

	LEGISLATIVE ACTION	
Senate		House
Comm: RCS		
03/07/2019		
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The Committee on Community Affairs (Hutson) recommended the following:

## Senate Amendment (with title amendment)

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Delete everything after the enacting clause and insert:

Section 1. Subsections (6) and (7) are added to section 163.31801, Florida Statutes, to read:

163.31801 Impact fees; short title; intent; definitions; ordinances levying impact fees .-

(6) A county, municipality, or special district may provide an exception or waiver for an impact fee for the development or

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- 11 construction of housing that is affordable, as defined in s. 420.9071. If a county, municipality, or special district 12 provides such an exception or waiver, it is not required to use 13 14 any revenues to offset the impact. 15 (7) In addition to the items that must be reported in the 16 annual financial reports under s. 218.32, counties, 17 municipalities, and special districts must report all of the 18 following data on all impact fees charged:
  - (a) The specific purpose of the impact fee, including the specific infrastructure needs to be met, such as transportation, parks, water, sewer, and schools.
  - (b) The impact fee schedule policy describing the method of calculating impact fees, such as flat fees, tiered scales based on number of bedrooms, or tiered scales based on square footage.
  - (c) The amount assessed for each purpose and for each type of dwelling.
  - (d) The total amount of impact fees charged by type of dwelling.
  - (e) Each exception and each waiver provided for affordable housing developments.
  - Section 2. Section 420.0007, Florida Statutes, is created to read:
  - 420.0007 Local permit approval process for affordable housing.-
  - (1) A local government has 15 days after the date it receives an application for a development permit, a construction permit, or a certificate of occupancy for affordable housing to examine the application and notify the applicant of any apparent errors or omissions and to request any additional information

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that the local government is authorized by law to require.

- (2) If a local government does not request additional information within the timeframe specified in subsection (1), the local government may not deny a development permit, construction permit, or certificate of occupancy for affordable housing if the applicant has failed to correct the error or the omission or to supply additional information.
- (3) The local government may require any additional requested information to be submitted not later than 10 days after the date of the notice specified in subsection (1).
- (4) For good cause shown, the local government shall grant a request for an extension of time for submitting the additional information.
- (5) An application is complete upon receipt of all requested information and upon the correction of any error or omission for which the applicant was timely notified or when the time for notification has expired.
- (6) The local government shall approve or deny an application for a development permit, a construction permit, or a certificate of occupancy for affordable housing within 60 days after receipt of a completed application unless a shorter period of time for action by local government is provided by law.
- (7) If the local government does not approve or deny an application for a development permit, a construction permit, or a certificate of occupancy for affordable housing within the 60day, or a shorter, time period, the permit is considered approved and the local government shall issue the development permit, the construction permit, or the certificate of occupancy, which may include reasonable conditions as authorized



by law.

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(8) An applicant for a development permit, a construction permit, or a certificate of occupancy seeking to receive a permit by default under this section must notify the local government in writing of the intent to rely upon the default approval provision of this section but may not take any action based upon the default development permit, construction permit, or certificate of occupancy until the applicant receives notification or a receipt that the local government received the notice. The applicant must retain the notification or the receipt.

Section 3. Paragraph (c) of subsection (6) of section 420.5087, Florida Statutes, is amended to read:

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

- (6) On all state apartment incentive loans, except loans made to housing communities for the elderly to provide for lifesafety, building preservation, health, sanitation, or security-related repairs or improvements, the following provisions shall apply:
- (c) The corporation shall provide by rule for the establishment of a review committee for the competitive evaluation and selection of applications submitted in this program, including, but not limited to, the following criteria:
  - 1. Tenant income and demographic targeting objectives of



the corporation.

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- 2. Targeting objectives of the corporation which will ensure an equitable distribution of loans between rural and urban areas.
- 3. Sponsor's agreement to reserve the units for persons or families who have incomes below 50 percent of the state or local median income, whichever is higher, for a time period that exceeds the minimum required by federal law or this part.
  - 4. Sponsor's agreement to reserve more than:
- a. Twenty percent of the units in the project for persons or families who have incomes that do not exceed 50 percent of the state or local median income, whichever is higher; or
- b. Forty percent of the units in the project for persons or families who have incomes that do not exceed 60 percent of the state or local median income, whichever is higher, without requiring a greater amount of the loans as provided in this section.
  - 5. Provision for tenant counseling.
- 6. Sponsor's agreement to accept rental assistance certificates or vouchers as payment for rent.
- 7. Projects requiring the least amount of a state apartment incentive loan compared to overall project cost, except that the share of the loan attributable to units serving extremely-lowincome persons must be excluded from this requirement.
- 8. Local government contributions and local government comprehensive planning and activities that promote affordable housing and policies that promote access to public transportation, reduce the need for onsite parking, and expedite permits for affordable housing projects as provided in s.



127	420.0007.
128	9. Project feasibility.
129	10. Economic viability of the project.
130	11. Commitment of first mortgage financing.
131	12. Sponsor's prior experience.
132	13. Sponsor's ability to proceed with construction.
133	14. Projects that directly implement or assist welfare-to-
134	work transitioning.
135	15. Projects that reserve units for extremely-low-income
136	persons.
137	16. Projects that include green building principles, storm-
138	resistant construction, or other elements that reduce long-term
139	costs relating to maintenance, utilities, or insurance.
140	17. Job-creation rate of the developer and general
141	contractor, as provided in s. 420.507(47).
142	Section 4. Section 420.5095, Florida Statutes, is amended
143	to read:
144	420.5095 Community Workforce Housing Loan Innovation Pilot
145	Program.—
146	(1) The Legislature finds and declares that recent rapid
147	increases in the median purchase price of a home and the cost of
148	rental housing have far outstripped the increases in median
149	income in the state, preventing essential services personnel
150	from living in the communities where they serve and thereby
151	creating the need for innovative solutions for the provision of
152	housing opportunities for essential services personnel.
153	(2) The Community Workforce Housing <u>Loan</u> <del>Innovation Pilot</del>
154	Program is created to provide <del>affordable rental and home</del>

ownership community workforce housing for essential services

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personnel affected by the high cost of housing, using regulatory incentives and state and local funds to promote local publicprivate partnerships and leverage government and private resources.

- (3) For purposes of this section, the term:
- (a) "workforce housing" means housing affordable to natural persons or families whose total annual household income does not exceed 80 140 percent of the area median income, adjusted for household size, or 120 150 percent of area median income, adjusted for household size, in areas of critical state concern designated under s. 380.05, for which the Legislature has declared its intent to provide affordable housing, and areas that were designated as areas of critical state concern for at least 20 consecutive years prior to removal of the designation.
- (b) "Essential services personnel" means persons in need of affordable housing who are employed in occupations or professions in which they are considered essential services personnel, as defined by each county and eligible municipality within its respective local housing assistance plan pursuant to s. 420.9075(3)(a).
- (c) "Public-private partnership" means any form of business entity that includes substantial involvement of at least one county, one municipality, or one public sector entity, such as a school district or other unit of local government in which the project is to be located, and at least one private sector forprofit or not-for-profit business or charitable entity, and may be any form of business entity, including a joint venture or contractual agreement.
  - (4) The Florida Housing Finance Corporation is authorized

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to provide loans under the Community Workforce Housing Innovation Pilot program loans to applicants an applicant for construction or rehabilitation of workforce housing in eligible areas. This funding is intended to be used with other public and private sector resources.

- (5) The corporation shall establish a loan application process under s. 420.5087 by rule which includes selection criteria, an application review process, and a funding process. The corporation shall also establish an application review committee that may include up to three private citizens representing the areas of housing or real estate development, banking, community planning, or other areas related to the development or financing of workforce and affordable housing.
- (a) The selection criteria and application review process must include a procedure for curing errors in the loan applications which do not make a substantial change to the proposed project.
- (b) To achieve the goals of the pilot program, the application review committee may approve or reject loan applications or responses to questions raised during the review of an application due to the insufficiency of information provided.
- (c) The application review committee shall make recommendations concerning program participation and funding to the corporation's board of directors.
- (d) The board of directors shall approve or reject loan applications, determine the tentative loan amount available to each applicant, and rank all approved applications.
  - (e) The board of directors shall decide which approved

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applicants will become program participants and determine the maximum loan amount for each program participant.

- (6) The corporation shall provide incentives for local governments in eligible areas to use local affordable housing funds, such as those from the State Housing Initiatives Partnership Program, to assist in meeting the affordable housing needs of persons eligible under this program. Local governments are authorized to use State Housing Initiative Partnership Program funds for persons or families whose total annual household income does not exceed:
- (a) One hundred and forty percent of the area median income, adjusted for household size; or
- (b) One hundred and fifty percent of the area median income, adjusted for household size, in areas that were designated as areas of critical state concern for at least 20 consecutive years prior to the removal of the designation and in areas of critical state concern, designated under s. 380.05, for which the Legislature has declared its intent to provide affordable housing.
- (7) Funding shall be targeted to innovative projects in areas where the disparity between the area median income and the median sales price for a single-family home is greatest, and where population growth as a percentage rate of increase is greatest. The corporation may also fund projects in areas where innovative regulatory and financial incentives are made available. The corporation shall fund at least one eligible project in as many counties and regions of the state as is practicable, consistent with program goals.
  - (6) (8) Projects must be given shall receive priority

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consideration for funding if where:

- (a) The local jurisdiction has adopted, or is committed to adopting, appropriate regulatory incentives, or the local jurisdiction or public-private partnership has adopted or is committed to adopting local contributions or financial strategies, or other funding sources to promote the development and ongoing financial viability of such projects. Local incentives include such actions as expediting review of development orders and permits, supporting development near transportation hubs and major employment centers, and adopting land development regulations designed to allow flexibility in densities, use of accessory units, mixed-use developments, and flexible lot configurations. Financial strategies include such actions as promoting employer-assisted housing programs, providing tax increment financing, and providing land.
- (b) Projects are innovative and include new construction or rehabilitation; mixed-income housing; commercial and housing mixed-use elements; innovative design; green building principles; storm-resistant construction; or other elements that reduce long-term costs relating to maintenance, utilities, or insurance and promote homeownership. The program funding may not exceed the costs attributable to the portion of the project that is set aside to provide housing for the targeted population.
- (b) (c) The projects that set aside not more than 50 at <del>least 80</del> percent of units for workforce housing <del>and at least 50</del> percent for essential services personnel and for projects that require the least amount of program funding compared to the overall housing costs for the project.
  - (9) Notwithstanding s. 163.3184(4)(b) (d), any local

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government comprehensive plan amendment to implement a Community Workforce Housing Innovation Pilot Program project found consistent with this section shall be expedited as provided in this subsection. At least 30 days prior to adopting a plan amendment under this subsection, the local government shall notify the state land planning agency of its intent to adopt such an amendment, and the notice shall include its evaluation related to site suitability and availability of facilities and services. The public notice of the hearing required by s. 163.3184(11)(b)2. shall include a statement that the local government intends to use the expedited adoption process authorized by this subsection. Such amendments shall require only a single public hearing before the governing board, which shall be an adoption hearing as described in s. 163.3184(4)(e). Any further proceedings shall be governed by s. 163.3184(5)- $\frac{(13)}{.}$ 

(10) The processing of approvals of development orders or development permits, as defined in s. 163.3164, for innovative community workforce housing projects shall be expedited.

(7) (11) The corporation shall award loans with a interest rates set at 1 to 3 percent interest rate for a term that does not exceed 15 years, which may be made forgivable when long-term affordability is provided and when at least 80 percent of the units are set aside for workforce housing and at least 50 percent of the units are set aside for essential services personnel.

(12) All eligible applications shall:

(a) For home ownership, limit the sales price of a detached unit, townhome, or condominium unit to not more than 90 percent

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of the median sales price for that type of unit in that county, or the statewide median sales price for that type of unit, whichever is higher, and require that all eligible purchasers of home ownership units occupy the homes as their primary residence.

(b) For rental units, restrict rents for all workforce housing serving those with incomes at or below 120 percent of area median income at the appropriate income level using the restricted rents for the federal low-income housing tax credit program and, for workforce housing units serving those with incomes above 120 percent of area median income, restrict rents to those established by the corporation, not to exceed 30 percent of the maximum household income adjusted to unit size.

- (c) Demonstrate that the applicant is a public-private partnership in an agreement, contract, partnership agreement, memorandum of understanding, or other written instrument signed by all the project partners.
- (d) Have grants, donations of land, or contributions from the public-private partnership or other sources collectively totaling at least 10 percent of the total development cost or \$2 million, whichever is less. Such grants, donations of land, or contributions must be evidenced by a letter of commitment, agreement, contract, deed, memorandum of understanding, or other written instrument at the time of application. Grants, donations of land, or contributions in excess of 10 percent of the development cost shall increase the application score.
- (e) Demonstrate how the applicant will use the regulatory incentives and financial strategies outlined in subsection (8) from the local jurisdiction in which the proposed project is to

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be located. The corporation may consult with the Department of Economic Opportunity in evaluating the use of regulatory incentives by applicants. (f) Demonstrate that the applicant possesses title to or site control of land and evidences availability of required infrastructure. (g) Demonstrate the applicant's affordable housing development and management experience. (h) Provide any research or facts available supporting the demand and need for rental or home ownership workforce housing for eligible persons in the market in which the project is proposed. (13) Projects may include manufactured housing constructed after June 1994 and installed in accordance with mobile home installation standards of the Department of Highway Safety and Motor Vehicles. (8) (14) The corporation may adopt rules pursuant to ss. 120.536(1) and 120.54 to implement this section. (15) The corporation may use a maximum of 2 percent of the annual program appropriation for administration and compliance monitoring. (16) The corporation shall review the success of the Community Workforce Housing Innovation Pilot Program to ascertain whether the projects financed by the program are useful in meeting the housing needs of eligible areas and shall include its findings in the annual report required under s. 420.511(3). Section 5. Subsection (16) of section 420.9071, Florida

Statutes, is amended to read:

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420.9071 Definitions.—As used in ss. 420.907-420.9079, the term:

(16) "Local housing incentive strategies" means local regulatory reform or incentive programs to encourage or facilitate affordable housing production, which include at a minimum, expediting development permits, as defined in s. 163.3164, for affordable housing projects as provided in s. 420.0007 assurance that permits for affordable housing projects are expedited to a greater degree than other projects, as provided in s. 163.3177(6)(f)3.; an ongoing process for review of local policies, ordinances, regulations, and plan provisions that increase the cost of housing prior to their adoption; and a schedule for implementing the incentive strategies. Local housing incentive strategies may also include other regulatory reforms, such as those enumerated in s. 420.9076 or those recommended by the affordable housing advisory committee in its triennial evaluation of the implementation of affordable housing incentives, and adopted by the local governing body.

Section 6. For the purpose of incorporating the amendment made by this act to section 420.5095, Florida Statutes, in a reference thereto, subsection (2) of section 193.018, Florida Statutes, is reenacted to read:

- 193.018 Land owned by a community land trust used to provide affordable housing; assessment; structural improvements, condominium parcels, and cooperative parcels.-
- (2) A community land trust may convey structural improvements, condominium parcels, or cooperative parcels, that are located on specific parcels of land that are identified by a legal description contained in and subject to a ground lease



having a term of at least 99 years, for the purpose of providing affordable housing to natural persons or families who meet the extremely-low-income, very-low-income, low-income, or moderateincome limits specified in s. 420.0004, or the income limits for workforce housing, as defined in s. 420.5095(3). A community land trust shall retain a preemptive option to purchase any structural improvements, condominium parcels, or cooperative parcels on the land at a price determined by a formula specified in the ground lease which is designed to ensure that the structural improvements, condominium parcels, or cooperative parcels remain affordable.

Section 7. This act shall take effect July 1, 2019.

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======= T I T L E A M E N D M E N T ========= And the title is amended as follows:

Delete everything before the enacting clause and insert:

A bill to be entitled

An act relating to affordable housing; amending s. 163.31801, F.S.; authorizing local governments to provide exceptions or waivers for impact fees for affordable housing developments; requiring that certain data relating to impact fees be included in the annual financial reports for specified entities; creating s. 420.0007, F.S.; providing a local permit approval process; amending s. 420.5087, F.S.; revising the criteria used by a review committee when evaluating and selecting specified applications for state apartment incentive loans; amending s. 420.5095,

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F.S.; creating the Community Workforce Housing Loan Program in the place of the Community Workforce Housing Innovation Pilot Program to provide workforce housing for essential services personnel affected by the high cost of housing; redefining the term "workforce housing"; deleting definitions; authorizing the Florida Housing Finance Corporation to provide loans under the program to applicants for construction of workforce housing; requiring the corporation to establish a certain loan application process; requiring projects to receive priority consideration under certain circumstances; requiring that the corporation award loans at a specified interest rate and for a limited term; amending s. 420.9071, F.S.; revising the definition of the term "local housing incentive strategies"; reenacting s. 193.018(2), F.S., relating to land owned by a community land trust used to provide affordable housing, to incorporate the amendment made to s. 420.5095, F.S., in a reference thereto; providing an effective date.