

By Senator Diaz de la Portilla

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1 A bill to be entitled
2 An act relating to community redevelopment agencies;
3 amending s. 163.356, F.S.; providing reporting
4 requirements for certain community redevelopment
5 agencies; providing for the termination of community
6 redevelopment agencies by the board of county
7 commissioners of certain counties; providing public
8 hearing and notice and termination plan requirements;
9 providing that consent from certain entities is not
10 required for such termination; amending s. 163.362,
11 F.S.; providing additional redevelopment plan
12 requirements for certain counties; amending s.
13 163.387, F.S.; providing requirements for the
14 expenditure of moneys from redevelopment trust funds
15 in certain counties; exempting payment of debt service
16 in such counties from certain approval; providing
17 requirements for the appropriation of certain trust
18 fund moneys in such counties; requiring a forensic
19 audit of agencies in such counties at least every 5
20 years for certain purposes; providing an effective
21 date.

22
23 Be It Enacted by the Legislature of the State of Florida:

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25 Section 1. Paragraph (c) of subsection (3) of section
26 163.356, Florida Statutes, is amended, and subsection (5) is
27 added to that section, to read:

28 163.356 Creation and termination of a community
29 redevelopment agency.-

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30 (3)

31 (c) The governing body of the county or municipality shall
32 designate a chair and vice chair from among the commissioners.
33 An agency may employ an executive director, technical experts,
34 and such other agents and employees, permanent and temporary, as
35 it requires, and determine their qualifications, duties, and
36 compensation. For such legal service as it requires, an agency
37 may employ or retain its own counsel and legal staff. An agency
38 authorized to transact business and exercise powers under this
39 part shall file with the governing body, on or before March 31
40 of each year, a report of its activities for the preceding
41 fiscal year, which report shall include a complete financial
42 statement setting forth its assets, liabilities, income, and
43 operating expenses as of the end of such fiscal year. At the
44 time of filing the report, the agency shall publish in a
45 newspaper of general circulation in the community a notice to
46 the effect that such report has been filed with the county or
47 municipality and that the report is available for inspection
48 during business hours in the office of the clerk of the city or
49 county commission and in the office of the agency. Agencies
50 operating within a county as defined in s. 125.011(1) are
51 required to submit to annual performance reviews conducted by
52 and at the discretion of the board of county commissioners.

53 (5) (a) In any county as defined in s. 125.011(1) that has
54 created a community redevelopment agency or has delegated the
55 creation of a community redevelopment agency to a municipality
56 pursuant to s. 163.410, the board of county commissioners may
57 terminate the agency operating or located in its boundaries, if
58 the board finds:

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59 1. The agency has been inefficient in removing slum and
60 blight within the community redevelopment area;

61 2. The agency has neglected its duties and responsibilities
62 under the approved redevelopment plan or under any interlocal
63 agreement between the governing body of the county or any taxing
64 authority and the agency under this part;

65 3. The agency has engaged in financial misconduct or
66 wasteful activities as evidenced by any forensic audit required
67 by s. 163.387(9), any annual performance review, or any annual
68 report of the agency's activities for the previous fiscal year,
69 including the complete financial statement required in paragraph
70 (3) (c); or

71 4. There is no longer a need for the agency.

72 (b)1. After a public hearing on the proposed termination of
73 an agency under this subsection, the board of county
74 commissioners may effectuate the termination of the agency by
75 adopting a resolution that approves termination of the agency
76 pursuant to a termination plan consistent with the provisions of
77 subparagraph 3.

78 2. The board of county commissioners must notify the agency
79 of the proposed termination and the grounds for termination in
80 writing at least 30 days before the public hearing on the
81 termination of the agency. After the agency has been given
82 notice pursuant to this subparagraph, the agency may not issue
83 bonds, incur further indebtedness, or enter into any contract,
84 unless approved by the board. The agency must respond to the
85 notice of proposed termination and the grounds for termination
86 in writing at least 5 days before the public hearing.

87 3. A termination plan approved by the board of county

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88 commissioners:

89 a. Shall, if the agency has outstanding debt, including
90 debt that pledges increment revenues as a source of repayment,
91 require repayment of the debt, or make provision for the
92 repayment, on or before it is due and may require taxing
93 authorities to continue making required contributions until the
94 repayment is paid;

95 b. May require the governing body of the county to assume
96 the powers of the agency and act as the board of commissioners
97 for the agency for purposes of overseeing the continued payment
98 of outstanding debt or the completion of projects begun before
99 the date of the notice of termination;

100 c. Shall provide an effective date of termination of the
101 agency, which shall be a date after payment or provision for
102 payment of all outstanding debt of the agency; and

103 d. Shall provide that after termination of the agency the
104 obligation of a taxing authority to contribute to the trust fund
105 pursuant to s. 163.387 is automatically terminated by operation
106 of law and any funds remaining in the trust fund shall be
107 disbursed to the taxing authorities in proportion to the amounts
108 contributed by such taxing authorities.

109 (c) Notwithstanding any provision of law to the contrary,
110 consent to termination under this subsection is not required
111 from the agency, from the governing body of a municipality
112 within which the agency operates or which was delegated the
113 authority to create the agency, from the taxing authorities that
114 contribute to the redevelopment trust fund of the agency, or
115 from any other person or entity.

116 Section 2. Subsection (10) of section 163.362, Florida

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117 Statutes, is amended, to read:

118 163.362 Contents of community redevelopment plan.—Every
119 community redevelopment plan shall:

120 (10) Provide a time certain for completing all
121 redevelopment financed by increment revenues. Such time certain
122 shall occur no later than 30 years after the fiscal year in
123 which the plan is approved, adopted, or amended pursuant to s.
124 163.361(1). However, for any agency created after July 1, 2002,
125 the time certain for completing all redevelopment financed by
126 increment revenues must occur within 40 years after the fiscal
127 year in which the plan is approved or adopted. In any county as
128 defined in s. 125.011(1), any redevelopment plan that is
129 approved or amended on or after July 1, 2012, must also provide
130 a specific date by which each redevelopment activity that is a
131 part of a redevelopment project proposed to be funded by the
132 increment fund is scheduled to be completed.

133 Section 3. Subsections (6) and (7) of section 163.387,
134 Florida Statutes, are amended, and subsection (9) is added to
135 that section, to read:

136 163.387 Redevelopment trust fund.—

137 (6) (a) Moneys in the redevelopment trust fund may be
138 expended from time to time for undertakings of a community
139 redevelopment agency as described in the community redevelopment
140 plan for the following purposes, including, but not limited to:

141 1.(a) Administrative and overhead expenses necessary or
142 incidental to the implementation of a community redevelopment
143 plan adopted by the agency.

144 2.(b) Expenses of redevelopment planning, surveys, and
145 financial analysis, including the reimbursement of the governing

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146 body or the community redevelopment agency for such expenses
147 incurred before the redevelopment plan was approved and adopted.

148 3.~~(e)~~ The acquisition of real property in the redevelopment
149 area.

150 4.~~(d)~~ The clearance and preparation of any redevelopment
151 area for redevelopment and relocation of site occupants within
152 or outside the community redevelopment area as provided in s.
153 163.370.

154 5.~~(e)~~ The repayment of principal and interest or any
155 redemption premium for loans, advances, bonds, bond anticipation
156 notes, and any other form of indebtedness.

157 6.~~(f)~~ All expenses incidental to or connected with the
158 issuance, sale, redemption, retirement, or purchase of bonds,
159 bond anticipation notes, or other form of indebtedness,
160 including funding of any reserve, redemption, or other fund or
161 account provided for in the ordinance or resolution authorizing
162 such bonds, notes, or other form of indebtedness.

163 7.~~(g)~~ The development of affordable housing within the
164 community redevelopment area.

165 8.~~(h)~~ The development of community policing innovations.

166 (b) For the purpose of the expenditure of moneys in
167 redevelopment trust funds in counties as defined in s.

168 125.011(1), the following apply:

169 1. An agency operating in the county must submit an annual
170 budget indicating any proposed expenditures of increment
171 revenues by August 15 of each year.

172 2. The board of county commissioners may approve the budget
173 by resolution.

174 3. Increment revenues contributed by the county may not be

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175 expended for redevelopment activities without the approval of
176 the board of county commissioners, unless such expenditures are
177 to pay existing debts and contractual obligations of the agency.

178 4. Existing debts or contractual obligations, as described
179 in subparagraph 3., include only such debt incurred pursuant to
180 s. 163.385 and moneys owed from contracts entered into before
181 the date of a notice of termination as authorized by s.
182 163.356(5). Existing debts or contractual obligations may not
183 include salaries of at-will employees whose duties are directly
184 associated with the provision of administrative or other
185 services and who are employed by an agency or a municipality
186 that provides administrative or other services to an agency.
187 Existing debts or contractual obligations may not include
188 contracts that are terminable at will.

189 5. The agency may not seek permission to issue bonds, incur
190 further indebtedness, or enter into contracts until the
191 governing body of the county has approved the agency's annual
192 budget.

193 (c) Notwithstanding any provision in this section, in a
194 county as defined in s. 125.011(1), if the agency's issuance of
195 debt has been approved pursuant to s. 163.385, the agency's
196 payment of debt service for debt secured by increment revenues
197 does not require the approval of the board of county
198 commissioners as a part of the annual agency budgetary approval
199 process.

200 (7) On the last day of the fiscal year of the community
201 redevelopment agency, any money that ~~which~~ remains in the trust
202 fund after the payment of expenses pursuant to subsection (6)
203 for such year shall be:

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204 (a) Returned to each taxing authority that ~~which~~ paid the
205 increment in the proportion that the amount of the payment of
206 such taxing authority bears to the total amount paid into the
207 trust fund by all taxing authorities for that year;

208 (b) Used to reduce the amount of any indebtedness to which
209 increment revenues are pledged;

210 (c) Deposited into an escrow account for the purpose of
211 later reducing any indebtedness to which increment revenues are
212 pledged; or

213 (d) Appropriated to a specific redevelopment project
214 pursuant to an approved community redevelopment plan. However,
215 in a county as defined in s. 125.011(1), such funds may be
216 appropriated in accordance with this paragraph only if:

217 1. The ~~which~~ project will be completed within 3 years after
218 from the date of such appropriation.

219 2. Before the appropriation, an acceptable construction
220 timeline and budget for the project is submitted to and approved
221 by the board of county commissioners.

222 (9) In addition to the audit required by subsection (8), an
223 agency located and operating in a county as defined in s.
224 125.011(1) shall submit to a forensic audit performed by a
225 licensed and independent forensic accountant at least every 5
226 years, as requested by the board of county commissioners. The
227 forensic audit shall include, but is not limited to, a review of
228 an agency's assets, liabilities, income, and operating expenses
229 to ensure that the agency has not engaged in financial
230 misconduct or wasteful activity.

231 Section 4. This act shall take effect July 1, 2012.