

FLORIDA HOUSING FINANCE CORPORATION

**Live Local Corporate Tax Credit Program – Section 420.5087(2), F.S.
June 22, 2023, 2:00 p.m., Eastern Time**

The Workshop will be held at the Florida Housing Finance Corporation office and via Webinar. Registration for Webinar is required. Registration information is available on the Florida Housing website¹

Overview

- A. Introductions
- B. Purpose of Workshop

This workshop will be held to solicit comments and suggestions from interested persons relative to Section 420.50872, F.S., the Live Local Program, created by the Florida Legislature under the Live Local Act of 2023.

Process for Submitting Contributions to Florida Housing

- A. Department of Revenue enters Rulemaking for the application process and will begin marketing of the tax incentive during summer 2023.
- B. Department of Revenue plans to open the application period for the Live Local Tax Credit reservations on October 1, 2023.
- C. For Tax Year 2023, taxpayers may request an allocation of credit from the Department of Revenue beginning October 1, 2023, through the day before they are required to file their corporate income tax return. The allocation of credit window for Tax Year 2023 does not necessarily close on December 31, 2023. The window will close when the tax credit cap is reached or until the day before the due date of tax return.
- D. Upon confirmation of the reservation, the corporate taxpayer may make a dollar-for-dollar contribution to Florida Housing prior to its corporate tax deadline.
 - 1. Taxpayer may not designate its contribution as benefiting a specific property or geographic location
 - 2. Florida Housing may not receive funding immediately; will depend on taxpayer’s deadline and any deadline extensions.
- E. Department of Revenue Live Local Tax Credit Application opens again in January 2024, for the 2024 tax period.

Funding Available

- A. Once eligible contributions surpass at least \$12 million, Florida Housing will begin developing a Request for Applications (RFA).
- B. “Transformational” Developments for this proposed RFA may request up to a limit identified in the RFA, combined with Tax-Exempt Bonds and 4% Housing Credits.

¹ Information regarding this program is available on the webpage <https://www.floridahousing.org/live-local-act/live-local-corporate-tax-credit-program> (also available by clicking [here](#))

- C. If contributions exceed \$25 million in a calendar year, the excess funding will be used by Florida Housing in the following RFA cycle's State Apartment Incentive Loan (SAIL) program, subject to the statutory demographic and geographic splits.

Transformational Development Requirements

- *The corporation may use up to \$25 million of eligible contributions to provide loans for the construction of large-scale projects of significant regional impact.*
 - *Such projects must include a substantial civic, educational, or health care use and may include a commercial use, any of which must be incorporated within or contiguous to the project property.*
 - *Such a loan must be made, except as otherwise provided in this subsection, in accordance with the practices and policies of the SAIL Program.*
 - *Such a loan is subject to the competitive application process and may not exceed 25 percent of the total project cost.*
 - *The corporation must find that the loan provides a unique opportunity for investment alongside local government participation that would enable creation of a significant amount of affordable housing.*
 - *Projects approved under this section are intended to provide housing that is affordable as defined in s. 420.0004, notwithstanding the income limitations in s. 420.5087(2).*
- A. The Applicant must demonstrate that the Development is part of a public-private partnership or partnerships directly relevant to the Development's residents, as well as the community or region benefiting from the Development.
 - B. In addition to the requirements outlined above, priority will be given to Applicants that demonstrate the Development also will substantially benefit the area's workforce such as multifaceted development with employment and transportation.
 - C. These funds are not held to the geographic and demographic splits of traditional SAIL funding.
 - D. Developer experience, proximity, compliance period, and ability to proceed requirements are expected to be similar to RFA 2023-205 for SAIL Family/Elderly.
 - E. Total income and rent-restricted Set-Aside requirements are expected to be similar to RFA 2022-208 Workforce Housing.
 - F. Shovel-readiness will be prioritized.
 - G. All developments are expected to be mixed income:
 1. Required Affordable Units must be set aside per Section 42, IRC (20% at 50% AMI, 40% at 60% AMI, or Average Income Test)
 2. Required Workforce Units that are above the 60% AMI and up to 80% AMI
 3. Optional Market Rate Units