



## Summary of 2024’s Live Local Act amendments (2024) - Final

SB 328 + HB 7073: Amendments to the Live Local Act

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As of February 28, 2024, the House and Senate have officially passed Senate Bill 328 – the 2024 Legislative Session’s core Live Local Act amendment bill. This bill amends the Live Local Act’s land use preemption, the “Missing Middle” Property Tax Exemption, and funds the Hometown Hero Housing Program at \$100 million. The next step is for this bill to be sent to the Governor’s desk for final signature. Note that the bill will go into effect right upon it becoming a law – it will not need to wait until July 1 like most other bills.

In addition to SB 328, the 2024 Legislative Session’s tax package (HB 7073) also amends the Live Local Act – specifically the missing middle property tax exemption – and creates a new affordable housing property tax exemption. This document tracks all the policy changes and additions to the Live Local Act.

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### SB 328 - Amendments to the Live Local Act’s Land Use Preemption

SB 328 makes several amendments to s. 125.01055(7) and s. 166.04151(7) of the Florida Statutes which govern the Live Local Act’s land use preemption. This land use preemption was designed to facilitate eligible affordable housing developments on parcels zoned for commercial, industrial, and mixed-use by providing favorable use, density, height, and administrative approval standards.

#### Eligible Zoning & Applicability

- Amends the phrase “if at least 40 percent of the residential units in a proposed multifamily **rental** development are, for a period of at least 30 years, affordable as defined in s. 420.0004” to “if at least 40 percent of the residential units in a proposed multifamily development are **rental units that**, for a period of at least 30 years, affordable as defined in s. 420.0004.” This amended phrase opens the possibility for a split multifamily ownership and rental development as long as least 40% of the total units are rental *and* affordable.



- Provides that proposed multifamily developments that are located in a transit-oriented development or area, as defined by the local government, must be mixed-use residential to receive approval with the tool and “otherwise complies with requirements of the county’s regulations applicable to the transit-oriented development or area except for use, height, density, and floor area ratio as provided in this section or as otherwise agreed to by the county and the applicant for the development.”

### Height and Density Allowances

- Newly provides that local governments cannot limit the floor area ratio of a proposed development below 150% of the highest currently allowed floor area\_ratio on any land where residential development is allowed in the jurisdiction under the jurisdiction’s land development regulations.
- Clarifies that the maximum density and height allowances do not include any “bonuses, variances, or other special exceptions” provided in the jurisdiction’s land development regulations as incentives for development.
- Allows local governments to limit the maximum height allowance if the proposed development is adjacent to, on two more sides, a parcel zoned for single-family residential use that is within a single-family residential development with at least 25 contiguous single-family homes to 150 percent of the tallest building on property within one-quarter mile of the proposed development or 3 stories, whichever is higher.

### Additional Provisions

- Provides that each local government must maintain a policy on its website containing the expectations for administrative approval under the tool.
- Reduces the buffer for local governments to “consider” reducing parking requirements from ½ mile of a “major transit stop” to ¼ mile of a “transit stop.” This will establish a lower buffer and encourage reducing parking requirements for projects near any transit stop, not just a “major” transit stop.
- Requires local government to reduce parking requirements by 20% for proposed developments within ½ mile of a “major transportation hub” that have available parking within 600 feet of the proposed development and eliminates parking requirements for a proposed mixed-use residential development within an area recognized as a transit-oriented development or area.
- Provides that proposed developments located within ¼ mile of a military installation may not be administratively approved.
- Provides that the land use preemption does not apply to “airport-impact areas as provided in s. 333.03” and removes the exception for recreational and commercial working waterfront.
- Creates clear criteria for when the preemption does not apply in close proximity to an airport.
- Clarifies that developments authorized with the preemption are treated as a conforming use even after the sunset of the preemption statute (2033) and the development’s affordability period unless the development violates the affordability term. If a development violates the affordability term, the development will be treated as a nonconforming use.
- Provides that an applicant who submitted an application, written request, or notice of intent to utilize the mandate before the effective date of the bill may notify the local government by July 1, 2024, of its intent to proceed under the prior provisions of the mandate.



## SB 328 + HB 7073 - Amendments to the “Missing Middle” Property Tax Exemption

The Live Local Act created a new affordable housing property tax exemption (called the “missing middle” property tax exemption or “Multifamily Middle Market” exemption) that provides two different tiers of exemptions for developments that have 71 or more affordable units to households that earn up to 120% of the Area Median Income (AMI). Units within an eligible development that serve households between 80-120% AMI can receive a 75% property tax exemption and units that serve households below 80% AMI can receive a 100% property tax exemption.

SB 328 and HB 7073 makes a few amendments to the Missing Middle Property Tax Exemption enacted at s. 196.1978(3) of the Florida Statutes.

### SB 328 Provisions

- Extends exemption eligibility to developments with more than 10 affordable units if the development is located in an area of critical state concern.
- Clarifies the exemption only applies to the affordable units within an eligible development.
- Provides how a property appraiser shall determine the value of an affordable unit eligible for the exemption.
- Authorizes the county property appraiser to “request and review additional information necessary” to determine eligibility for the exemption.

### HB 7073 - New “Opt-Out” from the 80-120% AMI missing middle exemption

- Grants certain taxing authorities the ability to opt out from providing the 80-120% AMI “missing middle” property tax exemption to developments within their jurisdiction that would otherwise qualify.
- Criteria for a taxing authority to be able to “opt-out” from the 80-120% AMI exemption:
  - The taxing authority must be in a county in which the number of affordable and available units for households at or below 120% AMI is greater than the number of households at that income level, as determined by the most recent Shimberg Center for Housing Studies Annual Report.
  - An ordinance or resolution to opt out from providing the property tax exemption must be approved by a two-thirds vote of the local governing body.
  - The ordinance or resolution must be renewed annually by January 1.
  - Any properties within an opting out jurisdiction that were previously approved for the property tax exemption would be allowed to continue to benefit from the exemption.
- “Opt-out” only applies for the specific taxing authority that opts out.
- Per the 2023 Shimberg Center for Housing Studies Annual Report, taxing authorities within 50 of Florida’s 67 counties can opt out.

### New property tax exemption for FHFC-funded permanently affordable housing

HB 7073 creates a new 100% property tax exemption from for affordable housing developments that meet the following criteria.

- Eligibility criteria:



- Be composed of an improvement to land where an improvement did not previously exist or the construction of a new improvement where an old improvement was removed, which was substantially completed within 2 years before the first submission of an application for exemption.
- Contain more than 70 units that are affordable to households at or below 80% AMI
- Has a land use restriction agreement (LURA) with the Florida Housing Finance Corporation (FHFC) that requires the property to be affordable for households up to 120% for 99 years.
- Exemption only applies to units affordable to households at or below 80% AMI.
- First applies to the 2026 tax roll

### Florida Hometown Hero Program

SB 328 funds the Hometown Hero Program at \$100 million using federal Coronavirus State Fiscal Recovery Fund dollars.