



## The Live Local Act - Summary of the Bill

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This document summarizes the policies in the Live Local Act, organized by policy topic.

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## **I. Funding & Tax Credits**

### **Additional funding for the State Housing Trust Fund**

- Redirects up to \$150 million annually of the General Revenue service charge on doc stamp revenues to the State Housing Trust Fund over 10 years for a SAIL-like program funding affordable rental housing (up to \$1.5 billion new funding for SAIL-like program over 10 years)
- SAIL-like funds must be used as follows:
  - 70% for competitive requests for projects that:
    - Both redevelop an existing affordable housing development and provide for the construction of new development within close proximity to the development to be rehabilitated
    - Address urban infill, including conversions of vacant, dilapidated, or functionally obsolete buildings
    - Provide for mixed-use housing
    - Provide housing near military installations
  - 30% of funds can be used for projects that:
    - Propose using or leasing public lands
    - Address the needs of young adults who age out of foster care
    - Meet the needs of elderly persons
    - Provide housing to meet the needs in areas of rural opportunity

### **New Live Local Corporate Tax Donation Program**

- Creates a new tax donation program to allow taxpayers to direct payments to FHFC for use as SAIL funds in exchange for tax credits against corporate or insurance premium tax liability. Cap of \$100 million in each state fiscal year.
- Projects funded through this donation program must be used to fund:
  - 100% through the SAIL program
  - Up to \$25 million can be used to provide loans for the construction of large-scale projects of significant regional impact.

### **Codifies Florida Hometown Hero Program**

- Codifies the Hometown Hero program in state statute
- Provides a minimum of \$10,000 and up to 5 percent of the first mortgage, not exceeding \$35,000, in down payment assistance
  - Assistance is a 0% interest loan due at sale, refinancing, rental of property
  - Can serve households up to 150% of state median income or local median income, whichever is greater



- Must be first-time homebuyer and employed full-time (35 hours or more per week) by a Florida based employer
  - **Note**, an eligible homebuyer does not need to be in a specific industry

### Affordable housing funding

- Provides \$100 million from General Revenue for the Florida Hometown Hero Housing Program
- Provides \$252 million from LGHTF the SHIP program
- Provides \$259 million in total for the SAIL program - \$150 million from GR service charge for a SAIL-like program and \$109 million from SHTF for traditional SAIL program
- Provides \$100 million from GR for a competitive loan program for new construction projects in the development pipeline that have not commenced construction and are experiencing verifiable cost increases due to market inflation

### Community Contribution Tax Credit

- Increases CCTC to \$25 million from \$14.4 million

### Florida Job Growth Grant Fund

- Expands Job Growth Grant Fund for “state or local public infrastructure projects to facilitate the development of affordable housing.”

## II. Affordable housing tax exemptions

### New affordable housing property tax exemption in s. 196.1978.

- **Background:** F.S. 196.1978 is the state’s affordable housing property tax exemption statute. Under this statute, there are two property tax exemptions available for affordable units: 1) the “Affordable Housing Property Exemption”; and 2) the “Multifamily Property Exemption.” The “Affordable Housing Property Exemption” is for property owned by nonprofit organizations that serves households up to 120% AMI and the “Multifamily Property Exemption” is for properties of more than 70 units that have a Land Use Restriction Agreement with the Florida Housing Finance Corporation (FHFC) and serve households up to 80% AMI.
- **Bill actions:**
  - Clarifies that land owned entirely by a nonprofit entity and is leased for a minimum of 99 years for the purpose of, and is predominately used for, providing affordable housing is exempt from property taxation
  - Adds a new affordable housing property tax exemption in s. 196.1978 for newly constructed multifamily projects of more than 70 units that serve up to 120% AMI and do not have a Land Use Restriction Agreement with FHFC; exemption only applies to the affordable housing units
    - Different levels of tax exemptions:



- Units that serve 80-120% AMI = 75% property tax exemption
- Units that serve up to 80% AMI = 100% property tax exemption
- Affordable units must be rented at an amount not to exceed the Multifamily Tax Subsidy Projects Income Limits published by HUD or 90 percent of the fair market value rent as determined by a rental market study

#### **New optional local property tax exemption (60% AMI and below)**

- Authorizes city and county commissions to adopt an ordinance to provide property tax exemptions to certain affordable housing units that serve households up to 60% AMI
- Eligible developments must have at least 50 units and dedicate at least 20% of its units for affordable housing
- Affordable units must be rented at an amount not to exceed the Multifamily Tax Subsidy Projects Income Limits published by HUD or 90 percent of the fair market value rent as determined by a rental market study
- Different levels of tax exemption options:
  - Developments that are 100% affordable = Up to 100% property tax exemption
  - Developments that are less than 100% affordable = Up to 75% property tax exemption
- Local government may provide this tax exemption only to units serving 60% AMI or below, 30% AMI or below, ELI, or both
- Local government must post a list of certified properties on its website
- An ordinance adopted under this section must expire before the fourth January 1 after adoption but may be renewed through a new ordinance

#### **New sales tax refund for affordable housing construction**

- Affordable housing developments subject to an agreement with FHFC serving up to low-income households are eligible for a sales tax refund on building materials for affordable units
- Up to \$5,000 or 97.5% of sales tax paid as a refund for each eligible residential unit

### **III. Zoning, land use, and role of local government**

#### **Preempting local governments on zoning for certain multi-family affordable housing developments in commercial areas.**

- Requires cities and counties to allow multifamily and mixed-use residential as allowable uses in any area zoned for commercial, industrial, or mixed-use if at least 40 percent of the units are affordable to income-eligible households for at least 30 years. A local government may not require a development under this section to obtain a zoning or land use change, special exception, conditional use approval, variance, or comprehensive plan amendment for the height, zoning, and densities authorized by this section. For mixed-use residential projects, at least 65 percent of total square footage must be used for residential purposes.



- Local government may not restrict the density of a development under this preemption below the highest allows density in the jurisdiction where residential development is allowed
- Local government may not restrict the height of a development under this preemption below the highest currently allowed height for a commercial or residential development in the jurisdiction within 1 mile of the proposed development or 3 stories, whichever is higher
- Application under this section must be administratively approved and does not require further action by the city or county commission if it satisfies the jurisdictions land development regulations for multifamily developments
- Local government must consider reducing parking requirements to the greatest extent possible for developments approved under this section if development located within ½ mile of a transit stop
- Cities and certain counties with less than 20 percent of land zoned for commercial or industrial uses can only use the provision to authorize mixed-use developments
- All other state and local laws still apply – this includes setbacks, parking, environmental, concurrency, and other state and local laws
- Subsection does not apply to property defined as recreational and commercial working waterfront in s. 342.201(2)(b)
- This preemption lasts for 10 years

#### **Land use tool to allow affordable housing on parcels zoned residential, commercial, and industrial.**

- **Background:** House Bill 1339 (2020), which was amended slightly by Senate Bill 962 (2022), gave local governments the flexibility to allow affordable housing developments on any parcel zoned residential, commercial, or industrial notwithstanding any other law to the contrary. In effect, the tool allows local government to override its own zoning code and comprehensive plan to approve an affordable housing development.
- **Bill actions:**
  - Removes the use of the land use tool on parcels zoned for residential use
  - Removes the prohibition on using the tool for developments that apply for or receive SAIL funding

#### **Amendments to Florida’s surplus land statute**

- **Background:** Florida’s “surplus land laws” at ss. 125.379 and 166.0451 for counties and cities respectively, require local governments every 3 years to create an inventory of all lands it owns that are “appropriate for use as affordable housing.” Although parcels do not have to be placed on this inventory for a local government to use its land for affordable housing purposes, parcels placed on the inventory can be used for affordable housing according to guidance in the statute.
- **Bill actions:**
  - Requires every local government to prepare a new list by October 1, 2023



- Expands inventory requirement to all dependent special districts within local governments
- Requires every local government to make the inventory list publicly available on its website to encourage potential development
- Clarifies that land placed on the inventory can be used for affordable housing “through a long-term land lease”
- Adds new subsection encouraging local governments to adopt best practices for surplus land programs

### **Rent Control Prohibited**

- **Background:** Under current law, local governments are allowed to enact temporary rent control measures upon a finding that such controls are “necessary and proper to eliminate an existing housing emergency which is so grave as to constitute a serious menace to the public” and after a vote via public referendum.
- **Bill action:**
  - Repeals the language at ss. 125.0103 and 166.043 allowing local governments to enact temporary rent control measures.
- **Effect:**
  - Local governments would be preempted from enacting rent control measures.

### **Posting expedited permitting procedures online**

- Requires local governments to maintain on its website a policy containing procedures and expedited processing of building permits and development orders required by law to be expedited

### **Using State-Owned lands for affordable housing**

- Requires each manager of conservation lands to include in its land management plan “whether nonconservation lands would be more appropriately transferred to the county or municipality in which the land is located for the purpose of providing affordable multifamily rental housing.”

### **DEO’s Keys Workforce Housing Initiative**

- States that DEO’s Keys Workforce Housing Initiative can continue in effect by considering affordable units built under the program an exception to evacuation time constraints in areas of critical state concern.

## **IV. State Housing Strategy**

### **Substantial amendments to the State housing strategy in s. 420.0003**

- Substantially amends the state housing strategy at 420.0003
- Directs Shimberg Center for Housing Studies to “develop and maintain statewide data on housing needs and production, provide technical assistance relating to real estate development and finance, operate an information clearinghouse on housing programs, and



coordinate state housing initiatives with local government and federal programs” and to “perform functions related to the research and planning for affordable housing”

- Directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to evaluate affordable housing issues

## **V. Florida Housing Finance Corporation**

### **FHFC Board Makeup**

- Adds one member appointed by the President of the Senate and one member appointed by the Speaker of the House

### **Qualified Contracts**

- Changes timeframe for when FHFC shall deem a bona fide contract to be a qualified contract to at the time the “bona fide contract is present to the owner and the initial deposit is deposit in escrow”

### **FHFC Budget Requests**

- Directs FHFC to include the amount of state funds necessary to use all federal housing funds anticipated to be received by, or allocated to, the state in order to maximize the produce of new, affordable multifamily housing units

## **VI. Technical Assistance**

### **Affordable Housing Catalyst Program**

- Allows FHFC to contract with the Catalyst Program provider to provide technical assistance to local governments to establish selection criteria and related provisions for RFPs or other competitive solicitations for use or lease of government-owned land for affordable housing