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# **INDUSTRY FACTS**

**APARTMENTS AND THEIR RESIDENTS CONTRIBUTE MORE THAN \$206.6 BILLION** TO THE ECONOMY ANNUALLY.

48 THOUSAND new apartments needed annually

2.8 MILLION apartment residents



with an incer MILLION PERCENT of Florida's apartments apartment homes were built before 1980

2.2.2

Source: https://weareapartments.org/

THOUSAND jobs created by the apartment industry



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# PERMIT AFFORDABLE AND WORKFORCE HOUSING PROPERTY TAX DISCOUNTS

# ISSUE: PASS LEGISLATION TO PROVIDE LOCAL GOVERNMENTS WITH THE ABILITY TO WAIVE OR REDUCE PROPERTY TAXES FOR AFFORDABLE AND WORKFORCE HOUSING UNITS.

Florida has a critical need for more affordable and workforce housing with a shortage of 384,743 rental homes that are available for extremely low-income renters.\*

#### BACKGROUND

In order for a new apartment community construction project to break ground, a developer must first secure financing from investors, who demand a specific rate of return in exchange for their investment. It is difficult for developers to achieve the necessary rate of return for affordable and workforce apartments, which are rented below market rate. As a result, it can be extremely challenging for a developer to even secure the financing needed to make an affordable or workforce housing construction project feasible. Because of these challenges, developers rely on a combination of state and federal tax discounts along with private funding. However, the process of obtaining these government tax discounts is extremely competitive, with a very limited number of projects ultimately receiving this type of funding each year.

### HOW THIS IMPACTS THE APARTMENT INDUSTRY

Florida's rapidly growing population has created a housing shortage and the lack of supply is impacting affordability across the state. Florida law currently lacks clarity regarding a local government's ability to waive or reduce local property tax rates for affordable and workforce housing, which is an impediment to encouraging the construction of affordable and workforce apartments.

HB 495/SB 1150 would allow, but not require, local governments to reduce property taxes for affordable or workforce housing in multifamily properties with 50 or more units. Under the bill,

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a local government could offer up to a 75 percent property tax discount for apartment communities if at least 10 percent of the units within the property were reserved for affordable or workforce housing. If the entire property was composed of affordable or workforce housing, a local government could offer up to a 100 percent property tax discount. To ensure the units remain affordable under the discount program, the property owner would be required to have a Land Use Restriction Agreement on file with the city or county.

The passage of HB 495/SB 1150 would empower local governments with a valuable tool that could be used at their discretion to make these construction projects feasible and stimulate the preservation of existing affordable and workforce housing.

\* Data from nlihc.org/housing-needs-by-state/florida.

## WHAT YOU CAN DO

The Florida Apartment Association urges the Legislature to pass HB 495 (Rep. Anthony Rodriguez) and SB 1150 (Sen. Ana Maria Rodriguez), which provides local governments with the ability to waive or reduce property taxes for affordable and workforce housing units at their discretion.

# **CLARIFY FIRE RADIO SYSTEM REQUIREMENTS**

# ISSUE: PASS LEGISLATION TO CLARIFY FIRE DEPARTMENT RADIO SIGNAL REQUIREMENTS FOR NEW AND EXISTING HIGH-RISE BUILDINGS.

Florida Statute 633.202 was amended in 2016 to give local governments discretion to regulate fire radio systems for buildings within their jurisdiction. However, the vague language that is currently in the statute is creating implementation inconsistencies and unintended consequences for property owners across the state.

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#### BACKGROUND

Under the current statute, local governments have the authority to determine the signal strength needed for existing and new buildings within their jurisdiction. Existing apartment buildings are not required to comply with local signal strength requirements until January 1, 2025. However, apartment buildings are required to apply for the appropriate permit for the required communications installation by December 31, 2024. The problem is the current statute does not articulate any minimum requirements for municipal radio equipment, timelines for ongoing equipment inspection, or the ability of a municipality to withhold a certificate of occupancy, which must be obtained prior to residents moving into a newly constructed apartment community.

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#### WHAT YOU CAN DO

The Florida Apartment Association urges the Legislature to pass legislation to clarify fire department radio signal requirements for new and existing high-rise buildings.

## HOW THIS IMPACTS THE APARTMENT INDUSTRY

The apartment industry recognizes the importance of fire safety in high-rise buildings. However, the vague language in the current statute is problematic and should be addressed to:

- Provide a reasonable timeline for inspections of not more than one every three years.
- Ensure that building owners will have one year to complete any retrofits that may be required.
- Exempt apartment buildings that are less than three stories from these requirements.
- Clarify the certificate of occupancy process to allow buildings to receive a temporary certificate of occupancy and have 180 days to cure any unanticipated signal strength issues that may arise during the construction process.

# SUPPORT SB 898/HB 577 TO CODIFY SCREENING AND KEY ACCESS BEST PRACTICES

## ISSUE: PASS LEGISLATION TO CODIFY APARTMENT INDUSTRY BEST PRACTICES RELATED TO EMPLOYEE BACKGROUND SCREENING AND KEY ACCESS.

Florida law does not currently require apartment community employees who have access to individual apartment homes to undergo a criminal background screening prior to employment. Apartment communities are also not currently required by state law to keep a record of the issuance and return of apartment keys.

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#### BACKGROUND

Although apartment communities are not required to conduct a criminal screening on potential employees or maintain a key log by Florida state law, these are considered to be industry best practices to reduce liability and enhance safety. As a result, a majority of multifamily housing providers already conduct a criminal background screening on applicants prior to employment.

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#### HOW THIS IMPACTS THE APARTMENT INDUSTRY

Apartment industry best practices related to employee criminal background screening should be codified in state law to establish consistency, reduce liability, and increase safety. FAA supports the passage of SB 898 (Sen. Linda Stewart) and HB 577 (Rep. Robin Bartleman).

This legislation will require apartment communities with five or more units to conduct a national screening of all potential employees, for criminal offenses involving violence or a disregard for the safety of others. This legislation will also allow an apartment community to disqualify applicants with violent records from employment. In addition, SB 898/HB 577 will require apartment communities to establish procedures related to key access and maintain a key log that accounts for the issuance and return of apartment keys.

## WHAT YOU CAN DO

The Florida Apartment Association urges the Legislature to pass SB 898/ HB 577 to codify best practices related to apartment employee background screening and key access protocols.