

**City of South Daytona**  
**Office of the City Manager**

1672 S. Ridgewood Avenue • South Daytona, FL 32119 • 386/322-3014



**MEMORANDUM**

To: James L. Gillis Jr., City Manager  
From: Becky Witte, Deputy City Clerk  
Re: Consideration of Resolution No. 2024-17, accepting Volusia County has enough affordable housing and the City of South Daytona taxing authority has decided to “opt-out”, and the affordable units are no longer eligible for the 75% tax exemption on units within the 80-120% AMI.  
Date: July 12, 2024

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The Live Local Act, also known as Senate Bill (SB) 102, was signed by Governor Ron DeSantis on March 29, 2023, with the intent of increasing affordable housing opportunities within Florida’s communities. Unfortunately, the bill caused some issues for local governments, especially within Volusia County.

After dedicated research and petitioning, our own Volusia County native, DeBary City Manager Carmen Rosamonda was successful in lobbying for modifications to the Live Local Act during the 2024 Legislative Session. Mr. Rosamonda is continuing to push for additional legislature which we hope to see in the upcoming years.

House Bill (HB) 7073, approved during the 2024 Legislative Session, provides taxing authorities the ability to opt-out from providing the 80-120% Area Median Income (AMI) property tax exemption to developments within their jurisdiction that would otherwise qualify.

The 2024 Bill states “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 the income level, as determined by the most recent Shimberg Center for Housing Studies Annual Report.” The most recent Shimberg Report combines Volusia and Flagler data. With the two Counties combined, there is a mere deficiency of 357 units.

Volusia League of Cities and other organizations throughout Volusia and Flagler County have reached out to the publishers of the Shimberg Report to request separating Volusia from Flagler County. The next Shimberg Report is set to be published in December 2024. House Bill 7073 requires Local Governments “opt-out” via Resolution or Ordinance prior to January 1, 2025.

There is sufficient data to assume with Flagler County information removed, Volusia County has sufficient affordable housing and can opt-out pursuant to House Bill 7073. We

can also assume the 357 unit deficient for Volusia County is within the margin of error of the analysis report. In either case, our assumption, along with the other Cities throughout the County is that Volusia County has sufficient affordable housing and can opt-out pursuant to House Bil 7073.

Staff recommends the City Council adopt Resolution No. 2024-17, accepting Volusia County has enough affordable housing and, as a result, decides to opt out of the Middle Market Tax Exemption in accordance with HB 7073 making those units ineligible for the 75% tax exemption within the 80-120% AMI. Our goal is to have our opt-out Resolution adopted in advance of the end of the year deadlines.

**RESOLUTION NO. 2024-17**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SOUTH DAYTONA, FLORIDA, ELECTING NOT TO EXEMPT PROPERTY FROM AD VALOREM PROPERTY TAX LEVIES IMPOSED BY THE CITY OF SOUTH DAYTONA UNDER SECTION 196.1978(3)(D)1.A., FLORIDA STATUTES (2024); MAKING STATUTORILY REQUIRED FINDINGS; AND PROVIDING FOR FINDINGS, CONFLICTS, SEVERABILITY, AND AN EFFECTIVE DATE.**

**WHEREAS**, the Live Local Act, also known as SB 102 (2023), was signed by Governor Ron DeSantis on March 29, 2023, and aimed to increase affordable housing opportunities within Florida’s communities; and

**WHEREAS**, during the 2024 Legislative Session, the Florida Legislature passed HB 7073 (2024), which was signed by Governor DeSantis on May 7, 2024, and which amended the Live Local Act to provide taxing authorities with the ability to opt out from providing the 80-120% Area Median Income (AMI) “missing middle” property tax exemption to developments within their jurisdiction otherwise provided in Section 196.1978(3)(d)1.a., Florida Statutes; and

**WHEREAS**, Section 196.1978(3)(o)2., Florida Statutes (2024), as enacted by HB 7073 (2024), provides that “A taxing authority must make a finding in the ordinance or resolution that the most recently published Shimberg Center for Housing Studies Annual Report, prepared pursuant to s. 420.6075, identifies that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region where 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.’”; and

**WHEREAS**, the most recently published Shimberg Report combines Volusia County and Flagler County data, and with the two counties combined, shows a deficit of only 357 units within the relevant category; and

**WHEREAS**, the Volusia League of Cities and other organizations throughout Volusia and Flagler Counties have reached out to the publishers of the Shimberg Report to request separating Volusia from Flagler County; the next Shimberg Report is set to be published in December 2024, while HB 7073 requires taxing authorities to opt out via resolution or ordinance prior to January 1, 2025; and

**WHEREAS**, there is sufficient basis to conclude that with Flagler County data removed, Volusia County has sufficient affordable housing within the relevant category and that taxing authorities therein are entitled to opt out pursuant to HB 7073, and there is also sufficient basis to conclude that the combined 357 unit deficit within the relevant category is within the margin of error of the report and that taxing authorities within Volusia County are entitled to opt-out pursuant to HB 7073.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SOUTH DAYTONA, FLORIDA:**

**Section 1. Recitals.** The preceding recitals are true and correct and by this reference are hereby incorporated herein and made an integral part hereof as though fully set forth herein, and adopted as findings of the City Council of the City of South Daytona.

**Section 2. Taxing Authority Finding Pursuant to Section 196.1978(3)(o)2., Florida Statutes.** Pursuant to Section 196.1978(3)(o)2., Florida Statutes, the City Council of the City of South Daytona, the relevant taxing authority herein, hereby makes a finding that the most recently published Shimberg Center for Housing Studies Annual Report, prepared pursuant to s. 420.6075, identifies that a county that is part of the jurisdiction of the taxing authority is within a metropolitan statistical area or region where 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.”

**Section 3. Taxing Authority Election Pursuant to Section 196.1978(3)(o)1., Florida Statutes.** Pursuant to Section. 196.1978(3)(o)1., Florida Statutes, the City Council of the City of South Daytona, the relevant taxing authority herein, hereby elects not to exempt property under Section 196.1978(3)(d)1.a., Florida Statutes. Such election shall apply only to the ad valorem property tax levies imposed by the City of South Daytona.

**Section 4. Severability.** If any section, subsection, sentence, clause, phrase, or portion of this Resolution, or application hereof, is for any reason held invalid or unconstitutional by any Court, such portion or application shall be deemed a separate, distinct, and independent provision, and such holding shall not affect the validity of the remaining portions or application hereof.

**Section 5. Conflicts.** All resolutions or parts of resolutions in conflict herewith are hereby repealed to the extent of such conflict.

**Section 6. Effective Date.** Pursuant to Section 196.1978(3)(o)4., Florida Statutes, this Resolution shall take effect on the January 1 immediately succeeding adoption (January 1, 2025) and shall expire on the second January 1 after the January 1 in which the ordinance or resolution takes effect.

**THIS RESOLUTION APPROVED ON FIRST AND ONLY READING** this 23<sup>rd</sup> day of July 2024 by the City Council of the City of South Daytona, Florida.

**Roll Call Vote – Two-Thirds Vote Required.**

Councilman Brandon Young (Seat 1): \_\_\_\_\_  
Councilman Doug Quartier (Seat 2): \_\_\_\_\_  
Councilwoman Lisa O’Neal (Seat 3): \_\_\_\_\_  
Vice-Mayor Eric Sander (Seat 4): \_\_\_\_\_  
Mayor William C. Hall: \_\_\_\_\_

**CITY OF SOUTH DAYTONA,  
FLORIDA**

\_\_\_\_\_  
William C. Hall, Mayor

ATTEST: \_\_\_\_\_  
James L. Gillis Jr, City Manager

APPROVED AS TO FORM:

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Wade C. Vose, City Attorney