Committee on Community Affairs

CS/CS/HB 85 — Public-Private Partnerships

by Appropriations Committee; Government Operations Subcommittee; and Rep. Steube and others (CS/CS/SB 84 by Appropriations Committee; Governmental Oversight and Accountability Committee; Community Affairs Committee; and Senators Diaz de la Portilla and Bean)

Public-private partnerships are contractual agreements formed between public entities and private sector entities that allow for greater private sector participation in the delivery and financing of public buildings and infrastructure projects. Through these agreements, the skills and assets of each sector, public and private, are shared in delivering a service or facility for the use of the general public. In addition to the sharing of resources, each party shares in the risks and rewards potential in the delivery of the service or facility.

The bill authorizes public-private partnerships to contract for public service work with not-for-profit-organizations. The bill adds provisions for contracts for park land and public education facilities.

This bill creates an alternative procurement process and requirements for public-private partnerships to facilitate the construction of public-purpose projects, and creates the Partnership for Public Facilities and Infrastructure Act Guidelines Task Force to make recommendations guidelines for the Legislature to consider for public-private partnerships to foster uniformity across the state. The bill specifies the requirements for such partnerships, which include provisions that require responsible public entities to provide notice of unsolicited proposals, conduct independent analyses of proposed partnerships, notify other affected local jurisdictions, and enter into interim and comprehensive agreements for qualifying projects. The bill authorizes responsible public entities to approve a qualifying project if there is a need for or benefit derived from the project, the estimated cost of the project is reasonable, and the private entity's plans will result in the timely acquisition, design, construction, improvement, renovation, expansion, equipping, maintenance, or operation of the qualifying project.

The bill also authorizes the use of public-private partnerships for purposes of county road projects. It permits counties to receive or solicit proposals and enter into agreements with private entities to construct, extend, or improve a county road if it is in the best interest of the public.

The bill revises the limit on terms for leases that the Orlando-Orange County Expressway Authority may enter into from 40 years to 99 years.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 37-0; House 111-4

Committee on Community Affairs

CS/CS/HB 269 — Public Construction Projects

by Regulatory Affairs Committee; Energy and Utilities Subcommittee; and Rep. Beshears and others (CS/CS/SB 156 by Appropriations Committee; Community Affairs Committee; and Senator Detert)

CS/CS/SB 269 amends a number of provisions related to building construction in the state. Specifically the bill:

- requires counties and municipalities to attach disclaimers to development permits which
 include a condition that all other applicable state or federal permits must be obtained
 before the commencement of any development;
- revises noticing requirements of alleged violators of local codes and ordinances;
- clarifies that a state agency constructing or renovating certain buildings is required to select a sustainable building rating system or national model green building code;
- requires all state agencies, when constructing public bridges, buildings and other structures, to use lumber, timber, and other forest products produced and manufactured in Florida if such products are available, and their price, fitness, and quality are equal;
- exempts specified septic tank system inspections and evaluations when remodeling a home;
- provides that certain residential construction may not impact sewage treatment or disposal systems or encroach on septic areas as determined by a local health department floor and site plan review;
- provides that amendments enacted in 2012 related to the licensing of contractors and subcontractors are remedial in nature, are intended to clarify existing law, and apply retroactively;
- increases the maximum civil penalty a local governing body may levy against an unlicensed contractor;
- revises local government and the DBPR collection retention percentages for unpaid fines and costs ordered by the Construction Industry Licensing Board;
- removes a requirement that local governments send minor violation notices to contractors prior to seeking fines and other disciplinary penalties;
- extends the grandfathering period for certain registered electrical and alarm system contractors to acquire statewide certified licenses;
- adds a definition for "local technical amendment" in the Florida Building Code;
- clarifies a prohibition to adopt any mandatory sprinkler provisions of the International Residential Code within the Florida Building Code or any local amendments to the state code;
- adds a member to the Florida Building Commission from the natural gas distribution industry;
- authorizes that an electronic copy of a building site plan may be maintained for record retention and inspection purposes at a building site;
- includes "impact protective systems" among the categories of products that receive approval by the Florida Building Commission;

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- specifies the DBPR procedures for Florida Building Code product approval compliance and authorizes the process for expedited 10-day approval reviews;
- renames the statewide standard for energy efficiency;
- specifies that residential heating and cooling systems need only meet the manufacturer's approval and listing of equipment;
- eliminates the DBPR's responsibilities regarding a statewide uniform building energyefficiency rating system;
- creates building energy-efficiency system definitions; and
- provides additional energy-efficiency rating system changes which reflect the DBPR's revised role in the process.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 38-0; House 117-0

CS/CS/HB 269 Page: 2

Committee on Community Affairs

CS/CS/HB 277 — Assessment of Residential and Nonhomestead Real Property

by Regulatory Affairs Committee; Finance and Tax Subcommittee; and Reps. Rehwinkel Vasilinda and Diaz and others (CS/SB 1064 by Appropriations Committee and Senator Latvala)

In the November 2008 General Election, Florida voters approved a constitutional amendment relating to property taxes. The amendment authorized the Legislature, by general law, to prohibit consideration of the following in the determination of the assessed value of real property used for residential purposes:

- any change or improvement made for the purpose of improving the property's resistance to wind damage, and
- the installation of a renewable energy source device.

CS/CS/HB 277 provides for the implementation of the renewable energy conditions outlined in the 2008 constitutional amendment. Specifically, the bill defines "renewable energy source device." It also provides that a property appraiser may not consider the increase in the just value attributed to the installation of a renewable energy source device when determining the assessed value of real property used for residential purposes. The bill specifies that the provisions apply to installations occurring on or after January 1, 2013, when made to new and existing residential real property. The bill would take effect on July 1, 2013, and apply to assessments beginning January 1, 2014.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 39-0: House 119-0

CS/CS/HB 277 Page: 1

Committee on Community Affairs

CS/CS/CS/HB 319 — Community Transportation Projects

by Economic Affairs Committee; Transportation and Highway Safety Subcommittee; Economic Development and Tourism Subcommittee; and Rep. Ray (CS/CS/SB 972 by Transportation Committee; Community Affairs Committee; and Senator Hukill)

Transportation concurrency is a growth management strategy aimed at ensuring transportation facilities and services are available concurrent with the impacts of development. Implementing transportation concurrency is optional for local governments. Local governments that choose to implement transportation concurrency are required to follow the guidelines set forth in s. 163.3180, F.S. Local governments who opt-out of concurrency may implement development regulations similar to transportation concurrency, such as mobility plans.

This bill provides that an alternative funding system must provide a means for new development to pay for its impacts and proceed with development. The bill allows local governments to pool contributions from multiple applicants toward one planned facility improvement and clarifies when s. 163.3180(5)(h), F.S., applies to local governments implementing transportation concurrency or development agreements. The bill also provides that an applicant may satisfy concurrency requirements by making a good faith offer to enter into a binding agreement and requires local governments to provide the basis upon which landowners will be assessed a proportionate share of costs.

This bill requires any local government implementing an alternative mobility funding system to follow the same general principles as local governments implementing transportation concurrency. The bill provides that an alternative mobility funding system may not be used to deny approvals if the developer agrees to pay for the development's identified transportation impacts using the funding mechanism implemented by the local government. The bill also requires a mobility-fee-based funding system to comply with the dual rational nexus test applicable to impact fees

If approved by the Governor, these provisions take effect upon becoming law. *Vote: Senate 36-0: House 108-5*

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CS/CS/CS/HB 319 Page: 1

Committee on Community Affairs

SB 342 — Rental of Homestead Property

by Senator Thrasher

The rental of all or substantially all of a dwelling previously claimed to be a homestead for tax purposes constitutes the abandonment of the dwelling as a homestead. If the homestead is terminated, any Save Our Homes assessment limitation is forfeited and the property is assessed at just value.

The underlying rationale for the termination of homestead due to a rental is that the owner's rental activity signifies the owner's intent to reside elsewhere. There are occasions though when a property owner does not intend to abandon their residence through rental. Examples of these types of short-term rentals include those associated with annual sporting events, arts festivals, college graduations, or business-related symposiums and conventions.

SB 342 amends s. 196.061, F.S., to allow the rental of homestead property for up to 30 days per calendar year without the property being considered abandoned or affecting the homestead status of the property.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 38-0; House 117-0

SB 342 Page: 1

Committee on Community Affairs

CS/SB 354 — Ad Valorem Tax Exemptions

by Appropriations Committee and Senator Thrasher

CS/SB 354 revises and clarifies Florida's ad valorem tax exemption for government-owned property to address federal lands leased pursuant to the U.S. Military Housing Privatization Initiative of 1996. The tax exemption for government-owned property is amended to clarify that it includes leases of – and improvements to – land owned by the United States, various branches of United States Armed Forces and agencies of the federal government. The term "improvements" includes, but is not limited to, actual housing units and related facilities. The ad valorem tax exemption applies only to housing for persons on active duty in the military or their dependents. If housing is occupied by non-military persons, the value of the ad valorem exemption is prorated according to the number of residential units used by military and non-military persons. Upon becoming law, these provisions would apply retroactively to January 1, 2007.

If approved by the Governor, these provisions take effect upon becoming law and shall apply retroactively to January 1, 2007.

Vote: Senate 40-0; House 118-0

CS/SB 354 Page: 1

Committee on Community Affairs

CS/CS/HB 437 — Community Development

by Economic Development and Tourism Subcommittee; Finance and Tax Subcommittee; and Reps. Davis, Renuart and others (CS/CS/SB 928 by Appropriations Committee; Community Affairs Committee; and Senator Simpson)

CS/CS/HB 437 addresses a number of community development issues related to the development, funding, and maintenance of affordable housing in the state. Many of the bill's provisions are directly connected to the operation and practices of local Housing Finance Authorities (HFA) and the Florida Housing Finance Corporation (FHFC).

The bill allows HFAs to utilize a more expansive federal definition for qualified housing developments and also revises an authority's loan-making eligibility parameters. The combined effect of the changes will permit HFAs to promote more mixed-income affordable housing in the state.

A number of the bill's provisions are a direct result of recommendations generated by a joint audit and review of the FHFC. The Auditor General and the Office of Program Policy Analysis and Government Accountability (OPPAGA) conducted these examinations pursuant to Chapter 2012-127, L.O.F. Recommendations incorporated in the bill include:

- authorizing the FHFC to allocate financial resources, including federal low income housing tax credits, through a competitive solicitation process;
- revising FHFC reporting requirements to enhance information provided to the Legislature, Governor, and public;
- clarifying that the FHFC utilizes state travel reimbursement rates; and
- scheduling a 2016 operational audit of the FHFC by Auditor General.

Additional FHFC bill provisions prescribe that the corporation target a certain portion of its tax credit, revenue bond, and State Apartment Incentive Loan Program funds to address high priority affordable housing projects. Among these projects is a funding allocation specifically aimed at developing rental units tailored to persons with disabling conditions.

The bill also repeals two current provisions in statute. The first removes the Homeownership and Opportunity for People Everywhere (HOPE) program in s. 420.5091, F.S. This federal program was created in 1990. In 1992, the Legislature added the HOPE program to statute; however, it was never funded.

The second provision amends s. 196.1978, F.S., to repeal a charitable ad valorem tax exemption for property held by non-profit corporations, or a Florida-based limited partnership whose sole general partner is a corporation not for profit. Enacted in 2011, the law was intended to help non-profit builders to receive the same property tax exemptions for building larger-scale apartment projects for the needy as for building single-family houses. An unintended consequence of the legislation was the ability of for-profit developers to create a nonprofit partner for the purposes

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of qualifying for the exemption. This allowed the ostensibly for-profit businesses to significantly reduce their tax bills which triggered a commensurate reduction in revenue for local governments and schools.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 38-0; House 113-0

CS/CS/HB 437 Page: 2

Committee on Community Affairs

CS/CS/HB 537 — Growth Management

by Local and Federal Affairs Committee; Economic Development and Tourism Subcommittee; and Rep. Moraitis and others (CS/CS/SB by Rules Committee, Community Affairs Committee; and Senator Simpson)

CS/CS/HB 537 clarifies which local initiative and referendum processes relating to development orders, comprehensive plan amendments, or map amendments are not prohibited. Under the bill, the local initiative and referendum processes that are allowed to continue are limited to those that:

- were in effect on June 1, 2011;
- affect more than five parcels of land; and
- were expressly authorized in a local government charter specifically for matters such as development orders or comprehensive plan or map amendments.

The bill applies retroactively to any initiative or referendum process on local growth management issues commenced after June 1, 2011.

The bill also retroactively repeals s. 4, Chapter 2012-75, L.O.F., relating to a presumption regarding agricultural enclaves.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 38-0; House 116-0

CS/CS/HB 537 Page: 1

Committee on Community Affairs

CS/HB 655 — Employment Benefits

by State Affairs Committee and Rep. Precourt and others (CS/CS/CS/SB 726 by Appropriations Committee; Judiciary Committee; Health Policy Committee; Community Affairs Committee; and Senator Simmons)

CS/HB 655 amends current law to prohibit political subdivisions, such as counties and municipalities, from requiring an employer to provide certain employment benefits not required by state or federal law. The term "employment benefits" is defined as anything of value that an employee may receive from an employer in addition to wages and salary. The term includes, but is not limited to, health benefits; disability benefits; death benefits; group accidental death and dismemberment benefits; paid or unpaid days off for holidays, sick leave, vacation, and personal necessity; retirement benefits; and profit-sharing benefits. The term "employer" is defined as any person who is required to pay a state or federal minimum wage to the person's employees.

The bill does not limit the authority of a political subdivision to establish a minimum wage or provide employment benefits not otherwise required under state or federal law for its own employees or for the employees of an employer contracting with, or receiving a direct tax abatement or subsidy from, the political subdivision. The bill further specifies that provisions of the act do not apply to a domestic violence or sexual abuse ordinance, order, rule or policy adopted by a political subdivision.

The bill also creates an 11-member Employer-Sponsored Benefits Task Force to analyze employment benefits and the impact of the state preemption of the regulation of such benefits. Task force findings and recommendations are to be included in a report submitted to the Governor, the President of the Senate, and the Speaker of the House by January 15, 2014. Workforce Florida, Inc., shall provide administrative and staff support for the task force.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 25-13; House 76-41

CS/HB 655 Page: 1

Committee on Community Affairs

CS/HB 837 — Tax Deeds

by Local and Federal Affairs Committee and Rep. Mayfield (CS/SB 1026 by Appropriations Committee and Senator Thrasher).

Florida law authorizes tax collectors to issue tax certificates against parcels of real property for delinquent taxes. When a tax certificate is not redeemed by a property owner, the certificate holder may apply for a tax deed on the property. Tax collectors may charge a \$75 fee for these tax deed applications.

CS/HB 837 amends s. 197.502, F.S., to provide authorization for tax collectors to receive reimbursement for electronic tax deed application services. When a tax certificate holder applies for a tax deed electronically, the fee will be added to the application and paid for by the applicant. If the tax collector charges a combined fee in excess of \$75 for tax deed applications and the online service, applicants for tax deeds have the option to not use the electronic service.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 38-0; House 116-0

CS/HB 837 Page: 1

Community Affairs

CS/CS/CS/SB 1122 — Florida Fire Prevention Code

by Rules Committee; Governmental Oversight and Accountability Committee; Community Affairs Committee; and Senators Simpson and Dean

The Florida Fire Prevention Code (FFPC) is a complex set of fire code provisions enforced by the local fire official within each county, municipality, and special fire district in the state. CS/CS/SB 1122 makes two changes to the statutes governing the application of the FFPC.

First, the bill addresses an apparent discrepancy between the FFPC and the Florida Building Code that currently requires upgrades of multiuse commercial buildings whenever a mercantile use (for the display and sale of merchandise) adjoins a business use (for the transaction of business other than mercantile). The FFPC requires a two-hour fire rated wall or partition between these two use groups while the building code does not. The bill provides that for structures of less than three stories and 10,000 square feet, a fire official shall enforce the less stringent wall fire-rating provisions found in the building code.

Second, the bill exempts certain structures on agricultural lands from the FFPC. Existing law already exempts "farm outbuildings" from the FFPC. The bill provides an additional exemption for structures in which the occupancy is limited to no more than 35 persons, which are part of a "farming or ranching operation," and which are situated on property classified as agricultural for property tax purposes. The bill provides that such structures may not be used by the public for direct sales or as an educational outreach facility. Moreover, under no circumstances may the structures be used for either residential or assembly occupancies.

If approved by the Governor, these provisions take effect July 1, 2013.

Vote: Senate 36-0; House 114-0

Committee on Community Affairs

CS/HB 1193 — Taxation of Property

by State Affairs Committee and Reps. Beshears and Raburn and others (CS/SB 1200 by Appropriations Committee and Senator Simpson).

Section 193.461, F.S., is commonly known as Florida's "greenbelt" law. Originally enacted in 1959, the law provides for the classification of bona fide agricultural properties to be assessed by character of use rather than assessment of fair market value. The law is not a tax exemption.

After a property appraiser determines the assessed value of all property, a county convenes a value adjustment board (VAB) to hear petitions from affected taxpayers regarding assessments. Not only can a VAB review assessments, exemptions and classifications when a taxpayer petitions for review, a VAB is also permitted, on its own motion, to review agricultural land, historic property, and high-water recharge land classifications, as well as exemptions granted by the property appraiser.

In an effort to bring greater stability and predictability to the "greenbelt" law, CS/HB 1193 eliminates the authority of a VAB to review agricultural classifications on its own motion. The bill also:

- deletes the requirement that a property appraiser reclassify agricultural property as nonagricultural when the owner requests the property be rezoned as nonagricultural;
- deletes the rebuttable presumption that property is no longer used for bona fide agricultural purposes when it is sold for three or more times the agricultural assessment; and
- removes the county commission's authority to reclassify agricultural land as nonagricultural when there is contiguous urban development and the board finds that the continued agricultural use of the land will deter the expansion of the community.

In addition, the bill removes the VAB's authority to initiate classification reviews of historic properties and high water recharge lands on its own motion as well as reviews of property tax exemptions.

If approved by the Governor, these provisions take effect upon becoming law.

Vote: Senate 39-0; House 114-0

CS/HB 1193 Page: 1