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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/05/2020	.	
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The Committee on Community Affairs (Pizzo) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause
and insert:

Section 1. Subsection (8) of section 163.31801, Florida
Statutes, is amended to read:

163.31801 Impact fees; short title; intent; minimum
requirements; audits; challenges.—

(8) A county, municipality, or special district may provide
an exception or waiver for an impact fee for the development or



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11 construction of housing that is affordable, as defined in s.
12 420.9071, or for the development and construction of supportive
13 housing by a not-for-profit corporation that derives at least 75
14 percent of its annual revenues from contracts or services
15 provided to a state or federal agency. If a county,
16 municipality, or special district provides such an exception or
17 waiver, it is not required to use any revenues to offset the
18 impact. For purposes of this subsection, the term "supportive
19 housing" means affordable housing for low-income persons and
20 low-income households, as those terms are defined in s.
21 420.9071(19), which provides treatment for persons who suffer
22 from mental health, substance abuse, or domestic violence, which
23 provides on-premises social and community support services,
24 including job training, life skills training, alcohol and
25 substance abuse disorder treatment, child care, and client case
26 management services.

27 Section 2. Subsection (3) is added to section 196.1978,
28 Florida Statutes, to read:

29 196.1978 Affordable housing property exemption; workforce
30 housing property reductions.—

31 (3) (a) As used in this subsection, the term:

32 1. "Base tax" means the operating taxes remitted to the
33 taxing authority in the tax year immediately preceding the
34 reduction term.

35 2. "Corporation" means the Florida Housing Finance
36 Corporation.

37 3. "Household" has the same meaning as in s. 196.075(1).

38 4. "Operating taxes" means the nonvoted millage portion of
39 the county millage and the municipal millage as identified in s.



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40 200.001(1)(a) and (2)(a), respectively.

41 5. "Project taxing authority" means a county or
42 municipality, as those terms are defined in s. 200.001(8)(a) and
43 (b), respectively, which is authorized to levy operating taxes
44 against real property in the jurisdiction in which a qualifying
45 project is located.

46 6. "Qualifying project" means a workforce housing project
47 that:

48 a. Is located in a county that has a population of 825,000
49 or more; and

50 b. Has not received a property tax discount pursuant to
51 subsection (2).

52 7. "Reduction term" means the 25-year tax reduction period
53 beginning the year in which the qualifying project is first
54 assessed under s. 192.042(1) and certified by the county
55 property appraiser as eligible to receive a tax reduction in
56 operating taxes.

57 8. "Taxpayer" has the same meaning as in s. 192.001.

58 9. "Workforce housing project" means a rental housing
59 project that provides at least 4 but not more than 70 dwelling
60 units for natural persons or families and in which:

61 a. At least 10 percent of the rental units are set aside
62 for one or more natural persons or a family with a total annual
63 gross household income greater than 60 percent but less than 80
64 percent of the median annual income adjusted for family size for
65 households within the metropolitan statistical area, the county,
66 or the nonmetropolitan median for the state, whichever is
67 greatest.

68 b. At least 20 percent of the rental units are set aside



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69 for one or more natural persons or a family with a total annual
70 gross household income greater than 60 percent but less than 100
71 percent of the median annual income adjusted for family size for
72 households within the metropolitan statistical area, the county,
73 or the nonmetropolitan median for the state, whichever is
74 greatest.

75 c. Rents for the rental units set aside pursuant to sub-
76 subparagraphs a. and b. comply with the income limitations
77 established by the corporation for the county in which the
78 rental units are located. Rents for the rental units within the
79 project that are not subject to the set-asides may be offered at
80 rents determined by the taxpayer in his or her sole discretion.

81 (b) The Legislature finds that property used to provide
82 workforce housing to natural persons and households that meet
83 the low-income or moderate-income limits is a charitable
84 purpose. Therefore, notwithstanding s. 196.195(4), a taxpayer
85 who builds or renovates a qualifying project after July 1, 2021,
86 may receive a tax reduction in operating taxes that would
87 otherwise be assessed if the following criteria are met:

88 1. The taxpayer timely files an application for the tax
89 reduction with the property appraiser no later than March 1 of
90 the year immediately following the year in which the qualifying
91 project is first assessed under s. 192.042(1).

92 2. The taxpayer records a covenant running with the land
93 that restricts the rents of rental units within the qualifying
94 project in accordance with the requirements set forth in
95 subparagraph (a)9.

96 (c) For the first 16 years of the reduction term, a
97 qualifying project shall be assessed operating taxes in an



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98 amount equal to the base tax for the qualifying project, which
99 base tax shall be increased annually thereafter by 2.5 percent
100 or the Consumer Price Index for the county in which the
101 qualifying project is located, whichever is less. Beginning in
102 Year 17 of the reduction term, the property appraiser shall
103 determine the assessed value of the qualifying project and
104 reduce the assessed value of the property in accordance with the
105 percentages set forth below:

<u>Year of Tax Reduction</u>	<u>Workforce Housing Reduction</u> <u>Percentage</u>
<u>17</u>	<u>90 percent</u>
<u>18</u>	<u>80 percent</u>
<u>19</u>	<u>70 percent</u>
<u>20</u>	<u>60 percent</u>
<u>21</u>	<u>50 percent</u>
<u>22</u>	<u>40 percent</u>
<u>23</u>	<u>30 percent</u>
<u>24</u>	<u>20 percent</u>
<u>25</u>	<u>10 percent</u>



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(d) If the property appraiser approves the application, the taxpayer must record the covenant. The property appraiser shall apply the authorized tax reductions beginning in the appropriate tax year. The taxpayer is responsible for the cost of recording the covenant.

(e) Each taxpayer who receives a tax reduction must submit a report annually to the property appraiser confirming his or her compliance with the rent restrictions required for the receipt of the reduction. The report must be executed by the taxpayer or an authorized representative of the taxpayer, and must include the written declaration set forth in s. 92.525(2). A taxpayer who falsifies the written declaration commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

(f) Each county may limit the total number of qualifying projects that the property appraiser may approve annually if:

1. It conducts a public hearing noticed in a newspaper of general circulation.
2. It adopts a resolution that finds and is supported by competent substantial evidence that a limitation is necessary to avoid the substantial impairment of the taxing authority's ability to meet its financial obligations to fund other public services that are necessary to ensure the public safety and welfare.

(g)1. If the property appraiser determines that a qualifying project that was granted a tax reduction has failed to offer rents as required in the recorded covenant and as set



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145 forth in this subsection, the taxpayer shall be liable for the
146 payment of any back taxes, penalties, and interest, as well as
147 any other remedies authorized pursuant to s. 193.092.

148 2. If the property appraiser improperly grants a tax
149 reduction as a result of a clerical mistake or an omission, the
150 taxpayer improperly receiving the reduction shall not be
151 assessed back taxes, penalties, or interest, or be held liable
152 for any other remedies authorized under s. 193.092.

153 Section 3. This act shall take effect July 1, 2020.

154
155 ===== T I T L E A M E N D M E N T =====

156 And the title is amended as follows:

157 Delete everything before the enacting clause
158 and insert:

159 A bill to be entitled
160 An act relating to affordable housing tax reductions;
161 amending s. 163.31801, F.S.; authorizing counties,
162 municipalities, and special districts to provide an
163 exception or waiver of impact fees for certain not-
164 for-profit corporations for specified purposes;
165 defining the term "supportive housing" for certain
166 purposes; amending s. 196.1978, F.S.; defining terms;
167 providing legislative findings; providing a tax
168 reduction to certain entities that provide affordable
169 housing to identified groups; providing criteria for
170 receiving such reduction; providing a formula for
171 determining the amount of the reduction; requiring a
172 taxpayer to submit a covenant for recording that
173 provides specified information; requiring a taxpayer



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174 who receives a tax reduction to file an annual report;
175 providing specifications for such report; providing
176 penalties for falsification of reports; authorizing a
177 county to limit the number of qualifying projects that
178 may be approved under specified conditions; requiring
179 a taxpayer to pay back taxes, penalties, and interest
180 under specified circumstances; providing exceptions;
181 providing an effective date.