

STORAGE NAME: h0017s2a.wrm

DATE: April 1, 1999

**HOUSE OF REPRESENTATIVES
AS FURTHER REVISED BY THE COMMITTEE ON
WATER & RESOURCE MANAGEMENT
ANALYSIS**

BILL #: CS/HB 17

RELATING TO: Local Government (Urban Infill and Redevelopment Act)

SPONSOR(S): Committee on Community Affairs, Representative Constantine and others

COMPANION BILL(S): SB 1078 (s) and SB 1438 (s)

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

- (1) COMMUNITY AFFAIRS YEAS 7 NAYS 0
- (2) BUSINESS DEVELOPMENT & INTERNATIONAL TRADE YEAS 5 NAYS 0
- (3) WATER & RESOURCE MANAGEMENT
- (4) TRANSPORTATION & ECONOMIC DEVELOPMENT APPROPRIATIONS
- (5)

I. SUMMARY:

CS/HB 17 bill creates the "Urban Infill & Redevelopment Act" which authorizes municipalities & counties to designate urban infill and redevelopment areas based on specified criteria. Furthermore, the bill provides economic incentives for the urban infill and redevelopment areas.

The bill authorizes the Department of Community Affairs to enter into agreements with Regional Planning Councils for the review of local government comprehensive plan amendments. Additionally, the bill authorizes community redevelopment areas to acquire surrounding property through eminent domain proceedings.

The bill provides procedures by which a county or a combination of counties and municipalities may develop and adopt plans to improve efficiency, accountability, and coordination of delivery of local government services. The bill provides new criteria for feasibility studies that are submitted in conjunction with proposals for incorporation of a municipality.

CS/HB 17 takes effect on July 1, 1999.

II. SUBSTANTIVE ANALYSIS:

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, during the summer of 1997, 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 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 are willing to invest in redevelopment projects. Finally, the following specific urban problems were identified:

- 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 a 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 discourage urban infill development, redevelopment, or downtown revitalization. In order to promote infill development and redevelopment, one 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 are 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 non-emergency 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 to be annexed vote against annexation, the ordinance has no legal efficacy, and 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.

Commission on Local Government II:

In 1996, the Legislature created the Commission on Local Government II, to study the structure and evolution of local government since 1972, the date when the last such analysis was conducted. 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 Constitution Revision Commission.

Incorporation Feasibility Studies

The 1996 Legislature revised section 165.041, Florida Statutes, to require completion of a feasibility study for any area requesting incorporation. The purpose of the study is to enable the Legislature to determine whether or not the area: 1) meets the statutory requirements for incorporation, and 2) is financially feasible. Specifically the study must include:

- Data and analysis to support the conclusions that incorporation is necessary and financially feasible.
- Population projections and population density calculations and an explanation concerning methodologies used for such analysis.
- Evaluation of the alternatives available to the area to address its policy concerns.
- Evidence that the proposed municipality meets the standards for incorporation of section 165.061, Florida Statutes.

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.

The bill provides new criteria for feasibility studies that are submitted in conjunction with proposals for incorporation of a municipality.

[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?

Designation of urban infill and redevelopment areas increase a municipality's authority to make rules or adjudicate disputes. This program requires 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?

Designation of urban infill and redevelopment areas creates 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?

No.

- 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?

The bill potentially extends various sales and property tax exemptions to businesses that develop or redevelop in an 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?

Indeterminate.

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

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?

No.

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

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:

Sections 163.3180, 163.3187, 187.201, 380.06, 163.3220, 163.3221, 163.375, 165.041, and 171.0413, Florida Statutes.

E. SECTION-BY-SECTION ANALYSIS:

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

Section 163.2511, F.S., provides the short title, legislative intent and legislative findings for the "Growth Policy Act."

Section 163.2514, F.S., 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 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, or one or more neighborhoods within the area, suffers from pervasive poverty, unemployment, and general distress as defined by s. 290.0058;
- (c) The area exhibits a higher than average proportion, compared to the local government as a whole, of buildings that are substandard, overcrowded, dilapidated, vacant or abandoned, or functionally obsolete;
- (d) More than 50 percent of the area is within 1/4 mile of a transit stop or stops, or such transit stop or stops will be made available with the designation: and
- (e) The area includes or is adjacent to community redevelopment areas, brownfields, enterprise zones, or Main Street programs, or has been designated by the Federal Government as an empowerment zone, enterprise community, brownfield showcase community, or similar urban revitalization designation.

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

- The purpose of the designation must be for 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 a community development area, Florida Main Street program, sustainable community, enterprise zone, or neighborhood improvement district includes the following factors:
 - ▶ Contains a map depicting the geographic area or areas to be included within the designation.

- ▶ Confirms that the urban infill and redevelopment area is within an existing urban service area defined in the local government's comprehensive plan.
- ▶ Identifies 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.
- ▶ Identifies 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.
- ▶ Identifies each neighborhood within the proposed area and state preservation and revitalization goals and projects identified through the community participation process and how such projects shall be implemented.
- ▶ Identifies 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.
- ▶ Identifies strategies for reducing crime.
- ▶ Adopts, 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.
- ▶ Identifies and maps 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.
- ▶ Identifies and adopts 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. Lower transportation impact fees for development which encourages higher use of public transit, pedestrian, and bicycle modes of transportation.
 6. Prioritization of infrastructure spending within the urban infill and redevelopment area.
 7. Local government absorption of developers' concurrency costs.

- ▶ Identifies 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.
- ▶ Identifies 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, the local government shall adopt the plan by ordinance. Public hearings shall be held on the ordinance, with the proper notice.
- 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 amending comprehensive plans.
- Continued eligibility for the economic incentives requires that local governments demonstrate during the evaluation, assessment and review process of its comprehensive plan that at least 10 percent of its combined annual residential, commercial, and institutional development has occurred within a designated urban infill and redevelopment area.
- If the local government fails to implement the urban infill and redevelopment plan in accordance with the deadlines set forth in the plan, the DCA may seek to rescind economic and regulatory incentives granted to the urban infill and redevelopment area, subject to the provisions of chapter 120, Florida Statutes.

Section 163.2520, F.S., 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;
- May exercise the powers of a neighborhood improvement district (including the authority to levy special assessments); and
- Shall have priority in the allocation of private activity bonds.

This section requires state agencies providing infrastructure funding, cost reimbursement, grants, or loans to local governments report to the President of the Senate and the Speaker of the House, by January 1, 2000, 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 163.2523, F.S., establishes 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 used 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, F.S., provides for a review and evaluation of the act before the 2004 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 2004 Regular Session of the Legislature.

Section 2: Amends subsection 163.3180(5), Florida Statutes, 1998 Supplement, 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, 1998 Supplement, and adds subsection (8), 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; and providing the DCA may contract with a regional planning council in order to delegate the review of local government comprehensive plan 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;
- Ensure local government flexibility to address urban priorities.
- Enhance linkages between land use, water use, transportation planning and the designated urban areas;
- Develop concurrency requirements for designated urban areas;
- Increase coordination and cooperation among the state, local governments, school boards, and community colleges;
- Encourage the development of mass transit systems for urban centers;
- Locate 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, 1998 Supplement, increasing substantial deviation numerical standards by 50 percent for the following development types which are located wholly within a 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 163.3220 (2)(b), F.S., to add a reference to brownfield designations to the legislative intent section of chapter of that section.

Section 7: Renumbers subsections (1) through (13) of section 163.3221, F.S., and adds a new subsection (1) providing a definition of "Brownfield designation."

Section 8: Amends subsection 163.375(1), Florida Statutes, authorizing acquisition of property, by eminent domain, of unincorporated enclaves surrounded by a community redevelopment area when necessary to accomplish a community development plan.

Section 9: Amends subsection 165.041 (1), Florida Statutes, changing the term "feasibility study" to "incorporation study," removing existing requirements and adding new, more detailed requirements for the preparation of a incorporation study required for municipal incorporation. New requirements include:

- The general location of territory subject to boundary change and a map of the area which identifies the proposed change.
- The major reasons for proposing the boundary change.
- The following characteristics of the area:
 - a. A list of the current land use designations applied to the subject area in the county comprehensive plan.
 - b. A list of the current county zoning designations applied to the subject area.
 - c. A general statement of present land use characteristics of the area.
 - d. A description of development being proposed for the territory, if any, and a statement of when actual development is expected to begin, if known.
- A list of all public agencies, such as local governments, school districts, and special districts, whose current boundary falls within the boundary of the territory proposed for the change or reorganization.
- Evidence, through signed petitions, letters or some other method, that a minimum of 25 percent of the landowners or residents consent or otherwise support the proposed change or reorganization.
- A list of current service providers.
- A list of proposed service providers.
- The names and addresses of three officers or persons submitting the proposal.

- Evidence of fiscal capacity and an organizational plan that, at a minimum, includes:
 - a. Existing tax bases, including ad valorem taxable value, utility taxes, sales and use taxes, franchise taxes, license and permit fees, charges for services, fines forfeitures, and other revenue sources, as appropriate.
 - b. A 5-year operational plan that, at a minimum, includes proposed staffing, building acquisition and construction, debt issuance, budgets, and future boundaries at build out.

Section 10: Amends section 171.0413, Florida Statutes, deleting the requirement that a separate referendum be held in an annexing municipality when the annexation exceeds 5 percent of the total land area of the municipality or cumulatively exceeds more than 5 percent of the municipal population. Adding language requiring a municipality, prior to the adoption of an ordinance proposing annexation of certain areas, to hold at least two advertised public hearings, and allowing for separate votes of the registered electors of the annexing municipality.

Section 11: Creates the “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 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 area-wide 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 county wide; 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 county wide delivery of services;
- Provide means to reduce the cost of providing local services and enhance the accountability of service providers;
- Include a multi-year capital outlay plan for infrastructure;

- Describe specifically, any expansion of municipal boundaries that would further the goals of this section;
- Meet the standards for annexation provided in chapter 171, Florida Statutes, for any area proposed to be annexed;
- Prohibit any provisions for contraction of municipal boundaries or elimination of any municipality;
- Provide specific procedures for modification or termination of the plan; and
- 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 county wide election in each county involved.

The plan does 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 takes effect upon approval of the plan as provided in this section, notwithstanding the procedures specified in chapter 171, Florida Statutes.

Section 12: This act will take effect on July 1, 1999.

III. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT:

A. FISCAL IMPACT ON STATE AGENCIES/STATE FUNDS:

1. Non-recurring Effects:

N/A

2. Recurring Effects:

N/A

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. Non-recurring Effects:

N/A

2. Recurring Effects:

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:

None.

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

A. APPLICABILITY OF THE MANDATES PROVISION:

The bill does not require counties or municipalities to spend funds or to take an action requiring the expenditure of funds.

B. REDUCTION OF REVENUE RAISING AUTHORITY:

The bill does not reduce the authority local governments have to raise revenues in the aggregate.

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

The bill does not the reduce the percentage of a state tax shared with local governments.

V. COMMENTS:

A similar bill, HB 4783 by Rep. Constantine, was filed during the 1998 legislative session. The bill passed the House of Representatives and died in the Senate.

Comments of the House Water & Resource Management Committee:

On March 29, 1999, the Senate Comprehensive Planning, Local and Military Affairs Committee combined SB 1078, Urban Infill & Redevelopment, and SB 1438, also on Urban Infill & Redevelopment, to create a CS/SB 1078 & 1438. Among other provisions, the committee substitute does the following:

- o Creates s. 220.185, F.S., to establish a state housing tax credit against state corporate income taxes.
- o Creates s. 420.5093, F.S. to create the State Housing Tax Credit Program within the Florida Housing Finance Corporation.
- o Creates s. 420.630-420.635 to create the Urban Homesteading Act for qualified applicants to acquire single-family housing property.

These provisions are not contained within the CS/HB 17 and it is expected that the sponsor of the House bill will present a strike-everything amendment to conform the CS/HB 17 to the CS/SB 1078 & 1438. Amendments adopted by the House Business Development & International Trade Committee on March 17, 1999, will be incorporated into the strike-everything amendment.

VI. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

On March 1, 1999, The House Committee on Community Affairs adopted a committee substitute to HB 17. The committee substitute substantively changed the bill in the following manner:

- The definition of an urban infill and redevelopment area was changed.
- Some additional requirements were added to receive an urban infill and redevelopment designation.
- Language was added to encourage the use of Brownfield designations.
- Language was added to strengthen the required elements of a feasibility study required for a proposed municipal incorporation bill.
- Technical amendments were made in the bill.

On March 17, 1999, the Committee on Business Development and International Trade passed CS/HB 17 with two amendments. CS/HB 17 was not made a committee substitute by this committee.

The first amendment adopted replaced section 9 of the bill dealing with the incorporation of a municipality. The new section 9 provides the following:

- It requires a feasibility study completed and submitted to the Legislature 90 days prior to the first day of session for the enactment of the municipal charter. It deletes language requiring a proposed special act in conjunction with the study be submitted to the legislature, and it deletes language referring to the feasibility study as an "incorporation study."
- It deletes language allowing for a draft comprehensive plan meeting state standards pursuant to s. 163.3167, F.S., to substitute for certain information required in the feasibility study.
- It deletes language requiring evidence of support for the proposed change or reorganization from at least 25 percent of the landowners or residents in that area.
- It deletes language requiring that future boundaries at build out be included in the 5-year operational plan.
- It retains current language that had been deleted in the original section 9 requiring:
 - a. Data and analysis to support the conclusions that incorporation is necessary and financially feasible, including population projections and density calculations along with methodologies used for such analysis.
 - b. Evaluation of the alternatives available to the area to address its policy concerns.
 - c. Evidence that the proposed municipality meets the requirements for incorporation pursuant to s. 165.061, F.S.

The second amendment adopted provides a new section to the bill. The amendment provides \$5 million to be appropriated from the General Revenue Fund to the Department of Community Affairs for the 1999-2000 fiscal year to fund the Urban Infill and Redevelopment Assistance Grant Program provided for in the newly created s. 163.2523, F.S., found in section 1 of CS/HB 17.

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DATE: April 1, 1999

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VII. SIGNATURES:

COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Lisa C. Cervenka

Staff Director:

Joan Highsmith-Smith

AS REVISED BY THE COMMITTEE ON BUSINESS DEVELOPMENT & INTERNATIONAL TRADE:

Prepared by:

Jill E. Turman

Staff Director:

J. Paul Whitfield, Jr.

AS FURTHER REVISED BY THE COMMITTEE ON WATER & RESOURCE MANAGEMENT:

Prepared by:

Karon A. Molloy

Staff Director:

Joyce Pugh