

FLORIDA HOUSE OF REPRESENTATIVES

BILL ANALYSIS

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BILL #: [CS/HB 313](#)

TITLE: Housing

SPONSOR(S): Nix

COMPANION BILL: [SB 48](#) (Gaetz)

LINKED BILLS: None

RELATED BILLS: [SB 48](#) (Gaetz)

Committee References

[Housing, Agriculture & Tourism](#)

13 Y, 3 N, As CS

[Ways & Means](#)

[Commerce](#)

SUMMARY

Effect of the Bill:

The bill requires local governments to adopt an ordinance to allow accessory dwelling units (ADUs) by right in any area zoned for single-family residential use. The ordinance may regulate the permitting, construction, and use of an ADU, subject to certain exceptions. The bill clarifies that an owner of a property with an ADU may not be denied a homestead exemption on the basis of renting the ADU to another person, but that the ADU must be assessed separately according to its use.

The bill provides that local governments may provide density bonus incentives to landowners who donate real estate for the purpose of assisting local governments in providing attainable housing to military families that are receiving the basic allowance for housing.

The bill requires the Office of Program Policy Analysis and Government Accountability to assess the effectiveness of mezzanine finance, or second-position short-term debt, to encourage the construction of owner-occupied affordable housing and the potential for tiny homes to help meet the state's affordable housing needs.

Fiscal or Economic Impact:

The bill has an indeterminate impact on the private sector.

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ANALYSIS

EFFECT OF THE BILL:

Accessory Dwelling Units

The bill requires, rather than authorizes, local governments to adopt an ordinance to allow the construction of accessory dwelling units (ADUs) by right in any area zoned for single-family residential use. The bill defines "by right" as the ability to be approved without requiring any of the following:

- A public hearing;
- A variance, conditional use permit, special permit, or special exception; or
- Other discretionary action other than a determination that a site plan conforms with applicable zoning regulations. (Section [1](#).)

STORAGE NAME: h0313a.HAT

DATE: 12/11/2025

The bill requires the ordinance to be adopted by December 1, 2026, and provides that the ordinance applies prospectively to ADUs approved after the date the ordinance is adopted. The ordinance may regulate the permitting, construction, and use of an ADU, but may not:

- Require that the owner of a parcel on which an ADU is constructed reside in the primary dwelling unit, defined by the bill as the existing or proposed single-family dwelling on the property where a proposed ADU would be located.
- Increase parking requirements on any parcel that can accommodate an additional motor vehicle on a driveway without impeding access to the primary dwelling unit.
- Require replacement parking if a garage, carport, or covered parking structure is converted to create an ADU.
- Impose discretionary review or hearing standards, such as requiring a conditional use approval or special exception to construct an ADU, or other review standards that do not apply generally to other housing in the same district or zone. (Section [1.](#))

The bill removes the requirement for an application for a building permit to construct an ADU to include an attestation from the applicant that the unit will be rented at an affordable rate to extremely-low-income, very-low-income, low-income, or moderate-income persons. (Section [1.](#))

The bill prohibits denying a [homestead exemption](#) to an owner of a property with an ADU, where the owner maintains a permanent residence, solely due to the ADU being rented or able to be rented. If the owner rents the ADU, the property appraiser must assess the ADU separately from the homestead property and tax it based on its use. (Section [1.](#))

[Density Bonus Incentives](#)

The bill provides that local governments may provide density bonus incentives to landowners who donate real estate for the purpose of assisting local governments in providing affordable housing to military families that are receiving the basic allowance for housing. (Section [2.](#))

[Affordable Housing Study](#)

The bill directs the Office of Program Policy Analysis and Government Accountability (OPPAGA)¹ to assess the effectiveness of mezzanine finance, or second-position short-term debt,² to encourage the construction of owner-occupied affordable housing and the potential of tiny homes in meeting the state's affordable housing needs. The bill requires OPPAGA to consult with the Florida Housing Finance Corporation and the University of Florida Shimberg Center for Housing Studies in conducting its evaluation. OPPAGA is required to report its conclusions to the President of the Senate and the Speaker of the House of Representatives by December 31, 2027. The report must include recommendations for a model mezzanine finance program. (Section [3.](#))

The effective date of the bill is July 1, 2026. (Section [4.](#))

¹ OPPAGA supports the Florida Legislature by providing data, evaluative research, and objective analyses that assist legislative budget and policy deliberations. OPPAGA, *About OPPAGA*, <https://oppaga.fl.gov/> (last visited Dec. 2, 2025).

² Mezzanine financing offers a hybrid of debt and equity for companies seeking capital beyond traditional bank loans or equity financing. It “occupies a middle position within the capital stack, between senior debt and equity. This placement directly affects both the risk and return profile of the investment. Senior debt, typically secured by collateral, is prioritized in liquidation, meaning it is repaid before mezzanine financing. Mezzanine lenders assume a higher risk due to this subordinated position, but they are compensated with the potential for higher returns, which makes this type of financing attractive for yield-seeking investors.” Accounting Insights Team, *What is Mezzanine Financing and How Does It Work?* (Feb. 1, 2025), <https://accountinginsights.org/what-is-mezzanine-financing-and-how-does-it-work/> (last visited Dec. 2, 2025).

FISCAL OR ECONOMIC IMPACT:**PRIVATE SECTOR:**

The bill has an indeterminate positive impact on extremely-low-income, very-low-income, low-income, and moderate-income persons. If more local governments allow for the construction of ADUs, and more ADUs are in fact constructed, this may lead to an increased supply of attainable housing options throughout Florida.

The bill also has an indeterminate positive impact on military families who receive the basic allowance for housing, but only to the extent that the local jurisdictions in which the military families live opt-in to provide the density bonus incentive under the bill.

RELEVANT INFORMATION**SUBJECT OVERVIEW:****Affordable Housing in Florida**

Housing is considered affordable when monthly rents or monthly mortgage payments, including taxes, insurance, and utilities, do not exceed 30 percent of a family's gross income.³ Over 2.4 million low-income Florida households pay more than 30% of their incomes towards housing.⁴ Over half of these households, or 1.3 million low-income households, spend more than 50% of their income on housing costs.⁵ This makes it difficult for those households to save for retirement or emergencies and difficult to afford other necessities like food and childcare.⁶

Eligibility to participate in Florida's state and federally-funded housing programs is determined by area median income (AMI) or statewide median family income, which is published annually by the United States Department of Housing and Urban Development (HUD).⁷ In Florida, the current statewide AMI for a family of **four** is \$95,300 (as family size changes, the income range also varies):⁸

- Extremely-low-income – earning up to 30 percent AMI (at or below \$28,600);⁹
- Very-low-income – earning from 30.01 to 50 percent AMI (\$28,601 to \$47,650);¹⁰
- Low-income – earning from 50.01 to 80 percent AMI (\$47,651 to \$76,250);¹¹ and
- Moderate-income – earning from 80.01 to 120 percent of AMI (\$76,251 to \$114,360).¹²

As of 2025, Florida had only 24 affordable and available rental units for every 100 extremely low-income renters.¹³ In addition, there were little to no communities in Florida that could provide enough housing to support this group of renters, which is primarily made up of low-income workers, retirees, and people with disabilities.¹⁴

³ [S. 420.0004\(3\), F.S.](#)

⁴ Florida Housing Coalition, *2025 Home Matters Report*, p. 1. <https://flhousing.org/wp-content/uploads/2025/09/Home-Matters-Report-2025-V5-DIGITAL.pdf> (last visited Dec. 2, 2025).

⁵ *Id.*

⁶ *Id.*

⁷ See U.S. Dept. of Housing and Urban Development (HUD): Office of Policy Development and Research, *Income Limits*, <https://www.huduser.gov/portal/datasets/il.html#year2025> (last visited Dec. 2, 2025).

⁸ HUD: Office of Policy Development and Research, *FY 2025 State Income Limits: Florida*, https://www.huduser.gov/portal/datasets/il/il2025/2025summary.odn?inputname=STTLT*1299999999%2BFlorida&select_ion_type=county&stname=Florida&statefp=12.0&year=2025 (last visited Dec. 2, 2025).

⁹ *Id.* See also [s. 420.0004\(9\), F.S.](#)

¹⁰ *Supra* note 8. See also [s. 420.0004\(17\), F.S.](#)

¹¹ *Supra* note 8. See also [s. 420.0004\(11\), F.S.](#)

¹² *Supra* note 8. See also [s. 420.0004\(12\), F.S.](#)

¹³ *Supra* note 4, at p. 2.

¹⁴ *Id.*

Accessory Dwelling Units

The Legislature has taken measures in recent years to address Florida’s need for more affordable housing.¹⁵ One of those measures included encouraging the construction of ADUs in single-family residential areas to increase the availability of affordable rentals.

An ADU is an ancillary or secondary living unit that has a separate kitchen, bathroom, and sleeping area, existing either within the same structure, or on the same lot, as the primary dwelling unit.¹⁶ ADUs can go by many different names such as “carriage house,” “mother-in-law suite,” or “coach house,” and are quite common throughout the United States.¹⁷

ADUs offer benefits to both individual homeowners and the wider communities where they exist.¹⁸ For individuals, ADUs:

- Allow families to provide care to aging or disabled relatives, while still providing those relatives some independence.
- Provide young adults an affordable housing option as a first step after college.
- May be a source of rental income to the homeowner.¹⁹

For the wider community, ADUs:

- Are a more affordable housing alternative compared to a single-family residence or apartment unit with costly neighborhood and amenity fees.
- Create diverse neighborhoods with a variety of residents of different ages and backgrounds.²⁰

Under current law, a local government in Florida is authorized – but not required – to adopt an ordinance that allows ADUs in any area zoned for single-family residential use.²¹ An application for a permit to construct an ADU must be accompanied by an affidavit from the applicant in which the applicant attests that the unit will be rented at an affordable rate to extremely-low-income, very-low-income, low-income, or moderate-income persons.²²

Homestead Exemption

The Florida Constitution establishes homestead protections for certain residential real estate in three distinct ways. First, it provides homesteads, property owned and maintained as a person’s primary residence, with an exemption from taxes.²³ Second, the homestead provisions protect the homestead from forced sale by creditors.²⁴ Third, the homestead provisions delineate the restrictions a homestead owner faces when attempting to alienate or devise the homestead property.²⁵

Every person having legal or equitable title to real estate and who maintains a permanent residence on the real estate is deemed to have established homestead property. Homestead property is eligible for a \$25,000 tax exemption applicable to all ad valorem tax levies, including levies by school districts.²⁶ An additional exemption

¹⁵ In 2023, the Legislature passed the Live Local Act, which represented a generational retooling of state housing policy in Florida. The Legislature made subsequent amendments to the Live Local Act in 2024 and again in 2025. *See* chs. [2023-17](#), [2024-188](#), and [2025-172](#), Laws of Fla. *See also* Florida Housing Coalition, *Overview of the Live Local Act*, <https://www.floridahousing.org/live-local-act> (last visited Dec. 2, 2025).

¹⁶ [S. 163.31771\(2\)\(a\), F.S.](#)

¹⁷ City of Tallahassee: Growth Management Department, *Zoning Spotlight: Accessory Dwelling Units*, March 2024, p. 1. https://www.talgov.com/uploads/public/documents/growth/zoning_spot_231010.pdf (last visited Dec. 2, 2025).

¹⁸ *Id.*

¹⁹ *Id.*

²⁰ *Id.*

²¹ [S. 163.31771\(3\), F.S.](#)

²² [S. 163.31771\(4\), F.S.](#)

²³ [Art. VII, s. 6, Fla. Const.](#)

²⁴ [Art. X, s. 4\(a\), Fla. Const.](#)

²⁵ [Art. X, s. 4\(c\), Fla. Const.](#)

²⁶ [Art. VII, s. 6\(a\), Fla. Const.](#)

applies to homestead property valued between \$50,000 and \$75,000. This exemption is adjusted annually for inflation and does not apply to ad valorem taxes levied by school districts.

Any portion of the homestead property used for commercial purposes is excluded from the homestead.²⁷ Property rented for more than six months is presumed to be used for commercial purposes.²⁸

The homestead property tax exemption may be lost by a property owner who abandons homestead property. Failure to maintain a homestead property as a permanent residence may constitute abandonment under certain circumstances.²⁹ Renting all or substantially all of a homestead property constitutes abandonment until the dwelling is physically occupied by the owner.³⁰

Density Bonus Incentives

A density bonus is a development incentive that allows developers to increase the maximum allowable development for a proposed project, as defined by a local zoning code, in exchange for the developer's support of specified public policy goals.³¹ Density bonus programs are a common planning tool at local, county, and state levels across the United States, but vary greatly both in the types of bonuses offered and the policy goals the incentives are intended to address.³²

In Florida, local governments have the inherent home rule authority³³ to provide density bonuses in exchange for the production of affordable housing units. Additionally, local governments that have adopted inclusionary housing ordinances are required to provide incentives to developers to offset the cost of the developer's affordable housing contribution, which may include granting density or intensity bonuses.³⁴

A local government may also provide density bonus incentives to any landowner who voluntarily donates real property to the local government for the purpose of assisting the local government in providing affordable housing.³⁵ To receive a density bonus under this provision, the donated real property must:

- Be appropriate for use as affordable housing, as determined by the local government;³⁶ and
- Be subject to deed restrictions to ensure the property will be used for affordable housing.³⁷

The deed restrictions must also prohibit an affordable housing unit from being sold at a price that exceeds the threshold for housing that is affordable for low-income or moderate-income persons or to a buyer who is not eligible due to his or her income under chapter 420, F.S., Florida's housing statutes. The deed restriction may allow affordable housing units to be rented to extremely-low-income, very-low-income, low-income, or moderate-income persons.³⁸

²⁷ [S. 196.012\(13\), F.S.](#)

²⁸ *Id.* See also R. 12D-7.013(5), F.A.C. ("Property used as a residence and also used by the owner as a place of business does not lose its homestead character. The two uses should be separated with that portion used as a residence being granted the exemption and the remainder being taxed.")

²⁹ See [ss. 196.031](#) and [193.155, F.S.](#)

³⁰ [S. 196.061\(1\), F.S.](#)

³¹ Planetizen, *What is a Density Bonus?* <https://www.planetizen.com/definition/density-bonuses> (last visited Dec. 2, 2025).

³² *Id.*

³³ Home rule power refers to the ability of counties and municipalities to enact ordinances at the local level without prior state approval. Such ordinances, however, must not conflict with state or federal laws. In Florida, home rule language was proposed and subsequently adopted in the 1968 Constitutional revision. After several legal challenges, the Legislature adopted the Home Rule Powers Act in 1973, which ended challenges related to city and county home rule powers. See Florida League of Cities, *Florida Municipal Officials Manual*, 2022, pgs. 6-8, <https://www.floridaleagueofcities.com/wp-content/uploads/2025/06/florida-municipal-officials-manual.pdf> (last visited Dec. 2, 2025).

³⁴ See [ss. 125.01055\(1\), \(2\), and \(4\); 166.04151\(1\), \(2\), and \(4\), F.S.](#)

³⁵ [S. 420.615\(1\), F.S.](#)

³⁶ *Id.*

³⁷ [S. 420.615\(6\), F.S.](#)

³⁸ *Id.*

In practice, an increase in density for a proposed development offers an economic incentive for developers to produce affordable housing.³⁹ The allowance of full density allowed by local land use and zoning regulations, as well as additional approved units allowed by density bonuses, creates the opportunity for an affordable housing development to be financially feasible.⁴⁰ The allowance of more density also incentivizes market-rate developers to produce affordable units.⁴¹ The sale of more units or the leasing of more apartments offsets the lower sales price or rent payments for each affordable unit.⁴²

RECENT LEGISLATION:

YEAR	BILL #/SUBJECT	HOUSE/SENATE SPONSOR(S)	OTHER INFORMATION
2025	CS/CS/CS/HB 247	Conerly, Basabe/ Gaetz	Died in Senate Returning Messages.

BILL HISTORY

COMMITTEE REFERENCE	ACTION	DATE	STAFF DIRECTOR/ POLICY CHIEF	ANALYSIS PREPARED BY
Housing, Agriculture & Tourism Subcommittee	13 Y, 3 N, As CS	12/10/2025	Curtin	Fletcher
THE CHANGES ADOPTED BY THE COMMITTEE:	<ul style="list-style-type: none"> Removed the bill's provisions relating to reusable tenant screening reports. Provided that local governments, in adopting an ordinance to allow ADUs, may not require any additional action by the property owner to construct the ADU (other than comply with the applicable building regulations). Removed the ability of local governments to prohibit the renting or leasing of an ADU for a term of less than 1 month. 			
Ways & Means Committee				
Commerce Committee				

THIS BILL ANALYSIS HAS BEEN UPDATED TO INCORPORATE ALL OF THE CHANGES DESCRIBED ABOVE.

³⁹ Florida Housing Coalition, *Affordable Housing Incentive Strategies: A Guidebook for Affordable Housing Advisory Committee Members and Local Government Staff*, Aug. 2021, p. 49, <https://www.flhousing.org/wp-content/uploads/2021/08/8-4-21-AHAC-Guide-UPDATE.pdf> (last visited Dec. 2, 2025).

⁴⁰ *Id.*

⁴¹ *Id.*

⁴² *Id.*