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**AGENDA ITEM
ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS**

Deadline for Submission - Wednesday 9 a.m. – Thirteen Days Prior to BCC Meeting

4/2/2024

BCC MEETING DATE

TO: Joy Andrews, County Administrator **DATE:** March 18, 2024

FROM: Christine Valliere, Senior Assistant County Attorney **PHONE:** 904 209-0805

SUBJECT OR TITLE: Presentation of 2024 Live Local Act Glitch Bill

AGENDA TYPE: Business Item, Report

BACKGROUND INFORMATION:

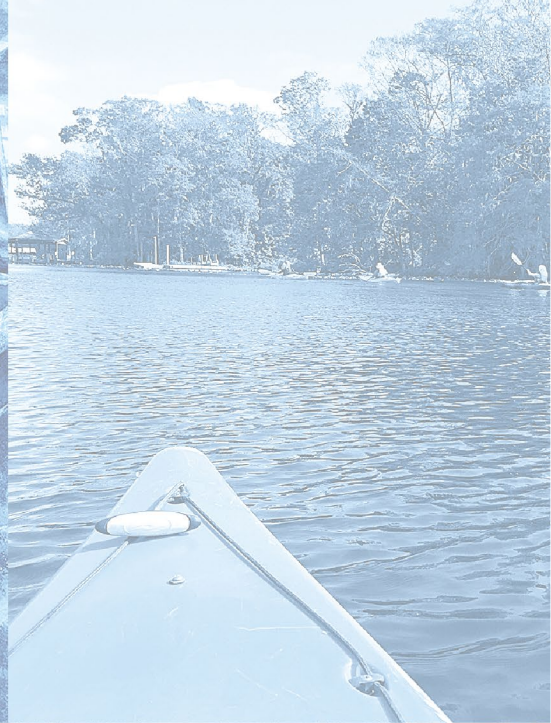
The Live Local Act (SB 102) was enacted in 2023. The law preempts local government authority on the zoning, density and height for certain multi-family developments in commercial, industrial or mixed-use lands as long as 40% of the units are reserved for affordable housing for a minimum of 30 years. The Act also includes certain property tax exemptions and other incentives for affordable housing. A glitch bill was approved in the 2024 legislative session, along with an amendment in the tax package to create a new affordable housing property tax exemption. The approved bills are pending consideration by the governor (Senate Bill 328/House Bill 7073). At the March 5, 2024, regular meeting, the Board requested a presentation regarding the details of the approved bills.

1. IS FUNDING REQUIRED? No **2. IF YES, INDICATE IF BUDGETED.** No
IF FUNDING IS REQUIRED, MANDATORY OMB REVIEW IS REQUIRED:
INDICATE FUNDING SOURCE:

SUGGESTED MOTION/RECOMMENDATION/ACTION:

Presentation Item only, no action

For Administration Use Only:
Legal: Christine Valliere 3/25/2024 **OMB:** LF 3/25/2024 **Admin:** Brad Bradley 3/25/2024



Live Local Act 2024 Glitch Bill





Live Local Act (LLA) 2024 Glitch Bill

**Senate Bill 328/
House Bill 1239**

- 1. Amends the Live Local Act's land use preemption for affordable housing**
- 2. Amends the "missing middle" property tax exemption**
- 3. Funds the Hometown Hero Program at \$100m**



Amendments to the LLA Land Use Preemption

- Eligible Zoning and Applicability
- Density and Height Allowances
- Parking
- Additional Provisions



Eligible Zoning and Applicability

- The LLA land use preemption is established in Section 125.01055(7), F.S. It is intended to facilitate eligible affordable housing developments on property zoned for commercial, industrial and mixed-use by providing favorable use, density, height and administrative approval standards.
- If at least 40% of the residential units in a proposed multifamily development are rental units that are affordably priced, i.e. not to exceed 120% of area median income (AMI), for at least 30 years, administrative approval is required if the statutory height, density and parking standards are met. All other applicable local land development requirements must also be satisfied.
- The amendment clarifies that a project could include both multifamily ownership and rental development as long as at least 40% of the total units are rental and affordable.

Density and Height Allowances

- In addition to the preemption allowing the maximum residential density permitted by local land development regulations, the amendment adds a preemption to local floor area ratio (FAR) regulations.
- Local governments cannot restrict the floor area ratio of a proposed development below 150% of the highest currently allowed FAR on any land allowed under the jurisdiction's land development regulations.
- The maximum allowable floor area ratio in St. Johns County is 80% (Town Center Mixed Use District). The maximum FAR allowed pursuant to this preemption would be 120% if the Glitch Bill is approved.

Density and Height Allowances, continued

- The LLA preempts the County from restricting building height below the highest currently allowed for a commercial or residential building located within its jurisdiction within 1 mile of the proposed development or 3 stories, whichever is higher.
- The Glitch Bill reduces that maximum where 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% of the tallest building on property within one-quarter mile of the proposed development or 3 stories, whichever is higher.
- The amendment also 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.

Parking

- The current LLA only requires the County to consider reducing parking requirements for projects within ½ mile of a “major transit stop.”
- The Glitch Bill changes that consideration to within ¼ mile of a “transit stop.” The intention is to encourage reduced buffer and parking requirements for projects near any transit stop.
- Also included in the amendment are mandatory parking reductions for projects located near a “major transit stop” or a “transit-oriented development or area.” At this time, no such facilities or areas exist in St. Johns County.

Additional Glitch Bill Provisions

- Each local government must maintain a policy on its website containing the expectations for administrative approval under the tool.
- Proposed developments located within $\frac{1}{4}$ 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.

Additional Glitch Bill Provisions, continued

- Clarifies that developments authorized with the preemption are treated as a conforming use even after the sunset of the preemption statute (October 1, 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.
- The Glitch Bill would be in effect upon signature by the Governor.

Amendments to the Missing Middle Property Tax Exemption

- The 2023 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.



2024 Tax Package HB 7073

Grants 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. To be eligible for this opt out, taxing authorities would be required to meet certain statistical and administrative requirements. Conditions that must be met for a taxing authority to opt out from providing the 80-120% AMI missing middle property tax exemption include the following:

- 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.

CS for SB 7074 – potential “opt-out” for the 80-120% AMI “Missing Middle Exemption”

APPENDIX 4. SURPLUS/DEFICIT OF AFFORDABLE AND AVAILABLE RENTAL HOUSING UNITS BY INCOME (% AMI), FLORIDA REGIONS, 2022

Region	Counties	Affordable/Available Units Minus Renter Households					
		0-30% AMI	0-40% AMI	0-50% AMI	0-60% AMI	0-80% AMI	0-120% AMI
Cape Coral-Fort Myers, FL MSA	Lee	-12,127	-13,378	-18,568	-17,272	-12,349	-1,135
Deltona-Daytona Beach-Ormond Beach, FL MSA & Palm Coast, FL MSA	Flagler, Volusia	-10,014	-12,451	-15,516	-15,234	-9,359	-357
Fort Walton Beach-Crestview-Destin, FL MSA	Okaloosa	-1,883	-2,668	-3,766	-2,908	-2,236	1,338
Ft. Lauderdale	Broward	-38,051	-54,391	-70,488	-83,786	-84,246	-33,237
Gainesville, FL MSA (minus Gilchrist)	Alachua	-4,632	-6,362	-6,030	-3,822	2,323	3,351
Homosassa Springs, FL MSA	Citrus	-2,043	-2,341	-2,636	-2,663	-893	-620
Jacksonville, FL MSA plus Putnam	Baker, Clay, Duval, Nassau, Putnam, St. Johns	-33,046	-38,430	-42,592	-33,940	-20,099	4,418
Lakeland, FL MSA	Polk	-12,578	-17,497	-20,489	-18,582	-13,186	248
Miami-Dade Plus Monroe	Miami-Dade, Monroe	-62,467	-93,480	-108,871	-130,410	-134,458	-61,721
Naples-Marco Island, FL MSA	Collier	-4,858	-7,220	-10,087	-9,861	-7,936	-1,247
Northeast Nonmetropolitan Area (plus Gilchrist)	Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Suwannee, Taylor, Union	-3,311	-3,468	-4,482	-2,139	-51	865
Northwest Nonmetropolitan Area (plus Gadsden, Jefferson, & Wakulla)	Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Wakulla, Walton, Washington	-4,521	-5,296	-4,372	-3,242	-1,003	36
Ocala, FL MSA	Marion	-6,173	-5,378	-6,830	-5,029	-1,586	3,216
Orlando-Kissimmee, FL MSA	Lake, Orange, Osceola, Seminole	-51,154	-70,138	-89,107	-94,715	-77,753	799
Palm Bay-Melbourne-Titusville, FL MSA	Brevard	-8,504	-11,491	-9,241	-6,901	-691	6,565
Panama City-Lynn Haven, FL MSA	Bay	-3,086	-3,254	-4,840	-4,839	-3,626	1,151
Pensacola-Ferry Pass-Brent, FL MSA	Escambia, Santa Rosa	-9,841	-11,125	-12,909	-9,855	-3,894	-612
Port St. Lucie, FL MSA	Martin, St. Lucie	-7,410	-8,979	-9,712	-8,956	-6,229	683



HB 7073 – FHFC-Funded Affordable Housing

HB 7073 creates a new 100% property tax exemption starting with the 2026 tax roll for affordable housing developments meeting the following 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.

Florida Hometown Hero Program

- SB 328 funds the Hometown Hero Program at \$100 million using federal Coronavirus State Fiscal Recovery Fund Dollars.
- This program provides down payment and closing cost assistance to first-time, income-qualified homebuyers so they can purchase a primary residence in the community in which they work and serve.
- The Florida Hometown Heroes Loan Program also offers a competitive first mortgage interest rate and additional special benefits to those who have served and continue to serve their country.



