

1 A bill to be entitled
 2 An act relating to Broward County; creating the
 3 Broward County Affordable Housing Improvement Act;
 4 providing definitions; authorizing the levy of a
 5 discretionary surtax to establish and finance
 6 affordable housing; specifying the cap for the rate of
 7 the surtax; specifying requirements for reauthorizing
 8 the discretionary surtax; specifying the documents and
 9 conditions under which the surtax applies; specifying
 10 the procedures a county must use before levying the
 11 surtax; requiring that surtax proceeds be deposited in
 12 the county's affordable housing trust fund; specifying
 13 authorized and prohibited uses of surtax proceeds;
 14 providing exceptions; providing an exception to
 15 general law; prohibiting the rehabilitation of housing
 16 owned by certain governments without a specified vote;
 17 requiring the Office of Program Policy Analysis and
 18 Government Accountability to review the discretionary
 19 surtax program at a specified interval and provide a
 20 report to the Governor and Legislature; providing an
 21 effective date.

22
 23 Be It Enacted by the Legislature of the State of Florida:

24
 25 Section 1. Short title.—This act may be cited as the

26 "Broward County Affordable Housing Improvement Act."

27 Section 2. Definitions.—For purposes of this act, the
 28 term:

29 (1) "Adjusted for family size" means the adjustment of the
 30 income eligibility level to a lower level for households having
 31 fewer than four persons and a higher level for households having
 32 more than four persons as compared to the base income
 33 eligibility determined as provided in subsections (10), (11),
 34 and (12) which shall be based upon a formula established by the
 35 United States Department of Housing and Urban Development.

36 (2) "Affordable" means monthly rents or monthly mortgage
 37 payments including taxes and insurance that do not exceed 30
 38 percent of the income which represents the percentage of the
 39 median annual gross income for the households indicated in
 40 subsections (10), (11), and (12).

41 (3) "Affordable housing" means any real or personal
 42 property located within Broward County that is constructed for
 43 the primary purpose of providing decent, safe, and sanitary
 44 residential units that are designed for home ownership or rental
 45 for very low-income, low-income, and moderate-income persons and
 46 families.

47 (4) "Affordable Housing Trust Fund" or "AHTF" means the
 48 Broward County Affordable Housing Trust Fund approved by
 49 majority vote of the Broward County electors voting in a
 50 referendum held during the November 2018 general election and

51 codified in Section 11.09 of the Broward County Charter.

52 (5) "County" means Broward County.

53 (6) "County commission" means the Board of County
54 Commissioners of Broward County.

55 (7) "Homeownership assistance" means the assistance of
56 very low-income, low-income, and moderate-income families in
57 purchasing a home as their primary residence, including reducing
58 the cost of the home with below-market construction financing,
59 the amount of down payment and closing costs paid by the
60 borrower, or the mortgage payment to an affordable amount for
61 the purchaser or using any other financial assistance measure as
62 provided in s. 420.5088, Florida Statutes.

63 (8) "Housing" includes single-family, detached dwellings,
64 multi-family dwellings, and other residential dwellings.

65 (9) "Housing assistance voucher" means the document used
66 to access assistance paid by the county from the discretionary
67 surtax balance in the Affordable Housing Trust Fund to a
68 prospective purchaser of a single-family residence, which must
69 be the purchaser's homestead.

70 (10) "Low-income family" means one or more natural persons
71 or a family with a total anticipated income for the household
72 that does not exceed 80 percent of the median annual income
73 adjusted for family size for households within the county.
74 However, with respect to rental units, the household's annual
75 income at the time of initial occupancy may not exceed 80

76 | percent of the area's median income adjusted for family size.
77 | While occupying the rental unit, the household's annual income
78 | may increase to an amount not to exceed 140 percent of 80
79 | percent of the area's median income adjusted for family size.

80 | (11) "Moderate-income family" means one or more natural
81 | persons or a family with a total anticipated income for the
82 | household that does not exceed 140 percent of the median annual
83 | income adjusted for family size for households within the
84 | county. However, with respect to rental units, the household's
85 | annual income at the time of initial occupancy may not exceed 40
86 | percent of the area's median income adjusted for family size.
87 | While occupying the rental unit, the household's annual income
88 | may increase to an amount not to exceed 140 percent of 140
89 | percent of the area's median income adjusted for family size.

90 | (12) "Very low-income family" means one or more natural
91 | persons or a family with a total anticipated income for the
92 | household that does not exceed 50 percent of the median annual
93 | income adjusted for family size for households within the
94 | county. However, with respect to rental units, the household's
95 | annual income at the time of initial occupancy may not exceed 50
96 | percent of the area's median income adjusted for family size.
97 | While occupying the rental unit, the household's annual income
98 | may increase to an amount not to exceed 140 percent of 50
99 | percent of the area's median income adjusted for family size.

100 | Section 3. Affordable housing discretionary surtax on

101 documents; adoption; application of revenue.—

102 (1) The county may levy a discretionary surtax on
103 documents for the purpose of establishing and financing
104 affordable housing countywide.

105 (2) The rate of the surtax may not exceed the rate of 45
106 cents for each \$100 or fractional part thereof of the
107 consideration therefor. The surtax shall apply only to those
108 documents taxable under s. 201.02, Florida Statutes, except a
109 surtax may not be levied on any document in which the interest
110 granted, assigned, transferred, or conveyed involves only a
111 single-family residence. A single-family residence may be a
112 condominium unit, a unit held through stock ownership or
113 membership representing a proprietary interest in a corporation
114 owning a fee or a leasehold initially in excess of 98 years, or
115 a detached dwelling.

116 (3) The county commission may initially levy the
117 discretionary surtax authorized in this section only upon a
118 super majority vote of its entire membership. This initial levy
119 of the surtax shall expire on January 1, 2031, unless the county
120 commission places a question to reauthorize the levy of the
121 surtax before the county's electors in a referendum to be held
122 at the general election of November 2030. If a majority of the
123 electors voting in the referendum reauthorize the surtax, the
124 county commission shall place a question to reauthorize the
125 surtax every 12 years following the approval of the prior

126 reauthorization.

127 (4) Subject to subsection (3), the county commission shall
128 enact an ordinance which establishes the policies and procedures
129 governing the levy of the surtax, use of surtax proceeds,
130 eligibility standards, and housing assistance voucher programs
131 available to very low-income, low-income and moderate-income
132 families residing within the county. The surtax ordinance must
133 be proposed at a regular meeting of the county commission at
134 least 2 weeks before the public hearing at which the ordinance
135 will be formally enacted. The ordinance is only effective if
136 approved by a super-majority vote of the total membership of the
137 county commission. The ordinance may not take effect until 90
138 days after formal enactment or such other date prescribed by the
139 county commission, whichever is later.

140 (5) The county shall deposit all proceeds from the
141 discretionary surtax in the Affordable Housing Trust Fund and
142 shall create separate accounts within the Affordable Housing
143 Trust Fund to avoid commingling the proceeds generated from
144 implementation of this act and other revenues deposited by the
145 county for affordable housing. Investment earnings from the
146 proceeds deposited into AHTF pursuant to this act, if any, must
147 be retained and used for affordable housing.

148 (6) (a) The county shall use the proceeds solely to
149 increase and improve the supply of affordable housing to
150 eligible households including the acquisition of property and

151 property rights, costs of construction including costs
152 associated with planning, administration, design, building or
153 installation, and any other costs necessary to finance the
154 construction, rehabilitation, or purchase of housing for very
155 low-income, low-income and moderate-income families, to pay the
156 necessary costs of collection and enforcement of the surtax, the
157 reimbursement of the county for any costs advanced from other
158 funding sources, and to fund any local matching contributions
159 required pursuant to federal law. The county's expenditure of
160 surtax proceeds shall, to the extent practical, be consistent
161 with the affordable housing incentives strategies developed and
162 recommended to the county by the Broward County Affordable
163 Housing Advisory Committee pursuant to s. 420.9076, Florida
164 Statutes.

165 (b) At least 50 percent of the funds must be used to
166 provide housing assistance for the benefit of very low-income
167 and low-income families. The county shall by ordinance divide
168 the proceeds set-aside in this paragraph to assist the housing
169 needs of very low-income and low-income households. At least 10
170 percent of the surtax proceeds must be used to provide housing
171 assistance for income-eligible, qualified individuals with
172 disabilities. Authorized uses of the proceeds include:

- 173 1. Providing funds for first and second mortgages.
- 174 2. Acquiring property to form housing cooperatives.
- 175 3. Acquiring land for a residential housing project, in

176 which at least 30 percent of the units are affordable to very
177 low-income, low-income, and moderate-income families, if the
178 land is owned by a local government or a special district that
179 enters into an agreement with the county to provide such
180 housing. The local government or special district may enter into
181 a ground lease with a person or entity for nominal or other
182 consideration for the construction of the residential housing
183 project on land acquired pursuant to this paragraph.

184 (c) No more than 50 percent of the revenues collected each
185 year under this section may be used to help finance new
186 construction. The proceeds of the surtax may not be used for
187 rent subsidies or grants.

188 (d) No more than 10 percent of surtax revenues collected
189 under this section by the Department of Revenue and remitted to
190 the county in any fiscal year may be used for reasonable
191 administrative costs, including reasonable consultant and legal
192 expenses related to the establishment and administration of
193 affordable housing programs, administration of the AHTF, and
194 reasonable expenses for administering the process of
195 calculating, collecting, and accounting for any deferred county
196 fees as authorized by county ordinance.

197 (e) Notwithstanding any other provision of the Broward
198 County Code of Ordinances or federal or state law or regulations
199 to the contrary, surtax revenues deposited in the AHTF and used
200 to construct, acquire, rehabilitate, or subsidize affordable

201 housing, or assist other governmental agencies, private
202 organizations, or individuals in the construction, acquisition,
203 rehabilitation, reimbursement of county advanced funds, location
204 or subsidy of affordable housing shall, whenever feasible, be
205 disbursed in a manner to assure that the housing supply created
206 with AHTF revenues is accessible to a range of families whose
207 incomes do not exceed the United States Department of Housing
208 and Urban Development's published standards for moderate-income
209 households, adjusted for family size.

210 (7) Notwithstanding subsection (6), of the discretionary
211 surtax revenues collected by the Department of Revenue remaining
212 after any deduction for administrative costs as provided in
213 paragraph (6) (d), at least 35 percent shall be used to provide
214 homeownership assistance for very low-income, low-income, and
215 moderate-income families, and at least 35 percent shall be used
216 for construction, rehabilitation, and purchase of rental housing
217 units. The remaining amount may be allocated to provide for
218 homeownership assistance or rental housing units, at the
219 discretion of the county.

220 (8) Any funds allocated for homeownership assistance or
221 rental housing units that are not committed at the end of the
222 fiscal year shall be reallocated in subsequent years consistent
223 with this subsection, in that at least 35 percent shall be
224 reallocated to provide homeownership assistance for very low-
225 income, low-income, and moderate-income families, and at least

226 35 percent shall be reallocated for construction,
227 rehabilitation, and purchase of rental housing units. The
228 remaining amount of uncommitted funds may be reallocated at the
229 discretion of the county within any of the categories
230 established in this section.

231 (9) Rehabilitation of housing owned by a recipient
232 government may be authorized only after a determination approved
233 by a majority vote of the total membership of the county
234 commission that no other sources of funds are available.

235 Section 4. Program review and report.—By January 1, 2025,
236 and every 5 years thereafter, the Office of Program Policy
237 Analysis and Government Accountability shall review the
238 discretionary surtax program operated under this section and
239 shall provide a report to the Governor, the President of the
240 Senate, and the Speaker of the House of Representatives.

241 Section 5. This act shall take effect October 1, 2020.