Bill No. CS/CS/HB 13 (2017)

Amendment No.

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# COMMITTEE/SUBCOMMITTEE ACTION ADOPTED (Y/N) ADOPTED AS AMENDED (Y/N) ADOPTED W/O OBJECTION (Y/N) FAILED TO ADOPT (Y/N) WITHDRAWN (Y/N) OTHER (Y/N)

Committee/Subcommittee hearing bill: Government Accountability Committee

Representative Raburn offered the following:

## Amendment (with title amendment)

Remove everything after the enacting clause and insert: Section 1. Paragraphs (c) and (d) of subsection (3) of section 163.356, Florida Statutes, are amended to read:

9 163.356 Creation of community redevelopment agency.10 (3) (c) The governing body of the county or municipality
11 shall designate a chair and vice chair from among the
12 commissioners. An agency may employ an executive director,
13 technical experts, and such other agents and employees,
14 permanent and temporary, as it requires, and determine their
15 qualifications, duties, and compensation. For such legal service

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16 as it requires, an agency may employ or retain its own counsel 17 and legal staff.

18 An agency authorized to transact business and exercise (d) 19 powers under this part shall file with the governing body the 20 report required pursuant to s. 163.371(1)., on or before March 31 of each year, a report of its activities for the preceding 21 22 fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and 23 operating expenses as of the end of such fiscal year. At the 24 25 time of filing the report, the agency shall publish in a 26 newspaper of general circulation in the community a notice to 27 the effect that such report has been filed with the county or 28 municipality and that the report is available for inspection during business hours in the office of the clerk of the city or 29 30 county commission and in the office of the agency.

31 <u>(e)</u>(d) At any time after the creation of a community 32 redevelopment agency, the governing body of the county or 33 municipality may appropriate to the agency such amounts as the 34 governing body deems necessary for the administrative expenses 35 and overhead of the agency, including the development and 36 implementation of community policing innovations.

37 Section 2. Subsection (1) of section 163.367, Florida38 Statutes, is amended to read:

39 163.367 Public officials, commissioners, and employees 40 subject to code of ethics.-

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41	(1) (a) The officers, commissioners, and employees of a
42	community redevelopment agency created by, or designated
43	pursuant to, s. 163.356 or s. 163.357 <u>are</u> shall be subject to
44	the provisions and requirements of part III of chapter 112.
45	(b) Commissioners of a community redevelopment agency must
46	comply with the ethics training requirements in s. 112.3142.
47	Section 3. Subsection (5) is added to section 163.370,
48	Florida Statutes, to read:
49	163.370 Powers; counties and municipalities; community
50	redevelopment agencies
51	(5) A community redevelopment agency shall procure all
52	commodities and services under the same purchasing processes and
53	requirements that apply to the county or municipality that
54	created the agency.
55	Section 4. Section 163.371, Florida Statutes, is created
56	to read:
57	163.371 Reporting requirements
58	(1) Beginning March 31, 2018, and no later than March 31
59	of each year thereafter, a community redevelopment agency shall
60	file an annual report with the county or municipality that
61	created the agency and publish the information on the agency's
62	website. At the time the report is filed and the information is
63	published on the website, the agency shall also publish in a
64	newspaper of general circulation in the community a notice to
65	the effect that such report has been filed with the county or
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66	municipality and that the report is available for inspection
67	during business hours in the office of the clerk of the city or
68	county commission and in the office of the agency or on the
69	website of the agency. The report must include the following
70	information:
71	(a) The most recent audit report for the redevelopment
72	agency prepared pursuant to s. 163.387(8).
73	(b) The performance data for each plan authorized,
74	administered, or overseen by the community redevelopment agency
75	as of December 31 of the year being reported, including the:
76	1. Total number of projects started, total number of
77	projects completed, and estimated project cost for each project.
78	2. Total expenditures from the redevelopment trust fund.
79	3. Assessed real property values of property located
80	within the boundaries of the community redevelopment agency as
81	of the day the agency was created.
82	4. Total assessed real property values of property within
83	the boundaries of the community redevelopment agency as of
84	January 1 of the year being reported.
85	5. Earliest data available as of the date the agency was
86	created, providing total commercial property vacancy rates
87	within the community redevelopment agency.
88	6. Total commercial property vacancy rates within the
89	boundaries of the community redevelopment agency.
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90	7. Assessed real property values for redeveloped
91	properties within the boundaries of the community redevelopment
92	agency as of January 1 of the year being reported.
93	8. Earliest data available as of the day the agency was
94	created, providing total housing vacancy rates within the
95	community redevelopment agency's area of authority.
96	9. Total housing vacancy rates within the boundaries of
97	the community redevelopment agency.
98	10. Total number of code enforcement violations within the
99	boundaries of the community redevelopment agency.
100	11. Total amount expended for affordable housing for low
101	and middle income residents, if the community redevelopment
102	agency has affordable housing as part of its community
103	redevelopment plan.
104	12. Name of the sponsor or donor and total amount
105	sponsored or donated for sponsorships and donations that were
106	made to the community redevelopment agency.
107	13. Ratio of redevelopment funds to private funds expended
108	within the boundaries of the community redevelopment agency.
109	(2) By January 1, 2018, each community redevelopment
110	agency shall publish on its website digital maps that depict the
111	geographic boundaries and total acreage of the community
112	redevelopment agency. If any change is made to the boundaries or
113	total acreage, the agency shall post updated map files on its
114	website within 60 days after the date such change takes effect.
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115	Section 5. Section 163.3755, Florida Statutes, is created
116	to read:
117	163.3755 Termination of community redevelopment agencies;
118	prohibition on future creation
119	(1) Unless the governing body of the county or
120	municipality that created the community redevelopment agency
121	approves its continued existence by a super majority vote of the
122	governing body members, a community redevelopment agency in
123	existence on October 1, 2017, shall terminate on the expiration
124	date provided in the community redevelopment agency's charter on
125	October 1, 2017, or on September 30, 2037, whichever is earlier.
126	(2)(a) If the governing body of the county or municipality
127	that created the community redevelopment agency does not approve
128	its continued existence by a super majority (majority plus one)
129	vote of the governing body members, a community redevelopment
130	agency with outstanding bonds as of October 1, 2017, and that do
131	not mature until after the earlier of the termination date of
132	the agency or September 30, 2037, remains in existence until the
133	date the bonds mature.
134	(b) A community redevelopment agency operating under this
135	subsection on or after September 30, 2037, may not extend the
136	maturity date of any outstanding bonds.
137	(c) The county or municipality that created the community
138	redevelopment agency must issue a new finding of necessity
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139	limited to timely meeting the remaining bond obligations of the
140	community redevelopment agency.
141	(3) On or after October 1, 2017, a community redevelopment
142	agency may be created only by special act of the Legislature. A
143	community redevelopment agency in existence before October 1,
144	2017, may continue to operate as provided in this part.
145	Section 6. Section 163.3756, Florida Statutes, is created
146	to read:
147	163.3756 Inactive community redevelopment agencies
148	(1) The Legislature finds that a number of community
149	redevelopment agencies continue to exist but report no revenues,
150	no expenditures, and no outstanding debt in their annual report
151	to the Department of Financial Services pursuant to s. 218.32.
152	(2)(a) Beginning October 1, 2014, a community
153	redevelopment agency that has reported no revenues, no
154	expenditures, and no debt under s. 218.32 or s. 189.016(9), for
155	3 consecutive fiscal years shall be declared inactive by the
156	Department of Economic Opportunity. The department shall notify
157	the agency of the declaration of inactive status under this
158	subsection. If the agency has no board members or no agent, the
159	notice of inactive status must be delivered to the governing
160	board or commission of the county or municipality that created
161	the agency.
162	(b) The governing board of a community redevelopment
163	agency declared inactive under this subsection may seek to
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164 invalidate the declaration by initiating proceedings under s. 165 189.062(5) within 30 days after the date of the receipt of the 166 notice from the department. 167 (3) A community redevelopment agency declared inactive 168 under this section is authorized only to expend funds from the 169 redevelopment trust fund as necessary to service outstanding bond debt. The agency may not expend other funds without an 170 ordinance of the governing body of the local government that 171 172 created the agency consenting to the expenditure of funds. (4) The provisions of s. 189.062(2) and (4) do not apply 173 174 to a community redevelopment agency that has been declared 175 inactive under this section. 176 (5) The provisions of this section are cumulative to the 177 provisions of s. 189.062. To the extent the provisions of this 178 section conflict with the provisions of s. 189.062, this section 179 prevails. 180 (6) The Department of Economic Opportunity shall maintain on its website a separate list of community redevelopment 181 182 agencies declared inactive under this section. 183 Section 7. Paragraph (a) of subsection (1), subsection 184 (6), paragraph (d) of subsection (7), and subsection (8) of 185 section 163.387, Florida Statutes, are amended to read: 163.387 Redevelopment trust fund.-186 187 (1) (a) After approval of a community redevelopment plan, 188 there may be established for each community redevelopment agency 461489 - H13 Strike all Raburn.docx Published On: 4/18/2017 6:03:53 PM

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189 created under s. 163.356 a redevelopment trust fund. Funds 190 allocated to and deposited into this fund shall be used by the 191 agency to finance or refinance any community redevelopment it 192 undertakes pursuant to the approved community redevelopment 193 plan. No community redevelopment agency may receive or spend any increment revenues pursuant to this section unless and until the 194 195 governing body has, by ordinance, created the trust fund and provided for the funding of the redevelopment trust fund until 196 197 the time certain set forth in the community redevelopment plan as required by s. 163.362(10). Such ordinance may be adopted 198 only after the governing body has approved a community 199 200 redevelopment plan. The annual funding of the redevelopment 201 trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing 202 203 authority derived from or held in connection with the 204 undertaking and carrying out of community redevelopment under 205 this part. Such increment shall be determined annually and shall 206 be that amount equal to 95 percent of the difference between:

The amount of ad valorem taxes levied each year by each
 taxing authority, exclusive of any amount from any debt service
 millage, on taxable real property contained within the
 geographic boundaries of a community redevelopment area; and

211 2. The amount of ad valorem taxes which would have been 212 produced by the rate upon which the tax is levied each year by 213 or for each taxing authority, exclusive of any debt service 461489 - H13 Strike all Raburn.docx

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millage, upon the total of the assessed value of the taxable real property in the community redevelopment area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund.

221 However, the governing body of any county as defined in s. 125.011(1) may, in the ordinance providing for the funding of a 222 223 trust fund established with respect to any community redevelopment area created on or after July 1, 1994, determine 224 225 that the amount to be funded by each taxing authority annually 226 shall be less than 95 percent of the difference between subparagraphs 1. and 2., but in no event shall such amount be 227 less than 50 percent of such difference. 228

(6) <u>Beginning October 1, 2017</u>, moneys in the redevelopment trust fund may be expended from time to time for undertakings of a community redevelopment agency as described in the community redevelopment plan <u>only pursuant to an annual budget adopted by</u> the board of commissioners of the community redevelopment agency and only for the following purposes <u>stated in this subsection</u>. <u>including</u>, but not limited to:

(a) <u>Except as provided in this subsection, a community</u>
 redevelopment agency shall comply with the requirements of s.
 <u>189.016.</u>

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239	(b) A community redevelopment agency created by a
240	municipality shall submit its operating budget to the board of
241	county commissioners for the county in which the community
242	redevelopment agency is located within 10 days after the date of
243	adoption of such budget and submit amendments to its operating
244	budget to the board of county commissioners within 10 days after
245	the date of adoption of the amended budget. Administrative and
246	overhead expenses necessary or incidental to the implementation
247	of a community redevelopment plan adopted by the agency.
248	(c) The annual budget of a community redevelopment agency
249	may provide for payment of the following expenses:
250	1. Administrative and overhead expenses directly or
251	indirectly necessary to implement a community redevelopment plan
252	adopted by the agency.
253	2.(b) Expenses of redevelopment planning, surveys, and
254	financial analysis, including the reimbursement of the governing
255	body or the community redevelopment agency for such expenses
256	incurred before the redevelopment plan was approved and adopted.
257	3.(c) The acquisition of real property in the
258	redevelopment area.
259	<u>4.(d)</u> The clearance and preparation of any redevelopment
260	area for redevelopment and relocation of site occupants within
261	or outside the community redevelopment area as provided in s.
262	163.370.

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263 <u>5.(e)</u> The repayment of principal and interest or any
 264 redemption premium for loans, advances, bonds, bond anticipation
 265 notes, and any other form of indebtedness.

<u>6.(f)</u> All expenses incidental to or connected with the
issuance, sale, redemption, retirement, or purchase of bonds,
bond anticipation notes, or other form of indebtedness,
including funding of any reserve, redemption, or other fund or
account provided for in the ordinance or resolution authorizing
such bonds, notes, or other form of indebtedness.

272 7.(g) The development of affordable housing within the community redevelopment area.

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

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

(d) Appropriated to a specific redevelopment project
pursuant to an approved community redevelopment plan. The
specific redevelopment project for which funds are appropriated
under this subsection may not be changed at a later date which
project will be completed within 3 years from the date of such
appropriation.

285 (8) (a) Each community redevelopment agency with revenues 286 or the total of expenditures and expenses in excess of \$100,000, 287 as reported on the fund financial statements, shall provide for 461489 - H13 Strike all Raburn.docx

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288	an <u>a financial</u> audit <del>of the trust fund</del> each fiscal year and a
289	report of such audit <del>to</del> <u>shall</u> be prepared by an independent
290	certified public accountant or firm. Each audit conducted
291	pursuant to this subsection shall be conducted according to the
292	rules for audits adopted by the Auditor General and in effect as
293	of the last day of the community redevelopment agency's fiscal
294	year being audited.
295	(b) The audit <del>Such</del> report shall <u>:</u>
296	1. Describe the amount and source of deposits into, and
297	the amount and purpose of withdrawals from, the trust fund
298	during such fiscal year and the amount of principal and interest
299	paid during such year on any indebtedness to which increment
300	revenues are pledged and the remaining amount of such
301	indebtedness.
302	2. Include a complete financial statement identifying the
303	assets, liabilities, income, and operating expenses of the
304	community redevelopment agency as of the end of such fiscal
305	year.
306	3. Include a finding by the auditor determining whether
307	the community redevelopment agency complied with the
308	requirements of subsections (6) and (7).
309	(c) The audit report for the community redevelopment
310	agency shall be included with the annual financial report
311	submitted by the county or municipality that created the agency
312	to the Department of Financial Services as provided in s.
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313	218.32, regardless of whether the agency reports separately
314	<u>under s. 218.32.</u>
315	(d) The agency shall provide <del>by registered mail</del> a copy of
316	the <u>audit</u> report to each taxing authority.
317	Section 8. Subsection (4) is added to section 218.32,
318	Florida Statutes, to read:
319	218.32 Annual financial reports; local governmental
320	entities
321	(4)(a) If a county or municipality does not include with
322	its annual financial report submitted to the department the
323	audit report required by s. 163.387(8) for each community
324	redevelopment agency created by that county or municipality,
325	that county or municipality shall be deemed to have failed to
326	submit an annual financial report. The department shall report
327	such failure to the Legislative Auditing Committee and the
328	Special District Accountability Program of the Department of
329	Economic Opportunity.
330	(b) By November 1 of each year, the department must
331	provide the Special District Accountability Program of the
332	Department of Economic Opportunity with a list of each community
333	redevelopment agency reporting no revenues, no expenditures, and
334	no debt for the community redevelopment agency's previous fiscal
335	year.
336	Section 9. This act shall take effect October 1, 2017.
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338 339 TITLE AMENDMENT 340 Remove everything before the enacting clause and insert: 341 An act relating to community redevelopment agencies; amending s. 342 163.356, F.S.; providing reporting requirements; deleting 343 provisions requiring certain annual reports; amending s. 344 163.367, F.S.; requiring ethics training for community 345 redevelopment agency commissioners; amending s. 163.370, F.S.; establishing procurement procedures; creating s. 163.371, F.S.; 346 providing annual reporting requirements; requiring publication 347 of notices of reports; requiring reports to be available for 348 349 inspection in designated places; requiring a community 350 redevelopment agency to publish annual reports and boundary maps on its website; creating s. 163.3755, F.S.; requiring the 351 352 creation of new community redevelopment agencies to occur by 353 special act after a date certain; providing a phase-out period 354 for existing community redevelopment agencies under specified circumstances; creating s. 163.3756, F.S.; providing legislative 355 356 findings; requiring the Department of Economic Opportunity to 357 declare inactive community redevelopment agencies that have 358 reported no financial activity for a specified number of years; 359 providing hearing procedures; authorizing certain financial activity by a community redevelopment agency that is declared 360 inactive; requiring the Department of Economic Opportunity to 361 362 maintain a website identifying all inactive community 461489 - H13 Strike all Raburn.docx Published On: 4/18/2017 6:03:53 PM

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363 redevelopment agencies; amending s. 163.387, F.S.; authorizing a 364 county or municipal governing body to determine the level of tax 365 increment financing for a community redevelopment agency; 366 revising requirements for the expenditure of the redevelopment 367 trust fund proceeds; revising requirements for the annual budget 368 of a community redevelopment agency; requiring municipal community redevelopment agencies to provide annual budget to 369 370 county commission; specifying allowed expenditures from the annual budget; revising requirements for use of moneys in the 371 redevelopment trust fund for specific redevelopment projects; 372 373 revising requirements for the annual audit; requiring the audit 374 to be included with the financial report of the county or 375 municipality that created the community redevelopment agency; 376 amending s. 218.32, F.S.; requiring county and municipal 377 governments to report community redevelopment agency annual 378 audit reports as part of the county or municipal annual report; 379 revising criteria for finding that a county or municipality failed to file report; requiring the Department of Financial 380 381 Services to provide a report to the Department of Economic 382 Opportunity concerning community redevelopment agencies with no revenues, no expenditures, and no debts; providing an effective 383 384 date.

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