



Agenda Item Summary

File #: 25-00552

Agenda Date: 7/8/2025

Agenda Item Name:

Live Local Act Property Tax Exemption Opt-Out Resolution

Presenter:

Tommy Crosby, Assistant County Manager 352-337-6205

Description:

Review option to continue to “opt-out” of certain tax exemption available under the Live Local Act

Recommended Action:

Review Alachua County’s option to opt out of a part of the Live Local Act tax exemption; Approve a resolution for the Board to continue to elect to opt-out of the tax exemption for qualified properties that house persons or families whose annual household income is greater than 80% and not more than 120% AMI, and otherwise follow the required procedural steps as provided in the law; and authorize a letter from the Chair to municipalities in Alachua County notifying of the certain property tax exemption opt-out option.

Prior Board Motions:

Resolution 2024-104 Adopted December 10, 2024.

Fiscal Note:

The potential negative financial impact of the credit on the tax rolls has not been established long enough to provide a reliable estimate at this time.

Strategic Guide:

Housing, Environment

Background:

Section 196.1978(3)(o), Florida Statutes, as amended by HB 7073, gives, beginning with the 2025 tax roll, certain taxing authorities the option to “op-out” of a part of the Live Local Property Tax Exemption (75% tax exemption) to those multifamily projects located in the county that are used to house natural persons or families whose annual household income is greater than 80% but not more than 120% of the median annual adjusted gross income (AMI) within the metropolitan statistical area or, if not within a metropolitan statistical area, within the county in which the person or family resides. To elect to not provide the tax exemption the Board of County Commissioners (“Board”) would have to make a finding that the most recently published Shimberg Center for Housing Studies Annual Report (hereinafter, the “Shimberg Report”) identifies that Alachua County is part of the jurisdiction within a metropolitan statistical area or region where the number of affordable and available units in the metropolitan

statistical area or region is great than the number of renter households in the metropolitan statistical area or region for the category entitled "0-120 percent AMI."

A copy of the most recent published Shimberg Report is attached to this agenda item. The Shimberg Report indicates that Alachua County has a surplus of affordable and available units for households that meet income criteria for the 80-120% tax exemption. This allows Alachua County to be eligible to not exempt certain properties that would otherwise qualify the tax exemption.

If the recommendation action is approved, the County will advertise a resolution and schedule a public hearing before the Board to be held prior to January 1, 2025. If approved, the opt-out will have no impact on the property tax exemption available for multifamily projects that house persons or families who annual household income is below 80% AMI.

The Alachua County Affordable Housing Advisory Committee considered the matter at their public meetings and at their September 18, 2024, meeting, voted to recommend that Board opt-out of the tax exemption.

Alachua County Commission approved resolution 2024-104 on December 10, 2024 to "opt out" of part of the Live Local Act.

Attached for reference are the Shimberg Center December 2023 and December 2024 reports