

1 HB512
2 121690-2
3 By Representative Todd
4 RFD: Government Appropriations
5 First Read: 09-FEB-10

ENGROSSED

A BILL
TO BE ENTITLED
AN ACT

To establish the Alabama Affordable Housing Act, the Alabama Affordable Housing Trust Fund, and the Alabama Affordable Housing Trust Fund Committee for the purpose of making available housing opportunities to individuals and families with low to moderate incomes; to provide for committee members; and to provide for duties for the committee.

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

Section 1. This act shall be known as and may be cited as the Alabama Affordable Housing Act.

Section 2. It is hereby found and declared that Alabama is in need of more housing that is affordable to its residents with low to moderate incomes and the development of new units throughout the state that are affordable to these individuals and families is critical to addressing the gaps that exist between demand and availability.

Section 3. The Alabama Affordable Housing Act is enacted for the following purposes:

1 (1) To increase the production of housing units
2 affordable to individuals and families with low to moderate
3 incomes.

4 (2) To maintain and renovate existing affordable
5 housing units to insure their continued availability to
6 individuals and families with low to moderate incomes.

7 (3) The trust fund shall serve those individuals and
8 families who are living at or below 60 percent of the area
9 ~~median income, with at least the majority of the fund, and to~~
10 ~~a larger percentage when possible, serving those individuals~~
11 median income. However, at least a majority of the fund shall
12 serve those individuals and families living at or below 30
13 percent of the area median income as determined by the U.S.
14 Department of Housing and Urban Development.

15 (4) To increase and preserve the supply of rental
16 housing affordable to individuals and families with low to
17 moderate incomes.

18 (5) To increase home ownership to those with low to
19 moderate incomes.

20 Section 4. When used in this act, the following
21 words shall have the following meanings:

22 (1) ALABAMA AFFORDABLE HOUSING TRUST FUND. The trust
23 fund created pursuant to Section 5.

24 (2) AUTHORITY. The Alabama Housing Finance Authority
25 as defined by Section 24-1A-2, Code of Alabama 1975.

1 (3) BOARD. The Alabama Housing Finance Advisory
2 Board of Directors as defined by Section 24-1A-2, Code of
3 Alabama 1975.

4 (4) COMMITTEE. The Alabama Affordable Housing Trust
5 Fund Committee.

6 (5) LOW AND MODERATE INCOME FAMILIES. Persons and
7 families of one or more persons determined by the committee to
8 require such assistance as is made available by this act on
9 account of insufficient personal or family income in
10 accordance with federal standards set by the U.S. Department
11 of Housing and Urban Development determining housing
12 eligibility based on income of such persons and families.

13 Section 5. The Alabama Affordable Housing Trust Fund
14 is created in the State Treasury for the collection and
15 distribution of dedicated funding for the purpose of
16 increasing the production of housing units affordable to low
17 to moderate income individuals and families, maintaining and
18 renovating such housing including existing units serving the
19 target population. The trust fund may accept funds from the
20 United States government to further the goal of providing
21 affordable housing. The trust fund shall be administered by
22 the authority who shall appoint a committee as prescribed in
23 Section 6 of this act to advise the board and authority as to
24 program components and operations. Proceeds may be used to
25 fund bonds.

1 Section 6. (a) There is created the Alabama
2 Affordable Housing Trust Fund Committee which shall administer
3 and enforce this act and shall be responsible for development
4 of the request for proposal and rank the applications for
5 funding.

6 (b) (1) The committee shall consist of ~~11~~ 13 members
7 appointed by the board and shall include one representative
8 member from each of the following:

9 a. The Alabama House of Representatives appointed by
10 the Speaker of the House.

11 b. The Alabama Senate appointed by the Senate
12 President Pro Tempore.

13 c. The Lieutenant Governor or his or her designee.

14 d. Alabama Association of Habitat Affiliates.

15 e. The Low Income Housing Coalition of Alabama.

16 f. The Community Action Agency.

17 g. The Alabama Alliance to End Homelessness.

18 h. The Alabama Department of Mental Health.

19 i. The Alabama Association of Realtors.

20 j. The Governor's Interagency on Homelessness.

21 k. The Home Builders Association of Alabama.

22 l. A member appointed by the Independent Living
23 Resources of Greater Birmingham, Montgomery Center for
24 Independent Living, and Mobile Independent Living Center.

25 m. The Alabama Council for Affordable and Rural
26 Housing.

1 n. The Alabama Banker's Association.
2 o. The Alabama Housing Finance Authority Board.
3 p. An individual living at or below 60 percent of
4 the median family income appointed by the Governor.

5 q. The Alabama Association of Housing and
6 Redevelopment Authorities.

7 r. A member appointed by the Alabama Chapter of the
8 AARP.

9 (2) The membership of the committee shall closely
10 reflect the racial, ethnic, gender, geographic, income,
11 intellectual disability, and age diversity of the state. The
12 committee shall annually report to the Legislature by the
13 second legislative day of each regular session the extent to
14 which the committee has complied with the diversity provisions
15 of this subsection.

16 (c) The term of office of each member of the
17 committee shall be three years. Notwithstanding the foregoing,
18 of the first members appointed, four shall be appointed for a
19 term of one year, four for terms of two years, and three for
20 terms of three years. No member shall serve more than two
21 consecutive three-year terms, without interruption in service
22 of at least three years.

23 (d) Each term on the committee shall expire on
24 September 30 of the year in which the term expires, the board
25 shall appoint a new member or reappoint the current member. If
26 a vacancy occurs, within 90 days of the vacancy the board

1 shall appoint a replacement to fill the vacancy for the
2 remainder of the unexpired term.

3 (e) The board may remove a member of the committee
4 only for neglect of duty, an unexcused failure to attend more
5 than one of the regularly scheduled meetings held in a
6 calendar year during the term in office of the member,
7 malfeasance, violation of this act, or conviction of a felony.

8 (f) Members of the committee shall receive
9 reimbursement for expenses incurred in the performance of
10 duties.

11 (g) The committee may employ the necessary personnel
12 for performance of its functions and fix their compensation.

13 Section 7. (a) The committee shall elect from its
14 membership a chair, a vice chair, a secretary, and a
15 treasurer. The committee shall adopt rules to govern its
16 proceedings. A majority of the appointed membership of the
17 committee shall constitute a quorum for all meetings.

18 (b) The authority may authorize necessary
19 expenditures to implement this act. However, the expenditures
20 shall not exceed 10 percent of the funds collected during any
21 fiscal year for administrative purposes.

22 (c) The committee shall meet within 30 days after a
23 quorum of its first members is appointed, and thereafter shall
24 hold regular meetings. Minutes of each meeting of the
25 committee, recording the members present and the business

1 taken, shall be signed and kept by the secretary or an
2 assistant secretary appointed by the committee.

3 (d) The committee's responsibilities include the
4 following:

5 (1) Establish policies for the operation of the
6 trust.

7 (2) Pursue additional sources of revenue in addition
8 to that prescribed by this act.

9 (3) Ensure that the dedicated resources alleviate
10 the housing crisis for Alabamians by assisting individuals and
11 families with low to moderate incomes and targeting hard to
12 serve, special needs population that includes individuals who
13 are:

- 14 a. Individuals with an intellectual disability.
- 15 b. Homeless or on the verge of becoming homeless.
- 16 c. Disabled.
- 17 d. Victims of domestic violence.
- 18 e. Living with HIV/AIDS.
- 19 f. Elderly.
- 20 g. Living with mental illness.

21 (e) The committee shall annually distribute 51
22 percent of the proceeds from the trust to eligible nonprofit
23 developers.

24 Section 8. (a) The following organizations shall be
25 eligible to apply to the committee for funding:

- 26 (1) Not-for-profit organizations.

1 (2) Municipalities.
2 (3) Counties.
3 (4) Public housing authorities.
4 (5) Profit organizations that are in partnership
5 with not-for-profit organizations if they provide housing for
6 individuals or families living with an income that is 30
7 percent below the average monthly income.

8 (b) The committee may, but is not limited to, use
9 the funds to further the purposes of this act for:

10 (1) Promoting, creating, and maintaining
11 homeownership and rental housing options.

12 (2) Grants, loans, and revolving loan funds.

13 (3) Predevelopment costs.

14 (4) Needs assessments.

15 (5) Technical assistance and capacity building.

16 (6) Acquisition, construction, rehabilitation, and
17 repair.

18 (7) Support services so as not to exceed 20 percent
19 of the funds in any one calendar year.

20 (8) Assistance with operating reserves.

21 (9) Down payment assistance.

22 (10) Permanent supportive housing models.

23 (11) Rental and home ownership.

24 (12) Retention of housing units.

1 Section 9. This act shall become effective
2 immediately following its passage and approval by the
3 Governor, or its otherwise becoming law.

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House of Representatives

Read for the first time and re-
ferred to the House of Representa-
tives committee on Government Ap-
propriations 09-FEB-10

Read for the second time and placed
on the calendar with 1 substitute
and 11-MAR-10

Read for the third time and passed
as amended 13-APR-10

Yeas 91, Nays 0, Abstains 1

Greg Pappas
Clerk