

FLORIDA'S LIVE LOCAL ACT | JUNE 29, 2026

House Bill 1389, Latest Update to Florida's Live Local Act, Introduces Key Zoning and Tax Changes

Nicholas Noto, Andrew J. Schein, Anthony De Yurre, Javier F. Aviñó & Carter N. McDowell

On June 15, 2026, House Bill 1389 ("HB 1389"), the latest revision to the Live Local Act (the "Act"), was presented to the Governor of Florida. On June 26, 2026, the Governor signed the act into law and it will take effect on July 1, 2026.

The law creates several enhancements on both zoning and tax sides of the Live Local Act as we have previously summarized in more detail here – [Florida Passes House Bill 1389 Updating Live Local Act and More Housing Affordability Measures](#).

In sum, critical tax exemption enhancements include (1) the Middle Market Tax Exemption vesting occurring, for a period of four years, at building permit issuance for permits issued on or after July 1, 2026, and (2) taxing authorities are now required to show three consecutive years of an affordable housing surplus (previously one year) in order to opt-out of the 75% ad valorem tax exemption for units restricted at 80%-120% of the area median income ("AMI").

Critical zoning enhancements include increasing the pool of eligible Live Local Act properties to include all properties owned by a county, municipality, or school district, regardless of underlying zoning designation, and certain properties owned by religious institutions. In 2025, through Senate Bill 1730, the Legislature added the flexibility for a local government to approve a Live Local Act on property owned by a religious institution (commonly referred to as the YIGBY – Yes, In God's Backyard – amendment), but it did not require local governments to do so. That has now changed for qualifying religious institution properties in HB 1389. Additionally, local governments can no longer limit a Live Local Act project's building height based upon setback or stepbacks.

As noted above, the law will become effective on July 1, 2026.



Nicholas Noto
Partner, Land Development & Government
Relations



Javier F. Aviñó
Partner, Land Development & Government
Relations



Anthony De Yurre
Partner, Land Development & Government
Relations



Carter N. McDowell
Partner, Land Development & Government
Relations



Andrew J. Schein
Of Counsel, Land Development & Government
Relations