include up to three private citizens~~
226 ~~representing the areas of housing or real estate development,~~
227 ~~banking, community planning, or other areas related to the~~
228 ~~development or financing of workforce and affordable housing.~~

229 ~~(a) The selection criteria and application review process~~
230 ~~must include a procedure for curing errors in the loan~~
231 ~~applications which do not make a substantial change to the~~
232 ~~proposed project.~~

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233 ~~(b) To achieve the goals of the pilot program, the~~
234 ~~application review committee may approve or reject loan~~
235 ~~applications or responses to questions raised during the review~~
236 ~~of an application due to the insufficiency of information~~
237 ~~provided.~~

238 ~~(c) The application review committee shall make~~
239 ~~recommendations concerning program participation and funding to~~
240 ~~the corporation's board of directors.~~

241 ~~(d) The board of directors shall approve or reject loan~~
242 ~~applications, determine the tentative loan amount available to~~
243 ~~each applicant, and rank all approved applications.~~

244 ~~(e) The board of directors shall decide which approved~~
245 ~~applicants will become program participants and determine the~~
246 ~~maximum loan amount for each program participant.~~

247 ~~(6) The corporation shall provide incentives for local~~
248 ~~governments in eligible areas to use local affordable housing~~
249 ~~funds, such as those from the State Housing Initiatives~~
250 ~~Partnership Program, to assist in meeting the affordable housing~~
251 ~~needs of persons eligible under this program. Local governments~~
252 ~~are authorized to use State Housing Initiative Partnership~~
253 ~~Program funds for persons or families whose total annual~~
254 ~~household income does not exceed:~~

255 ~~(a) One hundred and forty percent of the area median~~
256 ~~income, adjusted for household size; or~~

257 ~~(b) One hundred and fifty percent of the area median~~
258 ~~income, adjusted for household size, in areas that were~~
259 ~~designated as areas of critical state concern for at least 20~~
260 ~~consecutive years prior to the removal of the designation and in~~
261 ~~areas of critical state concern, designated under s. 380.05, for~~

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262 ~~which the Legislature has declared its intent to provide~~
263 ~~affordable housing.~~

264 ~~(7) Funding shall be targeted to innovative projects in~~
265 ~~areas where the disparity between the area median income and the~~
266 ~~median sales price for a single family home is greatest, and~~
267 ~~where population growth as a percentage rate of increase is~~
268 ~~greatest. The corporation may also fund projects in areas where~~
269 ~~innovative regulatory and financial incentives are made~~
270 ~~available. The corporation shall fund at least one eligible~~
271 ~~project in as many counties and regions of the state as is~~
272 ~~practicable, consistent with program goals.~~

273 ~~(6)~~(8) Projects must be given ~~shall receive~~ priority
274 consideration for funding if ~~where~~:

275 (a) The local jurisdiction has adopted, or is committed to
276 adopting, appropriate regulatory incentives, ~~or the local~~
277 ~~jurisdiction or public-private partnership has adopted or is~~
278 ~~committed to adopting~~ local contributions or financial
279 strategies, or other funding sources to promote the development
280 and ongoing financial viability of such projects. Local
281 incentives include such actions as expediting review of
282 development orders and permits, supporting development near
283 transportation hubs and major employment centers, and adopting
284 land development regulations designed to allow flexibility in
285 densities, use of accessory units, mixed-use developments, and
286 flexible lot configurations. Financial strategies include such
287 actions as promoting employer-assisted housing programs,
288 providing tax increment financing, and providing land.

289 ~~(b) Projects are innovative and include new construction or~~
290 ~~rehabilitation; mixed-income housing; commercial and housing~~

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291 ~~mixed-use elements; innovative design; green building~~
292 ~~principles; storm-resistant construction; or other elements that~~
293 ~~reduce long-term costs relating to maintenance, utilities, or~~
294 ~~insurance and promote homeownership. The program funding may not~~
295 ~~exceed the costs attributable to the portion of the project that~~
296 ~~is set aside to provide housing for the targeted population.~~

297 (b)(e) ~~The projects that set aside not more than 50 at~~
298 ~~least 80 percent of units for workforce housing and at least 50~~
299 ~~percent for essential services personnel and for projects that~~
300 ~~require the least amount of program funding compared to the~~
301 ~~overall housing costs for the project.~~

302 ~~(9) Notwithstanding s. 163.3184(4)(b)-(d), any local~~
303 ~~government comprehensive plan amendment to implement a Community~~
304 ~~Workforce Housing Innovation Pilot Program project found~~
305 ~~consistent with this section shall be expedited as provided in~~
306 ~~this subsection. At least 30 days prior to adopting a plan~~
307 ~~amendment under this subsection, the local government shall~~
308 ~~notify the state land planning agency of its intent to adopt~~
309 ~~such an amendment, and the notice shall include its evaluation~~
310 ~~related to site suitability and availability of facilities and~~
311 ~~services. The public notice of the hearing required by s.~~
312 ~~163.3184(11)(b)2. shall include a statement that the local~~
313 ~~government intends to use the expedited adoption process~~
314 ~~authorized by this subsection. Such amendments shall require~~
315 ~~only a single public hearing before the governing board, which~~
316 ~~shall be an adoption hearing as described in s. 163.3184(4)(e).~~
317 ~~Any further proceedings shall be governed by s. 163.3184(5)-~~
318 ~~(13).~~

319 ~~(10) The processing of approvals of development orders or~~

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320 ~~development permits, as defined in s. 163.3164, for innovative~~
321 ~~community workforce housing projects shall be expedited.~~

322 ~~(7)(11) The corporation shall award loans with a interest~~
323 ~~rates set at 1 to 3 percent interest rate for a term that does~~
324 ~~not exceed 15 years, which may be made forgivable when long term~~
325 ~~affordability is provided and when at least 80 percent of the~~
326 ~~units are set aside for workforce housing and at least 50~~
327 ~~percent of the units are set aside for essential services~~
328 ~~personnel.~~

329 ~~(12) All eligible applications shall:~~

330 ~~(a) For home ownership, limit the sales price of a detached~~
331 ~~unit, townhome, or condominium unit to not more than 90 percent~~
332 ~~of the median sales price for that type of unit in that county,~~
333 ~~or the statewide median sales price for that type of unit,~~
334 ~~whichever is higher, and require that all eligible purchasers of~~
335 ~~home ownership units occupy the homes as their primary~~
336 ~~residence.~~

337 ~~(b) For rental units, restrict rents for all workforce~~
338 ~~housing serving those with incomes at or below 120 percent of~~
339 ~~area median income at the appropriate income level using the~~
340 ~~restricted rents for the federal low-income housing tax credit~~
341 ~~program and, for workforce housing units serving those with~~
342 ~~incomes above 120 percent of area median income, restrict rents~~
343 ~~to those established by the corporation, not to exceed 30~~
344 ~~percent of the maximum household income adjusted to unit size.~~

345 ~~(c) Demonstrate that the applicant is a public-private~~
346 ~~partnership in an agreement, contract, partnership agreement,~~
347 ~~memorandum of understanding, or other written instrument signed~~
348 ~~by all the project partners.~~

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349 ~~(d) Have grants, donations of land, or contributions from~~
350 ~~the public-private partnership or other sources collectively~~
351 ~~totaling at least 10 percent of the total development cost or \$2~~
352 ~~million, whichever is less. Such grants, donations of land, or~~
353 ~~contributions must be evidenced by a letter of commitment,~~
354 ~~agreement, contract, deed, memorandum of understanding, or other~~
355 ~~written instrument at the time of application. Grants, donations~~
356 ~~of land, or contributions in excess of 10 percent of the~~
357 ~~development cost shall increase the application score.~~

358 ~~(e) Demonstrate how the applicant will use the regulatory~~
359 ~~incentives and financial strategies outlined in subsection (8)~~
360 ~~from the local jurisdiction in which the proposed project is to~~
361 ~~be located. The corporation may consult with the Department of~~
362 ~~Economic Opportunity in evaluating the use of regulatory~~
363 ~~incentives by applicants.~~

364 ~~(f) Demonstrate that the applicant possesses title to or~~
365 ~~site control of land and evidences availability of required~~
366 ~~infrastructure.~~

367 ~~(g) Demonstrate the applicant's affordable housing~~
368 ~~development and management experience.~~

369 ~~(h) Provide any research or facts available supporting the~~
370 ~~demand and need for rental or home ownership workforce housing~~
371 ~~for eligible persons in the market in which the project is~~
372 ~~proposed.~~

373 ~~(13) Projects may include manufactured housing constructed~~
374 ~~after June 1994 and installed in accordance with mobile home~~
375 ~~installation standards of the Department of Highway Safety and~~
376 ~~Motor Vehicles.~~

377 ~~(8)-(14)~~ The corporation may adopt rules pursuant to ss.

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378 120.536(1) and 120.54 to implement this section.

379 ~~(15) The corporation may use a maximum of 2 percent of the~~
380 ~~annual program appropriation for administration and compliance~~
381 ~~monitoring.~~

382 ~~(16) The corporation shall review the success of the~~
383 ~~Community Workforce Housing Innovation Pilot Program to~~
384 ~~ascertain whether the projects financed by the program are~~
385 ~~useful in meeting the housing needs of eligible areas and shall~~
386 ~~include its findings in the annual report required under s.~~
387 ~~420.511(3).~~

388 Section 5. Subsection (16) of section 420.9071, Florida
389 Statutes, is amended to read:

390 420.9071 Definitions.—As used in ss. 420.907-420.9079, the
391 term:

392 (16) "Local housing incentive strategies" means local
393 regulatory reform or incentive programs to encourage or
394 facilitate affordable housing production, which include at a
395 minimum, expediting development permits, as defined in s.
396 163.3164, for affordable housing projects as provided in s.
397 420.0007 assurance that permits for affordable housing projects
398 are expedited to a greater degree than other projects, as
399 provided in s. 163.3177(6)(f)3.; an ongoing process for review
400 of local policies, ordinances, regulations, and plan provisions
401 that increase the cost of housing prior to their adoption; and a
402 schedule for implementing the incentive strategies. Local
403 housing incentive strategies may also include other regulatory
404 reforms, such as those enumerated in s. 420.9076 or those
405 recommended by the affordable housing advisory committee in its
406 triennial evaluation of the implementation of affordable housing

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407 incentives, and adopted by the local governing body.

408 Section 6. For the purpose of incorporating the amendment
409 made by this act to section 420.5095, Florida Statutes, in a
410 reference thereto, subsection (2) of section 193.018, Florida
411 Statutes, is reenacted to read:

412 193.018 Land owned by a community land trust used to
413 provide affordable housing; assessment; structural improvements,
414 condominium parcels, and cooperative parcels.—

415 (2) A community land trust may convey structural
416 improvements, condominium parcels, or cooperative parcels, that
417 are located on specific parcels of land that are identified by a
418 legal description contained in and subject to a ground lease
419 having a term of at least 99 years, for the purpose of providing
420 affordable housing to natural persons or families who meet the
421 extremely-low-income, very-low-income, low-income, or moderate-
422 income limits specified in s. 420.0004, or the income limits for
423 workforce housing, as defined in s. 420.5095(3). A community
424 land trust shall retain a preemptive option to purchase any
425 structural improvements, condominium parcels, or cooperative
426 parcels on the land at a price determined by a formula specified
427 in the ground lease which is designed to ensure that the
428 structural improvements, condominium parcels, or cooperative
429 parcels remain affordable.

430 Section 7. This act shall take effect July 1, 2019.