

By Senator Davis

5-01704-24

20241504__

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 develop and annually adopt a
7 community land bank plan; providing requirements for
8 such plan; requiring that a public hearing on the
9 proposed plan be held before its adoption; requiring
10 notice to certain entities; requiring that the
11 proposed plan be made public within a certain
12 timeframe before the public hearing; providing
13 requirements for the sale of certain property to land
14 banks; providing that such sale is for a public
15 purpose; prohibiting certain persons from challenging
16 the market value of a property under certain
17 circumstances; requiring that written notice of a sale
18 of such property be provided to certain persons in a
19 certain manner within a specified timeframe;
20 authorizing the owner of certain property to contest
21 the sale of such property and requiring such property
22 to be sold in a different manner; specifying that the
23 owner of certain property is not entitled to proceeds
24 from the sale and is not liable for certain
25 deficiencies; authorizing land banks to buy certain
26 property for less than market value under certain
27 circumstances; conveying the right, title, and
28 interest in certain property to land banks; requiring
29 land banks to offer qualified organizations a right of

5-01704-24

20241504__

30 first refusal to purchase certain property; providing
31 requirements for the right of first refusal; providing
32 conditions for the subsequent resale of property
33 acquired by land banks; requiring certain deed
34 restrictions on certain property; providing
35 requirements for such deed restrictions; authorizing
36 the modification of or addition to deed restrictions;
37 requiring land banks to maintain certain records;
38 requiring land banks to file annual audited financial
39 statements within a certain timeframe; requiring land
40 banks to submit an annual performance report to the
41 municipality by a certain date; providing requirements
42 for such report; requiring that copies of such report
43 be provided to certain entities and made available for
44 public review; providing applicability; creating s.
45 220.1851, F.S.; providing definitions; authorizing a
46 tax credit for certain projects; providing the maximum
47 value of such credit; authorizing the Florida Housing
48 Finance Corporation to allocate the tax credit among
49 certain projects; authorizing the tax credit to be
50 transferred by the recipient; requiring the Department
51 of Revenue to adopt rules; creating s. 420.50931,
52 F.S.; creating the Retail-to-residence Tax Credit
53 Program for a certain purpose; requiring the Florida
54 Housing Finance Corporation to determine which
55 projects are eligible for the tax credit; requiring
56 the corporation to establish and adopt certain
57 procedures and to prepare a specified annual plan;
58 requiring that such plan be approved by the Governor;

5-01704-24

20241504__

59 authorizing the corporation to exercise certain
60 powers; requiring the board of directors of the
61 corporation to administer certain procedures and
62 determine allocations on behalf of the corporation;
63 providing requirements for certain procedures;
64 requiring taxpayers to submit an application with
65 certain information to the corporation; authorizing
66 the corporation to request additional information;
67 providing requirements for the approval of an
68 application for a project; creating s. 420.5098, F.S.;
69 creating the Affordable Housing Construction Loan
70 Program for a certain purpose; providing the
71 corporation with certain powers and responsibilities
72 relating to the program; providing requirements for
73 the program; providing rulemaking authority; providing
74 an effective date.

75

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

77

78 Section 1. Section 166.0452, Florida Statutes, is created
79 to read:

80 166.0452 Community land bank program.-

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

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

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

85 (c) "Community land bank plan" or "plan" means a plan
86 adopted by the governing body of a municipality to implement a
87 community land bank program.

5-01704-24

20241504__

88 (d) "Community land bank program" or "program" means the
89 program created by a governing body of a municipality under this
90 section.

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

95 (f) "Low-income household" has the same meaning as in s.
96 420.9071.

97 (g) "Qualified organization" means a community housing
98 development organization that meets all of the following
99 criteria:

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

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

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

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

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

5-01704-24

20241504__

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

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

121
122 The term includes a qualified organization.

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

125 (2) The governing body of a municipality may create a
126 community land bank program in which the person charged with
127 selling real property pursuant to a foreclosure judgment may
128 sell certain eligible real property by private sale for purposes
129 of affordable housing developments. The governing body of a
130 municipality that adopts a community land bank program shall
131 establish or approve a land bank for the purpose of acquiring,
132 holding, and transferring unimproved real property under this
133 section.

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

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

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

5-01704-24

20241504__

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

153 2. A right of first refusal for any other nonprofit
154 corporation exempted from federal income tax under s. 501(c) (3)
155 of the United States Internal Revenue Code, provided that the
156 preeminent right of first refusal is provided to qualified
157 organizations as provided in subsection (6).

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

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

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

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

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

174 (b) The city manager or his or her designee must provide

5-01704-24

20241504__

175 notice of the public hearing to all community housing
176 development organizations and to the neighborhood associations
177 identified by the governing body of the municipality as serving
178 the neighborhoods in which properties anticipated to be
179 available for sale to the land bank under this section are
180 located.

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

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

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

195 2. The property is not improved with a building or
196 buildings.

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

199 4. The governing body of the municipality has executed an
200 interlocal agreement with the other taxing units that are
201 parties to the foreclosure proceeding which enables those taxing
202 units to agree to participate in the program while retaining the
203 right to withhold consent to the sale of the specific properties

5-01704-24

20241504__

204 to the land bank.

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

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

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

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

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

226 (g) The owner of the property subject to the sale may not
227 receive any proceeds of a sale under this section and does not
228 have any personal liability for a deficiency of the judgment as
229 a result of a sale under this section.

230 (h) If consent is given by the taxing units that are a
231 party to the judgment, property may be sold to a land bank for
232 less than the market value of the property as specified in the

5-01704-24

20241504__

233 judgment or less than the total of all taxes, penalties, and
234 interest, plus the value of nontax liens held by a taxing unit
235 and awarded by the judgment, court costs, and the cost of the
236 sale.

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

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

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

250 (b) If a land bank conveys the property to a qualified
251 organization before the expiration of the time period specified
252 by the community land bank plan, the interlocal agreement
253 executed under subparagraph (5) (a) 4. must provide tax abatement
254 for the property until the expiration of the time period.

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

5-01704-24

20241504__

262 land bank offered the property to the qualified organizations.

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

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

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

275 (a) Within 3 years after receiving the deed of conveyance
276 of the property, a land bank must sell the property to a
277 qualified participating developer for the purpose of
278 constructing affordable housing for sale or rent to low-income
279 households or very-low-income households. If the land bank has
280 not sold the property within those 3 years, the property must be
281 transferred from the land bank back to the taxing units that
282 were parties to the foreclosure judgment for disposition as
283 otherwise allowed under law.

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

5-01704-24

20241504__

291 municipality may increase the number of properties a qualified
292 participating developer may acquire.

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

302 (d) The proceeds from sales under this section must be
303 reinvested back into the community land bank program.

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

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

316 (c)1. If the property sold is to be developed for rental
317 units, the deed restrictions must last for at least 20 years and
318 prohibit the exclusion of a person or family from admission to
319 the development based solely on the participation of the person

5-01704-24

20241504__

320 or family in the Housing Choice Voucher Program under s. 8 of
321 the United States Housing Act of 1937, as amended. Additionally,
322 the deed restrictions must require:

323 a. That 100 percent of the rental units be occupied by and
324 be affordable to households whose total annual household income
325 does not exceed 60 percent of the area median income, adjusted
326 for household size, for the metropolitan statistical area in
327 which the municipality is located, as determined annually by the
328 United States Department of Housing and Urban Development;

329 b. That 40 percent of the rental units be occupied by and
330 be affordable to households whose total annual household income
331 does not exceed 50 percent of the area median income, adjusted
332 for household size, for the metropolitan statistical area in
333 which the municipality is located, as determined annually by the
334 United States Department of Housing and Urban Development; or

335 c. That 20 percent of the rental units be occupied by and
336 affordable to households whose total annual household income
337 does not exceed 30 percent of the area median income, adjusted
338 for household size, for the metropolitan statistical area in
339 which the municipality is located, as determined annually by the
340 United States Department of Housing and Urban Development.

341 2. The owner of a development with deed restrictions
342 required under this paragraph must file an annual occupancy
343 report with the municipality on a form adopted by the governing
344 body of the municipality.

345 (d) Except as otherwise provided in this section, if the
346 deed restrictions imposed under this subsection are for a
347 specified number of years, the deed restrictions must renew
348 automatically.

5-01704-24

20241504__

349 (e) A land bank or the governing body of a municipality may
350 modify or add to the deed restrictions imposed under this
351 subsection. Any modifications or additions made by the governing
352 body of the municipality must be adopted by the governing body
353 as part of its community land bank plan and must comply with the
354 restrictions in this subsection.

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

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

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

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

376 1. A complete and detailed written accounting of all money
377 and properties received and disbursed by the land bank during

5-01704-24

20241504__

378 the preceding fiscal year.

379 2. For each property acquired by the land bank during the
380 preceding fiscal year:

381 a. The street address of the property.

382 b. The legal description of the property.

383 c. The date on which the land bank took title to the
384 property.

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

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

389 a. The street address of the property.

390 b. The legal description of the property.

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

392 d. The purchase price paid by the developer.

393 e. The maximum incomes allowed for the households by the
394 terms of the sale.

395 f. The source and amount of any public subsidy provided by
396 the municipality to facilitate the sale or rental of the
397 property to a household within the targeted income range.

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

402 5. For each property developed for rental units with an
403 active deed restriction, a copy of the most recent annual report
404 filed by the owner of the land bank.

405 (e) A land bank must provide copies of the performance
406 report to the taxing units that were parties to the judgment of

5-01704-24

20241504__

407 foreclosure and provide notice of the availability of the
408 performance report for review to the organizations and
409 neighborhood associations identified by the governing body of
410 the municipality as serving the neighborhoods in which
411 properties sold to the land bank under this section are located.

412 (f) The land bank and municipality must maintain copies of
413 all performance reports and make such reports available for
414 public review.

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

417 Section 2. Section 220.1851, Florida Statutes, is created
418 to read:

419 220.1851 Retail-to-residence tax credit.—

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

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

423 (b) "Designated project" means a qualified project
424 designated pursuant to s. 420.50931 to receive the tax credit
425 under this section.

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

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

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

5-01704-24

20241504__

436 under this chapter.

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

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

444 Section 3. Section 420.50931, Florida Statutes, is created
445 to read:

446 420.50931 Retail-to-residence Tax Credit Program.—

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

450 (2) The corporation shall determine those qualified
451 projects, as defined in s. 220.1851(1), which shall be
452 considered designated projects under s. 220.1851 and eligible
453 for the corporate tax credit under that section. The corporation
454 shall establish procedures necessary for proper allocation and
455 distribution of tax credits, including the establishment of
456 criteria for ensuring that the housing is appropriate and
457 affordable for the workers of this state, and may exercise all
458 powers necessary to administer the allocation of such credits.
459 The board of directors of the corporation shall administer the
460 allocation procedures and determine allocations on behalf of the
461 corporation. The corporation shall prepare an annual plan, which
462 must be approved by the Governor, containing general guidelines
463 for the allocation of tax credits to designated projects.

464 (3) The corporation shall adopt allocation procedures to

5-01704-24

20241504__

465 ensure that tax credits are used in a fair manner, taking into
466 consideration the timeliness of the application, the location of
467 the proposed project, the relative need in the area for
468 appropriate and affordable workforce housing and the
469 availability of such housing, the economic feasibility of the
470 proposed project, and the ability of the applicant to complete
471 the proposed project in the calendar year for which the tax
472 credit is sought.

473 (4) (a) A taxpayer who wishes to participate in the Retail-
474 to-residence Tax Credit Program must submit an application for
475 the tax credit to the corporation. The application must identify
476 the proposed project and the location of the proposed project
477 and include evidence that the proposed project is a qualified
478 project as defined in s. 220.1851(1). The corporation may
479 request any information from an applicant necessary to enable
480 the corporation to make tax credit allocations according to the
481 procedures adopted under subsection (3).

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

485 Section 4. Section 420.5098, Florida Statutes, is created
486 to read:

487 420.5098 Affordable Housing Construction Loan Program.—

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

492 (2) The corporation is authorized to provide loans under
493 the program to applicants for construction of affordable

5-01704-24

20241504__

494 housing. Applicants may draw from the loan up to five times per
495 home. All homes must meet the requirements of the Florida
496 Building Code or, if more stringent, local amendments to the
497 Florida Building Code.

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

501 (4) The corporation shall develop a loan application
502 process for the program.

503 (5) The corporation may adopt rules pursuant to ss.
504 120.536(1) and 120.54 to implement this section.

505 Section 5. This act shall take effect July 1, 2024.