

By Representative Lacasa

1 A bill to be entitled
2 An act relating to the Community Redevelopment
3 Act of 1969; amending s. 163.340, F.S.;
4 defining "private capital investment project,"
5 "investor," and "business venture"; amending s.
6 163.345, F.S.; expanding provisions which
7 direct counties and municipalities to involve
8 private enterprise in redevelopment; creating
9 s. 163.3555, F.S.; providing special
10 requirements applicable to a community
11 redevelopment area which utilizes sales tax
12 increment funding; amending s. 163.360, F.S.;
13 revising a determination relating to housing
14 that must be made before certain land in a
15 community redevelopment area is acquired;
16 amending s. 163.362, F.S.; revising
17 requirements for community redevelopment plans
18 relating to publicly funded capital projects
19 and relocation of displaced persons; providing
20 requirements for plans which include a private
21 capital investment project; requiring certain
22 agreements and performance guarantees; amending
23 s. 163.370, F.S.; revising restrictions imposed
24 on financing certain public buildings with
25 increment revenues; amending s. 163.387, F.S.;
26 removing a provision that allows certain
27 counties to adopt a special formula for funding
28 their redevelopment trust funds; authorizing
29 funding of a redevelopment trust fund by the
30 increment in sales and use taxes collected
31 within certain community redevelopment areas;

1 providing for determination of such increment;
2 providing administrative duties of local
3 governing bodies and the Department of Revenue;
4 amending s. 212.20, F.S., to conform; amending
5 s. 213.053, F.S.; authorizing the Department of
6 Revenue to share certain information with local
7 governing bodies; providing for rules;
8 providing an effective date.

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

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12 Section 1. Subsections (23), (24), and (25) are added
13 to section 163.340, Florida Statutes, to read:

14 163.340 Definitions.--The following terms, wherever
15 used or referred to in this part, have the following meanings:

16 (23) "Private capital investment project" means a
17 commercial or residential redevelopment project within a
18 community redevelopment area under which a private investor
19 contracts with the governing body to construct improvements
20 within the community redevelopment area with private capital,
21 and the governing body contracts to build concurrently the
22 infrastructure and other capital improvements to facilitate
23 the success of the private capital investment project.

24 (24) "Investor" means any person or business
25 association that intends to invest in privately funded capital
26 improvements or a business venture within a community
27 redevelopment area.

28 (25) "Business venture" means any privately
29 capitalized investment in housing or commercial or
30 recreational facilities within a community redevelopment area.

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1 Section 2. Subsection (1) of section 163.345, Florida
2 Statutes, is amended to read:

3 163.345 Encouragement of private enterprise.--

4 (1) Any county or municipality, to the greatest extent
5 it determines to be feasible in carrying out the provisions of
6 this part, shall afford maximum opportunity, consistent with
7 the sound needs of the county or municipality as a whole, to
8 the rehabilitation or redevelopment of the community
9 redevelopment area by private enterprise. Any county or
10 municipality shall give consideration to this objective in
11 exercising its powers under this part, including the
12 formulation of a workable program; the approval of community
13 redevelopment plans, communitywide plans or programs for
14 community redevelopment, and general neighborhood
15 redevelopment plans (consistent with the general plan of the
16 county or municipality); the exercise of its zoning powers;
17 the enforcement of other laws, codes, and regulations relating
18 to the use of land and the use and occupancy of buildings and
19 improvements; the development of affordable housing; the
20 disposition of any property acquired; the execution of private
21 capital investment projects; the encouragement of private
22 enterprise to invest in the redevelopment or rehabilitation
23 process through financial incentives;and the provision of
24 necessary public improvements.

25 Section 3. Section 163.3555, Florida Statutes, is
26 created to read:

27 163.3555 Special requirements for community
28 redevelopment areas utilizing sales tax increment funding.--

29 (1) No community redevelopment agency shall utilize
30 sales tax increment funding for its redevelopment trust fund
31 pursuant to s. 163.387(1)(c) until the governing body has

1 adopted a resolution finding that the community redevelopment
2 area suffers from pervasive poverty, unemployment, and general
3 distress. The governing body shall use data from the most
4 current decennial census, and from information published by
5 the Bureau of the Census and the Bureau of Labor Statistics.
6 The data shall be comparable in point or period of time and
7 methodology employed.

8 (2) Pervasive poverty shall be evidenced by a showing
9 that poverty is widespread throughout the area. The poverty
10 rate of the area shall be established using the following
11 criteria:

12 (a) In each census geographic block group within an
13 area, the poverty rate shall be not less than 20 percent.

14 (b) In at least 50 percent of the census geographic
15 block groups within the area, the poverty rate shall be not
16 less than 30 percent.

17 (c) Census geographic block groups with no population
18 shall be treated as having a poverty rate which meets the
19 standards of paragraph (a), but shall be treated as having a
20 zero poverty rate for purposes of applying paragraph (b).

21 (d) An area may not contain a noncontiguous parcel
22 unless such parcel separately meets the criteria set forth
23 under paragraphs (a) and (b).

24 (3) Unemployment shall be evidenced by data indicating
25 that the average rate of unemployment for the area is not less
26 than the state's average of unemployment, or by evidence of
27 especially severe economic conditions which have brought about
28 significant job dislocation within the area.

29 (4) General distress shall be evidenced by describing
30 adverse conditions within the area other than those of
31 pervasive poverty and unemployment. A high incidence of crime,

1 abandoned structures, and deteriorated infrastructure or
2 substantial population decline are examples of appropriate
3 indicators of general distress.

4 (5) In making the calculations required by this
5 section, the governing body shall round all fractional
6 percentages of one-half percent or more up to the next highest
7 whole percentage figure.

8 Section 4. Paragraph (a) of subsection (7) of section
9 163.360, Florida Statutes, is amended to read:

10 163.360 Community redevelopment plans.--

11 (7) If the community redevelopment area consists of an
12 area of open land to be acquired by the county or the
13 municipality, such area may not be so acquired unless:

14 (a) In the event the area is to be developed in whole
15 or in part for residential uses, the governing body
16 determines:

17 1. That a shortage of housing of sound standards and
18 design which is decent, safe, affordable to residents of low
19 or moderate income, including the elderly, and sanitary exists
20 in the county or municipality;

21 ~~2.~~ or that the need for housing accommodations has
22 increased in the area;

23 ~~2.3.~~ That the conditions of blight in the area or the
24 shortage of decent, safe, affordable, and sanitary housing
25 cause or contribute to an increase in and spread of disease
26 and crime or constitute a menace to the public health, safety,
27 morals, or welfare; and

28 ~~3.4.~~ That the acquisition of the area for residential
29 uses is an integral part of and is essential to the program of
30 the county or municipality.

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1 Section 5. Subsections (4) and (7) of section 163.362,
2 Florida Statutes, are amended, and subsection (12) is added to
3 said section, to read:

4 163.362 Contents of community redevelopment
5 plan.--Every community redevelopment plan shall:

6 (4) Identify specifically any publicly funded capital
7 projects to be undertaken within the community redevelopment
8 area. Subject to the provisions of s. 163.370(2), such
9 publicly funded capital improvements may include police
10 stations or substations, fire-rescue stations, roads and
11 walkways, street lighting, off-street parking, parks, and
12 entertainment and recreational facilities.

13 (7) Provide assistance ~~assurances that there will be~~
14 ~~replacement housing~~ for the relocation of persons temporarily
15 or permanently displaced from housing facilities within the
16 community redevelopment area. This subsection does not
17 require the governing authority to provide replacement housing
18 as a condition of implementing the community redevelopment
19 plan.

20 (12) Provide that implementation of any private
21 capital investment project incorporated into the plan which
22 utilizes indebtedness to be repaid with increment revenues
23 pursuant to s. 163.387 shall be conditioned upon the execution
24 of a binding agreement between the governing body and an
25 investor or investors. The governing body shall require an
26 investor to provide a performance bond or any other
27 commercially feasible and equally enforceable performance
28 guarantee prior to encumbering the redevelopment trust fund
29 for capital improvements or any other financial incentives
30 related to the private capital investment project.

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1 Section 6. Paragraph (a) of subsection (2) of section
2 163.370, Florida Statutes, is amended to read:

3 163.370 Powers; counties and municipalities; community
4 redevelopment agencies.--

5 (2) The following projects may not be paid for or
6 financed by increment revenues:

7 (a) Construction or expansion of administrative
8 buildings for public bodies or police and fire buildings,
9 unless the each taxing authority which would have jurisdiction
10 of the building agrees to such method of financing for the
11 construction or expansion.

12 Section 7. Subsection (1), paragraph (a) of subsection
13 (2), and subsection (7) of section 163.387, Florida Statutes,
14 are amended to read:

15 163.387 Redevelopment trust fund.--

16 (1)(a) There shall be established for each community
17 redevelopment agency created under s. 163.356 a redevelopment
18 trust fund. Funds allocated to and deposited into this fund
19 shall be used by the agency to finance or refinance any
20 community redevelopment it undertakes pursuant to the approved
21 community redevelopment plan. No community redevelopment
22 agency may receive or spend any increment revenues pursuant to
23 this section unless and until the governing body has, by
24 ordinance, provided for the funding of the redevelopment trust
25 fund for the duration of a community redevelopment plan. Such
26 ordinance may be adopted only after the governing body has
27 approved a community redevelopment plan.

28 (b) The annual funding of the redevelopment trust fund
29 shall be in an amount not less than that increment in the
30 income, proceeds, revenues, and funds of each taxing authority
31 derived from or held in connection with the undertaking and

1 carrying out of community redevelopment under this part. Such
2 increment shall be determined annually and shall be that
3 amount equal to 95 percent of the difference between:

4 1.(a) The amount of ad valorem taxes levied each year
5 by each taxing authority, exclusive of any amount from any
6 debt service millage, on taxable real property contained
7 within the geographic boundaries of a community redevelopment
8 area; and

9 2.(b) The amount of ad valorem taxes which would have
10 been produced by the rate upon which the tax is levied each
11 year by or for each taxing authority, exclusive of any debt
12 service millage, upon the total of the assessed value of the
13 taxable real property in the community redevelopment area as
14 shown upon the most recent assessment roll used in connection
15 with the taxation of such property by each taxing authority
16 prior to the effective date of the ordinance providing for the
17 funding of the trust fund.

18
19 ~~However, the governing body of any county as defined in s.~~
20 ~~125.011(1) may, in the ordinance providing for the funding of~~
21 ~~a trust fund established with respect to any community~~
22 ~~redevelopment area created on or after July 1, 1994, determine~~
23 ~~that the amount to be funded by each taxing authority annually~~
24 ~~shall be less than 95 percent of the difference between~~
25 ~~paragraphs (a) and (b), but in no event shall such amount be~~
26 ~~less than 50 percent of such difference.~~

27 (c)1. In addition to the funding of the redevelopment
28 trust fund provided for under paragraph (b), the ordinance
29 which provides for funding of the fund may provide for annual
30 deposit of the sales tax increment within the community
31 redevelopment area in the fund if the area meets the

1 requirements of s. 163.3555. An ordinance which was adopted
2 without provision for sales tax increment funding may be
3 amended to include such provision. The sales tax increment
4 shall be determined annually, and shall be the difference
5 between:

6 a. The aggregate amount of state sales and use taxes
7 remitted by dealers under chapter 212 at places of business
8 located within the geographic boundaries of the community
9 redevelopment area during the state fiscal year for which the
10 increment is being determined; and

11 b.(I) In the case of an ordinance which contains
12 provision for sales tax increment funding when it is adopted,
13 the amount of taxes so remitted in the state fiscal year
14 immediately preceding the adoption of the ordinance; or

15 (II) In the case of an ordinance which is amended to
16 provide for sales tax increment funding, the amount of taxes
17 remitted as described in sub-subparagraph a. for the initial
18 state fiscal year of implementation of such funding, minus 4
19 percent for each year the ordinance was in effect prior to
20 such amendment, up to a maximum of 12 percent.

21 2. The governing body shall notify the Department of
22 Revenue within 10 calendar days after the adoption or
23 amendment of an ordinance that provides for sales tax
24 increment funding, and shall include a copy of the resolution
25 adopted pursuant to s. 163.3555.

26 3. For the purposes of determining the amount of sales
27 tax increment funding to be transferred to each community
28 redevelopment trust fund funded pursuant to this paragraph,
29 the Department of Revenue and each governing body that adopts
30 or amends such an ordinance shall exchange tax administration
31 information on an annual basis, in the format prescribed by

1 the Department of Revenue. Each governing body with such an
2 ordinance, and the Department of Revenue, are responsible for
3 transmitting this shared data no later than September 1 of
4 each year. Such information shall include the taxpayer's
5 sales tax registration number and business location and such
6 other tax registration information as the Department of
7 Revenue prescribes. Through this exchange of information,
8 each applicable governing body is responsible for identifying
9 those businesses within the geographic boundaries of the
10 community redevelopment area. To the fullest extent
11 practicable, the information shall be shared in a
12 computer-processable medium. For the initial calculation,
13 each governing body and the Department of Revenue shall
14 exchange all information enumerated in this subparagraph no
15 later than the first day of the fourth month after the
16 adoption or amendment of the ordinance.

17 4. Based upon the information provided by the
18 governing body pursuant to subparagraphs 2. and 3., the
19 Department of Revenue shall calculate the sales tax increment
20 for that community redevelopment area each state fiscal year
21 and transfer that amount to a separate account within the
22 redevelopment trust fund.

23 (2)(a) Except for the purpose of funding the trust
24 fund pursuant to subsection (3), upon the adoption of an
25 ordinance providing for funding of the redevelopment trust
26 fund as provided in this section, each taxing authority shall,
27 by January 1 of each year, appropriate to the trust fund for
28 so long as any indebtedness pledging increment revenues to the
29 payment thereof is outstanding (but not to exceed 30 years) a
30 sum that is no less than the increment as defined and
31 determined in paragraph (1)(b)~~subsection (1)~~ accruing to such

1 taxing authority. If the community redevelopment plan is
2 amended or modified pursuant to s. 163.361(1), each such
3 taxing authority shall make the annual appropriation for a
4 period not to exceed 30 years after the date the governing
5 body amends the plan.

6 (7) On the last day of the fiscal year of the
7 community redevelopment agency, any money which remains in the
8 trust fund after the payment of expenses pursuant to
9 subsection (6) for such year, except for money remaining in
10 the sales tax increment account, shall be:

11 (a) Returned to each taxing authority which paid the
12 increment described in paragraph (1)(b) in the proportion that
13 the amount of the payment of such taxing authority bears to
14 the total amount paid into the trust fund by all taxing
15 authorities within the redevelopment area for that year;

16 (b) Used to reduce the amount of any indebtedness to
17 which increment revenues are pledged;

18 (c) Deposited into an escrow account for the purpose
19 of later reducing any indebtedness to which increment revenues
20 are pledged; or

21 (d) Appropriated to a specific redevelopment project
22 pursuant to an approved community redevelopment plan which
23 project will be completed within 3 years from the date of such
24 appropriation.

25
26 Any money remaining in the sales tax increment account shall
27 be returned to the Department of Revenue for deposit in the
28 General Revenue Fund.

29 Section 8. Paragraph (f) of subsection (6) of section
30 212.20, Florida Statutes, is redesignated as paragraph (g),
31 and a new paragraph (f) is added to said subsection to read:

1 212.20 Funds collected, disposition; additional powers
2 of department; operational expense; refund of taxes
3 adjudicated unconstitutionally collected.--

4 (6) Distribution of all proceeds under this chapter
5 shall be as follows:

6 (f) That portion of the proceeds of taxes collected
7 within a community redevelopment area and designated as the
8 sales tax increment by ordinance adopted pursuant to s.
9 163.387(1)(c) shall be reallocated to the sales tax increment
10 account within the community redevelopment trust fund for that
11 area.

12 Section 9. Paragraph (o) is added to subsection (7) of
13 section 213.053, Florida Statutes, to read:

14 213.053 Confidentiality and information sharing.--

15 (7) Notwithstanding any other provision of this
16 section, the department may provide:

17 (o) Information authorized pursuant to s.
18 163.387(1)(c) to local governing bodies which have adopted
19 sales tax increment funding for community redevelopment areas.

20
21 Disclosure of information under this subsection shall be
22 pursuant to a written agreement between the executive director
23 and the agency. Such agencies, governmental or
24 nongovernmental, shall be bound by the same requirements of
25 confidentiality as the Department of Revenue. Breach of
26 confidentiality is a misdemeanor of the first degree,
27 punishable as provided by s. 775.082 or s. 775.083.

28 Section 10. The Department of Revenue is authorized to
29 promulgate rules necessary to effectuate the provisions of
30 this act.

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574-113C-98

1 Section 11. This act shall take effect July 1 of the
2 year in which enacted.

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5 HOUSE SUMMARY

6 Revises provisions of the Community Redevelopment Act of
7 1969 with respect to involvement of private enterprise in
8 redevelopment projects. Provides additional definitions
9 and specifies requirements for community redevelopment
plans that include a private capital investment project.

10 Revises requirements for community redevelopment plans
11 relating to publicly funded capital projects and
12 relocation of displaced persons. Revises restrictions
13 imposed on financing certain public buildings with
14 increment revenues.

15 Removes a provision that allows Dade County to adopt a
16 special formula for funding its redevelopment trust fund.
17 Authorizes funding of a redevelopment trust fund by the
18 increment in sales and use taxes collected within the
19 community redevelopment area if the area is found to be
20 suffering from pervasive poverty, unemployment, and
21 general distress. Provides for determination of such
22 increment.

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