

By the Committee on Community Affairs; and Senator Simpson

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1 A bill to be entitled
2 An act relating to community development; amending s.
3 159.603, F.S.; modifying the definition of "qualifying
4 housing development"; amending s. 159.608, F.S.;
5 revising the power of a housing finance authority to
6 make loans directly to eligible persons; amending s.
7 196.1978, F.S.; deleting an ad valorem tax exemption
8 for property owned by certain Florida-based limited
9 partnerships and used for affordable housing for
10 certain income-qualified persons; amending s. 212.08,
11 F.S.; revising criteria for community contribution tax
12 credit for donations; amending ss. 220.183 and
13 624.5105, F.S.; extending the expiration date
14 applicable to the granting of community contribution
15 tax credits against the sales and use tax, corporate
16 income tax, and insurance premium tax for
17 contributions to eligible sponsors of community
18 projects approved by the Department of Economic
19 Opportunity; amending s. 420.507, F.S.; revising the
20 powers of the Florida Housing Finance Corporation;
21 specifying how the corporation will allocate certain
22 funds; amending s. 420.5087, F.S.; revising provisions
23 relating to state apartment incentive loans to provide
24 for a competitive evaluation and selection process
25 with respect to loan applications; amending s.
26 420.511, F.S.; providing that the corporation's
27 strategic business plan must be consistent with a
28 long-range program plan relating to affordable
29 housing; deleting a requirement that the corporation

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30 compile certain data; revising provisions relating to
31 the corporation's development of its long-range plan;
32 revising the required contents and information to be
33 included in the corporation's annual report; requiring
34 the corporation to submit separate audited financial
35 statements that include specified information and
36 incorporate certain reports; requiring the Auditor
37 General to conduct an operational audit of the
38 corporation and provide a written report to the
39 Legislature; amending ss. 420.0003, 420.0006, 420.504,
40 and 420.506, F.S.; conforming provisions to changes
41 made by this act; repealing s. 420.5091, F.S.,
42 relating to the HOPE program; providing for
43 retroactive application; providing an effective date.
44

45 Be It Enacted by the Legislature of the State of Florida:
46

47 Section 1. Subsection (6) of section 159.603, Florida
48 Statutes, is amended to read:

49 159.603 Definitions.—As used in this part, the following
50 words and terms have the following meanings unless the context
51 indicates another or different meaning or intent.

52 (6) "Qualifying housing development" means any work or
53 improvement located or to be located in this ~~the~~ state,
54 including real property, buildings, and any other real and
55 personal property, designed or intended for the primary purpose
56 of providing decent, safe, and sanitary residential housing for
57 four or more families, at least 60 percent of whom are eligible
58 persons, whether new construction, the acquisition of existing

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59 residential housing, or the remodeling, improvement,
60 rehabilitation, or reconstruction of existing housing, together
61 with such related nonhousing facilities as the authority
62 determines to be necessary, convenient, or desirable.

63 (a) The term includes a housing development that meets the
64 definition of a "qualified low-income housing project" under s.
65 42(g) of the Internal Revenue Code, regardless of whether such
66 development meets the 60 percent eligible persons requirement
67 under this subsection.

68 (b) The exception provided under paragraph (a) applies to
69 all housing developments meeting the federal definition for
70 "qualified low-income housing project" as well as all
71 developments that previously qualified under the state
72 definition for "qualifying housing development." Housing finance
73 authorities may enter into regulatory agreement amendments as
74 necessary to accommodate housing developments that qualify under
75 paragraph (a).

76 Section 2. Subsection (8) of section 159.608, Florida
77 Statutes, is amended to read:

78 159.608 Powers of housing finance authorities.—A housing
79 finance authority shall constitute a public body corporate and
80 politic, exercising the public and essential governmental
81 functions set forth in this act, and shall exercise its power to
82 borrow only for the purpose as provided herein:

83 (8) To make loans directly to eligible persons ~~or families~~
84 who otherwise cannot borrow from conventional lending sources
85 ~~and whose annual income does not exceed 80 percent of the median~~
86 ~~income based on a family of up to four persons for the county in~~
87 ~~which they seek to purchase a residence. The housing finance~~

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88 ~~authority may adjust the annual income requirements for families~~
89 ~~of greater than four persons.~~ Such loans must be secured by
90 ~~either~~ first mortgages or subordinated mortgages and must be
91 used to purchase, construct, rehabilitate, or refinance single-
92 family residences that have purchase prices that do not exceed
93 the purchase price limits of; ~~however, the purchase price of any~~
94 ~~residence financed through such a loan may not exceed 90 percent~~
95 ~~of the median sales price for single-family homes in the county~~
96 ~~where the borrower's residence is to be located,~~ as mandated by
97 federal law for tax-exempt single-family bond programs.

98 Section 3. Section 196.1978, Florida Statutes, is amended
99 to read:

100 196.1978 Affordable housing property exemption.—Property
101 used to provide affordable housing to ~~to serving~~ eligible persons
102 as defined under ~~by~~ s. 159.603(7) and natural persons or
103 families meeting the extremely-low-income, very-low-income, low-
104 income, or moderate-income limits specified in s. 420.0004,
105 which ~~property~~ is owned entirely by a nonprofit entity that is a
106 corporation not for profit, qualified as charitable under s.
107 501(c)(3) of the Internal Revenue Code and in compliance with
108 Rev. Proc. 96-32, 1996-1 C.B. 717, is ~~or a Florida-based limited~~
109 ~~partnership, the sole general partner of which is a corporation~~
110 ~~not for profit which is qualified as charitable under s.~~
111 ~~501(e)(3) of the Internal Revenue Code and which complies with~~
112 ~~Rev. Proc. 96-32, 1996-1 C.B. 717, shall be considered property~~
113 ~~owned by an exempt entity and used for a charitable purpose, and~~
114 ~~those portions of the affordable housing property~~ that ~~which~~
115 ~~provide housing to natural persons or families classified as~~
116 ~~extremely low income, very low income, low income, or moderate~~

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117 income under s. 420.0004 are ~~shall be~~ exempt from ad valorem
 118 taxation to the extent authorized under ~~in~~ s. 196.196. All
 119 property identified in this section must ~~shall~~ comply with the
 120 criteria provided under s. 196.195 for determining ~~determination~~
 121 ~~of~~ exempt status and ~~to~~ be applied by property appraisers on an
 122 annual basis ~~as defined in s. 196.195~~. The Legislature intends
 123 that any property owned by a limited liability company ~~or~~
 124 ~~limited partnership~~ which is disregarded as an entity for
 125 federal income tax purposes pursuant to Treasury Regulation
 126 301.7701-3(b) (1) (ii) ~~shall~~ be treated as owned by its sole
 127 member ~~or sole general partner~~.

128 Section 4. Paragraph (p) of subsection (5) of section
 129 212.08, Florida Statutes, is amended to read:

130 212.08 Sales, rental, use, consumption, distribution, and
 131 storage tax; specified exemptions.—The sale at retail, the
 132 rental, the use, the consumption, the distribution, and the
 133 storage to be used or consumed in this state of the following
 134 are hereby specifically exempt from the tax imposed by this
 135 chapter.

136 (5) EXEMPTIONS; ACCOUNT OF USE.—

137 (p) *Community contribution tax credit for donations.*—

138 1. Authorization.—Persons who are registered with the
 139 department under s. 212.18 to collect or remit sales or use tax
 140 and who make donations to eligible sponsors are eligible for tax
 141 credits against their state sales and use tax liabilities as
 142 provided in this paragraph:

143 a. The credit shall be computed as 50 percent of the
 144 person's approved annual community contribution.

145 b. The credit shall be granted as a refund against state

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146 sales and use taxes reported on returns and remitted in the 12
147 months preceding the date of application to the department for
148 the credit as required in sub-subparagraph 3.c. If the annual
149 credit is not fully used through such refund because of
150 insufficient tax payments during the applicable 12-month period,
151 the unused amount may be included in an application for a refund
152 made pursuant to sub-subparagraph 3.c. in subsequent years
153 against the total tax payments made for such year. Carryover
154 credits may be applied for a 3-year period without regard to any
155 time limitation that would otherwise apply under s. 215.26.

156 c. A person may not receive more than \$200,000 in annual
157 tax credits for all approved community contributions made in any
158 one year.

159 d. All proposals for the granting of the tax credit require
160 the prior approval of the Department of Economic Opportunity.

161 e. The total amount of tax credits which may be granted for
162 all programs approved under this paragraph, s. 220.183, and s.
163 624.5105 is \$10.5 million annually for projects that provide
164 homeownership opportunities for low-income or very-low-income
165 households as those terms are defined in s. 420.9071(19) and
166 ~~(28)~~ and \$3.5 million annually for all other projects.

167 f. A person who is eligible to receive the credit provided
168 ~~for~~ in this paragraph, s. 220.183, or s. 624.5105 may receive
169 the credit only under the one section pursuant to ~~of~~ the
170 person's choice.

171 2. Eligibility requirements.—

172 a. A community contribution by a person must be in the
173 following form:

174 (I) Cash or other liquid assets;

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175 (II) Real property;
176 (III) Goods or inventory; or
177 (IV) Other physical resources ~~as~~ identified by the
178 Department of Economic Opportunity.

179 b. All community contributions must be reserved exclusively
180 for use in a project. As used in this sub-subparagraph, the term
181 "project" means ~~any~~ activity undertaken by an eligible sponsor
182 which is designed to construct, improve, or substantially
183 rehabilitate housing that is affordable to low-income or very-
184 low-income households as those terms are defined in s.
185 420.9071~~(19) and (28)~~; designed to provide commercial,
186 industrial, or public resources and facilities; or designed to
187 improve entrepreneurial and job-development opportunities for
188 low-income persons. A project may be the investment necessary to
189 increase access to high-speed broadband capability in rural
190 communities with enterprise zones, including projects that
191 result in improvements to communications assets that are owned
192 by a business. A project may include the provision of museum
193 educational programs and materials that are directly related to
194 a ~~any~~ project approved between January 1, 1996, and December 31,
195 1999, and located in an enterprise zone designated pursuant to
196 s. 290.0065. This paragraph does not preclude projects that
197 propose to construct or rehabilitate housing for low-income or
198 very-low-income households on scattered sites. With respect to
199 housing, contributions may be used to pay the following eligible
200 low-income and very-low-income housing-related activities:

201 (I) Project development impact and management fees for low-
202 income or very-low-income housing projects;

203 (II) Down payment and closing costs for low-income persons

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204 and very-low-income eligible persons, as those terms are defined
205 in s. 420.9071~~(19) and (28)~~;

206 (III) Administrative costs, including housing counseling
207 and marketing fees, not to exceed 10 percent of the community
208 contribution, directly related to low-income or very-low-income
209 projects; and

210 (IV) Removal of liens recorded against residential property
211 by municipal, county, or special district local governments if
212 ~~when~~ satisfaction of the lien is a necessary precedent to the
213 transfer of the property to a low-income person or very-low-
214 income an eligible person, as those terms are defined in s.
215 420.9071~~(19) and (28)~~, for the purpose of promoting home
216 ownership. Contributions for lien removal must be received from
217 a nonrelated third party.

218 c. The project must be undertaken by an "eligible sponsor,"
219 which includes:

220 (I) A community action program;

221 (II) A nonprofit community-based development organization
222 whose mission is the provision of housing for low-income or
223 very-low-income households or increasing entrepreneurial and
224 job-development opportunities for low-income persons;

225 (III) A neighborhood housing services corporation;

226 (IV) A local housing authority created under chapter 421;

227 (V) A community redevelopment agency created under s.
228 163.356;

229 (VI) A historic preservation district agency or
230 organization;

231 (VII) A regional workforce board;

232 (VIII) A direct-support organization as provided in s.

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233 1009.983;

234 (IX) An enterprise zone development agency created under s.
235 290.0056;

236 (X) A community-based organization incorporated under
237 chapter 617 which is recognized as educational, charitable, or
238 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
239 and whose bylaws and articles of incorporation include
240 affordable housing, economic development, or community
241 development as the primary mission of the corporation;

242 (XI) Units of local government;

243 (XII) Units of state government; or

244 (XIII) Any other agency that the Department of Economic
245 Opportunity designates by rule.

246

247 ~~In no event may~~ A contributing person may not have a financial
248 interest in the eligible sponsor.

249 d. The project must be located in an area designated an
250 enterprise zone or a Front Porch Florida Community, unless the
251 project increases access to high-speed broadband capability for
252 rural communities that have ~~with~~ enterprise zones but is
253 physically located outside the designated rural zone boundaries.
254 Any project designed to construct or rehabilitate housing for
255 low-income or very-low-income households as those terms are
256 defined in s. 420.9071(19) ~~and (28)~~ is exempt from the area
257 requirement of this sub-subparagraph.

258 e.(I) If, during the first 10 business days of the state
259 fiscal year, eligible tax credit applications for projects that
260 provide homeownership opportunities for low-income households or
261 very-low-income households as those terms are defined in s.

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262 ~~420.9071(19) and (28)~~ are received for less than the annual tax
263 credits available for those projects, the Department of Economic
264 Opportunity shall grant tax credits for those applications and
265 ~~shall~~ grant remaining tax credits on a first-come, first-served
266 basis for ~~any~~ subsequent eligible applications received before
267 the end of the state fiscal year. If, during the first 10
268 business days of the state fiscal year, eligible tax credit
269 applications for projects that provide homeownership
270 opportunities for low-income or very-low-income households ~~as~~
271 ~~defined in s. 420.9071(19) and (28)~~ are received for more than
272 the annual tax credits available for those projects, the
273 Department of Economic Opportunity shall grant the tax credits
274 for those applications as follows:

275 (A) If tax credit applications submitted for approved
276 projects of an eligible sponsor do not exceed \$200,000 in total,
277 the credits shall be granted in full if the tax credit
278 applications are approved.

279 (B) If tax credit applications submitted for approved
280 projects of an eligible sponsor exceed \$200,000 in total, the
281 amount of tax credits granted pursuant to sub-sub-sub-
282 subparagraph (A) shall be subtracted from the amount of
283 available tax credits, and the remaining credits shall be
284 granted to each approved tax credit application on a pro rata
285 basis.

286 (II) If, during the first 10 business days of the state
287 fiscal year, eligible tax credit applications for projects other
288 than those that provide homeownership opportunities for low-
289 income households or very-low-income households as those terms
290 are defined in s. 420.9071~~(19) and (28)~~ are received for less

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291 than the annual tax credits available for those projects, the
292 Department of Economic Opportunity shall grant tax credits for
293 those applications and ~~shall~~ grant remaining tax credits on a
294 first-come, first-served basis for ~~any~~ subsequent eligible
295 applications received before the end of the state fiscal year.
296 If, during the first 10 business days of the state fiscal year,
297 eligible tax credit applications for projects other than those
298 that provide homeownership opportunities for low-income or very-
299 low-income households ~~as defined in s. 420.9071(19) and (28)~~ are
300 received for more than the annual tax credits available for
301 those projects, the Department of Economic Opportunity shall
302 grant the tax credits for those applications on a pro rata
303 basis.

304 3. Application requirements.—

305 a. Any eligible sponsor seeking to participate in this
306 program must submit a proposal to the Department of Economic
307 Opportunity which sets forth the name of the sponsor, a
308 description of the project, and the area in which the project is
309 located, together with such supporting information as is
310 prescribed by rule. The proposal must also contain a resolution
311 from the local governmental unit in which the project is located
312 certifying that the project is consistent with local plans and
313 regulations.

314 b. Any person seeking to participate in this program must
315 submit an application for tax credit to the Department of
316 Economic Opportunity which sets forth the name of the sponsor, a
317 description of the project, and the type, value, and purpose of
318 the contribution. The sponsor shall verify, in writing, the
319 terms of the application and indicate its receipt of the

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320 contribution, which ~~verification must be in writing and~~
321 accompany the application for tax credit. The person must submit
322 a separate tax credit application to the department ~~of Economic~~
323 ~~Opportunity~~ for each individual contribution that it makes to
324 each individual project.

325 c. Any person who has received notification from the
326 Department of Economic Opportunity that a tax credit has been
327 approved must apply to the department to receive the refund.
328 Application must be made on the form prescribed for claiming
329 refunds of sales and use taxes and be accompanied by a copy of
330 the notification. A person may submit only one application for
331 refund to the department within a ~~any~~ 12-month period.

332 4. Administration.—

333 a. The Department of Economic Opportunity may adopt rules
334 ~~pursuant to ss. 120.536(1) and 120.54~~ necessary to administer
335 this paragraph, including rules for the approval or disapproval
336 of proposals by a person.

337 b. The decision of the Department of Economic Opportunity
338 must be in writing, and, if approved, the notification shall
339 state the maximum credit allowable to the person. Upon approval,
340 the department ~~of Economic Opportunity~~ shall transmit a copy of
341 the decision to the Department of Revenue.

342 c. The Department of Economic Opportunity shall
343 periodically monitor all projects in a manner consistent with
344 available resources to ensure that resources are used in
345 accordance with this paragraph; however, each project must be
346 reviewed at least once every 2 years.

347 d. The Department of Economic Opportunity shall, in
348 consultation with the statewide and regional housing and

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349 financial intermediaries, market the availability of the
350 community contribution tax credit program to community-based
351 organizations.

352 5. Expiration.—This paragraph expires June 30, 2025 ~~2015~~;
353 however, any accrued credit carryover that is unused on that
354 date may be used until the expiration of the 3-year carryover
355 period for such credit.

356 Section 5. Subsection (5) of section 220.183, Florida
357 Statutes, is amended to read:

358 220.183 Community contribution tax credit.—

359 (5) EXPIRATION.—The provisions of this section, except
360 paragraph (1) (e), ~~shall~~ expire and are ~~be~~ void on June 30, 2025
361 ~~2015~~.

362 Section 6. Subsection (6) of section 624.5105, Florida
363 Statutes, is amended to read:

364 624.5105 Community contribution tax credit; authorization;
365 limitations; eligibility and application requirements;
366 administration; definitions; expiration.—

367 (6) EXPIRATION.—The provisions of this section, except
368 paragraph (1) (e), ~~shall~~ expire and are ~~be~~ void on June 30, 2025
369 ~~2015~~.

370 Section 7. Paragraph (h) of subsection (22) and subsection
371 (48) of section 420.507, Florida Statutes, are amended to read:

372 420.507 Powers of the corporation.—The corporation shall
373 have all the powers necessary or convenient to carry out and
374 effectuate the purposes and provisions of this part, including
375 the following powers, which are in addition to all other powers
376 granted by other provisions of this part:

377 (22) To develop and administer the State Apartment

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378 Incentive Loan Program. In developing and administering that
379 program, the corporation may:

380 (h) Establish, by rule, the procedure for ~~evaluating,~~
381 ~~scoring, and~~ competitively evaluating and selecting ~~ranking~~ all
382 applications for funding based on the criteria set forth in s.
383 420.5087(6)(c), ~~+~~ determining actual loan amounts, ~~+~~ making and
384 servicing loans, ~~+~~ and exercising the powers authorized in this
385 subsection.

386 (48) To award ~~use up to 10 percent of~~ its annual allocation
387 of low-income housing tax credits, nontaxable revenue bonds, and
388 State Apartment Incentive Loan Program funds appropriated by the
389 Legislature and available to allocate by request for proposals
390 or other competitive solicitation. The corporation shall reserve
391 up to 5 percent of each allocation ~~funding~~ for high-priority
392 affordable housing projects, such as housing to support economic
393 development and job-creation initiatives, housing for veterans
394 and their families, and other special needs populations in
395 communities throughout the state as determined by the
396 corporation on an annual basis. The corporation shall reserve an
397 additional 5 percent of each allocation for affordable housing
398 projects that target persons who have a disabling condition as
399 defined in s. 420.0004 and their families. These allocations
400 must prioritize projects or initiatives piloting or
401 demonstrating cost effective, best practices that meet the
402 housing needs and preferences of such persons. Any tax credits
403 or funds not allocated because of a lack of eligible projects
404 targeting persons who have a disabling condition shall be
405 distributed by the corporation for high-priority housing
406 projects.

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407 Section 8. Paragraphs (c) and (f) of subsection (6) of
408 section 420.5087, Florida Statutes, are amended to read:

409 420.5087 State Apartment Incentive Loan Program.—There is
410 hereby created the State Apartment Incentive Loan Program for
411 the purpose of providing first, second, or other subordinated
412 mortgage loans or loan guarantees to sponsors, including for-
413 profit, nonprofit, and public entities, to provide housing
414 affordable to very-low-income persons.

415 (6) On all state apartment incentive loans, except loans
416 made to housing communities for the elderly to provide for
417 lifesafety, building preservation, health, sanitation, or
418 security-related repairs or improvements, the following
419 provisions shall apply:

420 (c) The corporation shall provide by rule for the
421 establishment of a review committee ~~composed of the department~~
422 ~~and corporation staff and shall establish by rule a scoring~~
423 ~~system~~ for the competitive evaluation and selection ~~competitive~~
424 ~~ranking~~ of applications submitted in this program, including,
425 but not limited to, the following criteria:

426 1. Tenant income and demographic targeting objectives of
427 the corporation.

428 2. Targeting objectives of the corporation which will
429 ensure an equitable distribution of loans between rural and
430 urban areas.

431 3. Sponsor's agreement to reserve the units for persons or
432 families who have incomes below 50 percent of the state or local
433 median income, whichever is higher, for a time period that
434 exceeds ~~to exceed~~ the minimum required by federal law or the
435 ~~provisions of~~ this part.

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- 436 4. Sponsor's agreement to reserve more than:
- 437 a. Twenty percent of the units in the project for persons
- 438 or families who have incomes that do not exceed 50 percent of
- 439 the state or local median income, whichever is higher; or
- 440 b. Forty percent of the units in the project for persons or
- 441 families who have incomes that do not exceed 60 percent of the
- 442 state or local median income, whichever is higher, without
- 443 requiring a greater amount of the loans as provided in this
- 444 section.
- 445 5. Provision for tenant counseling.
- 446 6. Sponsor's agreement to accept rental assistance
- 447 certificates or vouchers as payment for rent.
- 448 7. Projects requiring the least amount of a state apartment
- 449 incentive loan compared to overall project cost, except that the
- 450 share of the loan attributable to units serving extremely-low-
- 451 income persons must ~~shall~~ be excluded from this requirement.
- 452 8. Local government contributions and local government
- 453 comprehensive planning and activities that promote affordable
- 454 housing.
- 455 9. Project feasibility.
- 456 10. Economic viability of the project.
- 457 11. Commitment of first mortgage financing.
- 458 12. Sponsor's prior experience.
- 459 13. Sponsor's ability to proceed with construction.
- 460 14. Projects that directly implement or assist welfare-to-
- 461 work transitioning.
- 462 15. Projects that reserve units for extremely-low-income
- 463 persons.
- 464 16. Projects that include green building principles, storm-

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465 resistant construction, or other elements that reduce long-term
466 costs relating to maintenance, utilities, or insurance.

467 17. Job-creation rate of the developer and general
468 contractor, as provided in s. 420.507(47).

469 (f) The review committee established by corporation rule
470 pursuant to this subsection shall make recommendations to the
471 board of directors of the corporation regarding program
472 participation under the State Apartment Incentive Loan Program.
473 The corporation board shall make the final ~~ranking and the~~
474 decisions regarding which applicants shall become program
475 participants based on the scores received in the competitive
476 process ranking, further review of applications, and the
477 recommendations of the review committee. The corporation board
478 shall approve or reject applications for loans and shall
479 determine the tentative loan amount available to each applicant
480 selected for participation in the program. The actual loan
481 amount shall be determined pursuant to rule adopted pursuant to
482 s. 420.507(22) (h).

483 Section 9. Section 420.511, Florida Statutes, is amended to
484 read:

485 420.511 Strategic business plan; long-range program
486 ~~strategie plan; annual report; audited financial statements.~~-

487 (1) The corporation shall develop a strategic business plan
488 for the provision of affordable housing for the state. The plan
489 must be consistent ~~shall not be inconsistent~~ with the long-range
490 program strategie plan prepared pursuant to subsection (2) and
491 shall contain performance measures and specific performance
492 targets for the following:

493 (a) The ability of low-income and moderate-income

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494 Floridians to access housing that is decent and affordable.

495 (b) The continued availability and affordability of housing
496 financed by the corporation to target populations.

497 (c) The availability of affordable financing programs,
498 including equity and debt products, and programs that reduce
499 gaps in conventional financing in order~~7~~ to increase individual
500 access to housing and stimulate private production of affordable
501 housing.

502 (d) The establishment and maintenance of efficiencies in
503 the delivery of affordable housing.

504 (e) Such other measures as directed by the corporation's
505 board of directors.

506

507 ~~The corporation shall also compile data on the stimulus of~~
508 ~~economic activity created by the affordable housing finance~~
509 ~~programs administered by the corporation.~~

510 (2) The corporation, in coordination ~~equal partnership~~ with
511 the department, shall ~~develop~~ annually develop a long-range
512 program ~~strategie~~ plan for the provision of affordable housing
513 in this state as Florida ~~as part of the department's agency~~
514 ~~strategie plan~~ required pursuant to chapter 186. In part, the
515 plan must ~~shall~~ include provisions that maximize the abilities
516 of the corporation ~~and the department~~ to implement the state
517 housing strategy established under s. 420.0003, to respond to
518 federal housing initiatives, and to develop programs in a manner
519 that is more responsive to the needs of public and private
520 partners. The plan shall be developed on a schedule consistent
521 with that established by s. 186.021. For purposes of this
522 section ~~act~~, the executive director or his or her designee shall

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523 serve as the corporation's representative to achieve a
524 coordinated and integrated planning relationship with the
525 department.

526 (3) ~~(a)~~ The corporation shall submit to the Governor and the
527 presiding officers of each house of the Legislature, within 6 2
528 months after the end of its fiscal year, a complete and detailed
529 report setting forth the corporation's state and federal program
530 accomplishments using the most recent available data. The report
531 must include, but is not limited to:

532 (a) The following tenant characteristics in the existing
533 rental units financed through corporation-administered programs:

534 1. The number of households served, delineated by income,
535 race, ethnicity, and age of the head of household.

536 2. The number of households served in large, medium, and
537 small counties as defined by s. 420.5087 and the extent to which
538 geographic distribution has been achieved in accordance with s.
539 420.5087.

540 3. The number of farmworker and commercial-fishing worker
541 households served.

542 4. The number of homeless households served.

543 5. The number of special needs households served.

544 6. By county, the average rent charged based on unit size.

545 (b) The number of rental units to which resources have been
546 allocated in the last fiscal year, including income and
547 demographic restrictions.

548 (c) The estimated average cost of producing units under
549 each rental or homeownership unit financed under each program in
550 the last fiscal year.

551 (d) By county, the average sales price of homeownership

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552 units financed in the last fiscal year.

553 (e) The number of households served by homeownership
554 programs in the last fiscal year, including the income, race,
555 ethnicity, and age of the homeowner of each household.

556 (f) The percentage of homeownership loans that are in
557 foreclosure.

558 (g) The percentage of properties in the corporation's
559 rental portfolio which have an occupancy rate below 90 percent.

560 (h) The amount of economic stimulus created by the
561 affordable housing finance programs administered by the
562 corporation for the most recent year available.

563 (i) For the State Apartment Incentive Loan Program (SAIL),
564 a comprehensive list of all closed loans outstanding at the end
565 of the most recent fiscal year, including, but not limited to,
566 development name, city, county, developer, set-aside type, set-
567 aside percentage, affordability term, total number of units,
568 number of set-aside units, lien position, original loan amount,
569 loan maturity date, loan balance at close of year, status of
570 loan, rate of interest, and interest paid.

571 (j) For the Florida Affordable Housing Guarantee Program, a
572 list of all guaranteed loans through the close of the most
573 recent fiscal year, including, but not limited to, development
574 name, city, county, developer, total number of units, issuer of
575 the bonds, loan maturity date, participation in the United
576 States Department of Housing and Urban Development Risk-Sharing
577 Program, original guarantee amount, guarantee amount at the
578 close of the fiscal year, status of guaranteed loans, and total
579 outstanding Florida Housing Finance Corporation Affordable
580 Housing Guarantee Program revenue bonds at the close of the most

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581 recent fiscal year.

582 (k) Any other information the corporation deems
583 appropriate.

584 ~~1. Its operations and accomplishments;~~

585 ~~2. Its receipts and expenditures during its fiscal year in~~
586 ~~accordance with the categories or classifications established by~~
587 ~~the corporation for its operating and capital outlay purposes;~~

588 ~~3. Its assets and liabilities at the end of its fiscal year~~
589 ~~and the status of reserve, special, or other funds;~~

590 ~~4. A schedule of its bonds outstanding at the end of its~~
591 ~~fiscal year, together with a statement of the principal amounts~~
592 ~~of bonds issued and redeemed during the fiscal year; and~~

593 ~~5. Information relating to the corporation's activities in~~
594 ~~implementing the provisions of ss. 420.5087, 420.5088, and~~
595 ~~420.5095.~~

596 ~~(b) The report shall include, but not be limited to:~~

597 ~~1. The number of people served, delineated by income, age,~~
598 ~~family size, and racial characteristics.~~

599 ~~2. The number of units produced under each program.~~

600 ~~3. The average cost of producing units under each program.~~

601 ~~4. The average sales price of single-family units financed~~
602 ~~under s. 420.5088.~~

603 ~~5. The average amount of rent charged based on unit size on~~
604 ~~units financed under s. 420.5087.~~

605 ~~6. The number of persons in rural communities served under~~
606 ~~each program.~~

607 ~~7. The number of farmworkers served under each program.~~

608 ~~8. The number of homeless persons served under each~~
609 ~~program.~~

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610 ~~9. The number of elderly persons served under each program.~~

611 ~~10. The extent to which geographic distribution has been~~
612 ~~achieved in accordance with the provisions of s. 420.5087.~~

613 ~~11. The success of the Community Workforce Housing~~
614 ~~Innovation Pilot Program in meeting the housing needs of~~
615 ~~eligible areas.~~

616 ~~12. Any other information the corporation deems~~
617 ~~appropriate.~~

618 (4) Within 6 months after the end of its fiscal year, the
619 corporation shall submit audited financial statements prepared
620 in accordance with generally accepted accounting principles
621 which include all assets, liabilities, revenues, and expenses of
622 the corporation, and a list of all bonds outstanding at the end
623 of its fiscal year. ~~with the annual report required by this~~
624 ~~section, a copy of an annual financial audit of its accounts and~~
625 ~~records and an annual compliance~~ The audit must be of its
626 ~~programs~~ conducted by an independent certified public
627 accountant, performed in accordance with generally accepted
628 auditing standards and government auditing standards, and
629 incorporate all reports, including compliance reports, as
630 required by such auditing standards.

631 (5) The Auditor General shall conduct an operational audit
632 of the accounts and records of the corporation and provide a
633 written report on the audit to the President of the Senate and
634 the Speaker of the House of Representatives by December 1, 2016.
635 Both the corporation's business plan and annual report must
636 ~~shall~~ recognize the different fiscal periods under which the
637 corporation, the state, the Federal Government, and local
638 governments operate.

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639 Section 10. Paragraph (b) of subsection (4) of section
640 420.0003, Florida Statutes, is amended to read:

641 420.0003 State housing strategy.—

642 (4) IMPLEMENTATION.—The Department of Economic Opportunity
643 and the Florida Housing Finance Corporation in carrying out the
644 strategy articulated herein shall have the following duties:

645 (b) The long-range program ~~agency strategie~~ plan of the
646 Department of Economic Opportunity must ~~shall~~ include specific
647 goals, objectives, and strategies that implement the housing
648 policies in this section ~~and shall include the strategic plan~~
649 ~~for housing production prepared by the corporation pursuant to~~
650 ~~s. 420.511.~~

651 Section 11. Section 420.0006, Florida Statutes, is amended
652 to read:

653 420.0006 Authority to contract with corporation; contract
654 requirements; nonperformance.—The executive director of the
655 department shall contract, notwithstanding part I of chapter
656 287, with the Florida Housing Finance Corporation on a multiyear
657 basis to stimulate, provide, and foster affordable housing in
658 the state. The contract must incorporate the performance
659 measures required by s. 420.511 and ~~must~~ be consistent with ~~the~~
660 ~~provisions of~~ the corporation's strategic business plan prepared
661 in accordance with s. 420.511. The contract must provide that
662 ~~if, in the event~~ the corporation fails to comply with ~~any of the~~
663 a performance measure ~~measures~~ required by s. 420.511, the
664 executive director shall notify the Governor and ~~shall~~ refer the
665 nonperformance to the department's inspector general for review
666 and determination as to whether such failure is due to forces
667 beyond the corporation's control or whether such failure is due

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668 to inadequate management of the corporation's resources.
 669 Advances shall continue to be made pursuant to s. 420.0005
 670 during the pendency of the review ~~by the department's inspector~~
 671 ~~general~~. If such failure is due to outside forces, it may ~~shall~~
 672 not be deemed a violation of the contract. If such failure is
 673 due to inadequate management, the department's inspector general
 674 shall provide recommendations regarding solutions. The Governor
 675 may ~~is authorized to~~ resolve any differences of opinion with
 676 respect to performance under the contract and may request that
 677 advances continue in the event of a failure under the contract
 678 due to inadequate management. The Chief Financial Officer shall
 679 approve the request absent a finding by the Chief Financial
 680 Officer that continuing such advances would adversely impact the
 681 state; however, ~~in any event~~ the Chief Financial Officer shall
 682 provide advances sufficient to meet the debt service
 683 requirements of the corporation and sufficient to fund contracts
 684 committing funds from the State Housing Trust Fund if so long as
 685 such contracts are in accordance with the laws of this state.

686 Section 12. Subsection (1) of section 420.504, Florida
 687 Statutes, is amended to read:

688 420.504 Public corporation; creation, membership, terms,
 689 expenses.—

690 (1) ~~There is created within the Department of Economic~~
 691 ~~Opportunity~~ A public corporation and a public body corporate and
 692 politic, to be known as the "Florida Housing Finance
 693 Corporation," is created within the Department of Economic
 694 Opportunity. ~~"Florida Housing Finance Corporation."~~ It is
 695 declared to be the intent of and constitutional construction by
 696 the Legislature that the Florida Housing Finance Corporation

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697 constitutes an entrepreneurial public corporation organized to
698 provide and promote the public welfare by administering the
699 governmental function of financing or refinancing housing and
700 related facilities in this state Florida and that the
701 corporation is not a department of the executive branch of state
702 government within the scope and meaning of s. 6, Art. IV of the
703 State Constitution, but is functionally related to the
704 Department of Economic Opportunity in which it is placed. The
705 executive function of state government to be performed by the
706 executive director of the Department of Economic Opportunity in
707 the conduct of the business of the Florida Housing Finance
708 Corporation must be performed pursuant to a contract to monitor
709 and set performance standards for the implementation of the
710 business plan for the provision of housing approved for the
711 corporation as provided in s. 420.0006. This contract must ~~shall~~
712 include ~~the~~ performance standards for the provision of
713 affordable housing in this state Florida established in the
714 strategic business plan described in s. 420.511.

715 Section 13. Subsection (1) of section 420.506, Florida
716 Statutes, is amended to read:

717 420.506 Executive director; agents and employees; inspector
718 general.—

719 (1) The appointment and removal of an executive director
720 shall be by the executive director of the Department of Economic
721 Opportunity, with the advice and consent of the corporation's
722 board of directors. The executive director shall employ legal
723 and technical experts and such other agents and employees,
724 permanent and temporary, as the corporation may require, and
725 shall communicate with and provide information to the

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726 Legislature with respect to the corporation's activities. ~~The~~
727 ~~board is authorized,~~ Notwithstanding ~~the provisions of~~ s.
728 216.262, the board may ~~to~~ develop and implement rules regarding
729 the employment of employees of the corporation and service
730 providers, including legal counsel. The board ~~of directors of~~
731 ~~the corporation~~ is entitled to establish travel procedures and
732 guidelines for employees of the corporation, subject to s.
733 112.061(6) and (7). The executive director's office and the
734 corporation's files and records must be located in Leon County.

735 Section 14. Section 420.5091, Florida Statutes, is
736 repealed.

737 Section 15. This act shall take effect upon becoming a law
738 and shall first apply to the 2013 ad valorem tax rolls.