

LEGISLATIVE ACTION

Senate Comm: RCS 03/07/2019 House

•

The Committee on Community Affairs (Hutson) recommended the following:

Senate Amendment (with title amendment)

Delete everything after the enacting clause

and insert:

1

2 3

4

5

6

7

8

9 10 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

	634362
--	--------

11	construction of housing that is affordable, as defined in s.
12	420.9071. If a county, municipality, or special district
13	provides such an exception or waiver, it is not required to use
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:
19	(a) The specific purpose of the impact fee, including the
20	specific infrastructure needs to be met, such as transportation,
21	parks, water, sewer, and schools.
22	(b) The impact fee schedule policy describing the method of
23	calculating impact fees, such as flat fees, tiered scales based
24	on number of bedrooms, or tiered scales based on square footage.
25	(c) The amount assessed for each purpose and for each type
26	of dwelling.
27	(d) The total amount of impact fees charged by type of
28	dwelling.
29	(e) Each exception and each waiver provided for affordable
30	housing developments.
31	Section 2. Section 420.0007, Florida Statutes, is created
32	to read:
33	420.0007 Local permit approval process for affordable
34	housing
35	(1) A local government has 15 days after the date it
36	receives an application for a development permit, a construction
37	permit, or a certificate of occupancy for affordable housing to
38	examine the application and notify the applicant of any apparent
39	errors or omissions and to request any additional information

634362

40	that the local government is authorized by law to require.
41	(2) If a local government does not request additional
42	information within the timeframe specified in subsection (1),
43	the local government may not deny a development permit,
44	construction permit, or certificate of occupancy for affordable
45	housing if the applicant has failed to correct the error or the
46	omission or to supply additional information.
47	(3) The local government may require any additional
48	requested information to be submitted not later than 10 days
49	after the date of the notice specified in subsection (1).
50	(4) For good cause shown, the local government shall grant
51	a request for an extension of time for submitting the additional
52	information.
53	(5) An application is complete upon receipt of all
54	requested information and upon the correction of any error or
55	omission for which the applicant was timely notified or when the
56	time for notification has expired.
57	(6) The local government shall approve or deny an
58	application for a development permit, a construction permit, or
59	a certificate of occupancy for affordable housing within 60 days
60	after receipt of a completed application unless a shorter period
61	of time for action by local government is provided by law.
62	(7) If the local government does not approve or deny an
63	application for a development permit, a construction permit, or
64	a certificate of occupancy for affordable housing within the 60-
65	day, or a shorter, time period, the permit is considered
66	approved and the local government shall issue the development
67	permit, the construction permit, or the certificate of
68	occupancy, which may include reasonable conditions as authorized
	I

634362

69 by law.

70

71 72

73

74

75

76

77

78

79

80

81 82

83

84

85

86

88 89

90

91

92

93

94

95

97

(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 guarantees to sponsors, including forprofit, nonprofit, and public entities, to provide housing 87 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 96 program, including, but not limited to, the following criteria: 1. Tenant income and demographic targeting objectives of

Page 4 of 16



98 the corporation.

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.

99

100

101

102

103

104

105

106

107

108

109

110

111

112

113

114

115

116

117

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.

118 7. Projects requiring the least amount of a state apartment 119 incentive loan compared to overall project cost, except that the 120 share of the loan attributable to units serving extremely-low-121 income persons must be excluded from this requirement.

122 8. Local government contributions and local government 123 comprehensive planning and activities that promote affordable 124 housing <u>and policies that promote access to public</u> 125 <u>transportation, reduce the need for onsite parking, and expedite</u> 126 <u>permits for affordable housing projects as provided in s.</u>

634362

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 Loan Innovation Pilot
154	Program is created to provide affordable rental and home
155	ownership community workforce housing for essential services



156 personnel affected by the high cost of housing, using regulatory 157 incentives and state and local funds to promote local public-158 private partnerships and leverage government and private 159 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 <u>80</u> 140 percent of the area median income, adjusted for household size, or <u>120</u> 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.

183 184

160

161

162

163

164

165

166

167

168

169

170

171

172

173

174 175

176

177 178

179

180

181 182

(4) The Florida Housing Finance Corporation is authorized

634362

185 to provide loans under the Community Workforce Housing 186 Innovation Pilot program loans to applicants an applicant for 187 construction or rehabilitation of workforce housing in eligible 188 areas. This funding is intended to be used with other public and 189 private sector resources. 190 (5) The corporation shall establish a loan application 191 process under s. 420.5087 by rule which includes selection 192 criteria, an application review process, and a funding process. 193 The corporation shall also establish an application review 194 committee that may include up to three private citizens 195 representing the areas of housing or real estate development, 196 banking, community planning, or other areas related to the 197 development or financing of workforce and affordable housing. 198 (a) The selection criteria and application review process 199 must include a procedure for curing errors in the loan 200 applications which do not make a substantial change to the 201 proposed project. (b) To achieve the goals of the pilot program, the 202 203 application review committee may approve or reject loan 204 applications or responses to questions raised during the review 205 of an application due to the insufficiency of information 206 provided. 207 (c) The application review committee shall make 2.08 recommendations concerning program participation and funding to 209 the corporation's board of directors. 210 (d) The board of directors shall approve or reject loan applications, determine the tentative loan amount available to 211 212 each applicant, and rank all approved applications. 213 (c) The board of directors shall decide which approved



applicants will become program participants and determine the 215 maximum loan amount for each program participant. 216 (6) The corporation shall provide incentives for local 217 governments in eligible areas to use local affordable housing 218 funds, such as those from the State Housing Initiatives Partnership Program, to assist in meeting the affordable housing 219 needs of persons eligible under this program. Local governments 220 221 are authorized to use State Housing Initiative Partnership 2.2.2 Program funds for persons or families whose total annual 223 household income does not exceed: 224 (a) One hundred and forty percent of the area median 225 income, adjusted for household size; or 226 (b) One hundred and fifty percent of the area median 227 income, adjusted for household size, in areas that were 228 designated as areas of critical state concern for at least 20 consecutive years prior to the removal of the designation and in 229 230 areas of critical state concern, designated under s. 380.05, for 2.31 which the Legislature has declared its intent to provide 232 affordable housing. 233 (7) Funding shall be targeted to innovative projects in 234 areas where the disparity between the area median income and the 235 median sales price for a single-family home is greatest, and 236 where population growth as a percentage rate of increase is 2.37 greatest. The corporation may also fund projects in areas where 238 innovative regulatory and financial incentives are made 239 available. The corporation shall fund at least one eligible

240 project in as many counties and regions of the state as is 241 practicable, consistent with program goals.

242

214

(6) (8) Projects must be given shall receive priority

COMMITTEE AMENDMENT

Florida Senate - 2019 Bill No. SB 350



243 consideration for funding <u>if</u> where:

(a) The local jurisdiction has adopted, or is committed to 244 245 adopting, appropriate regulatory incentives, or the local 246 jurisdiction or public-private partnership has adopted or is 247 committed to adopting local contributions or financial 248 strategies, or other funding sources to promote the development 249 and ongoing financial viability of such projects. Local 250 incentives include such actions as expediting review of 251 development orders and permits, supporting development near 252 transportation hubs and major employment centers, and adopting 253 land development regulations designed to allow flexibility in 254 densities, use of accessory units, mixed-use developments, and 255 flexible lot configurations. Financial strategies include such 256 actions as promoting employer-assisted housing programs, 257 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 least 80 percent of units for workforce housing and at least 50 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.

270 271

258

259

260

261

262

263

264

265

266

267

268

269

(9) Notwithstanding s. 163.3184(4)(b)-(d), any local



272	government comprehensive plan amendment to implement a Community
273	Workforce Housing Innovation Pilot Program project found
274	consistent with this section shall be expedited as provided in
275	this subsection. At least 30 days prior to adopting a plan
276	amendment under this subsection, the local government shall
277	notify the state land planning agency of its intent to adopt
278	such an amendment, and the notice shall include its evaluation
279	related to site suitability and availability of facilities and
280	services. The public notice of the hearing required by s.
281	163.3184(11)(b)2. shall include a statement that the local
282	government intends to use the expedited adoption process
283	authorized by this subsection. Such amendments shall require
284	only a single public hearing before the governing board, which
285	shall be an adoption hearing as described in s. 163.3184(4)(e).
286	Any further proceedings shall be governed by s. 163.3184(5)-
287	(13).
288	(10) The processing of approvals of development orders or
289	development permits, as defined in s. 163.3164, for innovative
290	community workforce housing projects shall be expedited.
291	<u>(7)</u> (11) The corporation shall award loans with <u>a</u> interest
292	rates set at 1 to 3 percent <u>interest rate for a term that does</u>
293	not exceed 15 years, which may be made forgivable when long-term

294 affordability is provided and when at least 80 percent of the 295 units are set aside for workforce housing and at least 50 296 percent of the units are set aside for essential services 297 personnel.

298 299

(12) All eligible applications shall:

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

306

307

308

309 310

311

312

313

314

315

316

317

318

319

320

321 322

323

324

325

326

634362

301 of the median sales price for that type of unit in that county, 302 or the statewide median sales price for that type of unit, 303 whichever is higher, and require that all eligible purchasers of 304 home ownership units occupy the homes as their primary 305 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.

327 (c) Demonstrate how the applicant will use the regulatory 328 incentives and financial strategies outlined in subsection (8) 329 from the local jurisdiction in which the proposed project is to

Page 12 of 16

634362

330	be located. The corporation may consult with the Department of
331	Economic Opportunity in evaluating the use of regulatory
332	incentives by applicants.
333	(f) Demonstrate that the applicant possesses title to or
334	site control of land and evidences availability of required
335	infrastructure.
336	(g) Demonstrate the applicant's affordable housing
337	development and management experience.
338	(h) Provide any research or facts available supporting the
339	demand and need for rental or home ownership workforce housing
340	for eligible persons in the market in which the project is
341	proposed.
342	(13) Projects may include manufactured housing constructed
343	after June 1994 and installed in accordance with mobile home
344	installation standards of the Department of Highway Safety and
345	Motor Vehicles.
346	(8) (14) The corporation may adopt rules pursuant to ss.
347	120.536(1) and 120.54 to implement this section.
348	(15) The corporation may use a maximum of 2 percent of the
349	annual program appropriation for administration and compliance
350	monitoring.
351	(16) The corporation shall review the success of the
352	Community Workforce Housing Innovation Pilot Program to
353	ascertain whether the projects financed by the program are
354	useful in meeting the housing needs of eligible areas and shall
355	include its findings in the annual report required under s.
356	420.511(3).
357	Section 5. Subsection (16) of section 420.9071, Florida
358	Statutes, is amended to read:

634362

359 420.9071 Definitions.-As used in ss. 420.907-420.9079, the 360 term: 361 (16) "Local housing incentive strategies" means local 362 regulatory reform or incentive programs to encourage or 363 facilitate affordable housing production, which include at a 364 minimum, expediting development permits, as defined in s. 365 163.3164, for affordable housing projects as provided in s. 366 420.0007 assurance that permits for affordable housing projects 367 are expedited to a greater degree than other projects, as 368 provided in s. 163.3177(6)(f)3.; an ongoing process for review 369 of local policies, ordinances, regulations, and plan provisions 370 that increase the cost of housing prior to their adoption; and a 371 schedule for implementing the incentive strategies. Local 372 housing incentive strategies may also include other regulatory 373 reforms, such as those enumerated in s. 420.9076 or those 374 recommended by the affordable housing advisory committee in its 375 triennial evaluation of the implementation of affordable housing 376 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:

381 193.018 Land owned by a community land trust used to 382 provide affordable housing; assessment; structural improvements, 383 condominium parcels, and cooperative parcels.-

384 (2) A community land trust may convey structural 385 improvements, condominium parcels, or cooperative parcels, that 386 are located on specific parcels of land that are identified by a 387 legal description contained in and subject to a ground lease

Page 14 of 16

377

378

379

380

COMMITTEE AMENDMENT

Florida Senate - 2019 Bill No. SB 350



388	having a term of at least 99 years, for the purpose of providing
389	affordable housing to natural persons or families who meet the
390	extremely-low-income, very-low-income, low-income, or moderate-
391	income limits specified in s. 420.0004, or the income limits for
392	workforce housing, as defined in s. 420.5095(3). A community
393	land trust shall retain a preemptive option to purchase any
394	structural improvements, condominium parcels, or cooperative
395	parcels on the land at a price determined by a formula specified
396	in the ground lease which is designed to ensure that the
397	structural improvements, condominium parcels, or cooperative
398	parcels remain affordable.
399	Section 7. This act shall take effect July 1, 2019.
400	
401	=========== T I T L E A M E N D M E N T ==============
402	And the title is amended as follows:
403	Delete everything before the enacting clause
404	and insert:
405	A bill to be entitled
406	An act relating to affordable housing; amending s.
407	163.31801, F.S.; authorizing local governments to
408	provide exceptions or waivers for impact fees for
409	affordable housing developments; requiring that
410	certain data relating to impact fees be included in
411	the annual financial reports for specified entities;
412	creating s. 420.0007, F.S.; providing a local permit
413	approval process; amending s. 420.5087, F.S.; revising
414	the criteria used by a review committee when
415	evaluating and selecting specified applications for
416	state apartment incentive loans; amending s. 420.5095,
	I

Page 15 of 16



417 F.S.; creating the Community Workforce Housing Loan 418 Program in the place of the Community Workforce 419 Housing Innovation Pilot Program to provide workforce 420 housing for essential services personnel affected by 421 the high cost of housing; redefining the term 422 "workforce housing"; deleting definitions; authorizing 423 the Florida Housing Finance Corporation to provide 424 loans under the program to applicants for construction of workforce housing; requiring the corporation to 42.5 426 establish a certain loan application process; 427 requiring projects to receive priority consideration 428 under certain circumstances; requiring that the 429 corporation award loans at a specified interest rate 430 and for a limited term; amending s. 420.9071, F.S.; 431 revising the definition of the term "local housing 432 incentive strategies"; reenacting s. 193.018(2), F.S., 433 relating to land owned by a community land trust used 434 to provide affordable housing, to incorporate the amendment made to s. 420.5095, F.S., in a reference 435 436 thereto; providing an effective date.