A bill to be entitled

An act relating to property rights; amending s. 70.001, F.S.; revising a definition; shortening a notice period for certain actions; providing for the state land planning agency to receive notice of claims; revising procedures for determining a governmental entity's final decision identifying the allowable uses for a property; providing that enactment of a law or adoption of a regulation does not constitute applying the law or regulation; providing for a waiver of sovereign immunity for liability; providing for prospective application; providing an effective date.

WHEREAS, the Legislature wishes to clarify its original intent with respect to allowing appropriate compensation for unduly burdened real property and to provide a waiver of sovereign immunity under section 70.001, Florida Statutes, the Bert J. Harris, Jr., Private Property Rights Protection Act, to conform statutory language to Royal World Metropolitan, Inc. v. City of Miami Beach, 863 So.2d 320 (Fla. 3rd D.C.A. 2003), and

WHEREAS, the Legislature wishes to emphasize the alternative bases under this act for determining an existing use, and to correct and to clarify that certain determinations under this act are questions of law and fact, considered in City of Jacksonville v. Coffield, 18 So.3d 589 (Fla. 1st D.C.A.

26 2009), and

WHEREAS, the Legislature wishes to correct and to clarify its original intent with respect to what constitutes the first

Page 1 of 10

application of a law or regulation under the act, considered in Citrus County, Florida v. Halls River Development, Inc., 8 So.3d 413 (Fla. 5th D.C.A. 2009), and M & H Profit, Inc. v. City of Panama City, 28 So.3d 71 (Fla. 1st D.C.A. 2010), and

WHEREAS, the Legislature wishes to make other changes to clarify provisions of this act, NOW, THEREFORE,

36 Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraphs (b) and (e) of subsection (3), paragraphs (a) and (c) of subsection (4), and subsections (5), (6), (11), and (13) of section 70.001, Florida Statutes, are amended to read:

70.001 Private property rights protection.-

- (3) For purposes of this section:
- (b) The term "existing use" means:
- 1. An actual, present use or activity on the real property, including periods of inactivity which are normally associated with, or are incidental to, the nature or type of use; or
- 2. Activity or such reasonably foreseeable, nonspeculative land uses which are suitable for the subject real property and compatible with adjacent land uses and which have created an existing fair market value in the property greater than the fair market value of the actual, present use or activity on the real property.
- (e) The terms "inordinate burden" <u>and or "inordinately</u> burdened" mean that an action of one or more governmental

Page 2 of 10

57

58

59

60

61

62

63

64

65

66

67

68

69

70

71

72

73

74

75

76

77

78

79

80

81

82

83

84

entities has directly restricted or limited the use of real property such that the property owner is permanently unable to attain the reasonable, investment-backed expectation for the existing use of the real property or a vested right to a specific use of the real property with respect to the real property as a whole, or that the property owner is left with existing or vested uses that are unreasonable such that the property owner bears permanently a disproportionate share of a burden imposed for the good of the public, which in fairness should be borne by the public at large. The terms "inordinate burden" and or "inordinately burdened" do not include temporary impacts to real property; impacts to real property occasioned by governmental abatement, prohibition, prevention, or remediation of a public nuisance at common law or a noxious use of private property; or impacts to real property caused by an action of a governmental entity taken to grant relief to a property owner under this section; however, a moratorium on development, as defined in s. 380.04, that is in effect for longer than 1 year is not a temporary impact to real property and, thus, depending upon the particular circumstances, may constitute an "inordinate burden" as provided in this paragraph.

(4) (a) Not less than 120 180 days prior to filing an action under this section against a governmental entity, a property owner who seeks compensation under this section must present the claim in writing to the head of the governmental entity, except that if the property is classified as agricultural pursuant to s. 193.461, the notice period is 90 days. The property owner must submit, along with the claim, a

Page 3 of 10

CODING: Words stricken are deletions; words underlined are additions.

bona fide, valid appraisal that supports the claim and demonstrates the loss in fair market value to the real property. If the action of government is the culmination of a process that involves more than one governmental entity, or if a complete resolution of all relevant issues, in the view of the property owner or in the view of a governmental entity to whom a claim is presented, requires the active participation of more than one governmental entity, the property owner shall present the claim as provided in this section to each of the governmental entities.

- (c) During the 90-day-notice period or the 120-day-notice 180-day-notice period, unless extended by agreement of the parties, the governmental entity shall make a written settlement offer to effectuate:
- 1. An adjustment of land development or permit standards or other provisions controlling the development or use of land.
- 2. Increases or modifications in the density, intensity, or use of areas of development.
  - 3. The transfer of developmental rights.
  - 4. Land swaps or exchanges.

- 5. Mitigation, including payments in lieu of onsite mitigation.
- 6. Location on the least sensitive portion of the property.
- 7. Conditioning the amount of development or use permitted.
- 8. A requirement that issues be addressed on a more comprehensive basis than a single proposed use or development.

Page 4 of 10

9. Issuance of the development order, a variance, special exception, or other extraordinary relief.

- 10. Purchase of the real property, or an interest therein, by an appropriate governmental entity or payment of compensation.
  - 11. No changes to the action of the governmental entity.

If the property owner accepts the settlement offer, the governmental entity may implement the settlement offer is

governmental entity may implement the settlement offer by appropriate development agreement; by issuing a variance, special exception, or other extraordinary relief; or by other

appropriate method, subject to paragraph (d).

113

114

115

116

117

118

119

122

123

125

126

127

128

129

130

131

132

133

134

135

136

137

138

139

140

During the 90-day-notice period or the 120-day-(5)(a) notice 180-day-notice period, unless a settlement offer is accepted by the property owner, each of the governmental entities provided notice pursuant to paragraph (4)(a) shall issue a written ripeness decision identifying the allowable uses to which the subject property may be put. The failure of the governmental entity to issue such a written ripeness decision during the applicable 90-day-notice period or 120-day-notice 180-day-notice period shall cause be deemed to ripen the prior action of the governmental entity to become its final decision, for purposes of this section, identifying the uses for the subject property, and shall operate as a ripeness decision that has been rejected by the property owner. Whether rendered by submission of a written decision during the 120-day-notice period or by failure to submit such a written decision, the final decision of the governmental entity produced under this

paragraph operates as a final decision that has been rejected by the property owner. This final The ripeness decision, as a matter of law, constitutes the last prerequisite to judicial review on the merits, and the matter shall be deemed ripe or final for the purposes of the judicial proceeding created by this section, notwithstanding the availability of other administrative remedies.

- (b) If the property owner rejects the settlement offer and the <u>final</u> ripeness decision of the governmental entity or entities, the property owner may file a claim for compensation in the circuit court, a copy of which shall be served contemporaneously on the head of each of the governmental entities that made a settlement offer and a <u>final</u> ripeness decision that was rejected by the property owner. Actions under this section shall be brought only in the county where the real property is located.
- (6) (a) The circuit court shall determine whether an existing use of the real property or a vested right to a specific use of the real property existed and, if so, whether, considering the settlement offer and final ripeness decision, the governmental entity or entities have inordinately burdened the real property. If the actions of more than one governmental entity, considering any settlement offers and final ripeness decisions, are responsible for the action that imposed the inordinate burden on the real property of the property owner, the court shall determine the percentage of responsibility each such governmental entity bears with respect to the inordinate burden. A governmental entity may take an interlocutory appeal

169

170

171

172

173

174

175

176

177

178

179

180

181

182

183

184

185

186

187

188

189

190

191

192

193

194

195

196

of the court's determination that the action of the governmental entity has resulted in an inordinate burden. An interlocutory appeal does not automatically stay the proceedings; however, the court may stay the proceedings during the pendency of the interlocutory appeal. If the governmental entity does not prevail in the interlocutory appeal, the court shall award to the prevailing property owner the costs and a reasonable attorney fee incurred by the property owner in the interlocutory appeal.

Following its determination of the percentage of (b) responsibility of each governmental entity, and following the resolution of any interlocutory appeal, the court shall impanel a jury to determine the total amount of compensation to the property owner for the loss in value due to the inordinate burden to the real property. The award of compensation shall be determined by calculating the difference in the fair market value of the real property, as it existed at the time of the governmental action at issue, as though the owner had the ability to attain the reasonable investment-backed expectation or was not left with uses that are unreasonable, whichever the case may be, and the fair market value of the real property, as it existed at the time of the governmental action at issue, as inordinately burdened, considering the settlement offer together with the final ripeness decision, of the governmental entity or entities. In determining the award of compensation, consideration may not be given to business damages relative to any development, activity, or use that the action of the governmental entity or entities, considering the settlement

offer together with the <u>final</u> <u>ripeness</u> decision, has restricted, limited, or prohibited. The award of compensation shall include a reasonable award of prejudgment interest from the date the claim was presented to the governmental entity or entities as provided in subsection (4).

- (c)1. In any action filed pursuant to this section, the property owner is entitled to recover reasonable costs and attorney fees incurred by the property owner, from the governmental entity or entities, according to their proportionate share as determined by the court, from the date of the filing of the circuit court action, if the property owner prevails in the action and the court determines that the settlement offer, including the <u>final ripeness</u> decision, of the governmental entity or entities did not constitute a bona fide offer to the property owner which reasonably would have resolved the claim, based upon the knowledge available to the governmental entity or entities and the property owner during the 90-day-notice period or the <u>120-day-notice</u> 180-day-notice period.
- 2. In any action filed pursuant to this section, the governmental entity or entities are entitled to recover reasonable costs and attorney fees incurred by the governmental entity or entities from the date of the filing of the circuit court action, if the governmental entity or entities prevail in the action and the court determines that the property owner did not accept a bona fide settlement offer, including the <u>final</u> ripeness decision, which reasonably would have resolved the claim fairly to the property owner if the settlement offer had

Page 8 of 10

been accepted by the property owner, based upon the knowledge available to the governmental entity or entities and the property owner during the 90-day-notice period or the 120-day-notice 180-day-notice period.

- 3. The determination of total reasonable costs and attorney fees pursuant to this paragraph shall be made by the court and not by the jury. Any proposed settlement offer or any proposed ripeness decision, except for the final written settlement offer or the final written ripeness decision, and any negotiations or rejections in regard to the formulation either of the settlement offer or the final ripeness decision, are inadmissible in the subsequent proceeding established by this section except for the purposes of the determination pursuant to this paragraph.
- (d) Within 15 days after the execution of any settlement pursuant to this section, or the issuance of any judgment pursuant to this section, the governmental entity shall provide a copy of the settlement or judgment to the Department of Legal Affairs.
- (11) A cause of action may not be commenced under this section if the claim is presented more than 1 year after a law or regulation is first applied by the governmental entity to the property at issue. For purposes of this section, enacting a law or adopting a regulation does not constitute applying the law or regulation to a property. If an owner seeks relief from the governmental action through lawfully available administrative or judicial proceedings, the time for bringing an action under this section is tolled until the conclusion of such proceedings.

253

254255

256

257

258259

260

261

262

263

264

(13) In accordance with s. 13, Art. X of the State
Constitution, the state, for itself and for its agencies or
political subdivisions, waives sovereign immunity for causes of
action based upon the application of any law, regulation, or
ordinance subject to this section, but only to the extent
specified in this section This section does not affect the
sovereign immunity of government.

Section 2. The amendments to s. 70.001, Florida Statutes, made by this act apply prospectively only and do not apply to any claim or action filed under s. 70.001, Florida Statutes, which is pending on the effective date of this act.

Section 3. This act shall take effect July 1, 2011.