

A bill to be entitled

An act relating to the community contribution tax credit program and affordable housing; amending s. 212.08, F.S.; requiring the Office of Tourism, Trade, and Economic Development to reserve portions of certain annual tax credits for eligible sponsors of certain low-income housing projects; providing requirements, criteria, and limitations; amending s. 220.03, F.S.; revising a definition to delete a provision authorizing the office to reserve certain portions of available annual tax credits for certain low-income housing purposes; amending s. 220.183, F.S.; increasing the amount of available annual community contribution tax credits; revising eligibility criteria; requiring the Office of Tourism, Trade, and Economic Development to reserve portions of certain annual tax credits for eligible sponsors of certain low-income housing projects; providing requirements, criteria, and limitations; amending s. 624.5105, F.S.; increasing the amount of available annual community contribution tax credits; revising eligibility criteria; requiring the Office of Tourism, Trade, and Economic Development to reserve portions of certain annual tax credits for eligible sponsors of certain low-income housing projects; providing requirements, criteria, and limitations; amending s. 212.055, F.S., relating to the local government infrastructure surtax; deleting a limitation on issuing bonds; providing a popular name; creating s. 193.017, F.S.; providing for a low-income housing tax credit for certain property used for affordable housing; providing criteria, restrictions, and limitations;

HB 109, Engrossed 1

2004

31 | amending s. 253.034, F.S.; including affordable housing
 32 | under provisions governing permissible uses of certain
 33 | surplus state-owned lands; amending s. 420.0003, F.S.;
 34 | providing additional criteria for the affordable housing
 35 | delivery system under the state housing strategy; amending
 36 | s. 420.507, F.S.; revising powers of the Florida Housing
 37 | Finance Corporation to provide additional criteria and
 38 | requirements for certain housing projects; providing
 39 | additional powers to promote single family homeownership
 40 | and establish requirements for reporting certain
 41 | information relating to programs of the corporation;
 42 | amending s. 420.508, F.S.; providing the corporation with
 43 | special powers to provide for master lease agreements for
 44 | farmworker housing developments for certain purposes;
 45 | amending s. 420.5087, F.S.; increasing a cap for loans per
 46 | housing community for the elderly; revising a criterion
 47 | for state apartment incentive loans; amending s. 420.511,
 48 | F.S.; providing additional requirements for an annual
 49 | report by the corporation; amending s. 420.9072, F.S.;
 50 | providing additional legislative intent relating to local
 51 | government affordable housing advisory committees;
 52 | amending s. 420.9076, F.S.; providing for a minimum number
 53 | of affordable housing advisory committee members;
 54 | providing a criterion for additional members; requiring
 55 | counties and municipalities participating in the State
 56 | Housing Initiative Partnership Program to maintain an
 57 | operational advisory committee; providing additional
 58 | recommendation requirements for such advisory committees;
 59 | providing additional duties of the advisory committees;
 60 | amending s. 421.02, F.S.; revising a legislative

61 declaration relating to blighted areas; amending s.
 62 421.08, F.S.; authorizing certain housing authorities to
 63 create business entities for certain purposes; providing
 64 requirements and limitations; authorizing such authorities
 65 to provide for per diem, travel, and other expenses;
 66 amending s. 421.09, F.S.; providing construction; amending
 67 s. 421.23, F.S.; revising a limitation on financial
 68 liabilities of such authorities; repealing s. 421.54,
 69 F.S., relating to housing authorities in Orange County and
 70 Seminole County; providing an effective date.

71

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

73

74 Section 1. Paragraph (q) of subsection (5) of section
 75 212.08, Florida Statutes, is amended to read:

76 212.08 Sales, rental, use, consumption, distribution, and
 77 storage tax; specified exemptions.--The sale at retail, the
 78 rental, the use, the consumption, the distribution, and the
 79 storage to be used or consumed in this state of the following
 80 are hereby specifically exempt from the tax imposed by this
 81 chapter.

82 (5) EXEMPTIONS; ACCOUNT OF USE.--

83 (q) *Community contribution tax credit for donations.*--

84 1. Authorization.--Beginning July 1, 2001, persons who are
 85 registered with the department under s. 212.18 to collect or
 86 remit sales or use tax and who make donations to eligible
 87 sponsors are eligible for tax credits against their state sales
 88 and use tax liabilities as provided in this paragraph:

89 a. The credit shall be computed as 50 percent of the
 90 person's approved annual community contribution;

91 b. The credit shall be granted as a refund against state
 92 sales and use taxes reported on returns and remitted in the 12
 93 months preceding the date of application to the department for
 94 the credit as required in sub-subparagraph 3.c. If the annual
 95 credit is not fully used through such refund because of
 96 insufficient tax payments during the applicable 12-month period,
 97 the unused amount may be included in an application for a refund
 98 made pursuant to sub-subparagraph 3.c. in subsequent years
 99 against the total tax payments made for such year. Carryover
 100 credits may be applied for a 3-year period without regard to any
 101 time limitation that would otherwise apply under s. 215.26;

102 c. No person shall receive more than \$200,000 in annual
 103 tax credits for all approved community contributions made in any
 104 one year;

105 d. All proposals for the granting of the tax credit shall
 106 require the prior approval of the Office of Tourism, Trade, and
 107 Economic Development;

108 e. The total amount of tax credits which may be granted
 109 for all programs approved under this paragraph, s. 220.183, and
 110 s. 624.5105 is \$15 ~~\$10~~ million annually; and

111 f. A person who is eligible to receive the credit provided
 112 for in this paragraph, s. 220.183, or s. 624.5105 may receive
 113 the credit only under the one section of the person's choice.

114 2. Eligibility requirements.--

115 a. A community contribution by a person must be in the
 116 following form:

- 117 (I) Cash or other liquid assets;
- 118 (II) Real property;
- 119 (III) Goods or inventory; or
- 120 (IV) Other physical resources as identified by the Office

HB 109, Engrossed 1

2004

121 of Tourism, Trade, and Economic Development.

122 b. All community contributions must be reserved
 123 exclusively for use in a project. As used in this sub-
 124 subparagraph, the term "project" means any activity undertaken
 125 by an eligible sponsor which is designed to construct, improve,
 126 or substantially rehabilitate housing that is affordable to low-
 127 income or very-low-income households as defined in s.
 128 420.9071(19) and (28); designed to provide commercial,
 129 industrial, or public resources and facilities; or designed to
 130 improve entrepreneurial and job-development opportunities for
 131 low-income persons. A project may be the investment necessary to
 132 increase access to high-speed broadband capability in rural
 133 communities with enterprise zones, including projects that
 134 result in improvements to communications assets that are owned
 135 by a business. A project may include the provision of museum
 136 educational programs and materials that are directly related to
 137 any project approved between January 1, 1996, and December 31,
 138 1999, and located in an enterprise zone as referenced in s.
 139 290.00675. This paragraph does not preclude projects that
 140 propose to construct or rehabilitate housing for low-income or
 141 very-low-income households on scattered sites. ~~The Office of~~
 142 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
 143 ~~percent of the available annual tax credits for housing for~~
 144 ~~very low income households pursuant to s. 420.9071(28) for the~~
 145 ~~first 6 months of the fiscal year.~~ With respect to housing,
 146 contributions may be used to pay the following eligible low-
 147 income and very-low-income housing-related activities:

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

150 (II) Down payment and closing costs for eligible persons,

HB 109, Engrossed 1

2004

151 as defined in s. 420.9071(19) and (28);

152 (III) Administrative costs, including housing counseling
 153 and marketing fees, not to exceed 10 percent of the community
 154 contribution, directly related to low-income or very-low-income
 155 projects; and

156 (IV) Removal of liens recorded against residential
 157 property by municipal, county, or special district local
 158 governments when satisfaction of the lien is a necessary
 159 precedent to the transfer of the property to an eligible person,
 160 as defined in s. 420.9071(19) and (28), for the purpose of
 161 promoting home ownership. Contributions for lien removal must be
 162 received from a nonrelated third party.

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

165 (I) A community action program;

166 (II) A nonprofit community-based development organization
 167 whose mission is the provision of housing for low-income or
 168 very-low-income households or increasing entrepreneurial and
 169 job-development opportunities for low-income persons;

170 (III) A neighborhood housing services corporation;

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

172 (V) A community redevelopment agency created under s.
 173 163.356;

174 (VI) The Florida Industrial Development Corporation;

175 (VII) A historic preservation district agency or
 176 organization;

177 (VIII) A regional workforce board;

178 (IX) A direct-support organization as provided in s.
 179 1009.983;

180 (X) An enterprise zone development agency created under s.

HB 109, Engrossed 1

2004

181 290.0056;

182 (XI) A community-based organization incorporated under
 183 chapter 617 which is recognized as educational, charitable, or
 184 scientific pursuant to s. 501(c)(3) of the Internal Revenue Code
 185 and whose bylaws and articles of incorporation include
 186 affordable housing, economic development, or community
 187 development as the primary mission of the corporation;

188 (XII) Units of local government;

189 (XIII) Units of state government; or

190 (XIV) Any other agency that the Office of Tourism, Trade,
 191 and Economic Development designates by rule.

192
 193 In no event may a contributing person have a financial interest
 194 in the eligible sponsor.

195 d. The project must be located in an area designated an
 196 enterprise zone or a Front Porch Florida Community pursuant to
 197 s. 14.2015(9)(b), unless the project increases access to high-
 198 speed broadband capability for rural communities with enterprise
 199 zones but is physically located outside the designated rural
 200 zone boundaries. Any project designed to construct or
 201 rehabilitate housing for low-income or very-low-income
 202 households as defined in s. 420.0971(19) and (28) is exempt from
 203 the area requirement of this sub-subparagraph.

204 e.(I) The Office of Tourism, Trade, and Economic
 205 Development shall reserve 80 percent of the available annual
 206 tax credits for donations made to eligible sponsors for
 207 projects that provide homeownership opportunities to low-income
 208 or very-low-income households pursuant to s. 420.9071(19) and
 209 (28) for the first 2 months of the fiscal year. If less than 80
 210 percent of the annual tax credits for donations made to

HB 109, Engrossed 1

2004

211 eligible sponsors for projects for low-income or very-low-
 212 income households are approved within the first 2 months of the
 213 fiscal year, the office may approve the balance of available
 214 credits for donations made to eligible sponsors for projects
 215 other than those that provide homeownership opportunities for
 216 low-income or very-low-income households.

217 (II) The office shall reserve 20 percent of the available
 218 annual tax credits for donations made to eligible sponsors for
 219 projects other than those that provide homeownership
 220 opportunities for low-income or very-low-income households
 221 pursuant to s. 420.9071(19) and (28) for the first 2 months of
 222 the fiscal year. If less than 20 percent of the annual tax
 223 credits for donations made to eligible sponsors for projects
 224 other than those that provide homeownership opportunities for
 225 low-income or very-low-income households are approved within
 226 the first 2 months of the fiscal year, the office may approve
 227 the balance of available credits for donations made to eligible
 228 sponsors for projects that provide homeownership opportunities
 229 for low-income or very-low-income households.

230 (III) If, during the first 10 business days of the state
 231 fiscal year, tax credit applications are received for more than
 232 80 percent of available annual tax credits from eligible
 233 sponsors for projects that provide homeownership opportunities
 234 for low-income or very-low-income households, the office shall
 235 grant the tax credits for such applications as follows:

236 (A) If an eligible sponsor submits tax credit
 237 applications which in total do not exceed \$200,000, the credits
 238 shall be granted in full if the tax credit applications are
 239 approved and subject to the provisions of sub-sub-subparagraph
 240 (I).

241 (B) If an eligible sponsor submits tax credit
 242 applications which, in total, equal or exceed \$200,000, the
 243 amount of tax credit granted pursuant to sub-sub-sub-
 244 subparagraph (A) shall be subtracted from the amount of
 245 available tax credits pursuant to sub-sub-subparagraph (I), and
 246 the remaining credits shall be granted to each approved tax
 247 credit application on a pro rata basis.

248 (C) If, after the first 2 months of the fiscal year,
 249 additional credits become available pursuant to sub-sub-
 250 subparagraph (II), the office shall grant the tax credits by
 251 first increasing the credit of those who received a pro rata
 252 reduction and, if there are remaining credits, granting credits
 253 to those who applied on or after the 11th business day of the
 254 state fiscal year on a first-come, first-served basis.

255 (IV) If, during the first 10 business days of the state
 256 fiscal year, tax credit applications are received for more than
 257 20 percent of available annual tax credits from eligible
 258 sponsors for projects other than those that provide
 259 homeownership opportunities for low-income or very-low-income
 260 households, the office shall grant the tax credits to each
 261 approved tax credit application on a pro rata basis. If, after
 262 the first 2 months of the fiscal year, additional credits
 263 become available pursuant to sub-sub-subparagraph (I), the
 264 office shall grant the tax credits by first increasing the
 265 credit of those who received a pro rata reduction and, if there
 266 are remaining credits, granting credits to those who applied on
 267 or after the 11th business day of the state fiscal year on a
 268 first-come, first-served basis.

269 3. Application requirements.--

270 a. Any eligible sponsor seeking to participate in this

HB 109, Engrossed 1

2004

271 program must submit a proposal to the Office of Tourism, Trade,
 272 and Economic Development which sets forth the name of the
 273 sponsor, a description of the project, and the area in which the
 274 project is located, together with such supporting information as
 275 is prescribed by rule. The proposal must also contain a
 276 resolution from the local governmental unit in which the project
 277 is located certifying that the project is consistent with local
 278 plans and regulations.

279 b. Any person seeking to participate in this program must
 280 submit an application for tax credit to the Office of Tourism,
 281 Trade, and Economic Development which sets forth the name of the
 282 sponsor, a description of the project, and the type, value, and
 283 purpose of the contribution. The sponsor shall verify the terms
 284 of the application and indicate its receipt of the contribution,
 285 which verification must be in writing and accompany the
 286 application for tax credit. The person must submit a separate
 287 tax credit application to the office for each individual
 288 contribution that it makes to each individual project.

289 c. Any person who has received notification from the
 290 Office of Tourism, Trade, and Economic Development that a tax
 291 credit has been approved must apply to the department to receive
 292 the refund. Application must be made on the form prescribed for
 293 claiming refunds of sales and use taxes and be accompanied by a
 294 copy of the notification. A person may submit only one
 295 application for refund to the department within any 12-month
 296 period.

297 4. Administration.--

298 a. The Office of Tourism, Trade, and Economic Development
 299 may adopt rules pursuant to ss. 120.536(1) and 120.54 necessary
 300 to administer this paragraph, including rules for the approval

HB 109, Engrossed 1

2004

301 or disapproval of proposals by a person.

302 b. The decision of the Office of Tourism, Trade, and
 303 Economic Development must be in writing, and, if approved, the
 304 notification shall state the maximum credit allowable to the
 305 person. Upon approval, the office shall transmit a copy of the
 306 decision to the Department of Revenue.

307 c. The Office of Tourism, Trade, and Economic Development
 308 shall periodically monitor all projects in a manner consistent
 309 with available resources to ensure that resources are used in
 310 accordance with this paragraph; however, each project must be
 311 reviewed at least once every 2 years.

312 d. The Office of Tourism, Trade, and Economic Development
 313 shall, in consultation with the Department of Community Affairs,
 314 the Florida Housing Finance Corporation, and the statewide and
 315 regional housing and financial intermediaries, market the
 316 availability of the community contribution tax credit program to
 317 community-based organizations.

318 5. Expiration.--This paragraph expires June 30, 2005;
 319 however, any accrued credit carryover that is unused on that
 320 date may be used until the expiration of the 3-year carryover
 321 period for such credit.

322 Section 2. Paragraph (t) of subsection (1) of section
 323 220.03, Florida Statutes, is amended to read:

324 220.03 Definitions.--

325 (1) SPECIFIC TERMS.--When used in this code, and when not
 326 otherwise distinctly expressed or manifestly incompatible with
 327 the intent thereof, the following terms shall have the following
 328 meanings:

329 (t) "Project" means any activity undertaken by an eligible
 330 sponsor, as defined in s. 220.183(2)(c), which is designed to

HB 109, Engrossed 1

2004

331 construct, improve, or substantially rehabilitate housing that
 332 is affordable to low-income or very-low-income households as
 333 defined in s. 420.9071(19) and (28); designed to provide
 334 commercial, industrial, or public resources and facilities; or
 335 designed to improve entrepreneurial and job-development
 336 opportunities for low-income persons. A project may be the
 337 investment necessary to increase access to high-speed broadband
 338 capability in rural communities with enterprise zones, including
 339 projects that result in improvements to communications assets
 340 that are owned by a business. A project may include the
 341 provision of museum educational programs and materials that are
 342 directly related to any project approved between January 1,
 343 1996, and December 31, 1999, and located in an enterprise zone
 344 as referenced in s. 290.00675. This paragraph does not preclude
 345 projects that propose to construct or rehabilitate low-income or
 346 very-low-income housing on scattered sites. ~~The Office of~~
 347 ~~Tourism, Trade, and Economic Development may reserve up to 50~~
 348 ~~percent of the available annual tax credits under s. 220.181 for~~
 349 ~~housing for very-low-income households pursuant to s.~~
 350 ~~420.9071(28) for the first 6 months of the fiscal year.~~ With
 351 respect to housing, contributions may be used to pay the
 352 following eligible project-related activities:

- 353 1. Project development, impact, and management fees for
 354 low-income or very-low-income housing projects;
- 355 2. Down payment and closing costs for eligible persons, as
 356 defined in s. 420.9071(19) and (28);
- 357 3. Administrative costs, including housing counseling and
 358 marketing fees, not to exceed 10 percent of the community
 359 contribution, directly related to low-income or very-low-income
 360 projects; and

HB 109, Engrossed 1

2004

361 4. Removal of liens recorded against residential property
 362 by municipal, county, or special-district local governments when
 363 satisfaction of the lien is a necessary precedent to the
 364 transfer of the property to an eligible person, as defined in s.
 365 420.9071(19) and (28), for the purpose of promoting home
 366 ownership. Contributions for lien removal must be received from
 367 a nonrelated third party.

368
 369 The provisions of this paragraph shall expire and be void on
 370 June 30, 2005.

371 Section 3. Paragraph (c) of subsection (1) and paragraph
 372 (b) of subsection (2) of section 220.183, Florida Statutes, are
 373 amended to read:

374 220.183 Community contribution tax credit.--

375 (1) AUTHORIZATION TO GRANT COMMUNITY CONTRIBUTION TAX
 376 CREDITS; LIMITATIONS ON INDIVIDUAL CREDITS AND PROGRAM
 377 SPENDING.--

378 (c) The total amount of tax credit which may be granted
 379 for all programs approved under this section, s. 212.08(5)(q),
 380 and s. 624.5105 is \$15 ~~\$10~~ million annually.

381 (2) ELIGIBILITY REQUIREMENTS.--

382 (b)1. All community contributions must be reserved
 383 exclusively for use in projects as defined in s. 220.03(1)(t).

384 2. The Office of Tourism, Trade, and Economic Development
 385 shall ~~may~~ reserve 80 ~~up to 50~~ percent of the available annual
 386 tax credits for housing for donations made to eligible sponsors
 387 for projects that provide homeownership opportunities for low-
 388 income or very-low-income households pursuant to s. 420.9071(19)
 389 and (28) for the first 2 ~~6~~ months of the fiscal year. If less
 390 than 80 percent of the annual tax credits for donations made to

HB 109, Engrossed 1

2004

391 eligible sponsors for projects for low-income or very-low-income
 392 households are approved within the first 2 months of the fiscal
 393 year, the office may approve the balance of available credits
 394 for donations made to eligible sponsors for projects other than
 395 those that provide homeownership opportunities for low-income or
 396 very-low-income households.

397 3. The office shall reserve 20 percent of the available
 398 annual tax credits for donations made to eligible sponsors for
 399 projects other than those that provide homeownership
 400 opportunities for low-income or very-low-income households
 401 pursuant to s. 420.9071(19) and (28) for the first 2 months of
 402 the fiscal year. If less than 20 percent of the annual tax
 403 credits for donations made to eligible sponsors for projects
 404 other than those that provide homeownership opportunities for
 405 low-income or very-low-income households are approved within
 406 the first 2 months of the fiscal year, the office may approve
 407 the balance of available credits for donations made to eligible
 408 sponsors for projects that provide homeownership opportunities
 409 for low-income or very-low-income households.

410 4. If, during the first 10 business days of the state
 411 fiscal year, tax credit applications are received for more than
 412 80 percent of available annual tax credits from eligible
 413 sponsors for projects that provide homeownership opportunities
 414 for low-income or very-low-income households, the office shall
 415 grant the tax credits to such applications as follows:

416 a. If an eligible sponsor submits tax credit applications
 417 which in total do not exceed \$200,000, the credits shall be
 418 granted in full if the tax credit applications are approved and
 419 subject to the provisions of subparagraph 2.

420 b. If an eligible sponsor submits tax credit applications

HB 109, Engrossed 1

2004

421 which in total equal or exceed \$200,000, the amount of tax
 422 credits granted pursuant to sub-subparagraph a. shall be
 423 subtracted from the amount of available tax credits pursuant to
 424 subparagraph 2., and the remaining credits shall be granted to
 425 each approved tax credit application on a pro rata basis.

426 c. If, after the first 2 months of the fiscal year,
 427 additional credits become available pursuant to subparagraph
 428 3., the office shall grant the tax credits by first increasing
 429 the credit of those who received a pro rata reduction and, if
 430 there are remaining credits, granting credits to those who
 431 applied on or after the 11th business day of the state fiscal
 432 year on a first-come, first-served basis.

433 5. If, during the first 10 business days of the state
 434 fiscal year, tax credit applications are received for more than
 435 20 percent of available annual tax credits from eligible
 436 sponsors for projects other than those that provide
 437 homeownership opportunities for low-income or very-low-income
 438 households, the office shall grant the tax credits to each
 439 approved tax credit application on a pro rata basis. If, after
 440 the first 2 months of the fiscal year, additional credits
 441 become available pursuant to subparagraph 2., the office shall
 442 grant the tax credits by first increasing the credit of those
 443 who received a pro rata reduction and, if there are remaining
 444 credits, granting credits to those who applied on or after the
 445 11th business day of the state fiscal year on a first-come,
 446 first-served basis.

447 Section 4. Paragraph (c) of subsection (1) of section
 448 624.5105, Florida Statutes, is amended, and paragraph (e) is
 449 added to subsection (2) of said section, to read:

450 624.5105 Community contribution tax credit; authorization;

HB 109, Engrossed 1

2004

451 limitations; eligibility and application requirements;
 452 administration; definitions; expiration.--

453 (1) AUTHORIZATION TO GRANT TAX CREDITS; LIMITATIONS.--

454 (c) The total amount of tax credit which may be granted
 455 for all programs approved under this section and ss.
 456 212.08(5)(q) and ~~s.~~ 220.183 is \$15 ~~\$10~~ million annually.

457 (2) ELIGIBILITY REQUIREMENTS.--

458 (e)1. The Office of Tourism, Trade, and Economic
 459 Development shall reserve 80 percent of the available annual
 460 tax credits for donations made to eligible sponsors for
 461 projects that provide homeownership opportunities for low-
 462 income or very-low-income households pursuant to s.
 463 420.9071(19) and (28) for the first 2 months of the fiscal
 464 year. If less than 80 percent of the annual tax credits for
 465 donations made to eligible sponsors for projects that provide
 466 homeownership opportunities for low-income or very-low-income
 467 households are approved within the first 2 months of the fiscal
 468 year, the office may approve the balance of available credits
 469 for donations made to eligible sponsors for projects other than
 470 those that provide homeownership opportunities for low-income
 471 or very-low-income households.

472 2. The office shall reserve 20 percent of the available
 473 annual tax credits for donations made to eligible sponsors for
 474 projects other than those that provide homeownership
 475 opportunities for low-income or very-low-income households
 476 pursuant to s. 420.9071(19) and (28) for the first 2 months of
 477 the fiscal year. If less than 20 percent of the annual tax
 478 credits for donations made to eligible sponsors for projects
 479 other than those that provide homeownership opportunities for
 480 low-income or very-low-income households are approved within

481 the first 2 months of the fiscal year, the office may approve
 482 the balance of available credits for donations made to eligible
 483 sponsors for projects that provide homeownership opportunities
 484 for low-income or very-low-income households.

485 3. If, during the first 10 business days of the state
 486 fiscal year, tax credit applications are received for more than
 487 80 percent of available annual tax credits from eligible
 488 sponsors for projects that provide homeownership opportunities
 489 for low-income or very-low-income households, the office shall
 490 grant the tax credits to such applications as follows:

491 a. If an eligible sponsor submits tax credit applications
 492 which in total do not exceed \$200,000, the credits shall be
 493 granted in full if the tax credit applications are approved and
 494 subject to the provisions of subparagraph 1.

495 b. If an eligible sponsor submits tax credit applications
 496 which in total equal or exceed \$200,000, the amount of tax
 497 credits granted pursuant to sub-subparagraph a. shall be
 498 subtracted from the amount of available tax credits pursuant to
 499 subparagraph 1., and the remaining credits shall be granted to
 500 each approved tax credit application on a pro rata basis.

501 c. If, after the first 2 months of the fiscal year,
 502 additional credits become available pursuant to subparagraph
 503 2., the office shall grant the tax credits by first increasing
 504 the credit of those who received a pro rata reduction and, if
 505 there are remaining credits, granting credits to those who
 506 applied on or after the 11th business day of the state fiscal
 507 year on a first-come, first-served basis.

508 4. If, during the first 10 business days of the state
 509 fiscal year, tax credit applications are received for more than
 510 20 percent of available annual tax credits from eligible

HB 109, Engrossed 1

2004

511 sponsors for projects other than those that provide
 512 homeownership opportunities for low-income or very-low-income
 513 households, the office shall grant the tax credits to each
 514 approved tax credit application on a pro rata basis. If, after
 515 the first 2 months of the fiscal year, additional credits
 516 become available pursuant to subparagraph 1., the office shall
 517 grant the tax credits by first increasing the credit of those
 518 who received a pro rata reduction and, if there are remaining
 519 credits, granting credits to those who applied on or after the
 520 11th business day of the state fiscal year on a first-come,
 521 first-served basis.

522 Section 5. Paragraph (e) of subsection (2) of section
 523 212.055, Florida Statutes, as amended by section 91 of chapter
 524 2003-402, Laws of Florida, is amended to read:

525 212.055 Discretionary sales surtaxes; legislative intent;
 526 authorization and use of proceeds.--It is the legislative intent
 527 that any authorization for imposition of a discretionary sales
 528 surtax shall be published in the Florida Statutes as a
 529 subsection of this section, irrespective of the duration of the
 530 levy. Each enactment shall specify the types of counties
 531 authorized to levy; the rate or rates which may be imposed; the
 532 maximum length of time the surtax may be imposed, if any; the
 533 procedure which must be followed to secure voter approval, if
 534 required; the purpose for which the proceeds may be expended;
 535 and such other requirements as the Legislature may provide.
 536 Taxable transactions and administrative procedures shall be as
 537 provided in s. 212.054.

538 (2) LOCAL GOVERNMENT INFRASTRUCTURE SURTAX.--

539 (e) School districts, counties, and municipalities
 540 receiving proceeds under the provisions of this subsection may

HB 109, Engrossed 1

2004

541 pledge such proceeds for the purpose of servicing new bond
 542 indebtedness incurred pursuant to law. Local governments may use
 543 the services of the Division of Bond Finance of the State Board
 544 of Administration pursuant to the State Bond Act to issue any
 545 bonds through the provisions of this subsection. ~~In no case may~~
 546 ~~a jurisdiction issue bonds pursuant to this subsection more~~
 547 ~~frequently than once per year.~~ Counties and municipalities may
 548 join together for the issuance of bonds authorized by this
 549 subsection.

550 Section 6. Sections 6 through 20 of this act may be
 551 referred to by the popular name the "Florida Homeownership Act
 552 of 2004."

553 Section 7. Section 193.017, Florida Statutes, is created
 554 to read:

555 193.017 Low-income housing tax credit.--Property used for
 556 affordable housing which has received a low-income housing tax
 557 credit from the Florida Housing Finance Corporation, as
 558 authorized by s. 420.5099, shall be assessed under s. 193.011
 559 and consistent with s. 420.5099(5) and (6), pursuant to this
 560 section.

561 (1) The tax credits and the financing generated by the tax
 562 credits may not be considered as income to the property.

563 (2) The actual rental income from rent-restricted units in
 564 such a property shall be recognized by the property appraiser.

565 (3) Any costs paid for by tax credits and costs paid for
 566 by additional financing proceeds received under chapter 420 may
 567 not be included in the valuation of the property.

568 (4) If an extended low-income housing agreement is filed
 569 in the official public records of the county in which the
 570 property is located, the agreement and any recorded amendment or

HB 109, Engrossed 1

2004

571 supplement thereto shall be considered a land use regulation and
 572 a limitation on the highest and best use of the property during
 573 the term of the agreement, amendment, or supplement.

574 Section 8. Paragraph (f) of subsection (6) of section
 575 253.034, Florida Statutes, is amended to read:

576 253.034 State-owned lands; uses.--

577 (6) The Board of Trustees of the Internal Improvement
 578 Trust Fund shall determine which lands, the title to which is
 579 vested in the board, may be surplused. For conservation lands,
 580 the board shall make a determination that the lands are no
 581 longer needed for conservation purposes and may dispose of them
 582 by an affirmative vote of at least three members. In the case of
 583 a land exchange involving the disposition of conservation lands,
 584 the board must determine by an affirmative vote of at least
 585 three members that the exchange will result in a net positive
 586 conservation benefit. For all other lands, the board shall make
 587 a determination that the lands are no longer needed and may
 588 dispose of them by an affirmative vote of at least three
 589 members.

590 (f) In reviewing lands owned by the board, the council
 591 shall consider whether such lands would be more appropriately
 592 owned or managed by the county or other unit of local government
 593 in which the land is located. The council shall recommend to the
 594 board whether a sale, lease, or other conveyance to a local
 595 government would be in the best interests of the state and local
 596 government. The provisions of this paragraph in no way limit the
 597 provisions of ss. 253.111 and 253.115. Such lands shall be
 598 offered to the state, county, or local government for a period
 599 of 30 days. Permittable uses for such surplus lands may include
 600 public schools; public libraries; fire or law enforcement

HB 109, Engrossed 1

2004

601 substations; ~~and~~ governmental, judicial, or recreational
 602 centers; and affordable housing. County or local government
 603 requests for surplus lands shall be expedited throughout the
 604 surplus process. If the county or local government does not
 605 elect to purchase such lands in accordance with s. 253.111, then
 606 any surplus determination involving other governmental
 607 agencies shall be made upon the board deciding the best public
 608 use of the lands. Surplus properties in which governmental
 609 agencies have expressed no interest shall then be available for
 610 sale on the private market.

611 Section 9. Subsection (5) is added to section 420.0003,
 612 Florida Statutes, to read:

613 420.0003 State housing strategy.--

614 (5) HOUSING OPTIONS.--The affordable housing delivery
 615 system shall provide for a variety of housing options as
 616 appropriate, including, but not limited to, single family and
 617 multifamily housing built according to chapter 553, manufactured
 618 housing as defined in s. 320.01(2)(b), and housing coordinated
 619 with services for special needs populations.

620 Section 10. Subsection (2) and paragraph (a) of subsection
 621 (22) of section 420.507, Florida Statutes, are amended, and
 622 subsections (42), (43), and (44) are added to said section, to
 623 read:

624 420.507 Powers of the corporation.--The corporation shall
 625 have all the powers necessary or convenient to carry out and
 626 effectuate the purposes and provisions of this part, including
 627 the following powers which are in addition to all other powers
 628 granted by other provisions of this part:

629 (2) To undertake and carry out studies and analyses of
 630 housing needs within the state and ways of meeting those needs,

631 to determine whether supplies of affordable housing in various
 632 markets may exceed future demands.

633 (22) To develop and administer the State Apartment
 634 Incentive Loan Program. In developing and administering that
 635 program, the corporation may:

636 (a) Make first, second, and other subordinated mortgage
 637 loans including variable or fixed rate loans subject to
 638 contingent interest for all State Apartment Incentive Loans
 639 provided for in this chapter based upon available cash flow of
 640 the projects. The corporation shall make loans exceeding 25
 641 percent of project cost available only to nonprofit
 642 organizations and public bodies which are able to secure grants,
 643 donations of land, or contributions from other sources and to
 644 projects meeting the criteria of subparagraph 1. Mortgage loans
 645 shall be made available at the following rates of interest:

646 1. Zero to 3 percent interest for sponsors of projects
 647 that set aside at least ~~maintain an~~ 80 percent ~~occupancy~~
 648 their total units for residents qualifying as farmworkers as
 649 defined in s. 420.503(18), or commercial fishing workers as
 650 defined in s. 420.503(5), ~~or the homeless as defined in s.~~
 651 ~~420.621(4)~~ over the life of the loan.

652 2. Zero to 3 percent interest for projects that set aside
 653 at least 80 percent of the project's total units for the
 654 homeless as defined in s. 420.621(4), provided the board may set
 655 the interest rate based on the pro rata share of units set aside
 656 for homeless residents if the total of such units is less than
 657 80 percent of the units in the borrower's project.

658 ~~3.2.~~ Three to 9 percent interest for sponsors of projects
 659 targeted at populations other than farmworkers, commercial
 660 fishing workers, and the homeless.

661 (42) To establish procedures by rule whereby the
 662 corporation may intervene, negotiate terms, or undertake other
 663 actions which the corporation deems necessary to avoid default
 664 of a program loan. Such procedures must be fiscally responsible
 665 and designed to maximize returns to the state.

666 (43) To promote single family homeownership in this state
 667 and develop and implement a marketing plan in consultation with
 668 local governments and state and federal agencies that includes
 669 strategies such as advertising, homebuyer fairs, and homebuyer
 670 education.

671 (44) To establish by rule requirements for periodic
 672 reporting of data, including, but not limited to, financial
 673 data, housing market data, detailed economic and physical
 674 occupancy on multifamily projects, and demographic data on all
 675 housing financed through corporation programs.

676 Section 11. Subsection (8) is added to section 420.508,
 677 Florida Statutes, to read:

678 420.508 Special powers; multifamily and single-family
 679 projects.--The corporation shall have the special power to:

680 (8) Provide by rule for master lease agreements for
 681 farmworker housing developments when and where appropriate to
 682 ensure continuity and stability of housing for farmworker
 683 populations.

684 Section 12. Subsection (3) and paragraph (m) of subsection
 685 (6) of section 420.5087, Florida Statutes, are amended to read:

686 420.5087 State Apartment Incentive Loan Program.--There is
 687 hereby created the State Apartment Incentive Loan Program for
 688 the purpose of providing first, second, or other subordinated
 689 mortgage loans or loan guarantees to sponsors, including for-
 690 profit, nonprofit, and public entities, to provide housing

691 affordable to very-low-income persons.

692 (3) During the first 6 months of loan or loan guarantee
 693 availability, program funds shall be reserved for use by
 694 sponsors who provide the housing set-aside required in
 695 subsection (2) for the tenant groups designated in this
 696 subsection. The reservation of funds to each of these groups
 697 shall be determined using the most recent statewide very-low-
 698 income rental housing market study available at the time of
 699 publication of each notice of fund availability required by
 700 paragraph (6)(b). The reservation of funds within each notice of
 701 fund availability to the tenant groups in paragraphs (a), (b),
 702 and (d) may not be less than 10 percent of the funds available
 703 at that time. Any increase in funding required to reach the 10-
 704 percent minimum shall be taken from the tenant group that has
 705 the largest reservation. The reservation of funds within each
 706 notice of fund availability to the tenant group in paragraph (c)
 707 may not be less than 5 percent of the funds available at that
 708 time. The tenant groups are:

- 709 (a) Commercial fishing workers and farmworkers;
- 710 (b) Families;
- 711 (c) Persons who are homeless; and
- 712 (d) Elderly persons. Ten percent of the amount reserved
 713 for the elderly shall be reserved to provide loans to sponsors
 714 of housing for the elderly for the purpose of making building
 715 preservation, health, or sanitation repairs or improvements
 716 which are required by federal, state, or local regulation or
 717 code, or lifesafety or security-related repairs or improvements
 718 to such housing. Such a loan may not exceed \$500,000 ~~\$200,000~~
 719 per housing community for the elderly. In order to receive the
 720 loan, the sponsor of the housing community must make a

HB 109, Engrossed 1

2004

721 commitment to match at least 15 percent of the loan amount to
 722 pay the cost of such repair or improvement. The corporation
 723 shall establish the rate of interest on the loan, which may not
 724 exceed 3 percent, and the term of the loan, which may not exceed
 725 15 years. The term of the loan shall be established on the basis
 726 of a credit analysis of the applicant. The corporation shall
 727 establish, by rule, the procedure and criteria for receiving,
 728 evaluating, and competitively ranking all applications for loans
 729 under this paragraph. A loan application must include evidence
 730 of the first mortgagee's having reviewed and approved the
 731 sponsor's intent to apply for a loan. A nonprofit organization
 732 or sponsor may not use the proceeds of the loan to pay for
 733 administrative costs, routine maintenance, or new construction.

734 (6) On all state apartment incentive loans, except loans
 735 made to housing communities for the elderly to provide for
 736 lifesafety, building preservation, health, sanitation, or
 737 security-related repairs or improvements, the following
 738 provisions shall apply:

739 (m) Sponsors shall ~~annually~~ certify, according to
 740 requirements provided by the corporation by rule, the adjusted
 741 gross income of all persons or families qualified under
 742 subsection (2) at the time of initial occupancy, who are
 743 residing in a project funded by this program. All persons or
 744 families qualified under subsection (2) may continue to qualify
 745 under subsection (2) in a project funded by this program if the
 746 adjusted gross income of those persons or families at the time
 747 of annual recertification meets the requirements established in
 748 s. 142(d)(3)(B) of the Internal Revenue Code of 1986, as
 749 amended. If the annual recertification of persons or families
 750 qualifying under subsection (2) results in noncompliance with

HB 109, Engrossed 1

2004

751 income occupancy requirements, the next available unit must be
 752 rented to a person or family qualifying under subsection (2) in
 753 order to ensure continuing compliance of the project.

754 Section 13. Subsection (3) of section 420.511, Florida
 755 Statutes, is amended to read:

756 420.511 Business plan; strategic plan; annual report.--

757 (3) The corporation shall submit to the Governor and the
 758 presiding officers of each house of the Legislature, within 2
 759 months after the end of its fiscal year, a complete and detailed
 760 report setting forth:

761 (a) Its operations and accomplishments.+

762 (b) Changes made to the rules of the corporation pursuant
 763 to s. 120.54.

764 (c)~~(b)~~ Its receipts and expenditures during its fiscal
 765 year in accordance with the categories or classifications
 766 established by the corporation for its operating and capital
 767 outlay purposes.+

768 (d)~~(e)~~ Its assets and liabilities at the end of its fiscal
 769 year and the status of reserve, special, or other funds.+

770 (e)~~(d)~~ A schedule of its bonds outstanding at the end of
 771 its fiscal year, together with a statement of the principal
 772 amounts of bonds issued and redeemed during the fiscal year.+
 773 ~~and~~

774 (f)~~(e)~~ Information relating to the corporation's
 775 activities in implementing the provisions of ss. 420.5087 and
 776 420.5088. The report required by this subsection shall include,
 777 but not be limited to:

778 1. The number of people served, delineated by income, age,
 779 family size, and racial characteristics.

780 2. The number of units produced under each program.

HB 109, Engrossed 1

2004

781 3. The average cost of producing units under each program.

782 4. The average sales price of single-family units financed
783 under s. 420.5088.

784 5. The average amount of rent charged based on unit size
785 on units financed under s. 420.5087.

786 6. The number of persons in rural communities served under
787 each program.

788 7. The number of farmworkers served under each program.

789 8. The number of homeless persons served under each
790 program.

791 9. The number of elderly persons served under each
792 program.

793 10. The extent to which geographic distribution has been
794 achieved in accordance with the provisions of s. 420.5087.

795 11. Any other information the corporation deems
796 appropriate.

797 (g) Information relating to the corporation's Florida
798 Affordable Housing Guarantee Program as created by s. 420.5092.
799 The report required by this subsection shall include, but not be
800 limited to:

801 1. A status at the end of the most recently completed
802 fiscal year of the total amount of revenue bonds issued by the
803 corporation under s. 420.5092, the principal and interest due on
804 such bonds for the reporting period, the total amount of such
805 bonds redeemed during the reporting period, and the interest
806 earned by the investment of the funds from such revenue bonds
807 during the reporting period.

808 2. A list of all stabilized properties at the end of the
809 most recently completed fiscal year guaranteed by the Florida
810 Affordable Housing Guarantee Program, which includes the city

HB 109, Engrossed 1

2004

811 and county, the total number of units constructed, the quarterly
 812 occupancy rates expressed as percentages for the fiscal year,
 813 the total principal and interest due for the fiscal year, the
 814 principal and interest paid for the fiscal year, and the Florida
 815 Affordable Housing Guarantee Program's total outstanding
 816 obligation at the end of the fiscal year.

817 Section 14. Paragraph (a) of subsection (1) of section
 818 420.9072, Florida Statutes, is amended to read:

819 420.9072 State Housing Initiatives Partnership
 820 Program.--The State Housing Initiatives Partnership Program is
 821 created for the purpose of providing funds to counties and
 822 eligible municipalities as an incentive for the creation of
 823 local housing partnerships, to expand production of and preserve
 824 affordable housing, to further the housing element of the local
 825 government comprehensive plan specific to affordable housing,
 826 and to increase housing-related employment.

827 (1)(a) In addition to the legislative findings set forth
 828 in s. 420.6015, the Legislature finds that affordable housing is
 829 most effectively provided by combining available public and
 830 private resources to conserve and improve existing housing and
 831 provide new housing for very-low-income households, low-income
 832 households, and moderate-income households. The Legislature
 833 intends to encourage partnerships in order to secure the
 834 benefits of cooperation by the public and private sectors and to
 835 reduce the cost of housing for the target group by effectively
 836 combining all available resources and cost-saving measures. The
 837 Legislature further intends that local governments achieve this
 838 combination of resources by encouraging active partnerships
 839 between government, lenders, builders and developers, real
 840 estate professionals, advocates for low-income persons, and

HB 109, Engrossed 1

2004

841 community groups to produce affordable housing and provide
 842 related services. Extending the partnership concept to encompass
 843 cooperative efforts among small counties as defined in s.
 844 120.52(17), and among counties and municipalities is
 845 specifically encouraged. Local governments are also intended to
 846 establish and retain an affordable housing advisory committee to
 847 recommend monetary and nonmonetary incentives for affordable
 848 housing as provided in s. 420.9076.

849 Section 15. Subsection (2) of section 420.9076, Florida
 850 Statutes, is amended, present subsections (3) through (7) of
 851 said section are renumbered as subsections (4) through (8),
 852 respectively, new subsections (3) and (9) are added to said
 853 section, and paragraphs (k) and (l) are added to present
 854 subsection (4) of said section, to read:

855 420.9076 Adoption of affordable housing incentive
 856 strategies; committees.--

857 (2) The governing board of a county or municipality shall
 858 appoint the members of the affordable housing advisory committee
 859 by resolution. Pursuant to the terms of any interlocal
 860 agreement, a county and municipality may create and jointly
 861 appoint an advisory committee to prepare a joint plan. The
 862 ordinance adopted pursuant to s. 420.9072 which creates the
 863 advisory committee or the resolution appointing the advisory
 864 committee members must provide for a minimum of nine committee
 865 members and their terms. The committee must include:

866 (a) One citizen who is actively engaged in the residential
 867 home building industry in connection with affordable housing.

868 (b) One citizen who is actively engaged in the banking or
 869 mortgage banking industry in connection with affordable housing.

870 (c) One citizen who is a representative of those areas of

HB 109, Engrossed 1

2004

871 labor actively engaged in home building in connection with
872 affordable housing.

873 (d) One citizen who is actively engaged as an advocate for
874 low-income persons in connection with affordable housing.

875 (e) One citizen who is actively engaged as a for-profit
876 provider of affordable housing.

877 (f) One citizen who is actively engaged as a not-for-
878 profit provider of affordable housing.

879 (g) One citizen who is actively engaged as a real estate
880 professional in connection with affordable housing.

881 (h) One citizen who actively serves on the local planning
882 agency pursuant to s. 163.3174.

883 (i) One citizen who resides within the jurisdiction of the
884 local governing body making the appointments.

885
886 Any additional committee members must be citizens within the
887 jurisdiction of the local governing body making the
888 appointments. If a county or eligible municipality whether due
889 to its small size, the presence of a conflict of interest by
890 prospective appointees, or other reasonable factor, is unable to
891 appoint a citizen actively engaged in these activities in
892 connection with affordable housing, a citizen engaged in the
893 activity without regard to affordable housing may be appointed.

894 (3) Each county or eligible municipality participating in
895 the State Housing Initiatives Partnership Program must maintain
896 an operational affordable housing advisory committee.

897 (5)~~(4)~~ The advisory committee shall review the established
898 policies and procedures, ordinances, land development
899 regulations, and adopted local government comprehensive plan of
900 the appointing local government and shall recommend specific

HB 109, Engrossed 1

2004

901 initiatives to encourage or facilitate affordable housing while
 902 protecting the ability of the property to appreciate in value.
 903 Such recommendations may include the modification or repeal of
 904 existing policies, procedures, ordinances, regulations, or plan
 905 provisions; the creation of exceptions applicable to affordable
 906 housing; or the adoption of new policies, procedures,
 907 regulations, ordinances, or plan provisions. At a minimum, each
 908 advisory committee shall make recommendations on affordable
 909 housing incentives in the following areas:

910 (k) The review of the housing element of the local
 911 government comprehensive plan pursuant to chapter 163 and the
 912 Local Housing Assistance Plan.

913 (l) Actions as liaison between local governing councils
 914 and commissions and the general public.

915
 916 The advisory committee recommendations must also include other
 917 affordable housing incentives identified by the advisory
 918 committee.

919 (9) The advisory committee shall have a continuing
 920 function as an oversight committee for the implementation of the
 921 local housing assistance plan and incentive strategies. The
 922 advisory committee shall meet no less than annually to review
 923 the local housing assistance plan and incentive strategies to
 924 provide recommendations to the appointing local government in
 925 regard to its housing strategies and incentives.

926 Section 16. Subsection (2) of section 421.02, Florida
 927 Statutes, is amended to read:

928 421.02 Finding and declaration of necessity.--It is hereby
 929 declared that:

930 (2) Blighted Slum areas in the state cannot be revitalized

HB 109, Engrossed 1

2004

931 ~~cleared~~, nor can the shortage of safe and sanitary dwellings for
 932 persons of low income be relieved, through the operation of
 933 private enterprise, ~~and that the construction of housing~~
 934 ~~projects for persons of low income, as herein defined, would~~
 935 ~~therefore not be competitive with private enterprise.~~

936 Section 17. Subsection (8) of section 421.08, Florida
 937 Statutes, is renumbered as subsection (10), and new subsections
 938 (8) and (9) are added to said section, to read:

939 421.08 Powers of authority.--An authority shall constitute
 940 a public body corporate and politic, exercising the public and
 941 essential governmental functions set forth in this chapter, and
 942 having all the powers necessary or convenient to carry out and
 943 effectuate the purpose and provisions of this chapter, including
 944 the following powers in addition to others herein granted:

945 (8) To create for-profit and not-for-profit corporations,
 946 limited liability companies, and such other business entities
 947 pursuant to the laws of this state in which housing authorities
 948 may hold an ownership interest or participate in their
 949 governance to engage in the development, acquisition, leasing,
 950 construction, rehabilitation, management, or operation of
 951 multifamily and single-family residential projects. These
 952 projects may include nonresidential uses and may use public and
 953 private funds to serve individuals or families who meet the
 954 applicable income requirements of the state or federal program
 955 involved, whose income does not exceed 150 percent of the
 956 applicable Area Median Income as established by the United
 957 States Department of Housing and Urban Development, and who, in
 958 the determination of the housing authority, lack sufficient
 959 income or assets to enable them to purchase or rent decent,
 960 safe, and sanitary dwelling. These corporations, limited

HB 109, Engrossed 1

2004

961 liability companies, or other business entities are authorized
 962 and empowered to join partnerships, joint ventures, or limited
 963 liability companies or to otherwise engage with business
 964 entities in the development, acquisition, leasing, construction,
 965 rehabilitation, management, or operation of such projects. The
 966 creation of such corporations, limited liability companies, or
 967 other business entities by housing authorities for the purposes
 968 set forth in this chapter together with all proceedings, acts,
 969 and things theretofor undertaken, performed, or done are hereby
 970 validated, ratified, confirmed, approved, and declared legal in
 971 all respects.

972 (9) Notwithstanding the provisions for per diem and travel
 973 expenses of public officers, employees, and authorized persons
 974 set forth in s. 112.061, the governing board of an authority may
 975 approve and implement policies for per diem, travel, and other
 976 expenses of its officials, officers, board members, employees,
 977 and authorized persons in a manner consistent with federal
 978 guidelines.

979 Section 18. Section 421.09, Florida Statutes, is amended
 980 to read:

981 421.09 Operation not for profit.--It is the policy of this
 982 state that each housing authority shall manage and operate its
 983 housing projects in an efficient manner so as to enable it to
 984 fix the rentals for dwelling accommodations at the lowest
 985 possible rates consistent with its providing decent, safe and
 986 sanitary dwelling accommodations, and that no housing authority
 987 shall construct or operate any such project for profit, or as a
 988 source of revenue to the city. To this end an authority shall
 989 fix the rentals for dwellings in its project at no higher rate
 990 than it shall find to be necessary in order to produce revenues

HB 109, Engrossed 1

2004

991 which, together with all other available moneys, revenue, income
 992 and receipts of the authority from whatever sources derived,
 993 will be sufficient:

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

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

999 (3) To create, during not less than the 6 years
 1000 immediately succeeding its issuance of any debentures, a reserve
 1001 sufficient to meet the largest principal and interest payments
 1002 which will be due on such debentures in any one year thereafter,
 1003 and to maintain such reserve.

1004
 1005 This section shall in no way prohibit or restrict the activities
 1006 or operations of the business entities created pursuant to s.
 1007 421.08(8).

1008 Section 19. Section 421.23, Florida Statutes, is amended
 1009 to read:

1010 421.23 Liabilities of authority.--In no event shall the
 1011 liabilities, whether ex contractu or ex delicto, of an authority
 1012 arising from the operation of its housing projects, be payable
 1013 from any funds other than the rents, fees, or revenues of such
 1014 projects and any grants or subsidies paid to such authority by
 1015 the Federal Government, unless such other funds are lawfully
 1016 pledged by the authority's governing board.

1017 Section 20. Section 421.54, Florida Statutes, is repealed.

1018 Section 21. This act shall take effect July 1, 2004.

1019