

By Representative Eggelletion

1 A bill to be entitled
2 An act relating to community redevelopment;
3 creating the urban development program;
4 providing purpose; providing legislative
5 intent; providing definitions; providing
6 criteria for eligibility to be certified and
7 funded as a community redevelopment area
8 containing an urban development project;
9 providing duties and responsibilities of the
10 Office of the Governor and assigning specified
11 duties to the Office of Tourism, Trade, and
12 Economic Development; providing duties of
13 community redevelopment agencies; providing
14 requirements for the use of funds that are
15 allocated to an urban development account in
16 the Community Redevelopment Trust Fund;
17 allowing the issuance of bonds; requiring local
18 leveraging of urban development project funds
19 in a specified ratio; imposing restrictions on
20 the assistance that the community redevelopment
21 agency may provide; imposing limitations upon
22 project costs and upon the return on the
23 owner's equity investment; providing factors
24 that a community redevelopment agency may
25 consider in selecting a project; requiring each
26 community redevelopment agency that has a
27 certified project to maintain certain records;
28 requiring each such community redevelopment
29 agency to submit an annual report, as
30 specified, to the Office of the Governor;
31 amending s. 212.20, F.S.; providing for certain

1 tax proceeds collected under part I of ch. 212,
2 F.S., to be distributed monthly in specified
3 amounts to community redevelopment areas;
4 providing an effective date.
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6 Be It Enacted by the Legislature of the State of Florida:
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8 Section 1. Urban development program.--

9 (1) PURPOSE; LEGISLATIVE INTENT.--

10 (a) The purpose of this act is to provide a funding
11 mechanism to certain local governmental entities as an
12 incentive to undertake urban redevelopment projects and
13 thereby effect community redevelopment throughout the areas
14 around such projects. The Legislature recognizes that downtown
15 areas will continue to decline if they do not have a critical
16 mass of market rate residential units; retail businesses that
17 support residential living; places of leisure, entertainment,
18 education, and culture; and medical services, in short, a
19 fully functioning place in which to live, work, and play. The
20 Legislature intends that the additional resources provided
21 under this section are intended to boost tourism, promote
22 employment, increase home ownership, and reduce crime within
23 the community redevelopment area.

24 (b) The Legislature intends that this section will
25 provide to a recipient county or municipality maximum
26 flexibility in determining how to use funds received under
27 this section for housing and other economic development
28 activities and that, concurrently, this section will ensure
29 accountability for the efficient use of public resources.

30 (2) DEFINITIONS.--As used in this section, the term:
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1 (a) "Community redevelopment area" means a slum area,
2 a blighted area, or an area in which there is a shortage of
3 housing that is affordable to residents of low to moderate
4 income, including the elderly, or a combination thereof which
5 the governing body designates as appropriate for community
6 development.

7 (b) "Economic development" means the acquisition,
8 construction, reconstruction, rehabilitation, or installation
9 of commercial buildings, structures, and other property,
10 equipment, and improvements. The term includes activities that
11 are carried out by the applicant and those carried out by
12 private business. The term also includes assistance to a
13 private business, including, but not limited to, loans, loan
14 guarantees, technical assistance, and other forms of support
15 for any activity for which assistance is appropriate to carry
16 out the project.

17 (c) "Housing development" means any residential
18 building, land, equipment, or facility, or other real or
19 personal property that is necessary, convenient, or desirable
20 in connection therewith, including streets, sewers, water and
21 utility services, and parks; gardening, administrative,
22 community, health, recreational, and educational facilities;
23 and other facilities related to housing. The term also
24 includes site preparation; the planning of housing and
25 improvements; the acquisition of property; loans; loan
26 guarantees; the removal or demolition of existing structures;
27 the acquisition, construction, reconstruction, and
28 rehabilitation of housing and improvements, and all other work
29 in connection therewith; and all costs of financing,
30 including, without limitation, the cost of consultant and
31 legal services, other expenses necessary or incidental to

1 determining the feasibility of the housing development, and
2 administrative and other expenses necessary or incidental to
3 the housing development and the financing.

4 (d) "Tier I urban development project" means an
5 economic development project that is located in a community
6 redevelopment area and that demonstrates that the amount of
7 revenues generated by the taxes imposed under part I of
8 chapter 212, Florida Statutes, with respect to the use and
9 operation of the urban development project will equal or
10 exceed \$1.5 million annually.

11 (e) "Tier II urban development project" means an
12 economic development project that is located in a community
13 redevelopment area and that demonstrates that the amount of
14 revenues generated by the taxes imposed under part I of
15 chapter 212, Florida Statutes, with respect to the use and
16 operation of the urban development project will equal or
17 exceed \$500,000 annually.

18 (3) ELIGIBILITY FOR CERTIFICATION AS COMMUNITY
19 REDEVELOPMENT AREA.--A community redevelopment agency located
20 in a county that has a population greater than 500,000,
21 according to the United States Bureau of the Census, or a
22 sustainable community designated under section 163.3244,
23 Florida Statutes, may apply to be certified as a "community
24 redevelopment area containing a tier I urban development
25 project" or as a "community redevelopment area containing a
26 tier II urban development project." Such certified areas are
27 eligible for funding under section 212.20, Florida Statutes. A
28 project that was built before July 1, 1997, is ineligible for
29 this program.

30 (4) OFFICE OF THE GOVERNOR; DUTIES,
31 RESPONSIBILITIES.--

1 (a) The Office of Tourism, Trade, and Economic
2 Development in the Office of the Governor shall screen
3 applicants for state funding under section 212.20, Florida
4 Statutes, and shall certify qualified applicants as a
5 "community redevelopment area containing a tier I urban
6 development project" or a "community redevelopment area
7 containing a tier II urban development project."

8 (b) The Office of Tourism, Trade, and Economic
9 Development shall develop rules for the receipt and processing
10 of applications for funding under section 212.20, Florida
11 Statutes.

12 (c) Before certifying an applicant as a "community
13 redevelopment area containing a tier I urban development
14 project" or a "community redevelopment area containing a tier
15 II urban development project," the Office of Tourism, Trade,
16 and Economic Development must determine that:

17 1. The applicant has a verified copy of a signed
18 agreement with the developer of the urban development project,
19 attesting that all necessary financing and permits for
20 construction of the project have been secured.

21 2. The applicant has projections, verified by the
22 Office of Tourism, Trade, and Economic Development, which
23 demonstrate that the project is economically viable and will
24 attain an occupancy rate of at least 80 percent within 1 year
25 after completion.

26 3. The applicant has an independent analysis or study,
27 verified by the Office of Tourism, Trade, and Economic
28 Development, which demonstrates that the amount of the
29 revenues generated by the taxes imposed under part I of
30 chapter 212, Florida Statutes, with respect to the use and
31 operation of the urban development project will equal or

1 exceed \$1.5 million annually for a tier I urban development
2 project or \$500,000 annually for a tier II urban development
3 project.

4 (d) An applicant previously certified and funded under
5 this section is ineligible for an additional certification.

6 (e) Annually, by March 1, the Office of the Governor
7 shall submit to the President of the Senate and the Speaker of
8 the House of Representatives a report that includes an
9 analysis of the activities and accomplishments of each urban
10 redevelopment project.

11 (f) The Office of the Governor may certify no more
12 than five tier I urban development projects and no more than
13 five tier II urban development projects. Applications must be
14 reviewed as they are received until the authorized number of
15 urban development projects are designated. However, a county
16 may have only one certified urban development project.

17 (5) COMMUNITY REDEVELOPMENT AGENCIES; DUTIES AND
18 RESPONSIBILITIES.--

19 (a) That portion of the proceeds collected within a
20 community redevelopment area from an urban development project
21 must be allocated to a separate urban development account
22 within the Community Redevelopment Trust Fund. The separate
23 account must include funds received under section 212.20,
24 Florida Statutes, and may include other available funds.

25 (b) Funds from the urban development account must be
26 used for housing development and economic development projects
27 adjacent to the urban development project. Community
28 redevelopment agencies should give preference to housing
29 developments that provide for home ownership.

30 (c) The community redevelopment agency may bond
31 revenues from the additional tax increment account. Bonds

1 issued under this paragraph may include any bonds, whether
2 refunding bonds, notes, interim certificates, certificates in
3 indebtedness, debentures, or other obligations.

4 (d) A county or municipality shall leverage the urban
5 development project funds expended on any housing or economic
6 development project at a rate of \$5 for every \$1 from the
7 urban development account.

8 (e) The assistance provided by the community
9 redevelopment agency must be limited to activities for which
10 no other forms of assistance are available or activities that
11 could not be accomplished without the use of public funds.

12 (f) The project costs must be reasonable, and, to the
13 maximum feasible extent, the return on the owner's equity
14 investment must not be unreasonably high.

15 (g) Other factors that the community redevelopment
16 agency may consider in selecting a housing or economic
17 development project include:

18 1. The number of temporary and permanent jobs to be
19 created and their relation to the additional tax increment
20 funds invested;

21 2. The extent to which the housing or economic
22 development project will stimulate other economic growth;

23 3. The extent to which local government funding or
24 economic incentives have been committed;

25 4. The number of residential units and the quality of
26 the proposed housing development;

27 5. The capacity of the developer to successfully carry
28 out the plan; and

29 6. Other factors that the community redevelopment
30 agency considers reasonable.

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1 (h) The community redevelopment agency must maintain
2 sufficient records to demonstrate that the level of benefit
3 which is actually achieved compares to the level of benefit
4 anticipated when the additional tax increment funds were
5 committed to a housing development.

6 (i) By January 1 of each year, each community
7 redevelopment agency that has an urban development project
8 must submit to the Office of the Governor a detailed written
9 report that sets forth its operations and accomplishments
10 during the preceding fiscal year, the number and types of
11 businesses assisted, the estimated number of jobs created, and
12 any other information that the Office of the Governor
13 specifies as appropriate.

14 Section 2. Paragraph (f) of subsection (6) of section
15 212.20, Florida Statutes, 1996 Supplement, is amended to read:
16 212.20 Funds collected, disposition; additional powers
17 of department; operational expense; refund of taxes
18 adjudicated unconstitutionally collected.--

19 (6) Distribution of all proceeds under this part shall
20 be as follows:

21 (f) The proceeds of all other taxes and fees imposed
22 under pursuant to this part must shall be distributed as
23 follows:

24 1. In any fiscal year, the greater of \$500 million,
25 minus an amount equal to 4.6 percent of the proceeds of the
26 taxes collected pursuant to chapter 201, or 5 percent of all
27 other taxes and fees imposed pursuant to this part shall be
28 deposited in monthly installments into the General Revenue
29 Fund.

30 2. Two-tenths of one percent shall be transferred to
31 the Solid Waste Management Trust Fund.

1 3. After the distribution under subparagraphs 1. and
2 2., 9.653 percent of the amount remitted by a sales tax dealer
3 located within a participating county pursuant to s. 218.61
4 shall be transferred into the Local Government Half-cent Sales
5 Tax Clearing Trust Fund.

6 4. After the distribution under subparagraphs 1., 2.,
7 and 3., 0.054 percent shall be transferred to the Local
8 Government Half-cent Sales Tax Clearing Trust Fund and
9 distributed pursuant to s. 218.65.

10 5. Of the remaining proceeds:

11 a. Beginning July 1, 1992, \$166,667 shall be
12 distributed monthly by the department to each applicant that
13 has been certified as a "facility for a new professional
14 sports franchise" or a "facility for a retained professional
15 sports franchise" pursuant to s. 288.1162 and \$41,667 shall be
16 distributed monthly by the department to each applicant that
17 has been certified as a "new spring training franchise
18 facility" pursuant to s. 288.1162. Distributions shall begin
19 60 days following such certification and shall continue for 30
20 years. Nothing contained herein shall be construed to allow an
21 applicant certified pursuant to s. 288.1162 to receive more in
22 distributions than actually expended by the applicant for the
23 public purposes provided for in s. 288.1162(7). However, a
24 certified applicant shall receive distributions up to the
25 maximum amount allowable and undistributed under this section
26 for additional renovations and improvements to the facility
27 for the franchise without additional certification.

28 b. Beginning 30 days after notice by the Office of
29 Tourism, Trade, and Economic Development to the Department of
30 Revenue that an applicant has been certified as the
31 professional golf hall of fame pursuant to s. 288.1168 and is

1 open to the public, \$166,667 shall be distributed monthly, for
2 up to 300 months, to the applicant.

3 c. Beginning 30 days after notice by the Department of
4 Commerce to the Department of Revenue that the applicant has
5 been certified as the International Game Fish Association
6 World Center facility pursuant to s. 288.1169, and the
7 facility is open to the public, \$83,333 shall be distributed
8 monthly, for up to 180 months, to the applicant. This
9 distribution is subject to reduction pursuant to s. 288.1169.

10 d. Beginning July 1, 1997, the sum of \$125,000 must be
11 distributed monthly by the department to each applicant that
12 has been certified as a "community redevelopment area
13 containing a tier I urban development project" under section 1
14 of this act, and the sum of \$41,667 must be distributed
15 monthly by the department to each applicant that has been
16 certified as a "community redevelopment area containing a tier
17 II urban development project" under section 1 of this act.
18 Distributions must begin 60 days after such certification is
19 granted and are to continue for 30 years thereafter.

20 6. All other proceeds shall remain with the General
21 Revenue Fund.

22 Section 3. This act shall take effect July 1, 1997.
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SENATE SUMMARY

Relates to community redevelopment. Creates the urban development program. Provides purposes of and legislative intent for the program. Provides definitions. Provides eligibility criteria for certification and funding as a "community redevelopment area containing a tier I urban development project" or as a "community redevelopment area containing a tier II urban development project." Provides duties and responsibilities of the Office of the Governor and, in particular, of the Office of Tourism, Trade, and Economic Development. Provides duties of community redevelopment agencies. Provides requirements for the use of funds that are allocated to an urban development account in the Community Redevelopment Trust Fund. Allows the issuance of bonds. Requires local governments to leverage state urban development project funds in a ratio of \$5 in local moneys to \$1 in state moneys. Imposes restrictions on the assistance that a community redevelopment agency may provide. Imposes limitations upon project costs and upon the return on the owner's equity investment. Provides factors that a community redevelopment agency may consider in selecting a project. Requires each community redevelopment agency that has a certified project to maintain certain records and to submit an annual report to the Office of the Governor. Provides for tax proceeds collected under part I of ch. 212, F.S., to be distributed monthly in specified amounts to community redevelopment areas.