City of Gainesville
Agenda Item Report

File Number: **716-2026**

Agenda Date: November 19, 2026

Department: Sustainable Development

Title: **716-2026 Live Local Act Property Tax Exemption Opt-Out Resolution (B)**

Description:
This resolution will "opt-out" of providing the Live Local Act Property Tax Exemption to units in multifamily projects that are used to house natural persons or families whose annual household income is between 80% and 120% of the median annual adjusted gross income.

Fiscal Note:
The opt-out isn't expected to reduce City revenue. The impact of not opting out would have to be estimated by the Property Appraiser.

Explanation:
Section 196.1978(3)(d), Florida Statutes, (the "Live Local Act Property Tax Exemption"), requires the Alachua County Property Appraiser to exempt certain multifamily properties from ad valorem taxes if such properties meet the criteria of the Live Local Act Property Tax Exemption. However, section 196.1978(3)(o) allows taxing authorities, with a two-thirds vote of the governing body, to "opt-out" of providing the Live Local Act Property Tax Exemption to units in multifamily projects that are used to house natural persons or families whose annual household income is between 80% and 120% of the median annual adjusted gross income.

In order to exercise the “opt out” provision, the City of Gainesville must make a finding that annual housing reports published by the Shimberg Center for Housing Studies pursuant to section 420.6075, Florida Statutes, identify that Alachua County is within a metropolitan statistical area or region where, for each of the previous three years, the number of affordable and available units in the metropolitan statistical area or region is greater than the number of renter households in the metropolitan statistical area or region for the category entitled “0-120 percent AMI.”

The previous three years of available Shimberg Annual Reports indicate that there is in fact a surplus of the subject units at the “0-120 percent AMI” level within Alachua County, which provides for the City to elect to not exempt these units from ad valorem taxes. The 2025 Shimberg Center Annual Report indicates that there is a surplus of 364 units in the “0-120 percent AMI.”

On November 21, 2024, the City Commission adopted Resolution No. 2024-819 (Agenda Item# 2024-819) and thereby opted-out of providing the Live Local Act Property Tax Exemption for subject projects for the 2025 and 2026 tax years. This resolution renews and continues that opt-out for an additional two tax years.
As stated, the “opt out” resolution must receive a two-thirds vote of the City Commission and must be passed prior to January 1, 2027. The resolution shall become effective on January 1, 2027, and will apply to the 2027 and 2028 tax rolls. The resolution expires on January 1, 2029, but may be renewed by the City Commission prior to the expiration date pursuant to section 196.1978, Florida Statutes, as may be amended.

Recommendation:
The City Commission discuss and, if desired, adopt the resolution and direct the City Manager or designee to provide a copy of this resolution to the Alachua County Property Appraiser prior to January 1, 2027.

Strategic Connection:
Equitable Community

Attachments:
1. 716-2026 Final Draft Resolution R-2026-801 20261119
2. 716-2026A Resolution LLA Property Tax Exemption Opt-Out SR 20261119
3. 716-2026B Shimberg Center Table of Surplus and Deficit Affordable and Available Rental Housing Units 2022-2025 20261119
4. 716-2026C Fla. Stat. 196.1978 20261119

RESOLUTION NO. R-2026-801

A resolution of the City of Gainesville, Florida, pursuant to section 196.1978(3)(o), Florida Statutes, electing to not exempt certain property under section 196.1978(3)(d)1.a., Florida Statutes, commonly known as the “Live Local Act Property Tax Exemption”; providing authorities, providing for severability, and providing an effective date and option to renew.

WHEREAS, section 196.1978(3)(d), Florida Statutes, (the "Live Local Act Property Tax Exemption"), requires the Alachua County Property Appraiser to exempt certain multifamily properties from ad valorem taxes if such properties meet the criteria of the Live Local Act Property Tax Exemption; and

WHEREAS, beginning with the 2025 tax roll, section 196.1978(3)(o), Florida Statutes, allows taxing authorities, with a two-thirds vote of the governing body, to "opt-out" of providing the Live Local Act Property Tax Exemption to units in multifamily projects that are used to house natural persons or families whose annual household income is between 80% and 120% of the median annual adjusted gross income for households within the metropolitan statistical area ("MSA") or, if not within a MSA, within the county in which the person or family resides (the "80 to 120 Tax Exemption"); and

WHEREAS, on November 21, 2024, the City Commission adopted Resolution No. 2024-819 and thereby opted-out of providing the Live Local Act Property Tax Exemption for projects on property as described in section 196.1978(3)(d)1.a., Florida Statutes; and

WHEREAS, pursuant to section 196.1978(3)(o), Florida Statutes, as a conditional requirement to “opt-out” of providing the Live Local Act Property Tax Exemption, the Gainesville City Commission hereby finds that annual housing reports published by the Shimberg Center for Housing Studies pursuant to section 420.6075, Florida Statutes, identify that Alachua County is within a MSA or region where, for each of the previous 3 years, the number of affordable and available units in the MSA or region is greater than the number of renter households in the MSA or region for the category entitled “0-120 percent AMI”; and

WHEREAS, the City Commission hereby finds specifically that there is surplus of affordable and available units located in the MSA or region for those households that meet the income criteria for the 80 to 120 Tax Exemption; and

WHEREAS, the City Commission hereby finds that the City of Gainesville is a taxing authority that is eligible for the election in section 196.1978(3)(o), Florida Statutes, which allows the City of Gainesville to not exempt properties that would otherwise qualify for the 80 to 120 Tax Exemption; and

WHEREAS, the City Commission held a public hearing on this resolution, which meeting was advertised pursuant to the requirements of section 50.011(1), Florida Statutes, prior to adoption of this resolution.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF GAINESVILLE, FLORIDA:

SECTION 1. The above recitals and findings are true and correct and are incorporated herein by reference.

SECTION 2. Pursuant to subsection 196.1978(3)(o), Florida Statutes, and subject to any limitations applicable pursuant to subsections 196.1978(3)(o)(7) and (8), the City of Gainesville hereby elects to renew and continue the legislative choice to not exempt the properties located in Gainesville, Florida, that may be otherwise eligible for tax exemption under section 196.1978(3)(d)1.a., Florida Statutes, and hereby requests that the Alachua County Property Appraiser not grant any such exemptions. The complete language of the property tax exemption in section 196.1978(3)(d)1.a., Florida Statutes, which the City of Gainesville is hereby "opting-out" of is as follows:

> "Seventy-five percent of the assessed value of the units in multifamily projects that meet the requirements of this subsection and are used to house natural persons or families whose annual household income is greater than 80 percent but not more than 120 percent of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides."
>
> Section 196.1978(3)(d)1.a., Florida Statutes.

SECTION 3. This resolution, and the election made as a result, applies to the ad valorem property tax levies imposed by and within the City of Gainesville, Florida.

SECTION 4. If any word, phrase, clause, paragraph, section, or provision of this resolution or the application hereof to any person or circumstance is held invalid or unconstitutional, such finding will not affect the other provisions or applications of this resolution which can be given effect without the invalid or unconstitutional provision or application, and to this end the provisions of this resolution are declared severable.

SECTION 5. This resolution will become effective on January 1, 2027, and the election made as a result renews the former election beginning with the 2027 tax roll. This resolution shall expire on January 1, 2029 ("expiration date"), and it may be renewed by the City Commission prior to the expiration date pursuant to section 196.1978, Florida Statutes, as may be amended.

SECTION 6. The City Manager or designee is directed to provide a copy of this resolution to the Alachua County Property Appraiser prior to January 1, 2027.

PASSED AND ADOPTED this 19th day of November, 2026.

_____
HARVEY L. WARD, JR.
MAYOR

Attest:

_____
KRISTEN J. BRYANT
CITY CLERK

Approved as to form and legality:

_____
DANIEL M. NEE
CITY ATTORNEY

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was advertised pursuant to the requirements of section 50.011(1), Florida Statutes, prior to adoption of this resolution.

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PASSED AND ADOPTED this _____ day of _____, 2026.

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HARVEY L. WARD, JR.
MAYOR

Attest:

_____
KRISTEN J. BRYANT
CITY CLERK

Approved as to form and legality:

_____
DANIEL M. NEE
CITY ATTORNEY



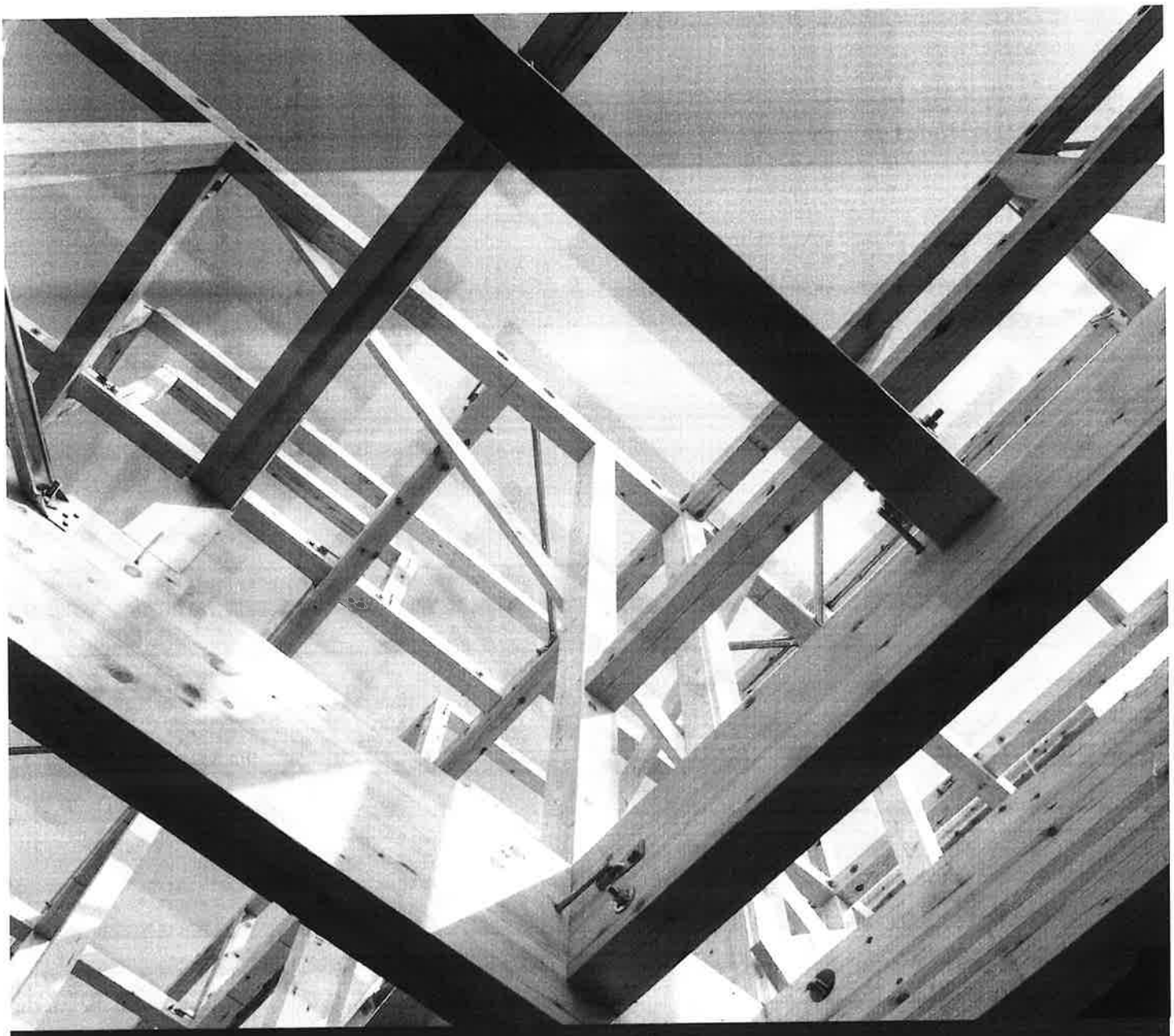
Shimberg Center for Housing Studies

2025 Annual Report

Shimberg Center for Housing Studies, M.E. Rinker School of Construction Management,
University of Florida, P.O. Box 115703, Gainesville, Florida 32611-5703

APPENDIX 4. SURPLUS/DEFICIT OF AFFORDABLE AND AVAILABLE RENTAL HOUSING UNITS BY INCOME (% AMI), MODIFIED METROPOLITAN STATISTICAL AREAS & HUD METRO FAIR MARKET RENT AREAS, 2024

Modified Metropolitan Statistical Area (MSA)/HUD Metro Fair Market Rent Area (HMFA)	Counties	Affordable/Available Units Minus Renter Households							
		0-30% AMI	0-40% AMI	0-50% AMI	0-60% AMI	0-80% AMI	0-100% AMI	0-120% AMI	0-140% AMI
Cape Coral-Fort Myers, FL MSA	Lee	-8,081	-14,214	-15,925	-17,553	-11,849	-2,463	3,447	5,068
Crestview-Fort Walton Beach-Destin, FL HMFA	Okaloosa	-2,428	-4,229	-5,388	-6,619	-3,311	-338	1,234	1,253
Deltona-Daytona Beach-Ormond Beach, FL HMFA	Volusia	-7,461	-12,274	-13,944	-14,112	-10,448	-1,113	3,123	4,197
Fort Lauderdale, FL HMFA	Broward	-36,856	-48,010	-60,370	-73,809	-85,135	-58,002	-26,355	-9,114
Gainesville, FL HMFA (minus Gilchrist)	Alachua	-10,076	-12,760	-12,230	-9,060	-3,264	-227	364	383
Homosassa Springs, FL MSA	Citrus	-1,279	-1,338	-2,045	-1,681	-671	162	162	215
Jacksonville, FL HMFA/Baker County, FL HMFA (plus Putnam)	Baker, Clay, Duval, Nassau, Putnam, St. Johns	-30,200	-42,962	-43,062	-38,663	-8,949	9,575	15,361	15,519
Lakeland-Winter Haven, FL MSA	Polk	-10,622	-11,966	-14,213	-14,833	-11,366	-3,787	4,824	7,330
Miami-Miami Beach-Kendall, FL HMFA (plus Monroe)	Miami-Dade, Monroe	-59,974	-84,093	-99,751	-126,876	-146,211	-130,604	-86,349	-49,971
Naples-Immokalee-Marco Island, FL MSA	Collier	-5,003	-6,944	-9,161	-7,843	-7,698	-2,701	380	904
North Port-Sarasota-Bradenton, FL MSA	Manatee, Sarasota	-14,151	-17,860	-21,375	-20,380	-17,577	-6,373	-931	487
Northeast Nonmetropolitan Area (plus Gilchrist and Levy)	Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Suwannee, Taylor, Union	-4,139	-4,900	-3,002	-3,142	-1,424	920	888	599
Northwest Nonmetropolitan Area (plus Gadsden, Jefferson, Wakulla, and Walton)	Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Wakulla, Walton, Washington	-3,621	-2,853	-1,323	-1,103	-1,546	-1,220	927	1,707
Ocala, FL MSA	Marion	-4,217	-6,986	-8,032	-8,152	-7,050	-528	2,919	3,727
Orlando-Kissimmee-Sanford, FL MSA	Lake, Orange, Osceola, Seminole	-54,617	-75,088	-92,455	-101,214	-100,061	-53,792	-1,945	13,848
Palm Bay-Melbourne-Titusville, FL MSA	Brevard	-6,972	-9,151	-12,675	-12,648	-9,291	341	4,252	5,633
Palm Coast, FL HMFA	Flagler	-1,883	-2,389	-2,436	-2,500	-1,085	770	1,020	1,212
Panama City-Lynn Haven, FL MSA	Bay	-3,357	-4,131	-5,431	-5,295	-932	113	2,425	2,711
Pensacola-Ferry Pass-Brent, FL MSA	Escambia, Santa Rosa	-7,601	-8,727	-9,852	-9,180	-5,731	869	2,259	2,802
Port St. Lucie, FL MSA	Martin, St. Lucie	-7,858	-8,995	-10,371	-11,066	-9,709	-5,065	-1,651	-609



Shimberg Center for Housing Studies

2024 Annual Report

Shimberg Center for Housing Studies, M.E. Rinker School of Construction Management,
University of Florida, P.O. Box 115703, Gainesville, Florida 32611-5703

APPENDIX 4. SURPLUS/DEFICIT OF AFFORDABLE AND AVAILABLE RENTAL HOUSING UNITS BY INCOME (% AMI), MODIFIED METROPOLITAN STATISTICAL AREAS & HUD METRO FAIR MARKET RENT AREAS, 2023

Modified Metropolitan Statistical Area (MSA)/HUD Metro Fair Market Rent Area (HMFA)	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	-10,362	-13,886	-18,311	-20,335	-17,333	-352
Crestview-Fort Walton Beach-Destin, FL HMFA	Okaloosa	-4,513	-4,421	-5,019	-5,559	-4,176	590
Deltona-Daytona Beach-Ormond Beach, FL HMFA	Volusia	-8,523	-10,609	-12,009	-13,251	-10,566	1,917
Fort Lauderdale, FL HMFA	Broward	-40,187	-50,266	-68,112	-82,200	-84,345	-37,884
Gainesville, FL HMFA (minus Gilchrist)	Alachua	-7,896	-7,791	-10,683	-5,440	-471	2,576
Homosassa Springs, FL MSA	Citrus	-1,975	-2,714	-3,578	-3,715	-2,425	-284
Jacksonville, FL HMFA/Baker County, FL HMFA (plus Putnam)	Baker, Clay, Duval, Nassau, Putnam, St. Johns	-33,555	-42,526	-48,760	-47,290	-22,307	8,210
Lakeland-Winter Haven, FL MSA	Polk	-10,600	-11,227	-14,412	-12,526	-11,681	-2,636
Miami-Miami Beach-Kendall, FL HMFA (plus Monroe)	Miami-Dade, Monroe	-58,509	-79,672	-100,810	-119,801	-143,805	-78,510
Naples-Immokalee-Marco Island, FL MSA	Collier	-5,489	-6,634	-8,554	-8,566	-7,432	-1,183
North Port-Sarasota-Bradenton, FL MSA	Manatee, Sarasota	-11,302	-14,560	-19,907	-20,916	-19,776	-2,801
Northeast Nonmetropolitan Area (plus Gilchrist and Levy)	Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Suwannee, Taylor, Union	-2,637	-3,212	-2,653	-2,483	-1,065	307
Northwest Nonmetropolitan Area (plus Gadsden, Jefferson, Wakulla, and Walton)	Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Wakulla, Walton, Washington	-4,103	-3,595	-3,143	-2,949	-1,493	-678
Ocala, FL MSA	Marion	-5,773	-6,917	-5,826	-7,590	-6,929	-221
Orlando-Kissimmee-Sanford, FL MSA	Lake, Orange, Osceola, Seminole	-50,796	-70,248	-91,670	-97,707	-85,074	5,274
Palm Bay-Melbourne-Titusville, FL MSA	Brevard	-8,232	-11,716	-14,116	-13,643	-3,756	6,913
Palm Coast, FL HMFA	Flagler	-1,127	-1,619	-2,638	-3,038	-2,133	-761
Panama City-Lynn Haven, FL MSA	Bay	-3,344	-4,370	-4,445	-2,381	-1,574	2,428
Pensacola-Ferry Pass-Brent, FL MSA	Escambia, Santa Rosa	-5,947	-6,918	-7,556	-5,957	-1,928	1,914
Port St. Lucie, FL MSA	Martin, St. Lucie	-5,581	-9,172	-11,708	-12,491	-10,136	-3,440

2022 Rental Market Study

June 2022

Prepared for
Florida Housing Finance Corporation
227 N. Bronough St., Suite 5000
Tallahassee, Florida 32301-1329

Prepared by
Shimberg Center for Housing Studies
University of Florida
P. O. Box 115703
Gainesville, Florida 32611-5703

Table 4.1. Difference Between Affordable and Available Rental Housing Units and Renter Households by Income, 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	-9,403	-12,214	-13,506	-11,914	-2,674	5,495
Central Nonmetropolitan Area (minus Putnam & Sumter)	Citrus	-1,449	-2,404	-2,480	-1,524	393	1,065
Deltona-Daytona Beach-Ormond Beach, FL MSA & Palm Coast, FL MSA	Flagler, Volusia	-9,770	-12,027	-13,993	-13,222	-6,569	3,557
Fort Walton Beach-Crestview-Destin, FL MSA	Okaloosa	-3,462	-3,880	-4,186	-1,824	826	2,949
Ft. Lauderdale	Broward	-36,233	-50,006	-63,135	-74,284	-61,900	723
Gainesville, FL MSA (minus Gilchrist)	Alachua	-4,959	-4,246	-1,675	2,651	8,054	10,368
Jacksonville, FL MSA plus Putnam	Baker, Clay, Duval, Nassau, Putnam, St. Johns	-27,533	-31,804	-33,109	-23,552	-842	16,686
Lakeland, FL MSA	Polk	-10,562	-12,804	-12,911	-12,880	-4,513	3,367
Miami-Dade Plus Monroe	Miami-Dade, Monroe	-53,108	-75,333	-99,664	-115,289	-131,409	-51,244
Naples-Marco Island, FL MSA	Collier	-4,621	-5,455	-7,780	-6,628	-1,570	2,818
Northeast Nonmetropolitan Area (plus Gilchrist)	Bradford, Columbia, Dixie, Gilchrist, Hamilton, Lafayette, Levy, Madison, Suwannee, Taylor, Union	-4,231	-4,906	-3,330	-1,914	649	1,484
Northwest Nonmetropolitan Area (plus Bay, Gadsden, Jefferson, & Wakulla)	Bay, Calhoun, Franklin, Gadsden, Gulf, Holmes, Jackson, Jefferson, Liberty, Wakulla, Walton, Washington	-3,796	-3,760	-2,400	-1,272	1,603	8,212
Ocala, FL MSA	Marion	-4,952	-5,757	-6,296	-6,238	-2,036	1,848
Orlando-Kissimmee, FL MSA plus Sumter	Lake, Orange, Osceola, Seminole, Sumter	-36,315	-53,160	-67,497	-62,498	-31,641	43,806
Palm Bay-Melbourne-Titusville, FL MSA	Brevard	-4,712	-5,484	-7,404	-3,541	4,419	10,121
Pensacola-Ferry Pass-Brent, FL MSA	Escambia, Santa Rosa	-7,842	-9,356	-7,851	-5,679	-771	3,292

West's Florida Statutes Annotated
Title XIV. Taxation and Finance (Chapters 192-221) (Refs & Annos)
Chapter 196. Exemption (Refs & Annos)

West's F.S.A. § 196.1978

196.1978. Affordable housing property exemption

Effective: July 1, 2026
Currentness

(1)(a) Property used to provide affordable housing to eligible persons as defined by s. 159.603 and natural persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004, which is owned entirely by a nonprofit entity that is a corporation not for profit, qualified as charitable under s. 501(c)(3) of the Internal Revenue Code and in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717, is considered property owned by an exempt entity and used for a charitable purpose, and those portions of the affordable housing property that provide housing to natural persons or families classified as extremely low income, very low income, low income, or moderate income under s. 420.0004 are exempt from ad valorem taxation to the extent authorized under s. 196.196. All property identified in this subsection must comply with the criteria provided under s. 196.195 for determining exempt status and applied by property appraisers on an annual basis. The Legislature intends that any property owned by a limited liability company which is disregarded as an entity for federal income tax purposes pursuant to Treasury Regulation 301.7701-3(b)(1)(ii) be treated as owned by its sole member. If the sole member of the limited liability company that owns the property is also a limited liability company that is disregarded as an entity for federal income tax purposes pursuant to Treasury Regulation 301.7701-3(b)(1)(ii), the Legislature intends that the property be treated as owned by the sole member of the limited liability company that owns the limited liability company that owns the property. Units that are vacant and units that are occupied by natural persons or families whose income no longer meets the income limits of this subsection, but whose income met those income limits at the time they became tenants, shall be treated as portions of the affordable housing property exempt under this subsection if a recorded land use restriction agreement in favor of the Florida Housing Finance Corporation or any other governmental or quasi-governmental jurisdiction requires that all residential units within the property be used in a manner that qualifies for the exemption under this subsection and if the units are being offered for rent.

<Paragraph (b) repealed by its own terms on December 31, 2059. >

(b) 1. Land that is owned entirely, or is leased from a housing finance authority pursuant to part IV of chapter 159, by a nonprofit entity that is a corporation not for profit, qualified as charitable under s. 501(c)(3) of the Internal Revenue Code and in compliance with Rev. Proc. 96-32, 1996-1 C.B. 717, and is leased for a minimum of 99 years for the purpose of, and is predominantly used for, providing affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004 is exempt from ad valorem taxation.

2. Land leased pursuant to this paragraph that is assigned or subleased from a nonprofit entity to an extremely-low-income, very-low-income, low-income, or moderate-income person or persons as defined in s. 420.0004 for such person's or persons' own use as affordable housing is exempt from ad valorem taxation.

3. For purposes of this paragraph, land is predominantly used for qualifying purposes if the square footage of the improvements on the land used to provide qualifying housing is greater than 50 percent of the square footage of all improvements on the land.

4. This paragraph is repealed December 31, 2059.

(2)(a) Notwithstanding ss. 196.195 and 196.196, property in a multifamily project that meets the requirements of this subsection is considered property used for a charitable purpose and is exempt from ad valorem tax beginning with the January 1 assessment after the 15th completed year from the earliest of:

1. The effective date of the recorded agreement on those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004;

2. The first day of the first taxable year in which the property was placed in service as an affordable housing property that provides housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004; or

3. The date the property received a certificate of occupancy or a certificate of substantial completion, as applicable, allowing the property to be used as an affordable housing property that provides housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.

(b) The multifamily project must:

1. Contain more than 70 units that are used to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004; and

2. Be subject to an agreement with the Florida Housing Finance Corporation recorded in the official records of the county in which the property is located to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.

This exemption terminates if the property no longer serves extremely-low-income, very-low-income, or low-income persons pursuant to the recorded agreement.

(c) To receive the exemption under paragraph (a), a qualified applicant must submit an application to the county property appraiser by March 1.

(d) The property appraiser shall apply the exemption to those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004 before certifying the tax roll to the tax collector.

<Subsection (3) is repealed by its own terms on December 31, 2059, unless reviewed and saved from repealed by the Legislature.>

(3)(a) As used in this subsection, the term:

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1. “Corporation” means the Florida Housing Finance Corporation.

2. “Multifamily project” shall include a development authorized under this subsection that is held under common ownership or control, approved and developed in compliance with the same site plan approval or development agreement or order, but shall exclude individual detached single-family residences, as well as parcels separated by more than 200 feet of land.

3. “Newly constructed” means an improvement to real property which was substantially completed within 5 years before the date of an applicant's first submission of a request for a certification notice pursuant to this subsection.

4. “Substantially completed” has the same meaning as in s. 192.042(1).

(b) Notwithstanding ss. 196.195 and 196.196, portions of property in a multifamily project are considered property used for a charitable purpose and are eligible to receive an ad valorem property tax exemption if such portions meet all of the following conditions:

1. Provide affordable housing to natural persons or families meeting the income limitations provided in paragraph (d).

2. a. Are within a newly constructed multifamily project that contains more than 70 units dedicated to housing natural persons or families meeting the income limitations provided in paragraph (d); or

b. Are within a newly constructed multifamily project in an area of critical state concern, as designated by s. 380.0552 or chapter 28-36, Florida Administrative Code, which contains more than 10 units dedicated to housing natural persons or families meeting the income limitations provided in paragraph (d).

3. Are rented for an amount that does not exceed the amount as specified by the most recent multifamily rental programs income and rent limit chart posted by the corporation and derived from the Multifamily Tax Subsidy Projects Income Limits published by the United States Department of Housing and Urban Development or 90 percent of the fair market value rent as determined by a rental market study meeting the requirements of paragraph (*l*), whichever is less.

(c) If a unit that in the previous year received the exemption under this subsection and was occupied by a tenant is vacant on January 1, the vacant unit is eligible for the exemption if the use of the unit is restricted to providing affordable housing that would otherwise meet the requirements of this subsection and a reasonable effort is made to lease the unit to eligible persons or families.

(d) 1. The property appraiser shall exempt:

a. Seventy-five percent of the assessed value of the units in multifamily projects that meet the requirements of this subsection and are used to house natural persons or families whose annual household income is greater than 80 percent but not more than 120 percent of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides; and

b. From ad valorem property taxes the units in multifamily projects that meet the requirements of this subsection and are used to house natural persons or families whose annual household income does not exceed 80 percent of the median annual adjusted gross income for households within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides.

2. When determining the value of a unit for purposes of applying an exemption pursuant to this paragraph, the property appraiser must include in such valuation the proportionate share of the residential common areas, including the land, fairly attributable to such unit.

(e) To be eligible to receive an exemption under this subsection, a property owner must submit an application on a form prescribed by the department by March 1 for the exemption, accompanied by a certification notice from the corporation to the property appraiser. The property appraiser shall review the application and determine whether the applicant meets all of the requirements of this subsection and is entitled to an exemption. A property appraiser may request and review additional information necessary to make such determination. A property appraiser may grant an exemption only for a property for which the corporation has issued a certification notice and which the property appraiser determines is entitled to an exemption.

(f) To receive a certification notice, a property owner must submit a request to the corporation on a form provided by the corporation which includes all of the following:

1. The most recently completed rental market study meeting the requirements of paragraph (*l*).

2. A list of the units for which the property owner seeks an exemption.

3. The rent amount received by the property owner for each unit for which the property owner seeks an exemption. If a unit is vacant and qualifies for an exemption under paragraph (c), the property owner must provide evidence of the published rent amount for each vacant unit.

4. A sworn statement, under penalty of perjury, from the applicant restricting the property for a period of not less than 3 years to housing persons or families who meet the income limitations under this subsection.

(g) The corporation shall review the request for a certification notice and certify whether a property meets the criteria of paragraphs (b) and (c). A determination by the corporation regarding a request for a certification notice does not constitute a grant of an exemption pursuant to this subsection or final agency action pursuant to chapter 120.

1. If the corporation determines that the property meets the criteria, the corporation must send a certification notice to the property owner and the property appraiser.

2. If the corporation determines that the property does not meet the criteria, the corporation must notify the property owner and include the reasons for such determination.

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(h) The corporation shall post on its website the deadline to submit a request for a certification notice. The deadline must allow adequate time for a property owner to submit a timely application for exemption to the property appraiser.

(i) If the property appraiser determines that for any year during the immediately previous 10 years a person who was not entitled to an exemption under this subsection was granted such an exemption, the property appraiser must serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and that property must be identified in the notice of tax lien. Any property owned by the taxpayer and situated in this state is subject to the taxes exempted by the improper exemption, plus a penalty of 50 percent of the unpaid taxes for each year and interest at a rate of 15 percent per annum. If an exemption is improperly granted as a result of a clerical mistake or an omission by the property appraiser, the property owner improperly receiving the exemption may not be assessed a penalty or interest.

(j) Units subject to an agreement with the corporation pursuant to chapter 420 recorded in the official records of the county in which the property is located to provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004 are not eligible for this exemption.

(k) Property receiving an exemption pursuant to s. 196.1979 or units used as a transient public lodging establishment as defined in s. 509.013 are not eligible for this exemption.

(*l*) A rental market study submitted as required by subparagraph (f)1. must identify the fair market value rent of each unit for which a property owner seeks an exemption. Only a certified general appraiser as defined in s. 475.611 may issue a rental market study. The certified general appraiser must be independent of the property owner who requests the rental market study. In preparing the rental market study, a certified general appraiser shall comply with the standards of professional practice pursuant to part II of chapter 475 and use comparable property within the same geographic area and of the same type as the property for which the exemption is sought. A rental market study must have been completed within 3 years before submission of the application.

(m) The corporation may adopt rules to implement this section.

(n) This subsection first applies to the 2024 tax roll and is repealed December 31, 2059.

(*o*) 1. Beginning with the 2025 tax roll, a taxing authority may elect, upon adoption of an ordinance or resolution approved by a two-thirds vote of the governing body, not to exempt property under sub-subparagraph (d)1.a. located in a county specified pursuant to subparagraph 2., subject to the conditions of this paragraph.

2. A taxing authority must make a finding in the ordinance or resolution that annual housing reports published by the Shimberg Center for Housing Studies pursuant to s. 420.6075 identify that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region where, for each of the previous 3 years, the number of affordable and available units in the metropolitan statistical area or region is greater than the number of renter households in the metropolitan statistical area or region for the category entitled "0-120 percent AMI."

3. An election made pursuant to this paragraph may apply only to the ad valorem property tax levies imposed within a county specified pursuant to subparagraph 2. by the taxing authority making the election.

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4. The ordinance or resolution must take effect on the January 1 immediately succeeding adoption and shall expire on the second January 1 after the January 1 in which the ordinance or resolution takes effect. The ordinance or resolution may be renewed prior to its expiration pursuant to this paragraph.

5. The taxing authority proposing to make an election under this paragraph must advertise the ordinance or resolution or renewal thereof pursuant to the requirements of s. 50.011(1) prior to adoption.

6. The taxing authority must provide to the property appraiser the adopted ordinance or resolution or renewal thereof by the effective date of the ordinance or resolution or renewal thereof.

7. Notwithstanding an ordinance or resolution or renewal thereof adopted pursuant to this paragraph, property in a multifamily project that received an exemption pursuant to sub-subparagraph (d)1.a. before the adoption or renewal of such ordinance or resolution may continue to receive such exemption for each subsequent consecutive year that the same owner or each successive owner applies for and is granted the exemption.

8. Notwithstanding an ordinance or a resolution or a renewal thereof adopted pursuant to this paragraph, the owner of a property in a multifamily project that was issued a building permit on or after July 1, 2026, for the development of the multifamily project within 4 years before the effective date of such ordinance or resolution may apply for and be granted the exemption under sub-subparagraph (d)1.a. after meeting the requirements of this subsection and may continue to receive such exemption for each subsequent consecutive year that the same owner or each successive owner applies for and is granted the exemption.

(4)(a) Notwithstanding ss. 196.195 and 196.196, property in a multifamily project that meets the requirements of this subsection is considered property used for a charitable purpose and is exempt from ad valorem tax beginning with the January 1 assessment immediately succeeding the date the property was placed in service allowing the property to be used as an affordable housing property that provides housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.

(b) The multifamily project must:

1. 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 under this subsection. For purposes of this subsection, the term "substantially completed" has the same definition as in s. 192.042(1).

2. Contain more than 70 units that are used to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004.

3. Be subject to a land use restriction agreement with the Florida Housing Finance Corporation, or a housing finance authority pursuant to part IV of chapter 159, recorded in the official records of the county in which the property is located that requires that the property be used for 99 years to provide affordable housing to natural persons or families meeting the extremely-low-income, very-low-income, low-income, or moderate-income limits specified in s. 420.0004. The agreement must include a

provision for a penalty for ceasing to provide affordable housing under the agreement before the end of the agreement term that is equal to 100 percent of the total amount financed by the corporation, or a housing finance authority pursuant to part IV of chapter 159, multiplied by each year remaining in the agreement. The agreement may be terminated or modified without penalty if the exemption under this subsection is repealed.

The property is no longer eligible for this exemption if the property no longer serves extremely-low-income, very-low-income, or low-income persons pursuant to the recorded agreement.

(c) To be eligible to receive the exemption under this subsection, the property owner must submit an application to the property appraiser by March 1. The property appraiser shall review the application and determine whether the applicant meets all of the requirements of this subsection and is entitled to an exemption. A property appraiser may request and review additional information necessary to make such determination.

(d) 1. The property appraiser shall apply the exemption to those portions of the affordable housing property that provide housing to natural persons or families meeting the extremely-low-income, very-low-income, or low-income limits specified in s. 420.0004 before certifying the tax roll to the tax collector.

2. When determining the value of the portion of property used to provide affordable housing for purposes of applying an exemption pursuant to this subsection, the property appraiser must include in such valuation the proportionate share of the residential common areas, including the land, fairly attributable to such portion of property.

(e) If the property appraiser determines that for any year a person who was not entitled to an exemption under this subsection was granted such an exemption, the property appraiser must serve upon the owner a notice of intent to record in the public records of the county a notice of tax lien against any property owned by that person in the county, and that property must be identified in the notice of tax lien. Any property owned by the taxpayer and situated in this state is subject to the taxes exempted by the improper exemption, plus a penalty of 50 percent of the unpaid taxes for each year and interest at a rate of 15 percent per annum. If an exemption is improperly granted as a result of a clerical mistake or an omission by the property appraiser, the property owner improperly receiving the exemption may not be assessed a penalty or interest.

(f) Property receiving an exemption pursuant to subsection (3) or s. 196.1979 is not eligible for this exemption.

(g) This subsection first applies to the 2026 tax roll.

Credits

Added by Laws 1999, c. 99-378, § 15, eff. July 1, 1999. Amended by Laws 2000, c. 2000-353, § 9, eff. June 21, 2000; Laws 2006, c. 2006-69, § 29, eff. July 1, 2006; Laws 2009, c. 2009-96, § 18, eff. June 1, 2009; Laws 2011, c. 2011-15, § 4, eff. April 27, 2011; Laws 2013, c. 2013-72, § 11, eff. July 1, 2013; Laws 2013, c. 2013-83, § 3, eff. May 30, 2013; Laws 2017, c. 2017-36, § 6, eff. Jan. 1, 2018; Laws 2020, c. 2020-10, § 10, eff. April 8, 2020; Laws 2020, c. 2020-10, § 11, eff. Jan. 1, 2021; Laws 2021, c. 2021-31, § 10, eff. July 1, 2021; Laws 2022, c. 2022-97, § 10, eff. July 1, 2022; Laws 2023, c. 2023-17, § 8, eff. Jan. 1, 2024; Laws 2024, c. 2024-158, § 13, eff. May 7, 2024; Laws 2024, c. 2024-158, § 16, eff. July 1, 2024; Laws 2024, c. 2024-188, § 4, eff. May 16, 2024; Laws 2025, c. 2025-208, § 15, eff. July 1, 2025; Laws 2025, c. 2025-6, § 17, eff. Aug. 15, 2025; Laws 2025, c. 2025-208, § 15, 16, eff. Jan. 1, 2026; Laws 2026, c. 2026-179, § 5, eff. July 1, 2026.

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Notes of Decisions (9)

West's F. S. A. § 196.1978, FL ST § 196.1978
Current with laws, join and concurrent resolutions and memorials passed during the 2026 Regular session, and Special Sessions D, E, and F.

End of Document

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Notes Of Decisions

Construction and application

Tax exemptions are to be strictly construed against taxpayers. Crapo v. University Cove Partners, Ltd., App. 1 Dist., 298 So.3d 697 (2020) . Taxation 2300

Occupancy by a low or very low income tenant on January 1st is necessary to trigger the affordable-housing charitable exemption from ad valorem taxation. Parrish v. Pier Club Apartments, LLC, App. 4 Dist., 900 So.2d 683 (2005) . Taxation 2341

Construction with prior laws

Statute providing that, on January 1 of each tax year, “all property shall be assessed [by county appraiser] according to its just value” did not apply to determination whether partnership that owned affordable housing property had vested right in ad valorem tax exemption on January 1, 2013, before statute providing for exemption was repealed, retroactive to 2013 tax roll, and therefore, whether repeal of exemption violated partnership's right to due process. Sowell v. Panama Commons L.P., 192 So.3d 27 (2016) . Constitutional Law 4137 ; Taxation 2292

Legislative repeal in June 2013 of exemption from ad valorem tax for affordable housing property owned by limited partnerships, retroactive to 2013 tax roll, did not violate due process; partnership did not have vested right to exemption as of January 1, 2013, but rather, it had only expectation in that exemption on January 1, 2013, and legislature enacted repeal of exemption prior to certification of tax roll, which was before appraiser acted on partnership's application for exemption, and therefore, partnership's interest in exemption never became vested property right. Sowell v. Panama Commons L.P., 192 So.3d 27 (2016) . Constitutional Law 4137 ; Taxation 2292

Real property

Real property is annually assessed and subject to ad valorem taxation, unless an exemption applies. Crapo v. University Cove Partners, Ltd., App. 1 Dist., 298 So.3d 697 (2020) . Taxation 2166

Given the clear restriction on the application of § 196.1978 , only to those portions of affordable housing property providing housing to low income people, the tax exemption provided in § 196.1978 may not be applied to vacant property held by the Putnam County Habitat for Humanity. Florida Op.Atty.Gen., 2008-52 , September 24, 2008 (2008 WL 4402955).

Charitable purpose

The property appraiser must apply the criteria contained in Chapter 196 to make a factual determination of whether vacant lots held by the Putnam County Habitat for Humanity qualifies as property used for a charitable purpose such that it is exempt from ad valorem taxation. Florida Op.Atty.Gen., 2008-52 , September 24, 2008 (2008 WL 4402955).

Agreements

Term of extended low-income housing agreement, between Florida Housing Finance Corporation (FHFC) and owners of affordable apartment complex, pursuant to which owners agreed to provide affordable housing and could apply for statutory ad valorem tax discount 15 years after term began, was governed by date FHFC signed agreement, rather than period of time applicable to use of apartment complex specified elsewhere in agreement, and thus owners did not yet qualify for tax discount for year in which it was sought; plain language of relevant section of agreement dictated term, parties could have made period of time governing restrictions on use of complex “term” if they chose, and legislature expressly conditioned tax discount on “term of the recorded agreement,” not the property's actual use. Crapo v. University Cove Partners, Ltd., App. 1 Dist., 298 So.3d 697 (2020) . Taxation 2301

Waiver

Statutory affordable housing property exemption does not expressly prohibit the payment of ad valorem taxes or payments that equal the amount of taxes that would be due if a property owner decides to waive the exemption and enter into a contractual agreement. City of Largo v. AHF-Bay Fund, LLC, 215 So.3d 10 (2017) , on remand 227 So.3d 740 . Taxation 2360

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