

LEGISLATIVE UPDATE: INSIGHTS FROM THE 2024 SESSION

KODY GLAZER, CHIEF LEGAL AND POLICY OFFICER

April 2nd
In God We Trust
Sunshine State
Orange Blossom
67
Key Lime

STATE DAY
STATE MOTTO
STATE NICKNAME
STATE FLOWER
COUNTIES
STATE PIE

Florida
FACTS

LENGTH NORTH & SOUTH
447 Miles Long
St. Mary's River to Key West

WIDTH EAST & WEST
361 Miles Wide
Atlantic Ocean to Perdido River

ACQUIRED BY UNITED STATES
From Spain by Treaty 1821

ADMITTED TO UNION AS STATE
March 3, 1845

RANK AMONG STATES OF ADMISSION
27th

2024 was another strong year for affordable housing at the Florida Legislature. This session gave us a fourth year in a row of full funding for SHIP and SALL, a "glitch bill" to the Live Local Act that will hopefully spur new development of affordable housing, policy reforms for the My Safe Florida Home Program, and other initiatives to build and preserve the housing that Florida desperately needs.

FUNDING

This Session marked the fourth year in a row that the Sadowski Housing Trust Fund programs were fully funded. We will continue to work hard to advocate for the full funding of SHIP and SAIL - our state's core affordable housing programs - with the next crop of legislative leaders in the 2025-26 Legislative Sessions.

Breakdown of affordable housing funding for FY 24/25

1. State Apartment Incentive Loan (SAIL)
\$150,000,000 (Live Local SAIL)
\$84,000,000 (traditional SAIL)
2. State Housing Initiatives Partnership (SHIP)
\$174,000,000
3. Hometown Hero Housing Program
\$100,000,000
4. My Safe Florida Home Program
\$200,000,000 (core program)
\$30,000,000 (condo pilot program)
5. Live Local Tax Donation Program
\$100,000,000
6. Homelessness Programs
\$42,433,851
7. Homelessness Member Projects
\$8,920,750
8. Housing Member Projects
\$29,003,166

Total Housing
\$918,357,767

SB 328 - AFFORDABLE HOUSING

SB 328 was the 2024 Legislative Session's Live Local Act "glitch bill." The bill addressed three components of the Live Local Act (LLA): 1) the land use preemption for eligible affordable housing developments in commercial, industrial, and mixed-use areas; 2) the missing middle property tax exemption at s. 196.1978(3); and 3) funded the Hometown Hero Housing Program at \$100 million for FY 24/25. The LLA land use preemption was the main focus of SB 328.

Senate Bill 328 ended up in a much different place from where it began, as the first version of the bill would have ended the LLA land use preemption's use in industrial areas. But by the end of its legislative journey, the cut to industrial lands was off the table, and the bill made only the following mix of new policy additions and clarifying language to the Live Local land use mandate:

- 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."
- Opens the possibility of split multifamily ownership and rental preemption projects as long as 40% of the units are rental and affordable.
- Provides that proposals in a transit-oriented development or area, as defined by the local government, must be mixed-use residential.
- Clarifies that maximum height, density, and floor area ratio entitlements do not include any bonuses.

- Requires local governments to reduce or eliminate parking requirements for preemption projects under certain circumstances. For example, local governments must reduce parking by at least 20% if a proposal is within ½ mile of a major transportation hub as defined in the bill and eliminate minimum parking requirements entirely for preemption projects within a transit-oriented development or area.
- Allows local governments to limit height of a preemption project to certain specifications if the proposal is adjacent to a single-family home community as defined in the bill.
- Requires local governments to post expectations for administrative approval on their websites.
- Includes other additions clarifying when a preemption project becomes a nonconforming use and exemptions and exceptions for proposals in close proximity to a military installation or airport runway.

HB 7073 - TAXATION

This year's Legislative tax package included two important policy reforms regarding property tax exemptions for affordable housing. The first is at lines 1072-1116 of the bill, allowing certain taxing authorities to "opt-out" of the Live Local Act's 80-120% AMI "missing middle" property tax exemption. This new "opt-out" language will be codified at s. 196.1978(3)(o) of the Florida Statutes.

Beginning with the 2025 tax roll, taxing authorities within a metropolitan statistical area (MSA) or region where the number of affordable and available units is greater than the number of renter households for the category entitled

"0-120 percent AMI" in the most recently published Shimberg Center for Housing Studies Annual Report may vote to opt-out of the 80-120% AMI exemption. Each taxing authority must approve the "opt-out" by a two-thirds majority vote, the opt-out must be renewed annually prior to January 1 for it to apply to the next year's tax roll, and the opt-out only applies to the taxing authority making the election. Properties that initially receive an 80-120% AMI exemption are entitled to continue receiving said exemption regardless of whether a taxing authority opts out at a future date.

Per the 2023 Shimberg Annual Report, taxing authorities within fifty counties can "opt-out" of the 80-120% AMI exemption. However, the 2024 Shimberg Annual Report, which will be released near the end of 2024, will likely reduce the number of taxing authorities that are able to opt-out based on the most recent available data.

HB 7073 (lines 1117-1191) also contained a new property tax exemption for properties that 1) have more than 70 affordable units for households at or below 80% AMI; 2) are funded by the Florida Housing Finance Corporation; and 3) have a Land Use Restriction Agreement (LURA) that requires the property to be affordable for 99 years for households at or below 120% AMI.

Only units that serve at or below 80% AMI in these 99-year affordable developments are eligible to receive a 100% property tax exemption. This exemption encourages affordable housing developers to choose a 99-year term of affordability in their deals, and Florida may see more permanently affordable rental options as a result. This new policy will be codified at s. 196.1978(4) of the Florida Statutes.

HB 1365 - UNAUTHORIZED PUBLIC CAMPING AND PUBLIC SLEEPING

HB 1365 prohibits local governments from authorizing or otherwise allowing any person to regularly engage in overnight public camping or sleeping on public property unless done on a designated encampment site authorized by the bill. Although there is no financial penalty for local governments associated with this prohibition, the bill authorizes residents, business owners, and the Florida Attorney General to bring action, under certain parameters, against a local government to remedy instances of overnight public sleeping or camping.

The Coalition will work with the Florida Coalition to End Homelessness, the Florida Supportive Housing Coalition, the Florida League of Cities, and the Florida Association of Counties to create a toolkit for local policymakers on how best to serve people experiencing homelessness in light of HB 1365.

SB 7028 - MY SAFE FLORIDA HOME PROGRAM

SB 7028 funded the My Safe Florida Home Program at \$200 million for FY 24/25 and established new priorities for receiving inspection and mitigation grants. Starting July 1, 2024, funding must be prioritized for applicants in the following order: 1) low-income and at least 60 years old; 2) low-income of all ages; 3) moderate-income and at least 60 years old; 4) moderate-income of all ages; 5) all other applications.

HB 1049 - FLOOD DISCLOSURE IN THE SALE OF REAL PROPERTY

House Bill 1049 provides new flood disclosure requirements for sellers of residential properties. Starting on October 1, 2024, sellers are required to disclose 1) whether they have filed a claim with an insurance provider relating to flood damage on the property and 2) whether they have received federal assistance for flood

damage to the property. The required flood disclosure also encourages the buyer to discuss the need to purchase separate flood insurance with their agent and defines "flooding" for the purposes of the disclosure.

SB 1465 - AFFORDABLE HOUSING IN COUNTIES DESIGNATED AS AREAS OF CRITICAL STATE CONCERN

This bill exempts areas designated as areas of critical state concern from meeting the SHIP income set-asides for five years. It also allows areas of critical state concern that levy a tourist development tax and a tourist impact tax to use surplus tax revenue for affordable housing for tourism workers.

OTHER HOUSING-RELATED BILLS THAT PASSED

- HB 7054: Private Activity Bonds
- HB 1029: My Safe Florida Condominium Pilot Program
- HB 267: Building Regulations
- SB 1082: Housing for Legally Verified Agricultural Workers
- SB 812: Expedited Approval of Residential Building Permits
- SB 1526: Local Regulation of Nonconforming or Unsafe Structures
- HB 1021: Community Associations
- HB 1503: Citizens Property Insurance Corporation
- HB 293: Hurricane Protections for Homeowners' Associations
- HB 1611: Insurance



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LEARN MORE AT THE 37TH ANNUAL AFFORDABLE HOUSING CONFERENCE



Join us at the 2024 Statewide Affordable Housing Conference and explore workshops on policies shaping the future of affordable housing:

Public Policy Forum: Unraveling National Trends in State and Local Policy

Building the Future: Local Policy, Partnerships, and Permanent Affordability in Housing

Live Local Act Case Studies: Early Successes and Future Implications

Funding through the Florida Housing Finance Corporation

Turn Opposers to Supporters: Tips for Engaging Elected Officials and Stakeholders to Overcome NIMBYs

Updates and Outlook on Insurance