

Committee Substitute for  
Committee Substitute for Senate Bill No. 334

An act relating to public housing; amending s. 420.5087, F.S.; authorizing the Florida Housing Finance Corporation to waive annual recertification under certain conditions; amending s. 421.02, F.S.; clarifying a legislative finding with respect to the inability of private enterprise to revitalize blighted areas; public housing; amending s. 421.08, F.S.; authorizing a housing authority to organize for the purpose of creating a for-profit or not-for-profit corporation, limited liability company, or similar entity to develop and operate residential homes or nonresidential projects; providing qualifications for a family to live in such a residential home; authorizing a corporation, limited liability company, or similar entity created by a housing authority to join with other entities to develop and operate residential or nonresidential projects; ratifying certain prior actions of a housing authority; authorizing the governing board of a housing authority to implement its own policy regarding per diem and travel expenses of its officials, officers, employees, and board members; amending s. 421.09, F.S.; providing that the certain limitations regarding the operation and management of a housing project do not restrict the activities of a for-profit or not-for-profit business entity created by the housing authority under s. 421.08, F.S.; amending s. 421.23, F.S.; authorizing a housing authority to use certain pledged funds to pay liabilities arising from the operation of its housing projects; repealing s. 421.54, F.S., relating to certain limitations on constructing housing projects in Orange and Seminole Counties; providing an effective date.

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

Section 1. Paragraph (m) 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 for-profit, 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:

(m) Sponsors shall annually certify the adjusted gross income of all persons or families qualified under subsection (2) at the time of initial occupancy, who are residing in a project funded by this program. All persons or families qualified under subsection (2) may continue to qualify under subsection (2) in a project funded by this program if the adjusted gross income

of those persons or families at the time of annual recertification meets the requirements established in s. 142(d)(3)(B) of the Internal Revenue Code of 1986, as amended. If the annual recertification of persons or families qualifying under subsection (2) results in noncompliance with income occupancy requirements, the next available unit must be rented to a person or family qualifying under subsection (2) in order to ensure continuing compliance of the project. The Corporation may waive the annual recertification if 100 percent of the units are set aside as affordable.

Section 2. Subsection (2) of section 421.02, Florida Statutes, is amended to read:

421.02 Finding and declaration of necessity.—It is hereby declared that:

(2) Blighted Slum areas in the state cannot be revitalized ~~cleared~~, nor can the shortage of safe and sanitary dwellings for persons of low income be relieved, solely through the operation of private enterprise, ~~and that the construction of housing projects for persons of low income, as herein defined, would therefore not be competitive with private enterprise.~~

Section 3. Present subsection (8) of section 421.08, Florida Statutes, is redesignated as subsection (10), and a new subsection (8) and subsection (9) are added to that section, to read:

421.08 Powers of authority.—An authority shall constitute a public body corporate and politic, exercising the public and essential governmental functions set forth in this chapter, and having all the powers necessary or convenient to carry out and effectuate the purpose and provisions of this chapter, including the following powers in addition to others herein granted:

(8)(a) To organize for the purpose of creating a for-profit or not-for-profit corporation, limited liability company, or other similar business entity pursuant to all applicable laws of this state in which the housing authority may hold an ownership interest or participate in its governance in order to develop, acquire, lease, construct, rehabilitate, manage, or operate multifamily or single-family residential projects. These projects may include nonresidential uses and may use public and private funds to serve individuals or families who meet the applicable income requirements of the state or federal program involved; whose income does not exceed 150 percent of the applicable median income for the area, as established by the United States Department of Housing and Urban Development; and who, in the determination of the housing authority, lack sufficient income or assets to enable them to purchase or rent a decent, safe, and sanitary dwelling. These corporations, limited liability companies, or other business entities may join partnerships, joint ventures, or limited liability companies pursuant to applicable laws or may otherwise engage with business entities in developing, acquiring, leasing, constructing, rehabilitating, managing, or operating such projects.

(b) The creation by a housing authority of such a corporation, limited liability company, or other business entity that is properly registered pursuant to all applicable laws before the effective date of this act is ratified and validated if the creation of such corporation, limited liability company, or other business entity would have been valid had this act been in effect at the

time such corporation, limited liability company, or other business entity was created and registered.

(c) Proceedings or acts performed by a housing authority or a corporation, limited liability company, or other business entity authorized pursuant to paragraph (b) are ratified and validated if such proceedings or acts were in furtherance of the purposes set forth in this chapter and would have been valid had this act been in effect at the time such proceedings or acts were performed.

(9) Notwithstanding s. 112.061, the governing board of an authority may approve and implement policies for per diem, travel, and other expenses of its officials, officers, board members, employees, and authorized persons in a manner consistent with federal guidelines.

Section 4. Section 421.09, Florida Statutes, is amended to read:

421.09 Operation not for profit.—

(1) It is the policy of this state that each housing authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe, and sanitary dwelling accommodations, and that ~~a no~~ housing authority ~~may not shall~~ construct or operate any such project for profit, or as a source of revenue to the city. To this end an authority ~~may not shall~~ fix the rentals for dwellings in its project at ~~a no~~ higher rate than it ~~finds shall find to be~~ necessary in order to produce revenues ~~that which~~, together with all other available moneys, revenue, income, and receipts of the authority from whatever sources derived, will be sufficient:

~~(a)(1)~~ To pay, as ~~they the same shall~~ become due, the principal and interest on the debentures of the authority;

~~(b)(2)~~ To meet the cost of, and to provide for, maintaining and operating the projects, including the cost of any insurance, and the administrative expenses of the authority; and

~~(c)(3)~~ To create, during not less than the 6 years immediately succeeding its issuance of any debentures, a reserve sufficient to meet the largest principal and interest payments ~~that which~~ will be due on such debentures in any one year thereafter, and to maintain such reserve.

(2) This section does not prohibit or restrict the activities or operations of a business entity created under s. 421.08(8).

Section 5. Section 421.23, Florida Statutes, is amended to read:

421.23 Liabilities of authority.—~~In no event shall~~ The liabilities, whether ex contractu or ex delicto, of an authority arising from the operation of its housing projects, may not be paid payable from any funds other than the rents, fees, or revenues of such projects and any grants or subsidies paid to such authority by the Federal Government, unless other funds are lawfully pledged by the authority's governing board.

Section 6. Section 421.54, Florida Statutes, is repealed.

Section 7. This act shall take effect upon becoming a law.

Approved by the Governor May 26, 2005.

Filed in Office Secretary of State May 26, 2005.