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; deleting provisions requiring certain 5 annual reports; amending s. 163.367, F.S.; requiring 6 ethics training for community redevelopment agency 7 commissioners; amending s. 163.370, F.S.; establishing 8 procurement procedures; creating s. 163.371, F.S.; 9 providing annual reporting requirements; requiring 10 publication of notices of reports; requiring reports to be available for inspection in designated places; 11 12 requiring a community redevelopment agency to publish annual reports and boundary maps on its website; 13 14 creating s. 163.3755, F.S.; prohibiting the creation of new community redevelopment agencies after a date 15 certain; providing a phase-out period for existing 16 17 community redevelopment agencies; providing a limited exception for community redevelopment agencies with 18 19 certain outstanding bond obligations; creating s. 163.3756, F.S.; providing legislative findings; 20 21 requiring the Department of Economic Opportunity to declare inactive community redevelopment agencies that 22 23 have reported no financial activity for a specified number of years; providing hearing procedures; 24 25 authorizing certain financial activity by a community

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26 redevelopment agency that is declared inactive; 27 requiring the Department of Economic Opportunity to 28 maintain a website identifying all inactive community 29 redevelopment agencies; amending s. 163.387, F.S.; 30 revising requirements for the use of the redevelopment 31 trust fund proceeds; limiting allowed expenditures; 32 revising requirements for the annual budget of a 33 community redevelopment agency; requiring municipal community redevelopment agencies to provide annual 34 35 budget to county commission; revising requirements for 36 the annual audit; requiring the audit to be included 37 with the financial report of the county or municipality that created the community redevelopment 38 39 agency; amending s. 218.32, F.S.; requiring county and municipal governments to report community 40 redevelopment agency annual audit reports as part of 41 42 the county or municipal annual report; revising 43 criteria for finding that a county or municipality failed to file report; requiring the Department of 44 Financial Services to provide a report to the 45 Department of Economic Opportunity concerning 46 47 community redevelopment agencies with no revenues, no 48 expenditures, and no debts; providing an effective 49 date.

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51	Be It Enacted by the Legislature of the State of Florida:
52	
53	Section 1. Paragraphs (c) and (d) of subsection (3) of
54	section 163.356, Florida Statutes, are amended to read:
55	163.356 Creation of community redevelopment agency
56	(3)(c) The governing body of the county or municipality
57	shall designate a chair and vice chair from among the
58	commissioners. An agency may employ an executive director,
59	technical experts, and such other agents and employees,
60	permanent and temporary, as it requires, and determine their
61	qualifications, duties, and compensation. For such legal service
62	as it requires, an agency may employ or retain its own counsel
63	and legal staff.
64	(d) An agency authorized to transact business and exercise
65	powers under this part shall file with the governing body <u>the</u>
66	report required pursuant to s. 163.371(1)., on or before March
67	31 of each year, a report of its activities for the preceding
68	fiscal year, which report shall include a complete financial
69	statement setting forth its assets, liabilities, income, and
70	operating expenses as of the end of such fiscal year. At the
71	time of filing the report, the agency shall publish in a
72	newspaper of general circulation in the community a notice to
73	the effect that such report has been filed with the county or
74	municipality and that the report is available for inspection
75	during business hours in the office of the clerk of the city or
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76	county commission and in the office of the agency.
77	<u>(e)</u> At any time after the creation of a community
78	redevelopment agency, the governing body of the county or
79	municipality may appropriate to the agency such amounts as the
80	governing body deems necessary for the administrative expenses
81	and overhead of the agency, including the development and
82	implementation of community policing innovations.
83	Section 2. Subsection (1) of section 163.367, Florida
84	Statutes, is amended to read:
85	163.367 Public officials, commissioners, and employees
86	subject to code of ethics
87	(1) (a) The officers, commissioners, and employees of a
88	community redevelopment agency created by, or designated
89	pursuant to, s. 163.356 or s. 163.357 <u>are</u> <del>shall be</del> subject to
90	the provisions and requirements of part III of chapter 112.
91	(b) Commissioners of a community redevelopment agency must
92	comply with the ethics training requirements in s. 112.3142.
93	Section 3. Subsection (5) is added to section 163.370,
94	Florida Statutes, to read:
95	163.370 Powers; counties and municipalities; community
96	redevelopment agencies
97	(5) A community redevelopment agency shall procure all
98	commodities and services under the same purchasing processes and
99	requirements that apply to the county or municipality that
100	created the agency.

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101 Section 4. Section 163.371, Florida Statutes, is created 102 to read: 103 163.371 Reporting requirements.-Beginning March 31, 2018, and no later than March 31 104 (1) 105 of each year thereafter, a community redevelopment agency shall 106 file an annual report with the county or municipality that 107 created the agency and publish the information on the agency's 108 website. At the time the report is filed and the information is 109 published on the website, the agency shall also publish in a 110 newspaper of general circulation in the community a notice to 111 the effect that such report has been filed with the county or 112 municipality and that the report is available for inspection 113 during business hours in the office of the clerk of the city or 114 county commission and in the office of the agency or on the 115 website of the agency. The report must include the following 116 information: 117 (a) A complete audit report of the redevelopment trust 118 fund pursuant to s. 163.387(8). 119 The performance data for each plan authorized, (b) 120 administered, or overseen by the community redevelopment agency 121 as of December 31 of the year being reported, including the: 122 1. Total number of projects started, completed, and the 123 estimated project cost for each project. 2. Total expenditures from the redevelopment trust fund. 124 125 Number of jobs created within the community 3.

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126 redevelopment agency's area of authority. 127 4. Sector of the economy to which the new jobs pertain. 128 5. Number of jobs retained in the area within the 129 community redevelopment agency's authority. 130 6. Original assessed real property values within the 131 community redevelopment agency's area of authority as of the day 132 the agency was created. 7. Total assessed real property values of property within 133 134 the boundaries of the community redevelopment agency as of 135 January 1 of the year being reported. 136 8. Total amount expended for affordable housing for low 137 and middle income residents. (2) By January 1, 2018, each community redevelopment 138 139 agency shall publish on its website digital maps that depict the 140 geographic boundaries and total acreage of the community 141 redevelopment agency. If any change is made to the boundaries or 142 total acreage, the agency shall post updated map files on its website within 60 days after the date such change takes effect. 143 144 Section 5. Section 163.3755, Florida Statutes, is created 145 to read: 146 163.3755 Termination of community redevelopment agencies; 147 prohibition on future creation.-148 (1) A community redevelopment agency in existence on July 1, 2017, shall terminate on the expiration date provided in the 149 community redevelopment agency's charter on July 1, 2017, or on 150

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151	September 30, 2037, whichever is earlier.
152	(2) A community redevelopment agency may not initiate any
153	new projects or issue any new debt on or after October 1, 2017.
154	(3)(a) Notwithstanding subsection (1), a community
155	redevelopment agency with outstanding bonds as of July 1, 2017
156	and that do not mature until after the earlier of the
157	termination date of the agency or September 30, 2037, remains in
158	existence until the date the bonds mature.
159	(b) A community redevelopment agency operating under this
160	subsection on or after September 30, 2037, may not extend the
161	maturity date of any outstanding bonds.
162	(c) The county or municipality that created the community
163	redevelopment agency must issue a new finding of necessity
164	limited to timely meeting the remaining bond obligations of the
165	community redevelopment agency.
166	(4) A community redevelopment agency may not be created on
167	or after July 1, 2017. A community redevelopment agency in
168	existence before July 1, 2017, may continue to operate as
169	provided in this part.
170	Section 6. Section 163.3756, Florida Statutes, is created
171	to read:
172	163.3756 Inactive community redevelopment agencies
173	(1) The Legislature finds that a number of community
174	redevelopment agencies continue to exist but report no revenues,
175	no expenditures, and no outstanding debt in their annual report
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176	to the Department of Financial Services pursuant to s. 218.32.
177	(2)(a) Beginning October 1, 2014, a community
178	redevelopment agency that has reported no revenues, no
179	expenditures, and no debt under s. 218.32 or s. 189.016(9), for
180	3 consecutive fiscal years shall be declared inactive by the
181	Department of Economic Opportunity. The department shall notify
182	the agency of the declaration of inactive status under this
183	subsection. If the agency has no board members or no agent, the
184	notice of inactive status must be delivered to the governing
185	board or commission of the county or municipality that created
186	the agency.
187	(b) The governing board of a community redevelopment
188	agency declared inactive under this subsection may seek to
189	invalidate the declaration by initiating proceedings under s.
190	189.062(5) within 30 days after the date of the receipt of the
191	notice from the department.
192	(3) A community redevelopment agency declared inactive
193	under this section is authorized only to expend funds from the
194	redevelopment trust fund as necessary to service outstanding
195	bond debt. The agency may not expend other funds without an
196	ordinance of the governing body of the local government that
197	created the agency consenting to the expenditure of funds.
198	(4) The provisions of s. 189.062(2) and (4) do not apply
199	to a community redevelopment agency that has been declared
200	inactive under this section.

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201 The provisions of this section are cumulative to the (5) 202 provisions of s. 189.062. To the extent the provisions of this 203 section conflict with the provisions of s. 189.062, this section 204 prevails. 205 (6) The Department of Economic Opportunity shall maintain 206 on its website a separate list of community redevelopment 207 agencies declared inactive under this section. 208 Section 7. Subsections (6) and (8) of section 163.387, 209 Florida Statutes, are amended to read: 163.387 Redevelopment trust fund.-210 211 Beginning October 1, 2017, moneys in the redevelopment (6) 212 trust fund may be expended from time to time for undertakings of 213 a community redevelopment agency as described in the community redevelopment plan only pursuant to an annual budget adopted by 214 215 the board of commissioners of the community redevelopment agency 216 and only for the following purposes stated in this subsection.  $\tau$ 217 including, but not limited to: 218 Except as provided in this subsection, a community (a) 219 redevelopment agency shall comply with the requirements of s. 220 189.016. (b) A community redevelopment agency created by a 221 222 municipality shall: 223 1. Adopt its proposed budget within 90 days before the 224 beginning of its fiscal year. 225 2. Submit its proposed budget and projections for the next

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226	fiscal year to the board of county commissioners for the county
227	in which the community redevelopment agency is located within 60
228	days before the start of the agency's fiscal year.
229	3. Submit amendments to its operating budget to the board
230	of county commissioners of the county in which the community
231	redevelopment agency is located within 10 days after the date of
232	adoption of the amended budget. Administrative and overhead
233	expenses necessary or incidental to the implementation of a
234	community redevelopment plan adopted by the agency.
235	(c) The annual budget of a community redevelopment agency
236	may provide for payment of the following expenses:
237	1. Administrative and overhead expenses directly or
238	indirectly necessary to implement a community redevelopment plan
239	adopted by the agency.
240	2.(b) Expenses of redevelopment planning, surveys, and
241	financial analysis, including the reimbursement of the governing
242	body or the community redevelopment agency for such expenses
243	incurred before the redevelopment plan was approved and adopted.
244	3.(c) The acquisition of real property in the
245	redevelopment area.
246	4.(d) The clearance and preparation of any redevelopment
247	area for redevelopment and relocation of site occupants within
248	or outside the community redevelopment area as provided in s.
249	163.370.
250	5.(e) The repayment of principal and interest or any
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251 redemption premium for loans, advances, bonds, bond anticipation 252 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.

259 <u>7.(g)</u> The development of affordable housing within the
 260 community redevelopment area.

261

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

(8) (a) Each community redevelopment agency shall provide for an audit of the trust fund each fiscal year and a report of such audit to be prepared by an independent certified public accountant or firm.

266

(b) The audit Such report shall:

267 <u>1.</u> Describe the amount and source of deposits into, and 268 the amount and purpose of withdrawals from, the trust fund 269 during such fiscal year and the amount of principal and interest 270 paid during such year on any indebtedness to which increment 271 revenues are pledged and the remaining amount of such 272 indebtedness.

273 <u>2. Include a complete financial statement identifying the</u>
 274 <u>assets, liabilities, income, and operating expenses of the</u>
 275 <u>community redevelopment agency as of the end of such fiscal</u>

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276 year.

Include a finding by the auditor determining whether 277 3. 278 the community redevelopment agency complies with the 279 requirements of subsection (7). The audit report for the community redevelopment 280 (C) 281 agency shall be included with the annual financial report 282 submitted by the county or municipality that created the agency 283 to the Department of Financial Services as provided in s. 284 218.32, regardless of whether the agency reports separately 285 under s. 218.32. 286 The agency shall provide by registered mail a copy of (d) 287 the audit report to each taxing authority. Section 8. Subsection (3) of section 218.32, Florida 288 289 Statutes, is amended to read: 290 218.32 Annual financial reports; local governmental 291 entities.-292 (3) (a) The department shall notify the President of the 293 Senate and the Speaker of the House of Representatives of any 294 municipality that has not reported any financial activity for 295 the last 4 fiscal years. Such notice must be sufficient to 296 initiate dissolution procedures as described in s. 297 165.051(1)(a). Any special law authorizing the incorporation or creation of the municipality must be included within the 298 notification. 299 (b) Failure of a county or municipality to include in its 300

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301	annual report to the department the full audit required by s.			
302	163.387(8) for each community redevelopment agency created by			
303	that county or municipality constitutes a failure to report			
304	under this section.			
305	(c) By November 1 of each year, the department must			
306	provide the Special District Accountability Program of the			
307	Department of Economic Affairs with a list of each community			
308	redevelopment agency reporting no revenues, no expenditures, and			
309	no debt for the community redevelopment agency's previous fiscal			
310	year.			
311	Section 9. This act shall take effect July 1, 2017.			
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