

1                   A bill to be entitled  
2           An act relating to affordable housing; creating s.  
3           166.0452, F.S.; providing definitions; authorizing  
4           municipalities to create community land bank programs  
5           for a certain purpose; requiring certain  
6           municipalities to create a community land bank plan;  
7           providing requirements for such plan; requiring a  
8           public hearing on the plan before its adoption;  
9           requiring notice to certain entities; requiring the  
10          proposed plan to be made public within a certain  
11          amount of time before the hearing; providing  
12          requirements for the sale of certain property to land  
13          banks; providing that such sale is for a public  
14          purpose; prohibiting certain persons from challenging  
15          the market value of a property under certain  
16          circumstances; requiring written notice of a sale of  
17          such property be given to certain persons in a certain  
18          manner within a specified time period; authorizing the  
19          owner of certain property to contest the sale of such  
20          property and requiring such property to be sold in a  
21          different manner; specifying that the owner of certain  
22          property is not entitled to proceeds from the sale and  
23          is not liable for certain deficiencies; authorizing  
24          land banks to buy certain property for less than  
25          market value under certain circumstances; conveying

26 | the right, title, and interest in certain property to  
27 | land banks; requiring land banks to offer qualified  
28 | organizations a right of first refusal to purchase  
29 | certain property; providing requirements for the right  
30 | of first refusal; providing conditions for the  
31 | subsequent resale of property acquired by land banks;  
32 | requiring certain deed restrictions on certain  
33 | property; providing requirements for such deed  
34 | restrictions; authorizing the modification or addition  
35 | of deed restrictions; requiring land banks to maintain  
36 | certain records; requiring land banks to file annual  
37 | audited financial statements within a certain  
38 | timeframe; requiring land banks to submit an annual  
39 | performance report by a certain date; providing  
40 | requirements for such report; requiring copies of such  
41 | report be given to certain entities and made available  
42 | for public review; providing applicability; creating  
43 | s. 220.1851, F.S.; providing definitions; authorizing  
44 | a tax credit for certain projects; providing the  
45 | maximum value of such credit; authorizing the Florida  
46 | Housing Finance Corporation to allocate the tax credit  
47 | to certain projects; authorizing the tax credit to be  
48 | transferred by the recipient; requiring the Department  
49 | of Revenue to adopt rules; creating s. 420.50931,  
50 | F.S.; creating the Retail-to-residence Tax Credit

51 Program; providing the purpose of the program;  
 52 requiring the Florida Housing Finance Corporation to  
 53 determine which projects will receive the tax credit;  
 54 authorizing the corporation to establish certain  
 55 procedures, exercise certain powers, and prepare a  
 56 specified annual plan; requiring such plan to be  
 57 approved by the Governor; requiring the board of  
 58 directors of the corporation to administer certain  
 59 procedures and determine allocations on behalf of the  
 60 corporation; providing requirements for certain  
 61 procedures; requiring taxpayers to submit an  
 62 application with certain information to the  
 63 corporation; authorizing the corporation to request  
 64 additional information; providing requirements for the  
 65 approval of an application for a project; creating s.  
 66 420.5096, F.S.; creating the Affordable Housing  
 67 Construction Loan Program; providing the corporation  
 68 with certain powers and responsibilities relating to  
 69 the program; providing requirements for the program;  
 70 providing rulemaking authority; providing an effective  
 71 date.

72

73 Be It Enacted by the Legislature of the State of Florida:

74

75 Section 1. Section 166.0452, Florida Statutes, is created

76 to read:

77 166.0452 Community Land Bank Program.—

78 (1) For purposes of this section, the term:

79 (a) "Affordable" has the same meaning as in s. 420.0004.

80 (b) "Community housing development organization" has the  
 81 same meaning as in s. 420.503.

82 (c) "Community land bank plan" or "plan" means a plan  
 83 adopted by the governing body of a municipality to implement a  
 84 community land bank program.

85 (d) "Community land bank program" or "program" means the  
 86 program created by a governing body of a municipality under this  
 87 section.

88 (e) "Land bank" means an entity established or approved by  
 89 the governing body of a municipality for the purpose of  
 90 acquiring, holding, and transferring unimproved real property  
 91 under this section.

92 (f) "Low-income household" has the same meaning as in s.  
 93 420.9071.

94 (g) "Qualified organization" means a community housing  
 95 development organization that meets all of the following  
 96 criteria:

97 1. Contains within its designated geographical boundaries  
 98 of operation, as set forth in its application for certification  
 99 filed with and approved by the municipality, a portion of the  
 100 property that a land bank is offering for sale.

101        2. Has built at least three single-family homes or  
 102 duplexes or one multifamily residential dwelling of four or more  
 103 units in compliance with all applicable building codes within  
 104 the preceding 2-year period and within the organization's  
 105 designated geographical boundaries of operation.

106        3. Has developed or rehabilitated housing units within the  
 107 preceding 3-year period which are within a 2-mile radius of the  
 108 property that a land bank is offering for sale.

109        (h) "Qualified participating developer" means a developer  
 110 that meets all of the following criteria:

111        1. Has developed three or more housing units within the 3-  
 112 year period preceding its submission of a proposal to the land  
 113 bank seeking to acquire real property from a land bank.

114        2. Has a development plan approved by the governing body  
 115 of the municipality for the property acquired from a land bank.

116        3. Any other requirements adopted by the governing body of  
 117 the municipality in its community land bank plan.

118  
 119 The term includes a qualified organization.

120        (i) "Very-low-income household" has the same meaning as in  
 121 s. 420.9071.

122        (2) The governing body of a municipality may create a  
 123 community land bank program in which the person charged with  
 124 selling real property pursuant to a foreclosure judgment may  
 125 sell certain eligible real property by private sale for purposes

126 of affordable housing developments. The governing body of a  
127 municipality that adopts a community land bank program shall  
128 establish or approve a land bank for the purpose of acquiring,  
129 holding, and transferring unimproved real property under this  
130 section.

131 (3) (a) The governing body of a municipality that creates a  
132 community land bank program shall operate the program in  
133 conformance with a community land bank plan that the  
134 municipality adopts annually. The plan may be amended as needed.

135 (b) In developing the plan, the governing body of a  
136 municipality shall consider other housing plans adopted by the  
137 governing body, including the comprehensive plan submitted to  
138 the United States Department of Housing and Urban Development  
139 and all fair housing plans and policies adopted or agreed to by  
140 the governing body.

141 (c) The plan must include, at a minimum, all of the  
142 following:

143 1. A list of community housing development organizations  
144 eligible to participate in the right of first refusal under  
145 subsection (6). The plan must also include the time period  
146 during which the right of first refusal may be exercised, which  
147 time period must be at least 9 months but not more than 26  
148 months after the date of the deed of conveyance of the property  
149 to the land bank.

150 2. A right of first refusal for any other nonprofit

151 corporation exempted from federal income tax under s. 501(c)(3)  
152 of the United States Internal Revenue Code, provided that the  
153 preeminent right of first refusal is provided to qualified  
154 organizations as provided in subsection (6).

155 3. A list of the parcels of real property that may be  
156 eligible for sale to the land bank during the next year.

157 4. The municipality's plan for the development of  
158 affordable housing on those parcels of real property.

159 5. The sources and amounts of money the municipality  
160 anticipates to be available for subsidies for the development of  
161 affordable housing in the municipality, including any money  
162 specifically available for housing developed under the program,  
163 as approved by the governing body of the municipality at the  
164 time the plan is adopted.

165 6. The amount of additional time, if any, that a property  
166 may be held in the land bank once an offer has been received  
167 from a qualified participating developer and accepted by the  
168 land bank.

169 (4)(a) Before the adoption of a plan, the governing body  
170 of a municipality must hold a public hearing on the proposed  
171 plan.

172 (b) The city manager or his or her designee must provide  
173 notice of the public hearing to all community housing  
174 development organizations and to the neighborhood associations  
175 identified by the governing body of the municipality as serving

176 the neighborhoods in which properties anticipated to be  
177 available for sale to the land bank under this section are  
178 located.

179 (c) The city manager or his or her designee must make  
180 copies of the proposed plan available to the public at least 60  
181 days before the date of the public hearing.

182 (5)(a) Except as provided in paragraph (f), property that  
183 is ordered sold pursuant to a foreclosure judgment may be sold  
184 in a private sale to a land bank by the person charged with the  
185 sale of the property without first offering the property for  
186 sale as otherwise provided in chapter 45 if all of the following  
187 apply:

188 1. The market value of the property as specified in the  
189 judgment of foreclosure is less than the total amount due under  
190 the judgment, including all taxes, penalties, and interest, plus  
191 the value of nontax liens held by a taxing unit and awarded by  
192 the judgment, court costs, and the cost of the sale.

193 2. The property is not improved with a building or  
194 buildings.

195 3. There are delinquent taxes on the property for a total  
196 of at least 5 years.

197 4. The governing body of the municipality has executed an  
198 interlocal agreement with the other taxing units that are  
199 parties to the foreclosure proceeding which enables those taxing  
200 units to agree to participate in the program while retaining the



201 right to withhold consent to the sale of the specific properties  
202 to the land bank.

203 (b) A sale of property for use in connection with the  
204 program is a sale for a public purpose.

205 (c) If the person being sued in a foreclosure proceeding  
206 does not contest the market value of the property in the  
207 proceeding, the person waives the right to challenge the amount  
208 of the market value determined by the court for purposes of the  
209 sale of the property under s. 45.031.

210 (d) For any sale of property under this section, the  
211 person charged with the sale of the property must provide each  
212 person who was a defendant to the judgment, or that person's  
213 attorney, written notice at least 90 days before the date of the  
214 sale of the proposed method of sale of the property. Such notice  
215 must be given in accordance with the Florida Rules of Civil  
216 Procedure.

217 (e) After receipt of the notice required under paragraph  
218 (d) and before the date of the proposed sale, the owner of the  
219 property subject to sale may file with the person charged with  
220 the sale a written request that the property not be sold in the  
221 manner provided under this section.

222 (f) If the person charged with the sale receives a written  
223 request as provided in paragraph (e), the person must sell the  
224 property as otherwise provided in chapter 45.

225 (g) The owner of the property subject to the sale may not

226 receive any proceeds of a sale under this section and does not  
227 have any personal liability for a deficiency of the judgment as  
228 a result of a sale under this section.

229 (h) If consent is given by the taxing units that are a  
230 party to the judgment, property may be sold to a land bank for  
231 less than the market value of the property as specified in the  
232 judgment or less than the total of all taxes, penalties, and  
233 interest, plus the value of nontax liens held by a taxing unit  
234 and awarded by the judgment, court costs, and the cost of the  
235 sale.

236 (i) The deed of conveyance of the property sold to a land  
237 bank under this section conveys to the land bank the right,  
238 title, and interest acquired or held by each taxing unit that  
239 was a party to the judgment, subject to the right of redemption.

240 (6) After receiving the deed of conveyance of the  
241 property, a land bank must first offer the property for sale to  
242 qualified organizations.

243 (a) A land bank must provide notice to qualified  
244 organizations by certified mail, return receipt requested, at  
245 least 60 days before the beginning of the time period in which a  
246 right of first refusal may be exercised according to a  
247 municipality's community land bank plan.

248 (b) If a land bank conveys the property to a qualified  
249 organization before the expiration of the time period specified  
250 by the community land bank plan, the interlocal agreement

251 executed under subparagraph (5)(a)4. must provide tax abatement  
252 for the property until the expiration of the time period.

253 (c) During the right of first refusal time period, a land  
254 bank may not sell the property to a qualified participating  
255 developer other than a qualified organization. If all qualified  
256 organizations notify the land bank that they are declining to  
257 exercise their right of first refusal during the applicable time  
258 period, the land bank may sell the property to any other  
259 qualified participating developer at the same price that the  
260 land bank offered the property to the qualified organizations.

261 (d) If more than one qualified organization expresses an  
262 interest in exercising its right of first refusal, the  
263 organization that has the most geographically compact area  
264 encompassing a portion of the property as designated in its  
265 application for certification is given priority.

266 (e) A land bank is not required to provide a right of  
267 first refusal to qualified organizations under this section if  
268 the land bank is selling property that reverted to the land bank  
269 as provided under subsection (7).

270 (7) Each subsequent resale of property acquired by a land  
271 bank under this section must comply with the conditions of this  
272 subsection.

273 (a) A land bank must sell a property to a qualified  
274 participating developer within 3 years after receiving the deed  
275 of conveyance of the property for the purpose of construction of

276 affordable housing for sale or rent to low-income households or  
277 very-low-income households. If the land bank has not sold the  
278 property within those 3 years, the property must be transferred  
279 from the land bank back to the taxing units who were parties to  
280 the foreclosure judgment for disposition as otherwise allowed  
281 under law.

282 (b) The number of properties acquired by a qualified  
283 participating developer under this section on which development  
284 has not been completed may not at any time exceed three times  
285 the annual average residential production completed by the  
286 qualified participating developer during the preceding 2-year  
287 period, as determined by the governing body of the municipality.  
288 In its community land bank plan, the governing body of the  
289 municipality may increase the number of properties a qualified  
290 participating developer may acquire.

291 (c) The deed conveying a property sold by a land bank must  
292 include a right of reverter so that, if the qualified  
293 participating developer does not apply for a construction permit  
294 and close on any construction financing within 2 years after the  
295 date of the conveyance of the property from the land bank to the  
296 qualified participating developer, the property reverts to the  
297 land bank for subsequent resale to another qualified  
298 participating developer or conveyance to the taxing units as  
299 required under paragraph (a).

300 (d) The proceeds from sales under this section must be

301 reinvested back into the community land bank program.

302 (8)(a) A land bank must impose deed restrictions on  
 303 property sold to qualified participating developers requiring  
 304 the development and sale or rental of the property to low-income  
 305 households and very-low-income households.

306 (b) At least 25 percent of a land bank's properties sold  
 307 during any given fiscal year to be developed for sale must be  
 308 deed restricted for sale to households whose total annual  
 309 household income does not exceed 60 percent of the area median  
 310 income, adjusted for household size, for the metropolitan  
 311 statistical area in which the municipality is located, as  
 312 determined annually by the United States Department of Housing  
 313 and Urban Development.

314 (c)1. If the property sold is to be developed for rental  
 315 units, the deed restrictions must last for at least 20 years and  
 316 prohibit the exclusion of a person or family from admission to  
 317 the development based solely on the participation of the person  
 318 or family in the Housing Choice Voucher Program under s. 8 of  
 319 the United States Housing Act of 1937, as amended. Additionally,  
 320 the deed restrictions must require:

321 a. That 100 percent of the rental units be occupied by and  
 322 affordable to households whose total annual household income  
 323 does not exceed 60 percent of the area median income, adjusted  
 324 for household size, for the metropolitan statistical area in  
 325 which the municipality is located, as determined annually by the

326 United States Department of Housing and Urban Development;  
327 b. That 40 percent of the rental units be occupied by and  
328 affordable to households whose total annual household income  
329 does not exceed 50 percent of the area median income, adjusted  
330 for household size, for the metropolitan statistical area in  
331 which the municipality is located, as determined annually by the  
332 United States Department of Housing and Urban Development; or  
333 c. That 20 percent of the rental units be occupied by and  
334 affordable to households whose total annual household income  
335 does not exceed 30 percent of the area median income, adjusted  
336 for household size, for the metropolitan statistical area in  
337 which the municipality is located, as determined annually by the  
338 United States Department of Housing and Urban Development.  
339 2. The owner of a development with deed restrictions  
340 required under this paragraph must file an annual occupancy  
341 report with the municipality on a form adopted by the governing  
342 body of the municipality.  
343 (d) Except as otherwise provided by this section, if the  
344 deed restrictions imposed under this subsection are for a number  
345 of years, the deed restrictions must renew automatically.  
346 (e) A land bank or the governing body of a municipality  
347 may modify or add to the deed restrictions imposed under this  
348 subsection. Any modifications or additions made by the governing  
349 body of the municipality must be adopted by the governing body  
350 as part of its community land bank plan and must comply with the

351 restrictions in this subsection.

352 (9)(a) A land bank must keep accurate minutes of its  
353 meetings and accurate records and books of account that conform  
354 with generally accepted principles of accounting and that  
355 clearly reflect the income and expenses of the land bank and all  
356 transactions in relation to its property.

357 (b) A land bank must maintain in its records for  
358 inspection a copy of the sale settlement statement for each  
359 property sold by a qualified participating developer and a copy  
360 of the first page of the mortgage note with the interest rate  
361 and indicating the volume and page number of the instrument as  
362 filed with the county clerk.

363 (c) Within 90 days after the close of its fiscal year, a  
364 land bank must file with the municipality an annual audited  
365 financial statement prepared by a certified public accountant.  
366 The financial transactions of the land bank are subject to audit  
367 by the municipality.

368 (d) For purposes of evaluating the effectiveness of the  
369 program, a land bank must submit an annual performance report to  
370 the municipality by November 1 of each year in which the land  
371 bank acquires or sells property under this section. The  
372 performance report must include all of the following:

373 1. A complete and detailed written accounting of all money  
374 and properties received and disbursed by the land bank during  
375 the preceding fiscal year.

376 2. For each property acquired by the land bank during the  
 377 preceding fiscal year:

378 a. The street address of the property.

379 b. The legal description of the property.

380 c. The date on which the land bank took title to the  
 381 property.

382 d. The full name and street address of the property owner  
 383 of record at the time of the foreclosure proceeding.

384 3. For each property sold by the land bank to a qualified  
 385 participating developer during the preceding fiscal year:

386 a. The street address of the property.

387 b. The legal description of the property.

388 c. The full name and mailing address of the developer.

389 d. The purchase price paid by the developer.

390 e. The maximum incomes allowed for the households by the  
 391 terms of the sale.

392 f. The source and amount of any public subsidy provided by  
 393 the municipality to facilitate the sale or rental of the  
 394 property to a household within the targeted income levels.

395 4. For each property sold by a qualified participating  
 396 developer during the preceding fiscal year, the buyer's  
 397 household income and a description of all use and sale  
 398 restrictions.

399 5. For each property developed for rental units with an  
 400 active deed restriction, a copy of the most recent annual report



401 filed by the owner of the land bank.

402 (e) A land bank must provide copies of the performance  
 403 report to the taxing units that were parties to the judgment of  
 404 foreclosure and provide notice of the availability of the  
 405 performance report for review to the organizations and  
 406 neighborhood associations identified by the governing body of  
 407 the municipality as serving the neighborhoods in which  
 408 properties sold to the land bank under this section are located.

409 (f) The land bank and municipality must maintain copies of  
 410 all performance reports and make such reports available for  
 411 public review.

412 (10) This section does not apply to property acquired  
 413 through an eminent domain action.

414 Section 2. Section 220.1851, Florida Statutes, is created  
 415 to read:

416 220.1851 Retail-to-residence tax credit.-

417 (1) As used in this section, the term:

418 (a) "Credit period" means the period of 5 years beginning  
 419 with the year a project is completed.

420 (b) "Designated project" means a qualified project  
 421 designated pursuant to s. 420.50931 to receive the tax credit  
 422 under this section.

423 (c) "Qualified project" means a project to redevelop a  
 424 structure that was originally developed as a shopping center to  
 425 provide appropriate and affordable workforce housing.

426 (d) "Shopping center" means an area designed to provide  
427 space for multiple storefronts within a single building or  
428 sharing a common parking lot.

429 (2)(a) There shall be allowed a tax credit of up to 9  
430 percent, but no more than necessary to make the project  
431 feasible, of the total cost of a designated project for each  
432 year of the credit period against any tax due for a taxable year  
433 under this chapter.

434 (b) The tax credit shall be allocated among designated  
435 projects by the Florida Housing Finance Corporation as provided  
436 in s. 420.50931.

437 (c) A tax credit allocated to a designated project may be  
438 subject to transfer by the recipient. Such transferred credits  
439 may not be transferred again. The department shall adopt rules  
440 necessary to administer this paragraph.

441 Section 3. Section 420.50931, Florida Statutes, is created  
442 to read:

443 420.50931 Retail-to-Residence Tax Credit Program.—

444 (1) There is created the Retail-to-residence Tax Credit  
445 Program for the purpose of redeveloping shopping centers into  
446 appropriate and affordable workforce housing.

447 (2) The corporation shall determine those qualified  
448 projects, as defined in s. 220.1851(1), which shall be  
449 considered designated projects under s. 220.1851 and eligible  
450 for the corporate tax credit under that section. The corporation

451 shall establish procedures necessary for proper allocation and  
452 distribution of tax credits, including the establishment of  
453 criteria for ensuring that the housing is appropriate and  
454 affordable for the workers of the state, and may exercise all  
455 powers necessary to administer the allocation of such credits.  
456 The board of directors of the corporation shall administer the  
457 allocation procedures and determine allocations on behalf of the  
458 corporation. The corporation shall prepare an annual plan, which  
459 must be approved by the Governor, containing general guidelines  
460 for the allocation of tax credits to designated projects.

461 (3) The corporation shall adopt allocation procedures to  
462 ensure that tax credits are used in a fair manner, taking into  
463 consideration the timeliness of the application, the location of  
464 the proposed project, the relative need in the area for  
465 appropriate and affordable workforce housing and the  
466 availability of such housing, the economic feasibility of the  
467 proposed project, and the ability of the applicant to complete  
468 the proposed project in the calendar year for which the tax  
469 credit is sought.

470 (4) (a) A taxpayer who wishes to participate in the Retail-  
471 to-residence Tax Credit Program must submit an application for  
472 tax credit to the corporation. The application must identify the  
473 proposed project and the location of the proposed project and  
474 include evidence that the proposed project is a qualified  
475 project as defined in s. 220.1851(1). The corporation may

476 request any information from an applicant necessary to enable  
 477 the corporation to make tax credit allocations according to the  
 478 procedures adopted under subsection (3).

479 (b) The corporation's approval of an application for a  
 480 project must be in writing and include a statement of the  
 481 maximum tax credit allowable to the applicant.

482 Section 4. Section 420.5096, Florida Statutes, is created  
 483 to read:

484 420.5096 Affordable Housing Construction Loan Program.—

485 (1) The Affordable Housing Construction Loan Program is  
 486 created to encourage the new construction of affordable homes  
 487 for purchase by low-to-moderate income homebuyers by providing a  
 488 revolving line of construction funding.

489 (2) The corporation is authorized to provide loans under  
 490 the program to applicants for construction of affordable  
 491 housing. Applicants may draw from the loan up to five times per  
 492 home. All homes must meet the requirements of the Florida  
 493 Building Code or, if more stringent, local amendments to the  
 494 Florida Building Code.

495 (3) Qualified homebuyers of homes built under this program  
 496 must be first-time homebuyers who earn no more than 120 percent  
 497 of the area median income.

498 (4) The corporation shall develop a loan application  
 499 process for the program.

500 (5) The corporation may adopt rules pursuant to ss.

HB 1499

2023

501 | 120.536(1) and 120.54 to implement this section.

502 |       Section 5. This act shall take effect July 1, 2023.