1 A bill to be entitled 2 An act relating to affordable housing; amending ss. 3 125.379 and 166.0451, F.S.; revising the criteria that 4 counties and municipalities must use when evaluating 5 real property as part of their inventory for disposal 6 of lands; amending s. 163.3180, F.S.; prohibiting 7 local governments from charging mobility fees for 8 specified period; preempting to the state the right to 9 impose such fees; amending s. 163.31801, F.S.; 10 prohibiting local governments from charging impact 11 fees for specified period; preempting to the state the 12 right to impose such fees; specifying that additional information be submitted by specified entities when 13 14 submitting their annual financial reports; creating s. 420.0007, F.S.; providing a local permit approval 15 16 process; amending s. 420.5087, F.S.; revising the 17 criteria used by a review committee when evaluating and selecting specified applications for the state 18 19 apartment incentive loans; creating s. 420.56, F.S.; providing a process for certain entities to dispose of 20 21 surplus lands for use as affordable housing; amending 22 s. 420.9071, F.S.; revising the definition of "local 23 housing incentive strategies"; amending ss. 253.0341, 24 337.25, and 373.089, F.S.; revising the procedures 25 under which the board of trustees, the Department of

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Transportation, and the water management districts must dispose of nonconservation surplus lands; creating the Hurricane Housing Recovery Program to provide funds for specified purposes related to affordable housing; specifying that the Florida Housing Finance Corporation shall administer the program according to specified procedures; specifying how program funds are to be used; creating the Recovery Rental Loan Program; providing legislative intent; requiring an annual report regarding the housing recovery program; authorizing emergency rulemaking; exempting the emergency rules from the requirement for making certain legislative findings; providing appropriations; providing an effective date.

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

Section 1. Subsection (1) of section 125.379, Florida Statutes, is amended to read:

45 125.379 Disposition of county property for affordable housing.—

(1) <u>Beginning July 1, 2018</u> By July 1, 2007, and every 3 years thereafter, each county shall prepare an inventory list of all real property within its jurisdiction to which the county

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holds fee simple title that is appropriate for use as affordable

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housing. The real property must be evaluated on criteria that includes environmental suitability for construction, site characteristics, current land use designation, current or anticipated zoning, inclusion in at least one special district; existing infrastructure; proximity to employment opportunities; proximity to public transportation, and proximity to existing services. The inventory list must include the address and legal description of each such real property and specify whether the property is vacant or improved. The governing body of the county must review the inventory list at a public hearing and may revise it at the conclusion of the public hearing. The governing body of the county shall adopt a resolution that includes an inventory list of such property following the public hearing. Section 2. Paragraph (i) of subsection (5) of section 163.3180, Florida Statutes, is amended to read: 163.3180 Concurrency.-(5) (i)1. If a local government elects to repeal transportation concurrency, it is encouraged to adopt an alternative mobility funding system that uses one or more of the tools and techniques identified in paragraph (f). Any alternative mobility funding system adopted may not be used to deny, time, or phase an application for site plan approval, plat approval, final subdivision approval, building permits, or the

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functional equivalent of such approvals provided that the

developer agrees to pay for the development's identified transportation impacts via the funding mechanism implemented by the local government. The revenue from the funding mechanism used in the alternative system must be used to implement the needs of the local government's plan which serves as the basis for the fee imposed. A mobility fee-based funding system must comply with the dual rational nexus test applicable to impact fees. An alternative system that is not mobility fee-based shall not be applied in a manner that imposes upon new development any responsibility for funding an existing transportation deficiency as defined in paragraph (h).

- 2. Beginning July 1, 2018, and ending June 20, 2023, a local government may not charge a mobility fee for the development or construction housing that is affordable, as defined in s. 420.9071.
- Section 3. Subsection (6) is added to section 163.31801, Florida Statutes, to read:
- 163.31801 Impact fees; short title; intent; definitions; ordinances levying impact fees.—
- (6) (a) Beginning July 1, 2018, and ending June 20, 2023, a local government may not charge an impact fee for the development or construction of housing that is affordable, as defined in s. 420.9071.
- (b) In addition to the items that must be reported in the annual financial reports under s. 218.32, counties and

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municipalities must report the following data on all impact fees
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- 1. The specific purpose of the impact fee, including the specific infrastructure need to be met, such as transportation, parks, water, sewer, and schools;
- 2. The Impact Fee Schedule Policy, describing the method of calculating impact fees, such as flat fee, tiered scale based on number of bedrooms, and tiered scale based on square footage;
- 3. The amount assessed for each purpose and type of dwelling;
- 4. The total amount of impact fees charged by type of dwelling;
- 5. Each exception and waiver provided for affordable housing developments.
- Section 4. Subsection (1) of section 166.0451, Florida Statutes, is amended to read:
- 166.0451 Disposition of municipal property for affordable housing.—
- (1) Beginning July 1, 2018 By July 1, 2007, and every 3 years thereafter, each municipality shall prepare an inventory list of all real property within its jurisdiction to which the municipality holds fee simple title that is appropriate for use as affordable housing. Such real property shall be evaluated on criteria that includes the environmental suitability for construction, site characteristics, currently designated land

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use, current or anticipated zoning, inclusion in one or more special districts, existing infrastructure, proximity to employment opportunities, proximity to public transportation, and proximity to services. The inventory list must include the address and legal description of each such property and specify whether the property is vacant or improved. The governing body of the municipality must review the inventory list at a public hearing and may revise it at the conclusion of the public hearing. Following the public hearing, the governing body of the municipality shall adopt a resolution that includes an inventory list of such property.

Section 5. Section 420.0007, Florida Statutes, is created to read:

420.0007 Local Permit Approval Process for Affordable Housing.—

- (1) A local government has 15 days from the date it receives an application for a development permit, construction permit, or certificate of occupancy for affordable housing to examine the application and notify the applicant of any apparent errors or omissions and request any additional information the local government is permitted by law to require.
- (2) If a local government does not request additional information within the required time, the local government may not deny a development permit, construction permit, or certificate of occupancy for affordable housing if the applicant

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fails to correct an error or omission or to supply additional information.

- (3) The local government may require any additional requested information to be submitted no later than 10 days from the date of the notice specified in subsection (1).
- (4) For good cause shown, the local government shall grant a request for an extension of time for submitting the additional information.
- (5) An application is complete upon receipt of all requested information and the correction of any error or omission for which the applicant was timely notified or when the time for notification has expired.
- (6) The local government must approve or deny an application for a development permit, construction permit, or certificate of occupancy for affordable housing within 60 days after receipt of a completed application unless a shorter period of time for local government action is provided by law.
- within the 60-day or shorter time period an application for a development permit, construction permit, or certificate of occupancy for affordable housing, the permit is considered approved and the local government must issue the development permit, construction permit, or certificate of occupancy and may include such reasonable conditions as authorized by law.
 - (8) An applicant for a development permit, construction

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permit, or certificate of occupancy seeking to receive a permit by default under this section shall 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 receipt.

Section 6. 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 affordable to very-low-income persons.

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

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1. Tenant income and demographic targeting objectives of 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.
 - 4. Sponsor's agreement to reserve more than:
- a. Twenty percent of the units in the project for persons or families who have incomes that do not exceed 50 percent of the state or local median income, whichever is higher; or
- b. Forty percent of the units in the project for persons or families who have incomes that do not exceed 60 percent of the state or local median income, whichever is higher, without requiring a greater amount of the loans as provided in this section.
 - 5. Provision for tenant counseling.
- 6. Sponsor's agreement to accept rental assistance certificates or vouchers as payment for rent.
- 7. Projects requiring the least amount of a state apartment incentive loan compared to overall project cost, except that the share of the loan attributable to units serving extremely-low-income persons must be excluded from this

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- 8. Local government contributions and local government comprehensive planning and activities that promote affordable housing, policies that promote access to public transportation, reduce the need for on-site parking, and expedite permits for affordable housing projects as provided in s. 420.0007.
 - 9. Project feasibility.
 - 10. Economic viability of the project.
 - 11. Commitment of first mortgage financing.
- 235 12. Sponsor's prior experience.
 - 13. Sponsor's ability to proceed with construction.
- 237 14. Projects that directly implement or assist welfare-to-238 work transitioning.
- 239 15. Projects that reserve units for extremely-low-income persons.
 - 16. Projects that include green building principles, storm-resistant construction, or other elements that reduce long-term costs relating to maintenance, utilities, or insurance.
- 245 17. Job-creation rate of the developer and general contractor, as provided in s. 420.507(47).
- Section 7. Section 420.56, Florida Statutes, is created to read:
- 249 <u>420.56 Disposal of surplus lands for use as affordable</u> 250 housing.—

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(1) It is intent of the Legislature to make all surplus lands designated as nonconservation available for affordable housing before making the parcels available for purchase by other governmental entities or the public.

- the behalf of the Board of Trustees of the Internal Improvement
 Trust Fund, the Department of Transportation, and each water
 management district shall notify the corporation when
 nonconservation land becomes available for surplus as part of
 the entity's regular review of lands under the provisions of ss.
 253.0341, 337.25, or 373.089 before making the parcel available
 for any other use, including for purchase by other governmental
 entities or the public. Water management districts must only
 identify nonconservation surplus lands originally acquired using
 state funds.
- (3) In consultation with the Department of Environmental Protection, the Department of Transportation, and the water management districts, the corporation must evaluate whether these surplus lands are suitable for affordable housing based on the property's environmental suitability for construction; current and anticipated land use and zoning; inclusion in one or more special districts meant to revitalize the community; existing infrastructure on the land such as roads, water, sewer, and electricity; access to grocery stores within walking distance or by public transportation; access to employment

opportunities within walking distance or by public transportation; access to public transportation within one half mile; and access to community services such as public libraries, food kitchens, and employment centers.

- (4) If the corporation determines that the nonconservation surplus land is suitable for affordable housing, the entity seeking to dispose of the parcel must first offer the land to the county and municipality where the land is located to be used for affordable housing before the entity offers the land to other governmental entities or the public. If the county and municipality where the parcel is located do not wish to use the parcel for affordable housing, the entity may dispose of the parcel as otherwise provided by law or herein.
- (5) The Board of Trustees of the Internal Improvement
 Trust Fund, the Department of Transportation, and the water
 management districts may sell the parcels identified by the
 corporation for affordable housing for less than the appraised
 value to any party so long as the agency places an encumbrance
 on the parcels to ensure the purchaser uses the land for
 affordable housing for a period of not less than 99 years.
- (6) (a) The Board of Trustees of the Internal Improvement Trust Fund, the Department of Transportation, and the water management districts are exempt from the disposal procedures of ss. 253.0341(8) and (9), 337.25(4) and (7), 373.089(1), (2), (3), and (8) when disposing of nonconservation surplus lands

under this section.

(b) The sale price of land parcels disposed of pursuant to this section shall be determined by the entity disposing of the parcel. The Department of Transportation, the Board of Trustees of the Internal Improvement Trust Fund, and the water management districts must consider at least one appraisal of the property or, if the estimated value of the land is \$500,000 or less, a comparable sales analysis or a broker's opinion of value.

Section 8. Subsection (16) of section 420.9071, Florida Statutes, is amended to read:

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

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

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committee in its triennial evaluation of the implementation of affordable housing incentives, and adopted by the local governing body.

Section 9. Subsections (4) and (7) of section 253.0341, Florida Statutes, are amended to read:

253.0341 Surplus of state-owned lands.

- thereafter, At least every 10 years, as a component of each land management plan or land use plan and in a form and manner adopted by rule of the board of trustees, each manager shall evaluate and indicate to the board of trustees those lands that are not being used for the purpose for which they were originally leased. For conservation lands, the Acquisition and Restoration Council shall review and recommend to the board of trustees whether such lands should be retained in public ownership or disposed of by the board of trustees. For nonconservation lands, the Division of State Lands shall review and recommend to the board of trustees whether such lands should be retained in public ownership or disposed of by the board of trustees whether such lands should be retained in public ownership or disposed of by the board of trustees.
- (7) (a) The board of trustees must first offer nonconservation surplus lands to the county and municipality where the land is located for use as affordable housing as identified by the Florida Housing Finance Corporation pursuant to s. 420.56. All surplus buildings or land not needed for

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affordable housing Before a building or parcel of land is offered for lease or sale to a local or federal unit of government or a private party, it shall first be offered for lease to state agencies, state universities, and Florida College System institutions, with priority consideration given to state universities and Florida College System institutions. If the surplus building or land is not used for affordable housing or leased by a state agency, state university, or Florida College System institution, then the board of trustees shall offer the building or parcel for lease or sale to a local or federal unit of government or a private party.

(b) Within 60 days after the offer for lease of a surplus building or parcel, a state university or Florida College System institution that requests the lease must submit a plan for review and approval by the Board of Trustees of the Internal Improvement Trust Fund regarding the intended use, including future use, of the building or parcel of land before approval of a lease. Within 60 days after the offer for lease of a surplus building or parcel, a state agency that requests the lease of such facility or parcel must submit a plan for review and approval by the board of trustees regarding the intended use. The state agency plan must, at a minimum, include the proposed use of the facility or parcel, the estimated cost of renovation, a capital improvement plan for the building, evidence that the building or parcel meets an existing need that cannot otherwise

be met, and other criteria developed by rule by the board of trustees. The board or its designee shall compare the estimated value of the building or parcel to any submitted business plan to determine if the lease or sale is in the best interest of the state. The board of trustees shall adopt rules pursuant to chapter 120 for the implementation of this section.

Section 10. Subsection (3) is amended and subsection (12) is added to section 337.25, Florida Statutes, to read:

- 337.25 Acquisition, lease, and disposal of real and personal property.—
- (3) Beginning July 1, 2018, the department shall evaluate all of its land not within a transportation corridor or within the right-of-way of a transportation facility at least every 10 years on a rotating basis to determine whether the property should be retained. The inventory of real property that was acquired by the state after December 31, 1988, that has been owned by the state for 10 or more years, and that is not within a transportation corridor or within the right-of-way of a transportation facility shall be evaluated to determine the necessity for retaining the property. If the property is not needed for the construction, operation, and maintenance of a transportation facility or is not located within a transportation corridor, the department may dispose of the property pursuant to subsection (4).
 - (12) Except in a conveyance transacted under paragraphs

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(4) (a), (c), and (e), the department must first offer nonconservation surplus lands to the county and municipality where the lands is located for use as affordable housing as identified by the Florida Housing Finance Corporation pursuant to s. 420.56.

Section 11. Subsection (1) is amended and subsection (9) is added to section 373.089, Florida Statutes, to read:

373.089 Sale or exchange of lands, or interests or rights in lands.—The governing board of the district may sell lands, or interests or rights in lands, to which the district has acquired title or to which it may hereafter acquire title in the following manner:

- all lands and interests or rights in lands every 10 years on a rotating basis to determine whether the lands are still needed for the purpose for which they were acquired. Any lands, or interests or rights in lands, determined by the governing board to be surplus may be sold by the district, at any time, for the highest price obtainable; however, in no case shall the selling price be less than the appraised value of the lands, or interests or rights in lands, as determined by a certified appraisal obtained within 360 days before the effective date of a contract for sale.
- (9) The governing board must first offer nonconservation surplus lands to the county and municipality where the land is

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427 Florida Housing Finance Corporation pursuant to s. 420.56. 428 Districts must only offer nonconservation surplus lands 429 originally acquired using state funds. 430 431 If the Board of Trustees of the Internal Improvement Trust Fund 432 declines to accept title to the lands offered under this 433 section, the land may be disposed of by the district under the provisions of this section. 434 435 Section 12. Hurricane Recovery Programs.-436 The Hurricane Housing Recovery Program is created to 437 provide funds to local governments for affordable housing 438 recovery efforts due to impacts to the affordable housing stock 439 resulting from Hurricanes Irma and Maria. The Florida Housing

located for use as affordable housing as identified by the

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follows:

- recovery efforts due to impacts to the affordable housing stock resulting from Hurricanes Irma and Maria. The Florida Housing

 Finance Corporation shall administer the program with resources allocated to local governments according to a need-based formula that reflects affordable housing damage estimates. Eligible local governments must submit a strategy outlining proposed recovery actions, income levels and number of units to be served, and funding requests. Program funds shall be used as
- (a) To serve households with incomes up to 120 percent of area median income, except that at least 30 percent of program funds should be reserved for households with incomes up to 50 percent of area median income and an additional 30 percent of

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451 program funds reserved for households with incomes up to 80 percent of area median income.

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- At least 65 percent of funds allocated shall be used for homeownership as described in paragraph (a).
- Up to 15 percent of the allocation may be used for administrative expenses to ensure expeditious use of funds.
- The Recovery Rental Loan Program is created to provide funds to build additional rental housing due to impacts to the housing stock resulting from Hurricanes Irma and Maria. The program is intended to allow the state to leverage additional federal rental financing similar to the State Apartment Incentive Loan Program as described in s. 420.5087, Florida Statutes.
- (3) By September 15, 2019, and each year thereafter, each participating local entity shall submit a report of its housing recovery program and accomplishments through June 30, as specified by the Florida Housing Finance Corporation.
- Florida Housing Finance Corporation may adopt emergency rules pursuant to s. 120.54, Florida Statutes. The Legislature finds that emergency rules adopted pursuant to this section meet the health, safety, and welfare requirement of s. 120.54(4), Florida Statutes. The Legislature finds that such emergency rulemaking is necessary to preserve the rights and welfare of the people and to provide additional funds to assist those areas of the state that sustained impacts to available

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affordable housing stock due to Hurricanes Irma and Maria. Therefore, in adopting such emergency rules, the corporation need not make the findings required by s. 120.54(4)(a), Florida Statutes. Emergency rules adopted under this section are exempt from s. 120.54(4)(c), Florida Statutes. Section 13. For the 2018-2019 fiscal year only, 20 percent of the most recent revenue estimate from the Revenue Estimating Conference for the 2018-2019 fiscal year from both the Local Government Housing Trust Fund and the State Housing Trust Fund are appropriated to the Florida Housing Finance Corporation for the purpose of affordable housing hurricane recovery efforts. Funds from the Local Government Housing Trust Fund shall be used for the Hurricane Housing Recovery Program and shall be allocated based on the review of FEMA damage assessment data by the Florida Housing Finance Corporation. Funds from the State Housing Trust Fund shall be used for the Rental Recovery Loan Program to assist with building and rehabilitating affordable rental housing to help communities respond to hurricane recovery

Section 14. This act shall take effect July 1, 2018.

needs. The Florida Housing Finance Corporation shall use

Trust Fund to provide technical and training assistance.

\$100,000 from the funds appropriated from the State Housing