

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.

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

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 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, 2033, 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 2032. If a majority of the  
123 electors voting in the referendum reauthorize the surtax, the  
124 county commission may 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 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

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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, 2021.