By Senator Burton

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A bill to be entitled

An act relating to local housing assistance plans; amending s. 420.9075, F.S.; requiring each county and eligible municipality to include in its local housing assistance plan a certain strategy; providing that lot rental assistance for eligible mobile home owners is an approved home ownership activity for certain purposes; authorizing counties and eligible municipalities to provide certain funds to mobile home owners for rehabilitation and emergency repairs; deleting a provision limiting to a specified percentage the amount of certain funds that may be used for manufactured housing; amending s. 420.9071, F.S.; conforming a cross-reference; providing an effective date.

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

Section 1. Subsection (5) of section 420.9075, Florida Statutes, is amended, and paragraph (h) is added to subsection (3) of that section, to read:

420.9075 Local housing assistance plans; partnerships.—
(3)

- (h) Each county and each eligible municipality shall include in its local housing assistance plan a strategy for providing program funds to mobile home owners as defined in s. 723.003, which must include lot rental assistance.
- (5) The following criteria apply to awards made to eligible sponsors or eligible persons for the purpose of providing

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eligible housing:

(a) At least 65 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for home ownership for eligible persons. For purposes of this paragraph, lot rental assistance for eligible mobile home owners as defined in s. 723.003 is an approved home ownership activity.

- (b) Up to 25 percent of the funds made available in each county and eligible municipality from the local housing distribution may be reserved for rental housing for eligible persons or for the purposes enumerated in s. 420.9072(7)(b).
- (c) At least 75 percent of the funds made available in each county and eligible municipality from the local housing distribution must be reserved for construction, rehabilitation, or emergency repair of affordable, eligible housing. Funds may be provided to mobile home owners as defined in s. 723.003 for rehabilitation and emergency repairs under this paragraph.
- (d) Each local government must use a minimum of 20 percent of its local housing distribution to serve persons with special needs as defined in s. 420.0004. A local government must certify that it will meet this requirement through existing approved strategies in the local housing assistance plan or submit a new local housing assistance plan strategy for this purpose to the corporation for approval to ensure that the plan meets this requirement. The first priority of these special needs funds must be to serve persons with developmental disabilities as defined in s. 393.063, with an emphasis on home modifications, including technological enhancements and devices, which will allow homeowners to remain independent in their own homes and

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maintain their homeownership.

- (e) Not more than 20 percent of the funds made available in each county and eligible municipality from the local housing distribution may be used for manufactured housing.
- (f) The sales price or value of new or existing eligible housing may not exceed 90 percent of the average area purchase price in the statistical area in which the eligible housing is located. Such average area purchase price may be that calculated for any 12-month period beginning not earlier than the fourth calendar year prior to the year in which the award occurs or as otherwise established by the United States Department of the Treasury.
- $\underline{(f)1.(g)1.}$ All units constructed, rehabilitated, or otherwise assisted with the funds provided from the local housing assistance trust fund must be occupied by very-low-income persons, low-income persons, and moderate-income persons except as otherwise provided in this section.
- 2.a. At least 30 percent of the funds deposited into the local housing assistance trust fund must be reserved for awards to very-low-income persons or eligible sponsors who will serve very-low-income persons, and at least an additional 30 percent of the funds deposited into the local housing assistance trust fund must be reserved for awards to low-income persons or eligible sponsors who will serve low-income persons.
- b. This subparagraph does not apply to a county or an eligible municipality that includes or has included within the previous 5 years an area of critical state concern designated by the Legislature for which the Legislature has declared its intent to provide affordable housing. This sub-subparagraph

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expires on July 1, 2029, and applies retroactively.

(g) (h) Loans shall be provided for periods not exceeding 30 years, except for deferred payment loans or loans that extend beyond 30 years which continue to serve eligible persons.

- (h)(i) Loans or grants for eligible rental housing constructed, rehabilitated, or otherwise assisted from the local housing assistance trust fund must be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan unless reserved for eligible persons for 15 years or the term of the assistance, whichever period is longer. Eligible sponsors that offer rental housing for sale before 15 years or that have remaining mortgages funded under this program must give a first right of refusal to eligible nonprofit organizations for purchase at the current market value for continued occupancy by eligible persons.
- (i)(j) Loans or grants for eligible owner-occupied housing constructed, rehabilitated, or otherwise assisted from proceeds provided from the local housing assistance trust fund shall be subject to recapture requirements as provided by the county or eligible municipality in its local housing assistance plan.
- $\underline{\text{(j)}}$ The total amount of monthly mortgage payments or the amount of monthly rent charged by the eligible sponsor or her or his designee must be made affordable.
- $\underline{\text{(k)}}$ (1) The maximum sales price or value per unit and the maximum award per unit for eligible housing benefiting from awards made pursuant to this section must be established in the local housing assistance plan.
 - (1) (m) The benefit of assistance provided through the State

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Housing Initiatives Partnership Program must accrue to eligible persons occupying eligible housing. This provision shall not be construed to prohibit use of the local housing distribution funds for a mixed income rental development.

(m) (n) Funds from the local housing distribution not used to meet the criteria established in paragraph (a) or paragraph (c) or not used for the administration of a local housing assistance plan must be used for housing production and finance activities, including, but not limited to, financing preconstruction activities or the purchase of existing units, providing rental housing, and providing home ownership training to prospective home buyers and owners of homes assisted through the local housing assistance plan.

- 1. Notwithstanding the provisions of paragraphs (a) and (c), program income as defined in s. 420.9071(26) may also be used to fund activities described in this paragraph.
- 2. When preconstruction due-diligence activities conducted as part of a preservation strategy show that preservation of the units is not feasible and will not result in the production of an eligible unit, such costs shall be deemed a program expense rather than an administrative expense if such program expenses do not exceed 3 percent of the annual local housing distribution.
- 3. If both an award under the local housing assistance plan and federal low-income housing tax credits are used to assist a project and there is a conflict between the criteria prescribed in this subsection and the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, the county or eligible municipality may resolve the conflict by giving precedence to

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the requirements of s. 42 of the Internal Revenue Code of 1986, as amended, in lieu of following the criteria prescribed in this subsection with the exception of paragraphs (a) and $\underline{\text{(f)}}$ of this subsection.

- 4. Each county and each eligible municipality may award funds as a grant for construction, rehabilitation, or repair as part of disaster recovery or emergency repairs or to remedy accessibility or health and safety deficiencies. Any other grants must be approved as part of the local housing assistance plan.
- Section 2. Subsection (27) of section 420.9071, Florida Statutes, is amended to read:
- 420.9071 Definitions.—As used in ss. 420.907-420.9079, the term:
- (27) "Recaptured funds" means funds that are recouped by a county or eligible municipality in accordance with the recapture provisions of its local housing assistance plan pursuant to \underline{s} . $\underline{420.9075(5)(i)}$ \underline{s} . $\underline{420.9075(5)(j)}$ from eligible persons or eligible sponsors, which funds were not used for assistance to an eligible household for an eligible activity, when there is a default on the terms of a grant award or loan award.
 - Section 3. This act shall take effect July 1, 2025.