

THE FLORIDA SENATE  
2016 SUMMARY OF LEGISLATION PASSED

## Committee on Community Affairs

### **CS/SB 1534 — Housing Assistance**

by Appropriations Committee and Senator Simmons

There are a number of government programs and public-private partnerships that seek to provide affordable housing and reduce homelessness. The State Office on Homelessness (SOH) within the Department of Children and Families (DCF) serves as the central point of contact within state government for homelessness. The SOH coordinates resources and programs across all levels of government and with private providers that serve individuals who are homeless. The DCF is required to establish local coalitions to plan, network, coordinate, and monitor the delivery of services to the homeless.

The Florida Housing Finance Corporation (FHFC) is a public corporation that provides affordable housing through a number of programs, including the State Apartment Incentive Loan (SAIL) and State Housing Initiatives Partnership (SHIP) programs. The SAIL program provides low-interest loans on a competitive basis to affordable housing developers each year. The SHIP program provides funds to local governments to create partnerships that produce and preserve affordable homeownership and multifamily housing for very low, low and moderate-income families.

The bill provides greater flexibility and increases accountability for programs receiving public funds to address housing assistance and homelessness. Specifically, the bill:

- Amends the SAIL Program to:
  - Change how funds are made available to better reflect projected needs and demand for affordable housing for the specified tenant groups and counties based on population; and
  - Require rent controls on rental units financed through the SAIL program based on applicable income limitations established by the Florida Housing Finance Corporation.
- Amends provisions relating to the State Office on Homelessness and the Challenge Grant Program that provides grants to lead agencies of homeless assistance continuums of care, to:
  - Require that expenditures of leveraged funds or resources are permitted only for eligible activities committed on one project which have not been used as leverage or match for another project;
  - Remove the requirement that award levels for Challenge Grants be based upon the total population within the continuum of care catchment area and reflect the differing degrees of homelessness in the catchment planning areas;
  - Require that Challenge Grant funds distributed to the lead agencies be based on overall performance and achievement of specified objectives, including the number of persons or households that are no longer homeless, the rate of recidivism to homelessness, and the number of persons who obtain gainful employment; and

- Clarify that the office may distribute appropriated funds to the 28 local homeless assistance continuums of care designated by the Department of Children and Families.
- Expresses legislative intent to encourage homeless continuums of care to adopt the Rapid ReHousing approach to preventing homelessness for individuals and families who do not require the intense level of support provided in the permanent supportive housing model and requires Rapid ReHousing to be added to the components of a continuum of care plan.
- Amends the SHIP Program to:
  - Provide exceptions to the restriction on counties and eligible municipalities related to expenditures of SHIP Program distributions for ongoing rent subsidies;
  - Provide that up to 25 percent of the SHIP Program funds made available in a county or municipality may be reserved for rental housing;
  - Clarify monitoring requirements when SHIP program funds are used for rental housing developments;
  - Revise the composition of local Affordable Housing Advisory Committees;
  - Extend the time period for the FHFC to review local housing assistance plans from 30 to 45 days;
  - Require local governments to use a minimum of 20 percent of SHIP program distributions to serve persons with special needs, with first priority given to serving persons with developmental disabilities; and
  - Authorize local governments to create regional partnerships and pool appropriated funds to address homeless housing needs identified in local housing assistance plans.
- Authorizes the FHFC to:
  - Forgive indebtedness for SAIL loans for small properties serving homeless persons in certain underserved counties or rural areas and make loans exceeding 25 percent of the cost for those projects; and
  - Ban developers for misrepresentations or fraud related to a program application from participating in FHFC programs for any appropriate time period, including a permanent ban, rather than for only up to 2 years.
- Requires the FHFC to reserve a minimum of 5 percent of the annual appropriation from the State Housing Trust Fund for housing projects designed and constructed to serve persons with a disabling condition, with first priority given to projects serving persons with a developmental disability.
- Makes several changes to laws relating to housing authorities, which include:
  - Prohibiting housing authorities, regardless of when they were created, from applying to the federal government to acquire through the exercise of the power of eminent domain any projects, units, or vouchers of another established housing authority;
  - Exempting housing authorities from the provisions of s. 215.425, F.S., which addresses extra compensation, bonuses and severance pay; and
  - Removing the requirement that housing authorities must submit a copy of the biennial financial reports submitted to the federal government to the governing body and the Auditor General.

If approved by the Governor, these provisions take effect July 1, 2016.

*Vote: Senate 40-0; House 114-0*