

SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: Environmental Preservation Committee

BILL: CS/CS/SB 1020

INTRODUCER: Committees on Environmental Preservation and Community Affairs and Senator Bennett

SUBJECT: Developments of Regional Impact

DATE: March 29, 2006

REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Herrin</u>	<u>Yeatman</u>	<u>CA</u>	Fav/CS
2.	<u>Kiger</u>	<u>Kiger</u>	<u>EP</u>	Fav/CS
3.	_____	_____	<u>TR</u>	_____
4.	_____	_____	<u>TA</u>	_____
5.	_____	_____	_____	_____
6.	_____	_____	_____	_____

I. Summary:

The committee substitute for the committee substitute (CS) encourages local governments to adopt a boating facility siting plan or policy as a part of their comprehensive plans. It prohibits a local government from requiring that transportation facilities be in place or under actual construction within a shorter time-frame than the 3-year period provided for in statute. This provision does not affect a local government that adopted a stricter concurrency management system before the enactment of chapter 2005-290, Laws of Florida.

The CS provides for a dry storage facility permitting program. This program, to be implemented by the Department of Environmental Protection and the water management districts, would apply to the construction, alteration, operation, maintenance, abandonment, or removal of certain dry storage facilities.

This CS provides additional exemptions from DRI review and increases the thresholds that trigger DRI review for proposed development. For example, dry storage facilities, waterports, and marinas are exempted from the DRI review process. It also increases the thresholds for determining whether a proposed change is a substantial deviation that requires further review. Also, the addition or deletion of contiguous lands in certain mining operations does not constitute a substantial deviation.

In addition, the CS deletes the term "termination date" and inserts "buildout date." This CS provides a process for certain changes that otherwise would go through a notice of proposed change. The time period for a local government to hold a hearing after the submittal of a proposed change is reduced to 60 days.

The CS provides for a 12-month window during which a local government may negotiate a binding agreement with impacted jurisdictions to address transportation impacts in order to enjoy an exemption from DRI review for projects located within an urban service boundary, a designated urban infill and redevelopment area, or a rural land stewardship area. In the absence of an agreement or at the option of the local government, the DRI review may proceed but will address transportation impacts only. It provides for an increase in the applicable residential development guidelines and standards and the thresholds for substantial deviations for residential development if a specified percentage of those units are dedicated to workforce housing.

Under this CS, the state land planning agency may raise consistency with the local comprehensive plan as part of its appeal to the Florida Land and Water Adjudicatory Commission (FLAWAC). However, if a challenge is filed under s. 163.3215, F.S., then the state land planning agency must intervene in that pending proceeding and raise its consistency issues within 30 days after being served with notice of the challenge. Also, the state land planning agency must dismiss the consistency issues from its development-order appeal to FLAWAC.

The process for abandoning a DRI development order is amended to require a local government to rescind a DRI at the request of the developer or landowner if all the required mitigation in relation to the amount of development existing on the proposed date of rescission is completed.

This CS prohibits the sale or exclusive control of real property or the operations of any port in this state to an entity controlled by a foreign government or a foreign business entity without the express consent of the Legislature. It also provides for severability.

The CS also requires a local government that adopts an ordinance, relating to ad valorem tax deferrals for recreational and commercial working waterfront properties, to designate the percentage or amount of deferral. Such ordinance must also include the type of public lodging establishments that may be granted an ad valorem tax deferral. The CS also includes public lodging establishments in the definition of “recreational and commercial working waterfront” for purposes of eligibility for ad valorem tax deferral.

The CS also provides for a limitation to an existing exemption for the construction of private docks and seawalls in artificially created waterways.

This CS substantially amends the following sections of the Florida Statutes: 163.3177, 163.3180, 197.303, 342.07, 380.06, 380.0651, 380.07, 380.115 and 403.813. It also creates sections 373.4132 and 380.0652 and two unnumbered sections of the Florida Statutes.

II. Present Situation:

Section 380.06, F.S., governs the Development of Regional Impact (DRI) program and establishes the basic process for DRI review. The DRI program 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.¹ For those land uses that are subject to review,

¹ S. 380.06(1), F.S.

numerical thresholds are identified in s. 380.0651, F.S., and Chapter 28-24, Florida Administrative Code. Examples of the land uses for which guidelines are established include: airports; attractions and recreational facilities; industrial plants and industrial parks; office parks; port facilities, including marinas and dry storage; hotel or motel development; retail and service development; recreational vehicle development; multi-use development; residential development; and schools.

The DRI review process involves the regional review of proposed developments meeting the defined thresholds by the regional planning councils to determine the extent to which:

- The development will have a favorable or unfavorable impact on state or regional resources or facilities.
- The development will significantly impact adjacent jurisdictions.
- The development will favorably or adversely affect the ability of people to find adequate housing reasonably accessible to their places of employment.²

Percentage thresholds, as defined in 380.06(2)(d), F.S., are applied to the guidelines and standards. These fixed thresholds provide that if a development is at or below 100% of all numerical thresholds in the guidelines, the project is not required to undergo DRI review.³ If a development is at or above 120% of the guidelines, it is required to undergo DRI review.⁴ A rebuttable presumption is established whereby a development at 100% of a numerical threshold or between 100-120% of a numerical threshold is presumed to require DRI review.

If there is a concern over whether a particular development is subject to DRI review, the developer may request a determination⁵ from the state land planning agency. The state land planning agency or the local government with jurisdiction over the land to be used for the proposed development may require a developer to obtain a binding letter of interpretation if the development is at a presumptive threshold or up to 20 percent above the established numerical threshold.⁶ Any other local government may petition the state land planning agency to require a binding letter of interpretation for a development located in an adjacent jurisdiction if the petition contains sufficient facts to find that the development as proposed constitutes a DRI.

Under s. 380.06(19), F.S., any proposed change to a previously approved DRI which creates a reasonable likelihood of additional regional impact or any type of regional impact, resulting from a change not previously reviewed by the regional planning council, constitutes a "substantial deviation" that subjects the development to further DRI review and entry of a new or amended local development order. Section 380.06(19), F.S., provides that a proposed change to a previously approved DRI which, either individually or cumulatively with other changes, exceeds specified criteria constitutes a substantial deviation and is subject to further DRI review.

² S. 380.06(12)(a), F.S.

³ S. 380.06(2)(d)1.a., F.S.

⁴ S. 380.06(2)(d)1.b., F.S.

⁵ S. 380.06(4)(a), F.S. The developer may also request a determination with regard to vested rights under s. 380.06(20), F.S. If requested by the developer, the state land planning agency may also issue an informal determination as to whether the project is subject to DRI review.

⁶ S. 380.06(4)(b), F.S.

The extension of the date of buildout of a development, or any phase thereof, of 5 years or more but less than 7 years is presumed not to create a substantial deviation. However, the extension of buildout by 7 or more years is presumed to create a substantial deviation and is subject to further DRI review. However, this presumption may be rebutted by clear and convincing evidence at the public hearing held by the local government.⁷ When calculating whether a buildout date has been exceeded, time is tolled during the pendency of administrative or judicial proceedings relating to development permits.⁸

Marinas

In 2002, the Legislature created an exemption for marinas from DRI review if the local government has adopted a boating facility siting plan or policy within its comprehensive plan. This adopted boating facility siting plan must include applicable criteria, such as natural resources, manatee protection needs, and recreation and economic demands as generally outlined in the Bureau of Protected Species Management Boat Facility Siting Guide dated August 2000.⁹ The Department of Community Affairs, in cooperation with the Department of Environmental Protection and the Florida Fish and Wildlife Conservation Commission makes available a best practices guide to assist local governments in developing boating facility siting plans.¹⁰ A boating facility siting plan provides a framework for identifying locations that can accommodate boating interests while protecting manatees, seagrass beds, and other marine resources.

Multiuse Developments

Section 380.06(2)(e), F.S., increases the applicable guidelines and standards by 100 percent for multiuse projects in urban central business districts and regional activity centers if the local government's comprehensive plan is in compliance with part II of ch. 163, F.S., and if one land use in the multiuse development is residential and amounts to not less than 35 percent of the jurisdiction's applicable residential threshold. An urban central business district is defined as the urban core area of a municipality with a population of 25,000 or greater which is located within an urbanized area as identified in the 1990 census.¹¹ Such a district must contain high intensity, high density multi-use development which includes "retail, office, cultural, recreational and entertainment facilities, hotels or motels, or other appropriate industrial activities. A regional activity center is defined as a compact, high intensity, high density multi-use area that is designated appropriate for intensive growth by the local government. It includes the same uses as an urban central business district.¹² Currently, the individual DRI threshold is increased 50 percent within an urban central business district or a regional activity center. However, the multi-use DRI threshold within such a district or center enjoys a 100 percent increase.

Comprehensive Planning and Urban Sprawl

Part II of chapter 163, F.S., requires local governments to plan for their future development and growth through the adoption of a local comprehensive plan, and amendments thereto. The local government's future land use map provides for the distribution, location, and extent of various land uses, including, but not limited to, residential, commercial, industrial, agricultural,

⁷ S. 380.06(19), F.S.

⁸ S. 380.06(19)(c), F.S.

⁹ Section 380.06(24)(k)1., F.S.

¹⁰ *Preparing a Boating Facility Siting Plan: Best Management Practices for Marina Siting Guide*, March 2003.

¹¹ Rule 28-24.014(10)(c)1., Fla. Admin. Code

¹² Rule 28-24.014(10)(c)2., Fla. Admin. Code

recreational, and conservation uses. Plan amendments are reviewed by the state land planning agency for compliance with the provisions of part II of chapter 163. Part of the state land planning agency's review under 9J-5.006 of the Florida Administrative Code, relating to the future land use element, is whether a plan amendment discourages the proliferation of urban sprawl.

One planning strategy for large land areas outside an urban service boundary is the rural land stewardship area concept. Counties are encouraged to designate rural land stewardship areas as overlays on a future land use map.¹³ A rural land stewardship area must be at least 10,000 acres in size and located outside of municipalities and established urban growth boundaries. Such areas must also enhance rural land values, control urban sprawl, provide necessary open space for agriculture and environmental protection, promote rural economic activity, and maintain rural character. The planning for a rural land stewardship area results in "clustering" and preservation of open space through the sale of transferable development rights. A rural land stewardship area must be designated by a plan amendment.

Tax Deferral Ordinances for Working Waterfronts - In 2005, the Legislature enacted ss. 197.303-197.3047, F.S., to authorize counties and municipalities to allow ad valorem tax deferral for recreational and commercial working waterfronts. The ordinance must designate the type and location of working waterfront property for which the deferrals may be granted and may include properties defined as recreational and commercial working waterfront properties under s. 342.07(2), F.S.¹⁴ A deferral under such ordinance applies only to taxes levied by the local government granting the deferral.¹⁵ Property owners in a jurisdiction that has adopted a tax deferral ordinance and who own a recreational and commercial working waterfront may defer payment of those ad valorem and non-ad valorem assessments designated in the ordinance by annually filing an application with the county tax collector on or before January 31 following the year in which the taxes and non-ad valorem assessments were assessed.¹⁶

In order to retain the deferral, the use and ownership of the property must be maintained during the period of the deferral.¹⁷ If there is a change in the use or legal ownership of the tax-deferred property, or the owner fails to maintain required insurance coverage, the owner is no longer entitled to claim the tax deferral. At that point, the total amount of the deferred taxes and interest for all previous years becomes due and payable November 1 of the year in which the change occurs and is delinquent on April 1 of the following year.¹⁸

Public Lodging Establishments - Under s. 509.013, F.S., the term "public lodging establishment" is defined as any unit, group of units, dwelling, building, or group of buildings within a single complex of buildings, which is rented to guests more than three times in a calendar year for periods of less than 30 days or 1 calendar month, whichever is less, or which is

¹³ Section 163.3177(6)(a), F.S.

¹⁴ Section 197.303(3), F.S. The term "recreational and commercial working waterfront" is defined in s. 342.07(2), F.S., as a parcel or parcels of real property that provide access for water-dependent commercial activities or provide access for the public to the navigable waters of the state.

¹⁵ Section 197.303(4), F.S.

¹⁶ Sections 197.304 and 197.3041, F.S.

¹⁷ Section 197.303(5), F.S.

¹⁸ Section 197.3043(1), F.S.

advertised or held out to the public as a place regularly rented to guests. In response to the rising prices for waterfront property, public lodging establishments in those areas are increasingly being acquired for redevelopment to a private use and the public typically loses the associated water access.

Permit exemptions – Section 403.813, F.S., provides some 19 exemptions from environmental permitting for certain activities expected to have a minimal impact on the environment. Included in these are exemptions for: overhead transmission lines not constructed in state waters; installation and repair of mooring pilings associated with private or recreational docking facilities provided they meet certain limitations; restoration of existing seawalls; and the performance of maintenance dredging within existing drainage right-of-ways or easements. Each exemption listed has specific criteria that must be followed and many have requirements that notification be given of the activity to the department.

II. Effect of Proposed Changes:

Section 1 amends s. 163.3177, F.S., to encourage local governments to adopt a boating facility siting plan or policy as a part of their comprehensive plans. Boating facility siting plan amendments adopted by a local government would be exempt from the two amendment limitation provided in s. 163.3187(1), F.S.

Section 2 amends s. 163.3180(2), F.S., to prohibit a local government from requiring that transportation facilities be in place or under actual construction within a shorter time-frame than the 3-year period provided for in statute. This provision does not affect a local government that adopted a stricter concurrency management system before the enactment of chapter 2005-290, Laws of Florida.

Section 3 amends s. 197.303, F.S., to require greater specificity for a local ordinance designating the type and location of working waterfront properties that are eligible for tax deferrals. Specifically, the ordinance must designate the percentage or amount of the deferral. Also, public lodging establishments are to be included as eligible for tax deferrals and the ordinance must specify which type of public lodging.

Section 4 amends s. 342.07, F.S., to include public lodging establishments in the definition of “recreational and commercial working waterfront” for purposes of eligibility for ad valorem tax deferral.

Section 5 creates s. 373.4132, F.S., to provide for a dry storage facility permitting program. This program, to be implemented by the Department of Environmental Protection and the water management districts, would apply to the construction, alteration, operation, maintenance, abandonment, or removal of any dry storage facility for 10 or more vessels and which is associated with a boat launching area. Applicants would be required to demonstrate that such activities are not harmful to water resources and that reasonable assurances can be made that any secondary impacts would not have adverse impacts to the functions of wetlands and surface waters. Specifically, applicants would have to demonstrate that such activities would not result

in a violation of the state's water quality standards and that the activity meets the public interest test provided in s. 373.414(1), F.S.

Section 6 amends s. 380.06, F.S., to allow a local government or the developer to request that the state land planning agency make an informal determination as to whether a DRI development meets the criteria to be "essentially built out."

Subsection (15) is amended to delete language requiring a DRI development order to include a termination date that reflects the time required to complete the development. Instead, the CS requires the development order to require a buildout date that reflects the time anticipated to complete the development. It protects the DRI developer against downzoning or intensity or density reduction by the local government until the buildout date in the development order has passed.

The CS allows a DRI development order to specify which changes, if any, will require a notice of proposed change. Local governments may no longer require competitive bidding for the construction or expansion of a public facility by a nongovernmental developer as a condition of a development order.

The CS authorizes local governments to issue permits for a development subsequent to the buildout date in the development order if the mitigation requirements of the development order have been satisfied, all developers are in compliance with the terms and conditions of the development order, and the amount that remains to be built is less than 20 percent of any applicable DRI threshold. In addition, the single-family-residential portions of a development that meet this criteria or are consistent with an abandonment of development order may be considered essentially built out if all of the infrastructure and horizontal development have been completed, at least 50 percent of the dwelling units have been completed, and more than 80 percent of the lots have been conveyed to third-party individual lot owners or to individual builders who own no more than 40 lots at the time of the determination. For mobile home park portions of a DRI, "essentially built out" means the infrastructure and horizontal development are complete and at least 50 percent of the lots are leased to individual mobile home owners.

Subsection (19) is amended to increase most of the thresholds used to determine whether a proposed change is subject to further DRI review as a substantial deviation. The language relating to thresholds for wet storage marinas is deleted and increases to the storage capacity for chemical or petroleum facilities are no longer considered a substantial deviation. Also, additions or deletions to contiguous lands in certain phosphate mining operations do not constitute a substantial deviation. Residential units may be increased by 50 percent or 200 units, whichever is greater, if 20 percent of those units are dedicated to the construction of workforce housing. The term "workforce housing" is defined to mean affordable to a person who earns less than 150 percent of area median income. The substantial deviation threshold for an increase in hotel or motel rooms may be increased by 100 percent for a project that creates jobs and meets certain criteria. Also, the thresholds for workforce housing and external vehicle trips are increased by 50 percent for a project located wholly within an urban infill and redevelopment area designated on the future land use map. It also makes technical changes to the timeframes for the extension of a buildout date.

Under this CS, changes that modify the boundaries of areas set aside in a DRI for preservation or habitat protection are not substantial deviations if the change occurs before the recording of a conservation easement and there is no net decrease in the acreage set aside in the final development order. In addition, a new process is created for certain changes that would otherwise require a notice of proposed change. The developer must apply to the local government to amend the development order and follow the local government's procedures for amending the order. The CS gives the state land planning agency standing to appeal those changes it believes have a reasonable likelihood of additional regional impacts and which propose to eliminate an approved land use; conform to permits approved by any federal, state, or regional permitting agency; modify boundaries of areas set aside for preservation or habitat protection; or the addition or deletion of contiguous lands in certain mining operations.

This CS also eliminates duplicative language in s. 380.06(19)(e)5., F.S., relating to set aside areas. It reduces the time period in which a local government must hold a public hearing to consider a proposed change from 90 to 60 days. Also, it specifies that a local government may only require mitigation for the individual and cumulative impacts of a proposed change when amending the development order in response to the change. It provides that an increase in the number of residential units does not constitute a substantial deviation if all of the units are dedicated to workforce housing as defined above.

The exemptions from the DRI process contained s. 380.06(24), F.S., are amended in this CS. Specifically, it eliminates DRI review for the following:

- Hospitals;
- Steam or solar electrical facilities of less than 50 megawatts in capacity;
- Petroleum storage facilities;
- Waterport and marinas, including dry storage facilities;
- Self-storage warehousing that does not allow retail or other services;
- Nursing homes or assisted living facilities;
- Development identified in an airport master plan;
- Development identified in a campus master plan; and
- Development in a specific area plan of an optional sector plan.

If a use is exempt from review under subsection (24) but is part of a larger project that is subject to DRI review, the impact of the exempt use must be included in the larger review. The CS clarifies that paragraph (24)(l) requires a binding agreement between jurisdictions impacted by the proposed development.

This CS creates subsection (28) to provide a 12-month window for a local government to negotiate a binding agreement with impacted jurisdictions and the Florida Department of Transportation which will address transportation impacts in order to enjoy an exemption from DRI review for projects located within an urban service boundary established under s. 163.3177(14), F.S., a designated urban infill and redevelopment area established under s. 163.2517, F.S., or a rural land stewardship area. If the 12-month timeframe expires without an agreement, the DRI review will proceed but will address transportation impacts only. The local government also has the option of providing written notice to the state land planning agency that

an agreement will not be reached and the local government wishes to proceed to DRI review for transportation impacts only without waiting for the 12-month window to expire.

Section 7 amends s. 380.0651, F.S., which provides the statewide standards or thresholds that determine whether a project must undergo DRI review. It eliminates review for dry storage facilities, waterports, and marinas. The CS provides that the residential thresholds of an adjacent county with less population is not controlling regardless of how much of the proposed development is located near border of the less populated county if the proposed development is located wholly within a municipality that is in a rural county of economic concern. It provides for an increase in the applicable guidelines for residential development by 50 percent if at least 15 percent of the units will be dedicated to workforce housing. The term “workforce housing” is defined to mean affordable to a person who earns less than 150 percent of area median income.

Section 8 amends s. 380.07, F.S., to allow the appeal of a development order by the state land planning agency to include consistency with the local comprehensive plan. If a challenge to the development order relating to the DRI has been filed under s. 163.3215, F.S., and notice is served on the state land planning agency, then the agency must intervene in that pending proceeding and raise its consistency issues within 30 days after service. Also, the state land planning agency must dismiss the consistency issues from its development order appeal to the FLAWAC. The filing of the petition stays the effectiveness of the development order until after completion of the appeal process. The CS makes clarifying changes and deletes obsolete language.

Section 9 amends s. 380.115, F.S., relating to vested rights and duties for DRIs. The process for abandoning a DRI development order is amended to require a local government to rescind a DRI at the request of the developer or landowner if all the required mitigation in relation to the amount of development existing on the proposed date of rescission is completed.

Section 10 amends s. 403.813, F.S., to provide a 1,000 square foot limitation for an existing permit exemption granted for constructing private docks and certain types of seawalls in artificially created waterways.

Section 11 prohibits the sale or exclusive control of real property or the operations of any port in this state to an entity controlled by a foreign government or a foreign business entity without the express consent of the Legislature.

Section 12 provides for severability.

Section 13 provides the act shall take effect July 1, 2006.

III. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

The provision relating to ports in section 11 of this bill may raise constitutional and federal preemption issues. Historically, the federal government has asserted its authority over state-owned and privately-owned transportation assets through the commerce clause of the U.S. Constitution that designates interstate and foreign commerce as the province of the federal government. Article I, section 8 of the United States Constitution provides in part:

The Congress shall have Power To lay and collect Taxes, Duties, Imposts and Excises, to pay the Debts and provide for the common Defence and general Welfare of the United States; but all Duties, Imposts and Excises shall be uniform throughout the United States; . . .

To regulate Commerce with foreign Nations, and among the several States, and with the Indian Tribes;

IV. Economic Impact and Fiscal Note:**A. Tax/Fee Issues:**

None.

B. Private Sector Impact:

The development community would derive a fiscal benefit from increased thresholds and expanded exemptions from the DRI-review process.

Public lodging establishments are added to the types of properties that may be eligible for tax deferral as part of a local ordinance that offers deferrals as a means of encouraging the continued use of recreational and commercial working waterfronts.

C. Government Sector Impact:

This CS also prohibits the sale of real property in or the operations of Florida's ports to a foreign government or foreign business entity. This will have a fiscal impact.

This bill requires a local government that adopts a tax deferral ordinance for recreational and commercial working waterfront properties to include public lodging establishments in the types of properties that may be eligible for the deferral. The local government is given the authority to designate the type of public lodging establishments that are included as eligible.

V. Technical Deficiencies:

None.

VI. Related Issues:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

VII. Summary of Amendments:

None.

This Senate staff analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.
