

By Senator Bennett

21-00977-11

2011912

1                                   A bill to be entitled  
2       An act relating to affordable housing; amending s.  
3       20.055, F.S.; revising the definition of "state  
4       agency" to include the Florida Housing Finance  
5       Corporation; revising the definition of "agency head"  
6       to include the board of directors of the corporation;  
7       requiring the inspector general to prepare an annual  
8       report; amending s. 159.608, F.S.; providing a housing  
9       finance authority with an additional purpose for which  
10      it may exercise its power to borrow; amending s.  
11      163.3177, F.S.; revising provisions relating to the  
12      elements of local comprehensive plans to authorize the  
13      inclusion of an element for affordable housing for  
14      certain seniors; providing for the disposition of real  
15      property by a local government for the development of  
16      affordable housing; amending s. 201.15, F.S.; revising  
17      the allocation of certain proceeds distributed from  
18      the excise tax on documents that are paid into the  
19      State Treasury to the credit of the State Housing  
20      Trust Fund; providing for retroactive repeal of s. 8,  
21      ch. 2009-131, Laws of Florida, to eliminate a  
22      conflicting version of s. 201.15, F.S.; amending s.  
23      420.0003, F.S.; including the needs of persons with  
24      special needs in the state housing strategy's periodic  
25      review and report; amending s. 420.0004, F.S.;  
26      defining the terms "disabling condition" and "person  
27      with special needs"; conforming cross-references;  
28      amending s. 420.0006, F.S.; removing an obsolete  
29      reference; deleting provisions requiring the inspector

21-00977-11

2011912

30 general of the Department of Community Affairs to  
31 perform functions for the corporation to conform to  
32 changes made by the act; amending s. 420.504, F.S.;  
33 authorizing the Secretary of Community Affairs to  
34 designate a senior-level agency employee to serve on  
35 the board of directors of the Florida Housing Finance  
36 Corporation; amending s. 420.506, F.S.; providing for  
37 the appointment of an inspector general of the Florida  
38 Housing Finance Corporation; providing appointing  
39 authority thereof; providing duties and  
40 responsibilities of the inspector general; amending s.  
41 420.507, F.S.; requiring certain rates of interest to  
42 be made available to sponsors of projects for persons  
43 with special needs; providing additional powers of the  
44 corporation relating to receipt of federal funds;  
45 revising powers of the corporation relating to  
46 criteria establishing a preference for eligible  
47 developers and general contractors; conforming a  
48 cross-reference; amending s. 420.5087, F.S.; limiting  
49 the reservation of funds within each notice of fund  
50 availability to the persons with special needs tenant  
51 group; including persons with special needs as a  
52 tenant group for specified purposes of the State  
53 Apartment Incentive Loan Program; revising and  
54 providing criteria to be used by a specified review  
55 committee for the competitive ranking of applications  
56 for such program; conforming a cross-reference;  
57 amending ss. 163.31771, 212.08, 215.5586, and 420.503,  
58 F.S.; conforming cross-references; providing

21-00977-11

2011912

59 legislative intent; prohibiting funds from the State  
60 Housing Trust Fund or the Local Government Housing  
61 Trust Fund that are appropriated for specified  
62 programs from being used for certain purposes;  
63 providing for future repeal; providing an effective  
64 date.

65

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

67

68 Section 1. Paragraphs (a) and (b) of subsection (1) and  
69 subsection (7) of section 20.055, Florida Statutes, are amended  
70 to read:

71 20.055 Agency inspectors general.—

72 (1) For the purposes of this section:

73 (a) "State agency" means each department created pursuant  
74 to this chapter, and also includes the Executive Office of the  
75 Governor, the Department of Military Affairs, the Fish and  
76 Wildlife Conservation Commission, the Office of Insurance  
77 Regulation of the Financial Services Commission, the Office of  
78 Financial Regulation of the Financial Services Commission, the  
79 Public Service Commission, the Board of Governors of the State  
80 University System, the Florida Housing Finance Corporation, and  
81 the state courts system.

82 (b) "Agency head" means the Governor, a Cabinet officer, a  
83 secretary as defined in s. 20.03(5), or an executive director as  
84 defined in s. 20.03(6). It also includes the chair of the Public  
85 Service Commission, the Director of the Office of Insurance  
86 Regulation of the Financial Services Commission, the Director of  
87 the Office of Financial Regulation of the Financial Services

21-00977-11

2011912

88 Commission, the board of directors of the Florida Housing  
89 Finance Corporation, and the Chief Justice of the State Supreme  
90 Court.

91 (7) (a) Except as provided in paragraph (b), each inspector  
92 general shall, not later than September 30 of each year, prepare  
93 an annual report summarizing the activities of the office during  
94 the immediately preceding state fiscal year.

95 (b) The inspector general of the Florida Housing Finance  
96 Corporation shall, not later than 90 days after the end of each  
97 fiscal year, prepare an annual report summarizing the activities  
98 of the office of inspector general during the immediately  
99 preceding fiscal year.

100 (c) The final reports prepared pursuant to paragraphs (a)  
101 and (b) report shall be furnished to the heads of the respective  
102 agencies ~~agency head~~. Such report shall include, but need not be  
103 limited to:

104 1. (a) A description of activities relating to the  
105 development, assessment, and validation of performance measures.

106 2. (b) A description of significant abuses and deficiencies  
107 relating to the administration of programs and operations of the  
108 agency disclosed by investigations, audits, reviews, or other  
109 activities during the reporting period.

110 3. (c) A description of the recommendations for corrective  
111 action made by the inspector general during the reporting period  
112 with respect to significant problems, abuses, or deficiencies  
113 identified.

114 4. (d) The identification of each significant recommendation  
115 described in previous annual reports on which corrective action  
116 has not been completed.

21-00977-11

2011912

117        ~~5.(e)~~ A summary of each audit and investigation completed  
118 during the reporting period.

119        Section 2. Subsection (11) is added to section 159.608,  
120 Florida Statutes, to read:

121        159.608 Powers of housing finance authorities.—A housing  
122 finance authority shall constitute a public body corporate and  
123 politic, exercising the public and essential governmental  
124 functions set forth in this act, and shall exercise its power to  
125 borrow only for the purpose as provided herein:

126        (11) To invest and reinvest surplus funds of the housing  
127 finance authority in accordance with s. 218.415. However, in  
128 addition to the investments expressly authorized in ss.  
129 218.415(16) (a)-(g) and (17) (a)-(d), a housing finance authority  
130 may invest surplus funds in interest-bearing time deposits or  
131 savings accounts that are fully insured by the Federal Deposit  
132 Insurance Corporation regardless of whether the bank or  
133 financial institution in which the deposit or investment is made  
134 is a qualified public depository as defined in s. 280.02. This  
135 subsection is supplementary to and may not be construed as  
136 limiting any powers of a housing finance authority or providing  
137 or implying a limiting construction of any other statutory  
138 provision.

139        Section 3. Paragraph (f) of subsection (6) of section  
140 163.3177, Florida Statutes, is amended to read:

141        163.3177 Required and optional elements of comprehensive  
142 plan; studies and surveys.—

143        (6) In addition to the requirements of subsections (1)-(5)  
144 and (12), the comprehensive plan shall include the following  
145 elements:

21-00977-11

2011912\_\_

146 (f)1. A housing element consisting of standards, plans, and  
147 principles to be followed in:

148 a. The provision of housing for all current and anticipated  
149 future residents of the jurisdiction.

150 b. The elimination of substandard dwelling conditions.

151 c. The structural and aesthetic improvement of existing  
152 housing.

153 d. The provision of adequate sites for future housing,  
154 including affordable workforce housing as defined in s.  
155 380.0651(3)(j), housing for low-income, very low-income, and  
156 moderate-income families, mobile homes, and group home  
157 facilities and foster care facilities, with supporting  
158 infrastructure and public facilities. The element may include  
159 provisions that specifically address affordable housing for  
160 persons 60 years of age or older. Real property that is conveyed  
161 to a local government for affordable housing under this sub-  
162 subparagraph shall be disposed of by the local government  
163 pursuant to s. 125.379 or s. 166.0451.

164 e. Provision for relocation housing and identification of  
165 historically significant and other housing for purposes of  
166 conservation, rehabilitation, or replacement.

167 f. The formulation of housing implementation programs.

168 g. The creation or preservation of affordable housing to  
169 minimize the need for additional local services and avoid the  
170 concentration of affordable housing units only in specific areas  
171 of the jurisdiction.

172 h. Energy efficiency in the design and construction of new  
173 housing.

174 i. Use of renewable energy resources.

21-00977-11

2011912

175           j. Each county in which the gap between the buying power of  
176 a family of four and the median county home sale price exceeds  
177 \$170,000, as determined by the Florida Housing Finance  
178 Corporation, and which is not designated as an area of critical  
179 state concern shall adopt a plan for ensuring affordable  
180 workforce housing. At a minimum, the plan shall identify  
181 adequate sites for such housing. For purposes of this sub-  
182 subparagraph, the term "workforce housing" means housing that is  
183 affordable to natural persons or families whose total household  
184 income does not exceed 140 percent of the area median income,  
185 adjusted for household size.

186           k. As a precondition to receiving any state affordable  
187 housing funding or allocation for any project or program within  
188 the jurisdiction of a county that is subject to sub-subparagraph  
189 j., a county must, by July 1 of each year, provide certification  
190 that the county has complied with the requirements of sub-  
191 subparagraph j.

192  
193 The goals, objectives, and policies of the housing element must  
194 be based on the data and analysis prepared on housing needs,  
195 including the affordable housing needs assessment. State and  
196 federal housing plans prepared on behalf of the local government  
197 must be consistent with the goals, objectives, and policies of  
198 the housing element. Local governments are encouraged to use job  
199 training, job creation, and economic solutions to address a  
200 portion of their affordable housing concerns.

201           2. To assist local governments in housing data collection  
202 and analysis and assure uniform and consistent information  
203 regarding the state's housing needs, the state land planning

21-00977-11

2011912

204 agency shall conduct an affordable housing needs assessment for  
205 all local jurisdictions on a schedule that coordinates the  
206 implementation of the needs assessment with the evaluation and  
207 appraisal reports required by s. 163.3191. Each local government  
208 shall utilize the data and analysis from the needs assessment as  
209 one basis for the housing element of its local comprehensive  
210 plan. The agency shall allow a local government the option to  
211 perform its own needs assessment, if it uses the methodology  
212 established by the agency by rule.

213 Section 4. Subsections (9), (10), and (13) of section  
214 201.15, Florida Statutes, are amended to read:

215 201.15 Distribution of taxes collected.—All taxes collected  
216 under this chapter are subject to the service charge imposed in  
217 s. 215.20(1). Prior to distribution under this section, the  
218 Department of Revenue shall deduct amounts necessary to pay the  
219 costs of the collection and enforcement of the tax levied by  
220 this chapter. Such costs and the service charge may not be  
221 levied against any portion of taxes pledged to debt service on  
222 bonds to the extent that the costs and service charge are  
223 required to pay any amounts relating to the bonds. After  
224 distributions are made pursuant to subsection (1), all of the  
225 costs of the collection and enforcement of the tax levied by  
226 this chapter and the service charge shall be available and  
227 transferred to the extent necessary to pay debt service and any  
228 other amounts payable with respect to bonds authorized before  
229 January 1, 2010, secured by revenues distributed pursuant to  
230 subsection (1). All taxes remaining after deduction of costs and  
231 the service charge shall be distributed as follows:

232 (9) Seven and fifty-three hundredths ~~The lesser of 7.53~~



21-00977-11

2011912

233 percent of the remaining taxes ~~or \$107 million~~ in each fiscal  
234 year shall be paid into the State Treasury to the credit of the  
235 State Housing Trust Fund and used as follows:

236 (a) Half of that amount shall be used for the purposes for  
237 which the State Housing Trust Fund was created and exists by  
238 law.

239 (b) Half of that amount shall be paid into the State  
240 Treasury to the credit of the Local Government Housing Trust  
241 Fund and used for the purposes for which the Local Government  
242 Housing Trust Fund was created and exists by law.

243 (10) Eight and sixty-six hundredths ~~The lesser of 8.66~~  
244 percent of the remaining taxes ~~or \$136 million~~ in each fiscal  
245 year shall be paid into the State Treasury to the credit of the  
246 State Housing Trust Fund and used as follows:

247 (a) Twelve and one-half percent of that amount shall be  
248 deposited into the State Housing Trust Fund and be expended by  
249 the Department of Community Affairs and by the Florida Housing  
250 Finance Corporation for the purposes for which the State Housing  
251 Trust Fund was created and exists by law.

252 (b) Eighty-seven and one-half percent of that amount shall  
253 be distributed to the Local Government Housing Trust Fund and  
254 used for the purposes for which the Local Government Housing  
255 Trust Fund was created and exists by law. Funds from this  
256 category may also be used to provide for state and local  
257 services to assist the homeless.

258 (13) In each fiscal year that the remaining taxes exceed  
259 collections in the prior fiscal year, the stated maximum dollar  
260 amounts provided in subsections (2), (4), (6), and (7), ~~(9), and~~  
261 ~~(10)~~ shall each be increased by an amount equal to 10 percent of

21-00977-11

2011912\_\_

262 the increase in the remaining taxes collected under this chapter  
263 multiplied by the applicable percentage provided in those  
264 subsections.

265 Section 5. Section 8 of chapter 2009-131, Laws of Florida,  
266 is repealed, retroactive to June 30, 2009.

267 Section 6. Paragraph (c) of subsection (4) of section  
268 420.0003, Florida Statutes, is amended to read:

269 420.0003 State housing strategy.-

270 (4) IMPLEMENTATION.-The Department of Community Affairs and  
271 the Florida Housing Finance Corporation in carrying out the  
272 strategy articulated herein shall have the following duties:

273 (c) The Shimberg Center for Affordable Housing, in  
274 consultation with the Department of Community Affairs and the  
275 Florida Housing Finance Corporation, shall review and evaluate  
276 existing housing rehabilitation, production, and finance  
277 programs to determine their consistency with relevant policies  
278 in this section and identify the needs of specific populations,  
279 including, but not limited to, elderly persons, ~~and~~ handicapped  
280 persons, and persons with special needs, and shall recommend  
281 statutory modifications where appropriate. The Shimberg Center  
282 for Affordable Housing, in consultation with the Department of  
283 Community Affairs and the corporation, shall also evaluate the  
284 degree of coordination between state housing programs, and  
285 between state, federal, and local housing activities, and shall  
286 recommend improved program linkages. The recommendations  
287 required above and a report of any programmatic modifications  
288 made as a result of these policies shall be included in the  
289 housing report required by s. 420.6075, beginning December 31,  
290 1991, and every 5 years thereafter.

21-00977-11

2011912

291 Section 7. Section 420.0004, Florida Statutes, is amended  
292 to read:

293 420.0004 Definitions.—As used in this part, unless the  
294 context otherwise indicates:

295 (1) "Adjusted for family size" means adjusted in a manner  
296 which results in an income eligibility level which is lower for  
297 households with fewer than four people, or higher for households  
298 with more than four people, than the base income eligibility  
299 determined as provided in subsection (9) ~~(8)~~, subsection (11)  
300 ~~(10)~~, subsection (12) ~~(11)~~, or subsection (17) ~~(15)~~, based upon  
301 a formula as established by the United States Department of  
302 Housing and Urban Development.

303 (2) "Adjusted gross income" means all wages, assets,  
304 regular cash or noncash contributions or gifts from persons  
305 outside the household, and such other resources and benefits as  
306 may be determined to be income by the United States Department  
307 of Housing and Urban Development, adjusted for family size, less  
308 deductions allowable under s. 62 of the Internal Revenue Code.

309 (3) "Affordable" means that monthly rents or monthly  
310 mortgage payments including taxes, insurance, and utilities do  
311 not exceed 30 percent of that amount which represents the  
312 percentage of the median adjusted gross annual income for the  
313 households as indicated in subsection (9) ~~(8)~~, subsection (11)  
314 ~~(10)~~, subsection (12) ~~(11)~~, or subsection (17) ~~(15)~~.

315 (4) "Corporation" means the Florida Housing Finance  
316 Corporation.

317 (5) "Community-based organization" or "nonprofit  
318 organization" means a private corporation organized under  
319 chapter 617 to assist in the provision of housing and related

21-00977-11

2011912

320 services on a not-for-profit basis and which is acceptable to  
321 federal and state agencies and financial institutions as a  
322 sponsor of low-income housing.

323 (6) "Department" means the Department of Community Affairs.

324 (7) "Disabling condition" means a diagnosable substance  
325 abuse disorder, serious mental illness, developmental  
326 disability, or chronic physical illness or disability, or the  
327 co-occurrence of two or more of these conditions, and a  
328 determination that the condition is:

329 (a) Expected to be of long-continued and indefinite  
330 duration; and

331 (b) Not expected to impair the ability of the person with  
332 special needs to live independently with appropriate supports.

333 (8)-(7) "Elderly" describes persons 62 years of age or  
334 older.

335 (9)-(8) "Extremely-low-income persons" means one or more  
336 natural persons or a family whose total annual household income  
337 does not exceed 30 percent of the median annual adjusted gross  
338 income for households within the state. The Florida Housing  
339 Finance Corporation may adjust this amount annually by rule to  
340 provide that in lower income counties, extremely low income may  
341 exceed 30 percent of area median income and that in higher  
342 income counties, extremely low income may be less than 30  
343 percent of area median income.

344 (10)-(9) "Local public body" means any county, municipality,  
345 or other political subdivision, or any housing authority as  
346 provided by chapter 421, which is eligible to sponsor or develop  
347 housing for farmworkers and very-low-income and low-income  
348 persons within its jurisdiction.

21-00977-11

2011912

349        (11)~~(10)~~ "Low-income persons" means one or more natural  
350 persons or a family, the total annual adjusted gross household  
351 income of which does not exceed 80 percent of the median annual  
352 adjusted gross income for households within the state, or 80  
353 percent of the median annual adjusted gross income for  
354 households within the metropolitan statistical area (MSA) or, if  
355 not within an MSA, within the county in which the person or  
356 family resides, whichever is greater.

357        (12)~~(11)~~ "Moderate-income persons" means one or more  
358 natural persons or a family, the total annual adjusted gross  
359 household income of which is less than 120 percent of the median  
360 annual adjusted gross income for households within the state, or  
361 120 percent of the median annual adjusted gross income for  
362 households within the metropolitan statistical area (MSA) or, if  
363 not within an MSA, within the county in which the person or  
364 family resides, whichever is greater.

365        (13) "Person with special needs" means an adult person  
366 requiring independent living services in order to maintain  
367 housing or develop independent living skills and who has a  
368 disabling condition; a young adult formerly in foster care who  
369 is eligible for services under s. 409.1451(5); a survivor of  
370 domestic violence as defined in s. 741.28; or a person receiving  
371 benefits under the Social Security Disability Insurance (SSDI)  
372 program or the Supplemental Security Income (SSI) program or  
373 from veterans' disability benefits.

374        (14)~~(12)~~ "Student" means any person not living with his or  
375 her parent or guardian who is eligible to be claimed by his or  
376 her parent or guardian as a dependent under the federal income  
377 tax code and who is enrolled on at least a half-time basis in a

21-00977-11

2011912

378 secondary school, career center, community college, college, or  
379 university.

380 (15)~~(13)~~ "Substandard" means:

381 (a) Any unit lacking complete plumbing or sanitary  
382 facilities for the exclusive use of the occupants;

383 (b) A unit which is in violation of one or more major  
384 sections of an applicable housing code and where such violation  
385 poses a serious threat to the health of the occupant; or

386 (c) A unit that has been declared unfit for human  
387 habitation but that could be rehabilitated for less than 50  
388 percent of the property value.

389 (16)~~(14)~~ "Substantial rehabilitation" means repair or  
390 restoration of a dwelling unit where the value of such repair or  
391 restoration exceeds 40 percent of the value of the dwelling.

392 (17)~~(15)~~ "Very-low-income persons" means one or more  
393 natural persons or a family, not including students, the total  
394 annual adjusted gross household income of which does not exceed  
395 50 percent of the median annual adjusted gross income for  
396 households within the state, or 50 percent of the median annual  
397 adjusted gross income for households within the metropolitan  
398 statistical area (MSA) or, if not within an MSA, within the  
399 county in which the person or family resides, whichever is  
400 greater.

401 Section 8. Section 420.0006, Florida Statutes, is amended  
402 to read:

403 420.0006 Authority to contract with corporation; contract  
404 requirements; nonperformance.—The secretary of the department  
405 shall contract, notwithstanding the provisions of part I of  
406 chapter 287, with the Florida Housing Finance Corporation on a

21-00977-11

2011912

407 multiyear basis to stimulate, provide, and foster affordable  
408 housing in the state. The contract must incorporate the  
409 performance measures required by s. 420.511 and must be  
410 consistent with the provisions of the corporation's strategic  
411 plan prepared in accordance with s. 420.511 ~~and compatible with~~  
412 ~~s. 216.0166~~. The contract must provide that, in the event the  
413 corporation fails to comply with any of the performance measures  
414 required by s. 420.511, the secretary shall notify the Governor  
415 and shall refer the nonperformance to the department's inspector  
416 general for review and determination as to whether such failure  
417 is due to forces beyond the corporation's control or whether  
418 such failure is due to inadequate management of the  
419 corporation's resources. Advances shall continue to be made  
420 pursuant to s. 420.0005 during the pendency of the review by the  
421 department's inspector general. If such failure is due to  
422 outside forces, it shall not be deemed a violation of the  
423 contract. If such failure is due to inadequate management, the  
424 department's inspector general shall provide recommendations  
425 regarding solutions. The Governor is authorized to resolve any  
426 differences of opinion with respect to performance under the  
427 contract and may request that advances continue in the event of  
428 a failure under the contract due to inadequate management. The  
429 Chief Financial Officer shall approve the request absent a  
430 finding by the Chief Financial Officer that continuing such  
431 advances would adversely impact the state; however, in any event  
432 the Chief Financial Officer shall provide advances sufficient to  
433 meet the debt service requirements of the corporation and  
434 sufficient to fund contracts committing funds from the State  
435 Housing Trust Fund so long as such contracts are in accordance

21-00977-11

2011912

436 with the laws of this state. ~~The department inspector general~~  
437 ~~shall perform for the corporation the functions set forth in s.~~  
438 ~~20.055 and report to the secretary of the department. The~~  
439 ~~corporation shall be deemed an agency for the purposes of s.~~  
440 ~~20.055.~~

441 Section 9. Subsection (3) of section 420.504, Florida  
442 Statutes, is amended to read:

443 420.504 Public corporation; creation, membership, terms,  
444 expenses.—

445 (3) The corporation is a separate budget entity and is not  
446 subject to control, supervision, or direction by the Department  
447 of Community Affairs in any manner, including, but not limited  
448 to, personnel, purchasing, transactions involving real or  
449 personal property, and budgetary matters. The corporation shall  
450 consist of a board of directors composed of the Secretary of  
451 Community Affairs as an ex officio and voting member, or a  
452 senior-level agency employee designated by the secretary, and  
453 eight members appointed by the Governor subject to confirmation  
454 by the Senate from the following:

455 (a) One citizen actively engaged in the residential home  
456 building industry.

457 (b) One citizen actively engaged in the banking or mortgage  
458 banking industry.

459 (c) One citizen who is a representative of those areas of  
460 labor engaged in home building.

461 (d) One citizen with experience in housing development who  
462 is an advocate for low-income persons.

463 (e) One citizen actively engaged in the commercial building  
464 industry.



21-00977-11

2011912

465 (f) One citizen who is a former local government elected  
466 official.

467 (g) Two citizens of the state who are not principally  
468 employed as members or representatives of any of the groups  
469 specified in paragraphs (a)-(f).

470 Section 10. Section 420.506, Florida Statutes, is amended  
471 to read:

472 420.506 Executive director; agents and employees; inspector  
473 general.-

474 (1) The appointment and removal of an executive director  
475 shall be by the Secretary of Community Affairs, with the advice  
476 and consent of the corporation's board of directors. The  
477 executive director shall employ legal and technical experts and  
478 such other agents and employees, permanent and temporary, as the  
479 corporation may require, and shall communicate with and provide  
480 information to the Legislature with respect to the corporation's  
481 activities. The board is authorized, notwithstanding the  
482 provisions of s. 216.262, to develop and implement rules  
483 regarding the employment of employees of the corporation and  
484 service providers, including legal counsel. The board of  
485 directors of the corporation is entitled to establish travel  
486 procedures and guidelines for employees of the corporation. The  
487 executive director's office and the corporation's files and  
488 records must be located in Leon County.

489 (2) The appointment and removal of an inspector general  
490 shall be by the executive director, with the advice and consent  
491 of the corporation's board of directors. The corporation's  
492 inspector general shall perform for the corporation the  
493 functions set forth in s. 20.055. The inspector general shall

21-00977-11

2011912

494 administratively report to the executive director. The inspector  
495 general shall meet the minimum qualifications as set forth in s.  
496 20.055(4). The corporation may establish additional  
497 qualifications deemed necessary by the board of directors to  
498 meet the unique needs of the corporation. The inspector general  
499 shall be responsible for coordinating the responsibilities set  
500 forth in s. 420.0006.

501 Section 11. Paragraph (a) of subsection (22) and  
502 subsections (33), (46), and (47) of section 420.507, Florida  
503 Statutes, are amended to read:

504 420.507 Powers of the corporation.—The corporation shall  
505 have all the powers necessary or convenient to carry out and  
506 effectuate the purposes and provisions of this part, including  
507 the following powers which are in addition to all other powers  
508 granted by other provisions of this part:

509 (22) To develop and administer the State Apartment  
510 Incentive Loan Program. In developing and administering that  
511 program, the corporation may:

512 (a) Make first, second, and other subordinated mortgage  
513 loans including variable or fixed rate loans subject to  
514 contingent interest for all State Apartment Incentive Loans  
515 provided in this chapter based upon available cash flow of the  
516 projects. The corporation shall make loans exceeding 25 percent  
517 of project cost only to nonprofit organizations and public  
518 bodies that are able to secure grants, donations of land, or  
519 contributions from other sources and to projects meeting the  
520 criteria of subparagraph 1. Mortgage loans shall be made  
521 available at the following rates of interest:

522 1. Zero to 3 percent interest for sponsors of projects that

21-00977-11

2011912

523 set aside at least 80 percent of their total units for residents  
 524 qualifying as farmworkers, commercial fishing workers, ~~or~~ the  
 525 homeless as defined in s. 420.621, or persons with special needs  
 526 as defined in s. 420.0004(13) over the life of the loan.

527 2. Zero to 3 percent interest based on the pro rata share  
 528 of units set aside for homeless residents or persons with  
 529 special needs if the total of such units is less than 80 percent  
 530 of the units in the borrower's project.

531 3. One to 9 percent interest for sponsors of projects  
 532 targeted at populations other than farmworkers, commercial  
 533 fishing workers, ~~or~~ the homeless, or persons with special needs.

534 (33) To receive federal funding in connection with the  
 535 corporation's programs directly from the Federal Government and  
 536 to receive federal funds for which no corresponding program has  
 537 been created in statute and establish selection criteria for  
 538 such funds by request for proposals or other competitive  
 539 solicitation.

540 (46) To require, as a condition of financing a multifamily  
 541 rental project, that an agreement be recorded in the official  
 542 records of the county where the real property is located, which  
 543 requires that the project be used for housing defined as  
 544 affordable in s. 420.0004(3) by persons defined in s.  
 545 420.0004(9)~~(8)~~, (11)~~(10)~~, (12)~~(11)~~, and (17)~~(15)~~. Such an  
 546 agreement is a state land use regulation that limits the highest  
 547 and best use of the property within the meaning of s.  
 548 193.011(2).

549 (47) To provide by rule, in connection with any corporation  
 550 competitive program, criteria establishing, where all other  
 551 competitive elements are equal, a preference for developers and

21-00977-11

2011912

552 general contractors who demonstrate the highest rate of Florida  
553 job creation in the development and construction of affordable  
554 housing domiciled in this state and for developers and general  
555 contractors, regardless of domicile, who have substantial  
556 experience in developing or building affordable housing through  
557 the corporation's programs.

558 ~~(a) In evaluating whether a developer or general contractor~~  
559 ~~is domiciled in this state, the corporation shall consider~~  
560 ~~whether the developer's or general contractor's principal office~~  
561 ~~is located in this state and whether a majority of the~~  
562 ~~developer's or general contractor's principals and financial~~  
563 ~~beneficiaries reside in Florida.~~

564 ~~(b) In evaluating whether a developer or general contractor~~  
565 ~~has substantial experience, the corporation shall consider~~  
566 ~~whether the developer or general contractor has completed at~~  
567 ~~least five developments using funds either provided by or~~  
568 ~~administered by the corporation.~~

569 Section 12. Subsection (3) and paragraph (c) of subsection  
570 (6) of section 420.5087, Florida Statutes, are amended to read:

571 420.5087 State Apartment Incentive Loan Program.—There is  
572 hereby created the State Apartment Incentive Loan Program for  
573 the purpose of providing first, second, or other subordinated  
574 mortgage loans or loan guarantees to sponsors, including for-  
575 profit, nonprofit, and public entities, to provide housing  
576 affordable to very-low-income persons.

577 (3) During the first 6 months of loan or loan guarantee  
578 availability, program funds shall be reserved for use by  
579 sponsors who provide the housing set-aside required in  
580 subsection (2) for the tenant groups designated in this

21-00977-11

2011912\_\_

581 subsection. The reservation of funds to each of these groups  
582 shall be determined using the most recent statewide very-low-  
583 income rental housing market study available at the time of  
584 publication of each notice of fund availability required by  
585 paragraph (6) (b). The reservation of funds within each notice of  
586 fund availability to the tenant groups in paragraphs (a), (b),  
587 and (e) ~~(d)~~ may not be less than 10 percent of the funds  
588 available at that time. Any increase in funding required to  
589 reach the 10-percent minimum must be taken from the tenant group  
590 that has the largest reservation. The reservation of funds  
591 within each notice of fund availability to the tenant group in  
592 paragraph (c) may not be less than 5 percent of the funds  
593 available at that time. The reservation of funds within each  
594 notice of fund availability to the tenant group in paragraph (d)  
595 may not be more than 10 percent of the funds available at that  
596 time. The tenant groups are:

- 597 (a) Commercial fishing workers and farmworkers;  
598 (b) Families;  
599 (c) Persons who are homeless;  
600 (d) Persons with special needs; and  
601 (e) ~~(d)~~ Elderly persons. Ten percent of the amount reserved  
602 for the elderly shall be reserved to provide loans to sponsors  
603 of housing for the elderly for the purpose of making building  
604 preservation, health, or sanitation repairs or improvements  
605 which are required by federal, state, or local regulation or  
606 code, or lifesafety or security-related repairs or improvements  
607 to such housing. Such a loan may not exceed \$750,000 per housing  
608 community for the elderly. In order to receive the loan, the  
609 sponsor of the housing community must make a commitment to match

21-00977-11

2011912

610 at least 5 percent of the loan amount to pay the cost of such  
611 repair or improvement. The corporation shall establish the rate  
612 of interest on the loan, which may not exceed 3 percent, and the  
613 term of the loan, which may not exceed 15 years; however, if the  
614 lien of the corporation's encumbrance is subordinate to the lien  
615 of another mortgagee, then the term may be made coterminous with  
616 the longest term of the superior lien. The term of the loan  
617 shall be based on a credit analysis of the applicant. The  
618 corporation may forgive indebtedness for a share of the loan  
619 attributable to the units in a project reserved for extremely-  
620 low-income elderly by nonprofit organizations, as defined in s.  
621 420.0004(5), where the project has provided affordable housing  
622 to the elderly for 15 years or more. The corporation shall  
623 establish, by rule, the procedure and criteria for receiving,  
624 evaluating, and competitively ranking all applications for loans  
625 under this paragraph. A loan application must include evidence  
626 of the first mortgagee's having reviewed and approved the  
627 sponsor's intent to apply for a loan. A nonprofit organization  
628 or sponsor may not use the proceeds of the loan to pay for  
629 administrative costs, routine maintenance, or new construction.

630 (6) On all state apartment incentive loans, except loans  
631 made to housing communities for the elderly to provide for  
632 lifesafety, building preservation, health, sanitation, or  
633 security-related repairs or improvements, the following  
634 provisions shall apply:

635 (c) The corporation shall provide by rule for the  
636 establishment of a review committee composed of the department  
637 and corporation staff and shall establish by rule a scoring  
638 system for evaluation and competitive ranking of applications

21-00977-11

2011912

639 submitted in this program, including, but not limited to, the  
640 following criteria:

641 1. Tenant income and demographic targeting objectives of  
642 the corporation.

643 2. Targeting objectives of the corporation which will  
644 ensure an equitable distribution of loans between rural and  
645 urban areas.

646 3. Sponsor's agreement to reserve the units for persons or  
647 families who have incomes below 50 percent of the state or local  
648 median income, whichever is higher, for a time period to exceed  
649 the minimum required by federal law or the provisions of this  
650 part.

651 4. Sponsor's agreement to reserve more than:

652 a. Twenty percent of the units in the project for persons  
653 or families who have incomes that do not exceed 50 percent of  
654 the state or local median income, whichever is higher; or

655 b. Forty percent of the units in the project for persons or  
656 families who have incomes that do not exceed 60 percent of the  
657 state or local median income, whichever is higher, without  
658 requiring a greater amount of the loans as provided in this  
659 section.

660 5. Provision for tenant counseling.

661 6. Sponsor's agreement to accept rental assistance  
662 certificates or vouchers as payment for rent.

663 7. Projects requiring the least amount of a state apartment  
664 incentive loan compared to overall project cost except that the  
665 share of the loan attributable to units serving extremely-low-  
666 income persons shall be excluded from this requirement.

667 8. Local government contributions and local government

21-00977-11

2011912\_\_

668 comprehensive planning and activities that promote affordable  
669 housing.

670 9. Project feasibility.

671 10. Economic viability of the project.

672 11. Commitment of first mortgage financing.

673 12. Sponsor's prior experience, ~~including whether the~~  
674 ~~developer and general contractor have substantial experience, as~~  
675 ~~provided in s. 420.507(47).~~

676 13. Sponsor's ability to proceed with construction.

677 14. Projects that directly implement or assist welfare-to-  
678 work transitioning.

679 15. Projects that reserve units for extremely-low-income  
680 persons.

681 16. Projects that include green building principles, storm-  
682 resistant construction, or other elements that reduce long-term  
683 costs relating to maintenance, utilities, or insurance.

684 17. Job-creation rate ~~Domicile~~ of the developer and general  
685 contractor, as provided in s. 420.507(47).

686 Section 13. Paragraphs (d), (e), (f), and (g) of subsection  
687 (2) of section 163.31771, Florida Statutes, are amended to read:

688 163.31771 Accessory dwelling units.—

689 (2) As used in this section, the term:

690 (d) "Low-income persons" has the same meaning as in s.  
691 420.0004 (11) ~~(10)~~.

692 (e) "Moderate-income persons" has the same meaning as in s.  
693 420.0004 (12) ~~(11)~~.

694 (f) "Very-low-income persons" has the same meaning as in s.  
695 420.0004 (17) ~~(15)~~.

696 (g) "Extremely-low-income persons" has the same meaning as



21-00977-11

2011912

697 in s. 420.0004 (9) ~~(8)~~.

698 Section 14. Paragraph (o) of subsection (5) of section  
699 212.08, Florida Statutes, is amended to read:

700 212.08 Sales, rental, use, consumption, distribution, and  
701 storage tax; specified exemptions.—The sale at retail, the  
702 rental, the use, the consumption, the distribution, and the  
703 storage to be used or consumed in this state of the following  
704 are hereby specifically exempt from the tax imposed by this  
705 chapter.

706 (5) EXEMPTIONS; ACCOUNT OF USE.—

707 (o) *Building materials in redevelopment projects.*—

708 1. As used in this paragraph, the term:

709 a. "Building materials" means tangible personal property  
710 that becomes a component part of a housing project or a mixed-  
711 use project.

712 b. "Housing project" means the conversion of an existing  
713 manufacturing or industrial building to housing units in an  
714 urban high-crime area, enterprise zone, empowerment zone, Front  
715 Porch Community, designated brownfield area, or urban infill  
716 area and in which the developer agrees to set aside at least 20  
717 percent of the housing units in the project for low-income and  
718 moderate-income persons or the construction in a designated  
719 brownfield area of affordable housing for persons described in  
720 s. 420.0004 (9) ~~(8)~~, (11) ~~(10)~~, (12) ~~(11)~~, or (17) ~~(15)~~ or in s.  
721 159.603(7).

722 c. "Mixed-use project" means the conversion of an existing  
723 manufacturing or industrial building to mixed-use units that  
724 include artists' studios, art and entertainment services, or  
725 other compatible uses. A mixed-use project must be located in an

21-00977-11

2011912

726 urban high-crime area, enterprise zone, empowerment zone, Front  
727 Porch Community, designated brownfield area, or urban infill  
728 area, and the developer must agree to set aside at least 20  
729 percent of the square footage of the project for low-income and  
730 moderate-income housing.

731 d. "Substantially completed" has the same meaning as  
732 provided in s. 192.042(1).

733 2. Building materials used in the construction of a housing  
734 project or mixed-use project are exempt from the tax imposed by  
735 this chapter upon an affirmative showing to the satisfaction of  
736 the department that the requirements of this paragraph have been  
737 met. This exemption inures to the owner through a refund of  
738 previously paid taxes. To receive this refund, the owner must  
739 file an application under oath with the department which  
740 includes:

741 a. The name and address of the owner.

742 b. The address and assessment roll parcel number of the  
743 project for which a refund is sought.

744 c. A copy of the building permit issued for the project.

745 d. A certification by the local building code inspector  
746 that the project is substantially completed.

747 e. A sworn statement, under penalty of perjury, from the  
748 general contractor licensed in this state with whom the owner  
749 contracted to construct the project, which statement lists the  
750 building materials used in the construction of the project and  
751 the actual cost thereof, and the amount of sales tax paid on  
752 these materials. If a general contractor was not used, the owner  
753 shall provide this information in a sworn statement, under  
754 penalty of perjury. Copies of invoices evidencing payment of

21-00977-11

2011912\_\_

755 sales tax must be attached to the sworn statement.

756 3. An application for a refund under this paragraph must be  
757 submitted to the department within 6 months after the date the  
758 project is deemed to be substantially completed by the local  
759 building code inspector. Within 30 working days after receipt of  
760 the application, the department shall determine if it meets the  
761 requirements of this paragraph. A refund approved pursuant to  
762 this paragraph shall be made within 30 days after formal  
763 approval of the application by the department.

764 4. The department shall establish by rule an application  
765 form and criteria for establishing eligibility for exemption  
766 under this paragraph.

767 5. The exemption shall apply to purchases of materials on  
768 or after July 1, 2000.

769 Section 15. Paragraphs (a) and (g) of subsection (2) of  
770 section 215.5586, Florida Statutes, are amended to read:

771 215.5586 My Safe Florida Home Program.—There is established  
772 within the Department of Financial Services the My Safe Florida  
773 Home Program. The department shall provide fiscal  
774 accountability, contract management, and strategic leadership  
775 for the program, consistent with this section. This section does  
776 not create an entitlement for property owners or obligate the  
777 state in any way to fund the inspection or retrofitting of  
778 residential property in this state. Implementation of this  
779 program is subject to annual legislative appropriations. It is  
780 the intent of the Legislature that the My Safe Florida Home  
781 Program provide trained and certified inspectors to perform  
782 inspections for owners of site-built, single-family, residential  
783 properties and grants to eligible applicants as funding allows.

21-00977-11

2011912\_\_

784 The program shall develop and implement a comprehensive and  
785 coordinated approach for hurricane damage mitigation that may  
786 include the following:

787 (2) MITIGATION GRANTS.—Financial grants shall be used to  
788 encourage single-family, site-built, owner-occupied, residential  
789 property owners to retrofit their properties to make them less  
790 vulnerable to hurricane damage.

791 (a) For a homeowner to be eligible for a grant, the  
792 following criteria must be met:

793 1. The homeowner must have been granted a homestead  
794 exemption on the home under chapter 196.

795 2. The home must be a dwelling with an insured value of  
796 \$300,000 or less. Homeowners who are low-income persons, as  
797 defined in s. 420.0004(11)~~(10)~~, are exempt from this  
798 requirement.

799 3. The home must have undergone an acceptable hurricane  
800 mitigation inspection after May 1, 2007.

801 4. The home must be located in the "wind-borne debris  
802 region" as that term is defined in s. 1609.2, International  
803 Building Code (2006), or as subsequently amended.

804 5. The building permit application for initial construction  
805 of the home must have been made before March 1, 2002.

806

807 An application for a grant must contain a signed or  
808 electronically verified statement made under penalty of perjury  
809 that the applicant has submitted only a single application and  
810 must have attached documents demonstrating the applicant meets  
811 the requirements of this paragraph.

812 (g) Low-income homeowners, as defined in s.

21-00977-11

2011912\_\_

813 420.0004(11)~~(10)~~, who otherwise meet the requirements of  
814 paragraphs (a), (c), (e), and (f) are eligible for a grant of up  
815 to \$5,000 and are not required to provide a matching amount to  
816 receive the grant. Additionally, for low-income homeowners,  
817 grant funding may be used for repair to existing structures  
818 leading to any of the mitigation improvements provided in  
819 paragraph (e), limited to 20 percent of the grant value. The  
820 program may accept a certification directly from a low-income  
821 homeowner that the homeowner meets the requirements of s.  
822 420.0004(11)~~(10)~~ if the homeowner provides such certification in  
823 a signed or electronically verified statement made under penalty  
824 of perjury.

825 Section 16. Subsection (19) of section 420.503, Florida  
826 Statutes, is amended to read:

827 420.503 Definitions.—As used in this part, the term:

828 (19) "Housing for the elderly" means, for purposes of s.  
829 420.5087(3)(e)~~(d)~~, any nonprofit housing community that is  
830 financed by a mortgage loan made or insured by the United States  
831 Department of Housing and Urban Development under s. 202, s. 202  
832 with a s. 8 subsidy, s. 221(d)(3) or (4), or s. 236 of the  
833 National Housing Act, as amended, and that is subject to income  
834 limitations established by the United States Department of  
835 Housing and Urban Development, or any program funded by the  
836 Rural Development Agency of the United States Department of  
837 Agriculture and subject to income limitations established by the  
838 United States Department of Agriculture. A project which  
839 qualifies for an exemption under the Fair Housing Act as housing  
840 for older persons as defined by s. 760.29(4) shall qualify as  
841 housing for the elderly for purposes of s. 420.5087(3)(e)~~(d)~~ and

21-00977-11

2011912

842 for purposes of any loans made pursuant to s. 420.508. In  
843 addition, if the corporation adopts a qualified allocation plan  
844 pursuant to s. 42(m)(1)(B) of the Internal Revenue Code or any  
845 other rules that prioritize projects targeting the elderly for  
846 purposes of allocating tax credits pursuant to s. 420.5099 or  
847 for purposes of the HOME program under s. 420.5089, a project  
848 which qualifies for an exemption under the Fair Housing Act as  
849 housing for older persons as defined by s. 760.29(4) shall  
850 qualify as a project targeted for the elderly, if the project  
851 satisfies the other requirements set forth in this part.

852 Section 17. (1) The Legislature finds that due to the  
853 current economic conditions in the housing market there is a  
854 critical need to rehabilitate or sell excess inventory of unsold  
855 homes, including foreclosed homes and newly constructed homes,  
856 as well as a critical need for the rehabilitation and  
857 preservation of older, affordable apartments. The Legislature  
858 further finds that there is a critical need to create housing-  
859 related jobs and that these conditions require the targeting of  
860 state and local housing trust fund moneys to assist in the sale  
861 or rehabilitation of existing homes and the preservation and  
862 rehabilitation of older rental apartments.

863 (2) Notwithstanding ss. 420.507(22)(a) and (23)(a),  
864 420.5087(6)(1), 420.5088, 420.5095, and 420.9075(1)(b) and  
865 (5)(b), Florida Statutes, funds from the State Housing Trust  
866 Fund or the Local Government Housing Trust Fund that are  
867 appropriated for use in the State Apartment Incentive Loan  
868 Program, Florida Homeownership Assistance Program, Community  
869 Workforce Housing Innovation Pilot Program, or the State Housing  
870 Initiatives Partnership Program may not be used to:

21-00977-11

2011912\_\_

871 (a) Finance or otherwise assist the construction or  
872 purchase of housing sold to eligible individuals, unless the  
873 housing unit being sold had an initial certificate of occupancy  
874 prior to December 31, 2010; or

875 (b) Finance or otherwise assist in the construction or  
876 purchase of rental housing, unless the development being  
877 financed or assisted received its initial certificate of  
878 occupancy prior to December 31, 1996.

879  
880 Nothing in this section restricts the use of such funds to  
881 assist with the purchase of newly constructed homes that were  
882 completed prior to December 31, 2010, or the acquisition and  
883 rehabilitation of apartments that received their initial  
884 certificate of occupancy prior to December 31, 1996. The use of  
885 such funds is subject to the restrictions of the program under  
886 which the funding is made available.

887 (3) This section expires July 1, 2012.

888 Section 18. This act shall take effect July 1, 2011.