

1 HB512  
2 116644-2  
3 By Representative Todd  
4 RFD: Government Appropriations  
5 First Read: 09-FEB-10

8 SYNOPSIS: This bill would provide for the Alabama  
9 Affordable Housing Act, the Alabama Affordable  
10 Housing Trust Fund, and the Alabama Affordable  
11 Housing Trust Fund Committee to increase home  
12 ownership and rental opportunities to those  
13 individuals and families with low to moderate  
14 incomes.  
15

16 A BILL  
17 TO BE ENTITLED  
18 AN ACT  
19

20 To establish the Alabama Affordable Housing Act, the  
21 Alabama Affordable Housing Trust Fund, and the Alabama  
22 Affordable Housing Trust Fund Committee for the purpose of  
23 making available housing opportunities to individuals and  
24 families with low to moderate incomes; to provide for  
25 committee members; and to provide for duties for the  
26 committee.  
27

BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

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

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

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

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

14               (2) To maintain and renovate existing affordable  
15               housing units to insure their continued availability to  
16               individuals and families with low to moderate incomes.

17               (3) The trust fund shall serve those individuals and  
18               families who are living at or below 60 percent of the area  
19               median income, with at least the majority of the fund, and to  
20               a larger percentage when possible, serving those individuals  
21               and families living at or below 30 percent of the area median  
22               income as determined by the U.S. Department of Housing and  
23               Urban Development.

24               (4) To increase and preserve the supply of rental  
25               housing affordable to individuals and families with low to  
26               moderate incomes.

1           (5) To increase home ownership to those with low to  
2 moderate incomes.

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

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

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

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

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

14           (5) LOW AND MODERATE INCOME FAMILIES. Persons and  
15 families of one or more persons determined by the committee to  
16 require such assistance as is made available by this act on  
17 account of insufficient personal or family income in  
18 accordance with federal standards set by the U.S. Department  
19 of Housing and Urban Development determining housing  
20 eligibility based on income of such persons and families.

21           Section 5. The Alabama Affordable Housing Trust Fund  
22 is created in the State Treasury for the collection and  
23 distribution of dedicated funding for the purpose of  
24 increasing the production of housing units affordable to low  
25 to moderate income individuals and families, maintaining and  
26 renovating such housing including existing units serving the  
27 target population. The trust fund may accept funds from the

1 United States government to further the goal of providing  
2 affordable housing. The trust fund shall be administered by  
3 the authority who shall appoint a committee as prescribed in  
4 Section 6 of this act to advise the board and authority as to  
5 program components and operations. Proceeds may be used to  
6 fund bonds.

7 Section 6. (a) There is created the Alabama  
8 Affordable Housing Trust Fund Committee which shall administer  
9 and enforce this act and shall be responsible for development  
10 of the request for proposal and rank the applications for  
11 funding.

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

15 a. The Alabama House of Representatives appointed by  
16 the Speaker of the House.

17 b. The Alabama Senate appointed by the Senate  
18 President Pro Tempore.

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

20 d. Alabama Association of Habitat Affiliates.

21 e. The Low Income Housing Coalition of Alabama.

22 f. The Community Action Agency.

23 g. The Alabama Alliance to End Homelessness.

24 h. The Alabama Department of Mental Health.

25 i. The Alabama Association of Realtors.

26 j. The Governor's Interagency on Homelessness.

27 k. The Home Builders Association of Alabama.

1           1. A member appointed by the Independent Living  
2 Resources of Greater Birmingham, Montgomery Center for  
3 Independent Living, and Mobile Independent Living Center.

4           m. The Alabama Council for Affordable and Rural  
5 Housing.

6           n. The Alabama Banker's Association.

7           o. The Alabama Housing Finance Authority Board.

8           p. An individual living at or below 60 percent of  
9 the median family income appointed by the Governor.

10           (2) The membership of the committee shall closely  
11 reflect the racial, ethnic, gender, geographic, income,  
12 intellectual disability, and age diversity of the state.

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

20           (d) Each term on the committee shall expire on  
21 September 30 of the year in which the term expires, the board  
22 shall appoint a new member or reappoint the current member. If  
23 a vacancy occurs, within 90 days of the vacancy the board  
24 shall appoint a replacement to fill the vacancy for the  
25 remainder of the unexpired term.

26           (e) The board may remove a member of the committee  
27 only for neglect of duty, an unexcused failure to attend more

1 than one of the regularly scheduled meetings held in a  
2 calendar year during the term in office of the member,  
3 malfeasance, violation of this act, or conviction of a felony.

4 (f) Members of the committee shall receive  
5 reimbursement for expenses incurred in the performance of  
6 duties.

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

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

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

18 (c) The committee shall meet within 30 days after a  
19 quorum of its first members is appointed, and thereafter shall  
20 hold regular meetings. Minutes of each meeting of the  
21 committee, recording the members present and the business  
22 taken, shall be signed and kept by the secretary or an  
23 assistant secretary appointed by the committee.

24 (d) The committee's responsibilities include the  
25 following:

26 (1) Establish policies for the operation of the  
27 trust.

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

3           (3) Ensure that the dedicated resources alleviate  
4 the housing crisis for Alabamians by assisting individuals and  
5 families with low to moderate incomes and targeting hard to  
6 serve, special needs population that includes individuals who  
7 are:

- 8           a. Individuals with an intellectual disability.
- 9           b. Homeless or on the verge of becoming homeless.
- 10          c. Disabled.
- 11          d. Victims of domestic violence.
- 12          e. Living with HIV/AIDS.
- 13          f. Elderly.
- 14          g. Living with mental illness.

15          (e) The committee shall annually distribute 51  
16 percent of the proceeds from the trust to eligible nonprofit  
17 developers.

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

- 20          (1) Not-for-profit organizations.
- 21          (2) Municipalities.
- 22          (3) Counties.
- 23          (4) Public housing authorities.

24          (5) Profit organizations that are in partnership  
25 with not-for-profit organizations if they provide housing for  
26 individuals or families living with an income that is 30  
27 percent below the average monthly income.



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

3 (1) Promoting, creating, and maintaining  
4 homeownership and rental housing options.

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

6 (3) Predevelopment costs.

7 (4) Needs assessments.

8 (5) Technical assistance and capacity building.

9 (6) Acquisition, construction, rehabilitation, and  
10 repair.

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

13 (8) Assistance with operating reserves.

14 (9) Down payment assistance.

15 (10) Permanent supportive housing models.

16 (11) Rental and home ownership.

17 (12) Retention of housing units.

18 Section 9. This act shall become effective  
19 immediately following its passage and approval by the  
20 Governor, or its otherwise becoming law.