HOUSE OF REPRESENTATIVES COMMITTEE ON COMMUNITY AFFAIRS BILL RESEARCH & ECONOMIC IMPACT STATEMENT

BILL #: HB 4783

RELATING TO: Local Government

SPONSOR(S): Representative Constantine

COMPANION BILL(S): SB 1740 (s)

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1)	COMMUNITY AFFAIRS
(2)	
(3)	
(4)	
(5)	

I. <u>SUMMARY</u>:

This bill creates the Urban Infill & Redevelopment Act and authorizes counties and municipalities to designate urban infill and redevelopment areas based on specified criteria. The bill requires preparation of a plan or designation of an existing plan and provides requirements with respect thereto. The bill requires a public hearing, and provides for amendment of the local comprehensive plan. The bill provides that counties and municipalities that have adopted such plan may issue revenue bonds and employ tax increment financing under the Community Redevelopment Act, and exercise powers granted to community redevelopment neighborhood improvement districts. The bill requires a report by certain state agencies. The bill provides a program for grants to counties and municipalities with urban infill and redevelopment areas. The bill provides for review and evaluation of the act and requires a report.

The bill authorizes exemptions from the transportation facilities concurrency requirement for developments located in an urban infill and redevelopment area. The bill provides that comprehensive plan amendments to designate such areas are not subject to statutory limits on the frequency of plan amendments, and includes such areas within certain limitations relating to small scale development amendments. The bill includes policies relating to urban policy in the State Comprehensive Plan. The bill revises provisions relating to developments of regional impact to increase certain numerical standards for determining a substantial deviation for projects located in certain urban infill and redevelopment areas.

The bill authorizes acquisition by eminent domain of property in unincorporated enclaves surrounded by a community redevelopment area when necessary to accomplish a community development plan. The bill revises annexation procedures to delete a requirement that a separate referendum be held in the annexing municipality when the annexation exceeds a certain size.

The bill provides procedures by which a county or combination of counties and the municipalities therein may develop and adopt a plan to improve the efficiency, accountability, and coordination of the delivery of local government services. The bill provides for initiation of the process by resolution. The bill provides requirements for the

plan. The bill requires approval by the local government's governing bodies and by referendum. The bill authorizes municipal annexation through such plan.

II. SUBSTANTIVE RESEARCH:

A. PRESENT SITUATION:

Legislative Committee on Intergovernmental Relations:

In recognizing the importance of the vitality of urban cores to their respective regions and the state, the Legislative Committee on Intergovernmental Relations (LCIR), conducted an interim project on developing an urban policy for Florida to preserve, revitalize, and sustain the state's urban centers. During the course of the interim, the committee heard testimony from many experts including urban policy scholars; federal, state, and local government officials; representatives from regional entities, financial institutions, and residential and commercial developers; and others knowledgeable about urban issues.

The testimony emphasized the need for public/private partnerships, as well as the involvement of the community, to successfully address the varied problems of an urban area. Each urban area has unique needs and the community support is needed in affecting change and directing resources to those needs. In addition, the private sector stressed the importance of the state and local governments demonstrating their commitment to urban areas before they were willing to invest in redevelopment projects. Finally, the following specific urban problems were identified, including the following:

- Vacant and abandoned buildings;
- Loss of jobs and corresponding high unemployment rates;
- Lack of public transportation facilities;
- Concerns for public safety;
- Difficulty in recruiting businesses into core areas;
- Disincentives to development because of lower land prices and building costs outside of urban areas;
- Eroding tax bases;
- Deterioration of neighborhoods; and
- Lack of sense of regional identity or citizenship by residents in outlying areas.

The LCIR sought to begin establishing a state urban policy by developing and identifying policies essential to revitalization of urban cores. The LCIR initially focused its efforts on promoting urban infill and redevelopment as a method to create jobs, improve neighborhoods, stimulate the economy, and to have a general positive affect in rectifying other urban needs. The committee sought to "level the playing field" between the cost of developing downtown versus the urban fringe, and to encourage urban redevelopment generally. The committee's recommendations are set forth in a report titled *"1998 Report On The Development Of A State Urban Policy."*

Florida has various policies that address aspects of urban development including the State Comprehensive Plan, Strategic Regional Policy Plans, Local Government Comprehensive Plans, and Community Redevelopment Agencies, among others. More recently, a law enacted by the 1996 Legislature authorized the Department of Community Affairs to undertake a Sustainable Communities Demonstration Project for the development of models to further enhance local government's capacity to meet current and future infrastructure needs with existing resources. Additionally, the Governor's Commission for a Sustainable South Florida and the Florida Department of Community Affairs, in conjunction with regional and local level governmental entities, has initiated regional approach to urban revitalization through the "Eastward ho!" initiative in southeast Florida.

Currently, Florida does not have a comprehensive urban policy to establish clear directions for the development of its urban centers. Laws governing urban policy consist of a series of fragmented programs and requirements administered by various state agencies and implemented by various types of local governments. Consequences of this approach to urban policy include conflict among various program objectives and may result in achievement of certain objectives at the expense of other objectives relevant to urban areas. Several of the programs that affect urban areas are discussed below.

Chapter 163, Florida Statutes, County and Municipal Planning and Land Development Regulations:

Part II of chapter 163 (sections 163.3161 through 163.3244), Florida Statutes, is known as the "Local Government Comprehensive Planning and Land Development Regulation Act" (the Act), and is commonly referred to as the growth management act. The Act requires local governments to adopt a comprehensive plan, subject to review and approval by the Department of Community Affairs. The Act outlines the required and optional elements of local government comprehensive plans, provides for public participation in the local comprehensive planning process, requires local governments to follow specified procedures for adoption of the comprehensive plan and amendments thereto, and requires local governments to update their comprehensive plans at regular intervals. This chapter contains several provisions and programs which are significant to urban areas.

Concurrency

The concurrency requirement of the Local Government Comprehensive Planning and Land Development Regulation Act (part II, ch. 163, Florida Statute) is a growth management tool designed to accommodate development by ensuring that adequate facilities are available as growth occurs. The "cornerstone" of the concurrency requirement is the concept that development should be coordinated with capital improvements planning to ensure that the necessary public facilities are available with, or within a reasonable time of, the impacts of new development. Under the requirements for local comprehensive plans, each local government must adopt levels of service (LOS) standards for certain types of public services and facilities. See s. 163.3180, Florida Statutes. Generally, these LOS standards apply to sanitary sewer, solid waste, drainage, potable water, parks and recreation, roads and mass transit. Pursuant to s. 163.3180(2)(c), Florida Statutes, the local government must ensure that transportation facilities needed to serve new development are in place or under actual construction within three years after issuance of the certificate of occupancy. The intent is to keep new development from significantly reducing the adopted LOS by increasing the capacity of the infrastructure to meet the demands of new development.

In 1995, the Legislature provided exemptions to transportation concurrency requirements for local governments if such requirements would discourage urban infill development, redevelopment, or downtown revitalization. In order to promote infill development and redevelopment, on or more transportation concurrency management areas may be designated in a local government comprehensive plan.

Amendment to the comprehensive plans

Section 163.3187, Florida Statutes, authorizes a local government to adopt amendments to its comprehensive plan only two times per year. However, this section contains numerous exceptions for emergencies, substantial deviations to a proposed development of regional impact, compliance agreements, locating a correctional facility, and small scale development activities.

Chapter 187, Florida Statutes -- The State Comprehensive Plan:

The state comprehensive plan was enacted in 1985, to provide long-range guidance for the orderly, social, economic, and physical growth of the state. Most of the provisions of the act have some bearing on the urban areas of the state. For example, public safety, education, hazardous waste issues, and many other policies and goals affect all communities. Some of the most significant features of the state plan include the following goals:

- To direct development to areas that have the resources, fiscal abilities, and service capacity to accommodate development in an environmentally acceptable manner;
- To encourage a separation of urban and rural land uses;
- To encourage an attractive and functional mix of living, working, shopping, and recreational activities;
- To develop land in a way that maximizes existing facilities;
- To maintain agricultural resources and to conserve soil resources to maintain the economic value of land for agricultural pursuits; and
- To encourage the centralization of development in downtown areas.

The state comprehensive plan also supports downtown areas by providing preferential incentives; conducting special planning; and encouraging the centralization of commercial, governmental, retail, residential, and cultural activities.

Developments of Regional Impact:

The Development of Regional Impact (DRI) program, enacted as part of the Florida Environmental Land and Water Management Act of 1972, is a vehicle that provides state and regional review of local land use decisions regarding large developments that,

because of their character, magnitude, or location, would have a substantial effect on the health, safety, or welfare of the citizens of more than one county. For those land uses that are subject to review, numerical thresholds are identified in section 380.0651, Florida Statutes, and Rule 28-24, F.A.C.

Substantial Deviations

Under Section 380.06(19), Florida Statutes, any proposed change to a previously approved DRI which creates a substantial likelihood of additional regional impact, or any type of regional impact constitutes "substantial deviation" which requires further DRI review and will require a new or amended local development order. The statute sets out criteria for determining when certain changes are to be considered substantial deviations without need for a hearing, and provides that all such changes will be considered cumulatively.

Community Redevelopment:

Part III of Chapter 163, Florida Statutes, created the "Community Redevelopment Act of 1969." The Act provides counties and municipalities with a comprehensive system for the redevelopment of blighted and slum areas when such redevelopment is necessary in the interest of the public health, safety, morals, or welfare of the residents of the county or municipality.

The legislature enacted the provisions of Chapter 163 because it found the redevelopment of slum and blighted areas to be a "necessity in the public interest"; in furtherance of this interest, it enacted provisions conferring powers for public uses and authorizing the expenditure of public money and *the exercise of the powers of eminent domain* and police power.

Municipal Annexation:

Section 171.0413, Florida Statutes, provides that a municipality may annex contiguous, compact, unincorporated territory by using the procedures described in the statute. The statute requires the governing body of a municipality to adopt a nonemergency ordinance proposing the annexation of the territory. The ordinance does not become effective, however, until at least 10 days after it has been approved by a majority of the registered electors in the area proposed to be annexed. If a majority of the electors in the area proposed to be annexed. If a majority of the electors in the area may not be the subject of another annexation attempt for at least 1 year.

In addition, an approving referendum is held in the municipality as well as the area to be annexed only if the area to be annexed, together with any other property annexed during the calendar year, is greater than 5 percent of the total area of the municipality or exceeds more than 5 percent of the total of the municipal population. Otherwise, the statute provides for a referendum on the issue of annexation only in the area to be annexed.

B. EFFECT OF PROPOSED CHANGES:

The purpose of this bill is to authorize counties and municipalities to designate urban infill and redevelopment areas based on specified criteria. The bill requires the preparation of a plan or designation of an existing plan; the holding of a public hearing; and the amending of the local government comprehensive plan to incorporate the infill and redevelopment areas.

The bill provides that counties and municipalities that have adopted such a plan may issue revenue bonds and employ tax increment financing under the Community Redevelopment Act. Such counties and municipalities may exercise powers granted to community redevelopment neighborhood improvement districts, in the designated infill and redevelopment areas.

The bill provides certain exemptions from the transportation facilities concurrency requirement for local comprehensive plans in designated infill and redevelopment areas. The bill provides exemption from statutory limits on frequency of plan amendments for amendments designating infill and redevelopment areas.

The bill creates additional policies in the state comprehensive plan as follows:

- Promote public participation in redesign of the community core; flexibility in determination of urban priorities;
- Enhance linkages between land use, water use, transportation planning and the designated urban areas;
- Development of concurrency requirements for designated urban areas;
- Increased coordination and cooperation among local governments, school boards, and community colleges;
- Encourage development of concurrency requirements for designated urban areas;
- Encourage the development of mass transit systems for urban centers;
- Location of appropriate public facilities within urban centers;
- Integrate state programs to promote development of designated urban infill areas; and
- Promote infill development and redevelopment as a mechanism of revitalization and sustainability of urban centers.

The bill increases certain numerical standards for determining substantial deviations of development of regional impacts located in certain urban infill and redevelopment areas.

The bill authorizes acquisition by eminent domain of property in unincorporated enclaves surrounded by a community redevelopment area under certain circumstances.

The bill deletes the requirement that a separate referendum be held in the annexing municipality when the annexation exceeds a certain size.

The bill provides procedures by which a county or combination of counties and municipalities located within the county or counties may develop and adopt a plan to improve the efficiency, accountability, and coordination of the delivery of local government services.

Commission on Local Government II:

In 1996, the Legislature created the Commission of Local Government II, to study the structure and evolution of local government since 1972, when the last such analysis was completed. The Commission included representatives from counties, cities, special districts, school districts, state government, and the private sector. The Commission was directed to recommend appropriate reforms to Florida's general laws, special acts, and constitutional provisions. The Commission issued reports in January 1997 and January 1998, and made recommendations to the Constitutional Revision Commission.

[Note: Section 8 of the bill is related to the work of the Commission. The Commission's Internet URL is: http://mailer.fsu.edu/`iog/localgov/]

- C. APPLICATION OF PRINCIPLES:
 - 1. Less Government:
 - a. Does the bill create, increase or reduce, either directly or indirectly:
 - (1) any authority to make rules or adjudicate disputes?

Yes.

Designation of urban infill and redevelopment areas would increase a municipality's authority to make rules or adjudicate disputes. This program will also require state agencies to make reports regarding the effectiveness of this program and seek statutory authority for necessary rules to implement the elevated scoring for grants and loans.

Adoption of a Plan to improve the efficiency, accountability, and coordination of the delivery of local government services could increase and/or decrease a municipality's or county's authority to make rules or adjudicate disputes.

(2) any new responsibilities, obligations or work for other governmental or private organizations or individuals?

Yes.

Designation of urban infill and redevelopment areas will create new responsibilities, obligations, and/or work for local governments due to the creation of plans and to state agencies revision of grant and loan programs.

Adoption of a Plan to improve the efficiency, accountability, and coordination of the delivery of local government services could increase and/or decrease a municipality's or county's authority to make rules or adjudicate disputes. (3) any entitlement to a government service or benefit?

N/A

- b. If an agency or program is eliminated or reduced:
 - (1) what responsibilities, costs and powers are passed on to another program, agency, level of government, or private entity?

N/A

(2) what is the cost of such responsibility at the new level/agency?

N/A

(3) how is the new agency accountable to the people governed?

N/A

- 2. Lower Taxes:
 - a. Does the bill increase anyone's taxes?

Yes. The act would potentially extend existing enterprise zone sales and property tax exemptions to businesses that develop or redevelop in the urban infill and redevelopment area. In addition, the designation of urban infill and redevelopment areas authorizes eligible municipalities to levy certain special assessments.

b. Does the bill require or authorize an increase in any fees?

N/A

c. Does the bill reduce total taxes, both rates and revenues?

Yes. The designation of urban infill and redevelopment areas authorizes eligible municipalities to utilize various financial incentives.

d. Does the bill reduce total fees, both rates and revenues?

N/A

e. Does the bill authorize any fee or tax increase by any local government?

Yes. The designation of urban infill and redevelopment areas authorizes eligible municipalities to levy certain special assessments.

3. Personal Responsibility:

a. Does the bill reduce or eliminate an entitlement to government services or subsidy?

N/A

b. Do the beneficiaries of the legislation directly pay any portion of the cost of implementation and operation?

N/A

- 4. Individual Freedom:
 - a. Does the bill increase the allowable options of individuals or private organizations/associations to conduct their own affairs?

N/A

b. Does the bill prohibit, or create new government interference with, any presently lawful activity?

N/A

- 5. Family Empowerment:
 - a. If the bill purports to provide services to families or children:
 - (1) Who evaluates the family's needs?

N/A

(2) Who makes the decisions?

N/A

(3) Are private alternatives permitted?

N/A

(4) Are families required to participate in a program?

N/A

(5) Are families penalized for not participating in a program?

N/A

b. Does the bill directly affect the legal rights and obligations between family members?

N/A

- c. If the bill creates or changes a program providing services to families or children, in which of the following does the bill vest control of the program, either through direct participation or appointment authority:
 - (1) parents and guardians?

N/A

(2) service providers?

N/A

(3) government employees/agencies?

N/A

D. STATUTE(S) AFFECTED:

Section 163.3180, Florida Statutes; Section 163.3187, Florida Statutes; Section 187.201, Florida Statutes; Section 380.06, Florida Statutes; Section 163.375, Florida Statutes; and Section 171.0413, Florida Statutes.

E. SECTION-BY-SECTION RESEARCH:

Section 1: Creates sections 163.2511, 163.2514, 163.2517, 163.2520, 163.2523, and 163.2526, providing the following:

Section 163.2511, provides the short title, legislative intent and legislative findings for the "Urban Infill and Redevelopment Act."

Section 163.2514, provides definitions for the act, including but not limited to the following:

"Urban infill and redevelopment area" as an "area or areas designated by a local government for the development of vacant, abandoned, or significantly underutilized parcels located where:

> (a) Public services such as water and wastewater, transportation, schools, and recreation are already available or are scheduled to be provided in an adopted 5-year schedule of capital improvements and are located within the existing urban service area as defined in the local government's comprehensive plan;

(b) The area contains not more than 10 percent developable vacant land;

(c) The residential density is at least five dwelling units per acre and the average nonresidential intensity is at least a floor area ratio of 1.00; and

(d) The land area designated as an urban infill and redevelopment area does not exceed 2 percent of the land area of the local government jurisdiction or a total area of 3 square miles, whichever is greater."

Section 163.2517, authorizing counties and municipalities to designate urban infill and redevelopment areas based on the following criteria:

- The purpose of the designation must be for the targeting economic, job creation, housing, transportation, and land-use incentives to encourage urban infill and redevelopment within the urban core.
- The local government must prepare a plan that describes the infill and redevelopment objectives or demonstrate that an existing plan or combination of plans associated with community development area, Florida Main Street program, sustainable community, enterprise zone, or neighborhood improvement districts which include the following factors:
 - A map depicting the geographic area or areas to be included within the designation.
 - Contain a map depicting the geographic area or areas to be included within the designation.
 - Identify the relationship between the proposed area and the existing urban service area defined in the local government's comprehensive plan.
 - Identify existing enterprise zones, community redevelopment areas, community development corporations, brownfield areas, downtown redevelopment districts, safe neighborhood improvement districts, historic preservation districts, and empowerment zones located within the area proposed for designation as an urban infill and redevelopment area and provide a framework for coordinating infill and redevelopment programs within the urban core.
 - Identify a memorandum of understanding between the district school board and the local government jurisdiction regarding public school facilities located within the urban infill and redevelopment area to identify how the school board will provide priority to enhancing public school facilities and programs in the designated area, including the reuse of existing buildings for schools within the area.

- Identify how the local government intends to implement affordable housing programs, including, but not limited to, the State Housing Initiatives Partnership Program, within the urban infill and redevelopment area.
- Adopt, if applicable, land development regulations specific to the urban infill and redevelopment area which include, for example, setbacks and parking requirements appropriate to urban development.
- Identify any existing transportation concurrency exception areas, and any relevant public transportation corridors designated by a metropolitan planning organization in its long-range transportation plans or by the local government in its comprehensive plan for which the local government seeks designation as a transportation concurrency exception area.
- Identify and adopt a package of financial and local government incentives which the local government will offer for new development, expansion of existing development, and redevelopment within the urban infill and redevelopment area. Examples of such incentives include:
 - 1. Waiver of license and permit fees.
 - 2. Waiver of local option sales taxes.

3. Waiver of delinquent taxes or fees to promote the return of property to productive use.

4. Expedited permitting.

5. Prioritization of infrastructure spending within the urban infill and redevelopment area.

- 6. Local government absorption of concurrency costs.
- Identify how activities and incentives within the urban infill and redevelopment area will be coordinated and what administrative mechanism the local government will use for the coordination.
- Identify performance measures to evaluate the success of the local government in implementing the urban infill and redevelopment plan.
- After the preparation of the urban infill and redevelopment plan or designation of existing plan or plans, but before the adoption hearing required for the comprehensive plan amendments, the local government must hold a public hearing in the targeted area to provide public input on the following:
 - The size of the area;
 - Objectives for the infill and redevelopment;
 - Coordination with existing redevelopment programs;

- Goals for improving transit and transportation;
- Objectives for economic development;
- Job creation;
- Crime reduction; and
- Neighborhood preservation and revitalization.
- The local government must designate an urban infill and development area, amend its comprehensive plan to adopt the urban infill and redevelopment area plan, and delineate the urban infill redevelopment area within the future land use element of its comprehensive plan; or
- Local governments which choose to employ existing or amended community redevelopment, Florida Main Street program, sustainable community, enterprise zone, or neighborhood improvement district plan or plans must also amend their comprehensive plan to delineate the urban infill and redevelopment area within the future land use element.
- Amendments to the comprehensive plans to designate urban infill and redevelopment areas are exempt from the twice-a-year limitation of comprehensive plans.

Section 163.2520, provides economic incentives for counties and municipalities that adopt urban infill and redevelopment plans, as follows:

- May issue community redevelopment revenue bonds;
- May employ community redevelopment tax increment financing; and
- May exercise the powers of a neighborhood improvement district (including the authority to levy special assessments).

This section requires state agencies providing infrastructure funding, cost reimbursement, grants, or loans to local government must report to the President of the Senate and the Speaker of the House, by January 1, 1999, regarding necessary statutory and rule changes to give designated urban infill and redevelopment areas elevated priority in infrastructure funding, loan, and grant programs.

[Note: These agencies include, but are not limited to: The Department of Environmental Protection, the Department of Community Affairs, and the Department of Transportation.]

Section 1163.2523, provides a grant program for counties and municipalities with urban infill and redevelopment areas, requiring the following:

• 90 percent of the general revenue funds appropriated for this program must be made available for 50/50 matching grants for projects which further the

objectives set forth in the local government's adopted urban infill redevelopment plan or combination of plans.

- 10 percent of the general revenue funds appropriated for this program must be use for outright grants for smaller scale projects.
- Projects that provide employment opportunities to clients of the WAGES program must be given elevated priority in the scoring of competing grant applications.
- Projects within urban infill and redevelopment areas that include a community redevelopment area, Florida Main Street Program, sustainable community, enterprise zone, or neighborhood improvement district must be given an elevated priority in the scoring of competing grant applications.
- The Department of Community Affairs is required to adopt rules to establish the grant review criteria consistent with this section.

Section 163.2526, provides for a review and evaluation of the act before the 2003 Regular Session of the Legislature. The Office of Program Policy Analysis and Government Accountability must perform the review and evaluation, including the financial incentives. The report must evaluate the effectiveness of the designation in stimulating urban infill and redevelopment, and strengthening the urban core. The report of findings and recommendations must be submitted to the President of the Senate and the Speaker of the House prior to the 2003 Regular Session of the Legislature.

Section 2: Amends subsection 163.3180(5), Florida Statutes, authorizing exemptions from the transportation facilities concurrency requirement for developments located in an urban infill and redevelopment area.

Section 3: Amends subsection 163.3187(1), Florida Statutes, providing that comprehensive plan amendments to designate urban infill and redevelopment areas are not subject to the twice-a-year statutory limitation on the frequency of plan amendments, including areas within small scale development amendments.

Section 4: Amends subsection 187.201(17), Florida Statutes, increasing the number of policies adopted as specific goals of the state comprehensive plan relating to urban redevelopment and downtown revitalization. The additional policies include the following:

- Promote public participation in redesign of the community core and flexibility in determination of urban priorities;
- Enhance linkages between land use, water use, transportation planning and the designated urban areas;
- Development of concurrency requirements for designated urban areas;
- Increased coordination and cooperation among local governments, school boards, and community colleges;

- Encourage development of concurrency requirements for designated urban areas;
- Encourage the development of mass transit systems for urban centers;
- Location of appropriate public facilities within urban centers;
- Integrate state programs to promote development of designated urban infill areas; and
- Promote infill development and redevelopment as a mechanism of revitalization and sustainability of urban centers.

Section 5: Amends paragraph 380.06(19)(b), Florida Statutes, increasing substantial deviation numerical standards by 50 percent of the following development types of uses which are located wholly within an designated urban infill and redevelopment area adopted in a local government comprehensive plan and not within the coastal high hazard area:

- Industrial development area;
- Land area for office development;
- Dwelling units;
- Commercial development;
- Hotel or motel facility units; and
- Multiuse development of regional impact.

Section 6: Amends subsection 163.375(1), Florida Statutes, authorizing acquisition of property, by eminent domain, of unincorporated enclaves surrounded by a community redevelopent area when necessary to accomplish a community development plan.

Section 7: Amends section 171.0413, Florida Statutes, deleting the requirement that a separate referendum be held in an annexing municipality when the annexation exceeds 5 percents of the total land area of the municipality or cumulatively exceeds more than 5 percent of the municipal population.

Section 8: Creates "Efficiency and accountability in local government services" section, providing procedures by which a county or combination of counties and the municipalities located therein may develop and adopt a plan to improve the efficiency, accountability, and coordination of the delivery of local government services. Provides for the initiation of the efficiency and accountability process as follows:

- By resolution adopted by a majority vote of the governing body of each of the counties involved;
- By resolutions adopted by a majority vote of the governing bodies of a majority of the municipalities within each county; or

• By a combination of resolutions adopted by a majority vote of the governing bodies of the municipality or combination of municipalities representing a majority of the municipal population of each county.

The resolution must specify the following:

- The representatives of the county and municipal governments;
- Any affected special districts; and
- Any relevant local government agencies who will be responsible for developing the plan.

The resolution must include a proposed timetable for the development of the plan and specify the local government support and personnel services which will be made available to representatives developing the plan.

When the plan is adopted, the designated representative must develop a plan for the delivery of local government services. The plan must:

- Designate the areawide and local government services which are the subject of the plan;
- Describe the existing organization of such services and the means of financing the services, and create a reorganization of such services and the financing to meet the goals of this section;
- Designate the services that should be delivered regionally or countywide, however, no
 provision of the plan will operate to restrict the power of a municipality to finance and
 deliver services in addition to, or at a higher level than, the services designated for
 regional or countywide delivery of services;
- Provide means to reduce the cost of providing local services and enhance the accountability of service providers;
- Include a multiyear capital outlay plan for infrastructure;
- Specifically describe any expansion of municipal boundaries that would further the goals
 of this section;
- Any area proposed to be annexed must meet the standards for annexation provided in chapter 171, Florida Statutes;
- The plan must not contain any provisions for contraction of municipal boundaries or elimination of any municipality;
- The plan must provide specific procedures for modification or termination of the plan; and
- The plan must specify the effective date of the plan.

The plan must be approved by a majority vote of the governing body of each county involved and by a majority vote of the governing bodies of a majority of the municipalities in each

county, and by a majority vote of the governing bodies of the municipality or municipalities that represent a majority of the municipal population of each county.

After the approval of the plan by the county and municipal governing bodies, as required, the plan must be submitted for referendum approval in a countywide election in each county involved.

The plan will not take effect unless approved by a majority of the electors of each county who vote in the referendum, and also by a majority of the municipal electors of the municipalities that represent a majority of the municipal population of each county who vote in the referendum.

In the event that a plan developed in accordance with this section includes areas proposed for municipal annexation and those areas meet the standards for annexation provided in chapter 171, Florida Statutes, such annexation will take effect upon approval of the plan as provided in this section, notwithstanding the procedures specified in chapter 171, Florida Statutes.

Section 9: This act will take effect on July 1 of the year in which enacted.

III. FISCAL RESEARCH & ECONOMIC IMPACT STATEMENT:

- A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:
 - 1. <u>Non-recurring Effects</u>:

N/A

2. <u>Recurring Effects</u>:

Indeterminate. State government may incur some fiscal losses in terms of tax revenues. However, in theory, such losses ultimately should be offset by increased revenues as a result of redevelopment with the state's urban areas. The extent of the losses would be dependent on factors such as the size of the designated urban infill and redevelopment area and the number of businesses that utilize the incentives associated with the Act.

3. Long Run Effects Other Than Normal Growth:

N/A

4. Total Revenues and Expenditures:

N/A

- B. FISCAL IMPACT ON LOCAL GOVERNMENTS AS A WHOLE:
 - 1. <u>Non-recurring Effects</u>:

N/A

2. <u>Recurring Effects</u>:

N/A

3. Long Run Effects Other Than Normal Growth:

N/A

- C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:
 - 1. Direct Private Sector Costs:

N/A

2. Direct Private Sector Benefits:

N/A

3. Effects on Competition, Private Enterprise and Employment Markets:

N/A

D. FISCAL COMMENTS:

N/A

IV. CONSEQUENCES OF ARTICLE VII, SECTION 18 OF THE FLORIDA CONSTITUTION:

A. APPLICABILITY OF THE MANDATES PROVISION:

This bill does not require municipalities or counties to spend money or to take action that requires a significant expenditure of money.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

This bill is not anticipated to reduce the authority of municipalities or counties to raise total aggregate revenues.

C. REDUCTION OF STATE TAX SHARED WITH COUNTIES AND MUNICIPALITIES:

This bill does not reduce the total aggregate municipality/county percentage share of a state tax.

V. <u>COMMENTS</u>:

N/A

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

N/A

VII. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS: Prepared by:

Legislative Research Director:

Tonya Sue Chavis, Esq.

Joan Highsmith-Smith