

By the Committee on Commerce and Economic Opportunities; and
Senator Kirkpatrick

310-1954A-99

1 A bill to be entitled
2 An act relating to economic development;
3 providing a short title; providing intent;
4 amending s. 163.3177, F.S.; providing
5 requirements for the future land use element of
6 a local government comprehensive plan with
7 respect to rural areas; amending s. 186.502,
8 F.S.; providing that a regional planning
9 council shall have a duty to assist local
10 governments with economic development; amending
11 s. 186.504, F.S.; providing that the ex
12 officio, nonvoting membership of each regional
13 planning council shall include a representative
14 nominated by Enterprise Florida, Inc., and the
15 Office of Tourism, Trade, and Economic
16 Development; amending s. 186.505, F.S.;
17 authorizing the use of regional planning
18 council personnel, consultants, or technical or
19 professional assistants to help local
20 governments with economic development
21 activities; amending s. 212.098, F.S.;
22 authorizing the Office of Tourism, Trade, and
23 Economic Development to recommend to the
24 Legislature additions to or deletions from the
25 list of standard industrial classifications
26 used to determine an eligible business for
27 purposes of the Rural Job Tax Credit Program;
28 amending s. 288.018, F.S.; authorizing the
29 Office of Tourism, Trade, and Economic
30 Development to approve regional rural
31 development grants on an annual basis;

1 increasing the maximum amount of each grant
2 award; increasing the total amount that may be
3 expended annually for such grants; amending s.
4 288.065, F.S.; prescribing conditions under
5 which repayments of principal and interest
6 under the Rural Community Development Revolving
7 Loan Fund may be retained by a unit of local
8 government; providing an appropriation to the
9 Rural Community Development Revolving Loan
10 Fund; creating s. 288.0655, F.S.; creating the
11 Rural Infrastructure Fund for infrastructure
12 projects in rural communities; providing for an
13 annual deposit in the Economic Development
14 Trust Fund in support of such infrastructure
15 fund; authorizing grants for infrastructure
16 projects and related studies; requiring the
17 development of guidelines; providing that funds
18 appropriated for such infrastructure fund shall
19 not be subject to reversion; amending s.
20 320.20, F.S.; requiring the deposit of a
21 certain amount of motor vehicle registration
22 funds in the Economic Development Trust Fund in
23 support of the Rural Infrastructure Fund;
24 prescribing the manner in which such funds may
25 be used; prohibiting diversion of such funds;
26 amending s. 288.106, F.S., relating to the tax
27 refund program for qualified target industry
28 businesses; providing a definition; authorizing
29 the Office of Tourism, Trade, and Economic
30 Development to reduce certain employment
31 requirements for an expanding business in a

1 rural community or enterprise zone under
2 certain conditions; creating the Rural Economic
3 Development Initiative within the office and
4 providing its duties and responsibilities;
5 directing specified agencies to select a
6 representative to work with the initiative;
7 providing for the recommendation and
8 designation of rural areas of critical economic
9 concern; providing for the waiver of certain
10 criteria and rules with respect to such areas;
11 providing for the commitment of certain
12 services, resources, benefits, and staffing
13 with respect to such areas; providing for an
14 annual report; authorizing the Office of
15 Tourism, Trade, and Economic Development to
16 accept and administer moneys appropriated for
17 grants to assist rural communities to develop
18 and implement strategic economic development
19 plans; providing for review of grant
20 applications; authorizing the Department of
21 Community Affairs to establish a grant program
22 to assist rural counties in financing studies
23 regarding the establishment of municipal
24 service taxing or benefit units; providing for
25 rules; providing an appropriation; amending s.
26 236.081, F.S.; providing an exclusion under the
27 computation of school district required local
28 effort for certain nonpayment of property taxes
29 in a rural area of critical economic concern;
30 creating s. 311.20, F.S.; creating the
31 Northwest Florida Seaport Transportation and

1 Economic Development Council; providing for the
2 membership of the council; requiring the
3 council to develop a strategic regional
4 development plan; prescribing powers of the
5 council; providing for staffing of the council;
6 amending s. 378.601, F.S.; exempting specified
7 heavy mining operations from requirements for
8 development-of-regional-impact review under
9 certain circumstances; directing the Florida
10 Fish and Wildlife Conservation Commission to
11 provide assistance related to promotion and
12 development of nature-based recreation;
13 providing an appropriation; specifying a
14 minimum percentage of funds to be allocated to
15 economic development under the Florida Small
16 Cities Community Development Block Grant
17 Program; providing an effective date.

18
19 Be It Enacted by the Legislature of the State of Florida:

20
21 Section 1. Short title.--This act may be cited as the
22 "Rural Economic Development Enhancement Act" or the "Backyard
23 Florida Act of 1999."

24 Section 2. Legislative intent.--

25 (1) The Legislature finds and declares that because of
26 climate, tourism, industrialization, technological advances,
27 federal and state government policies, transportation, and
28 migration, Florida's urban communities have grown rapidly over
29 the past 40 years. This growth and prosperity, however, have
30 not been shared by Florida's rural communities, although they
31 are the stewards of the vast majority of the land and natural

1 resources. Without this land and these resources, the state's
2 growth and prosperity cannot continue. In short, successful
3 rural communities are essential to the overall success of the
4 state's economy.

5 (2) The Legislature further finds and declares that
6 many rural areas of the state are experiencing not only a lack
7 of growth, but severe and sustained economic distress. Median
8 household incomes are significantly less than the state's
9 median household income level. Job creation rates trail those
10 in more urbanized areas. In many cases, rural counties have
11 lost jobs, which handicaps local economies and drains wealth
12 from these communities. These and other factors, including
13 government policies, amplify and compound social, health, and
14 community problems, making job creation and economic
15 development even more difficult. Moreover, the Legislature
16 finds that traditional program and service delivery is often
17 hampered by the necessarily rigid structure of the programs
18 themselves and the lack of local resources.

19 (3) It is the intent of the Legislature to provide for
20 the most efficient and effective delivery of programs of
21 assistance and support to rural communities, including the
22 use, where appropriate, of regulatory flexibility through
23 multiagency coordination and adequate funding. Therefore, the
24 Legislature determines and declares that the provisions of
25 this act fulfill an important state interest.

26 Section 3. Paragraph (a) of subsection (6) of section
27 163.3177, Florida Statutes, 1998 Supplement, is amended to
28 read:

29 163.3177 Required and optional elements of
30 comprehensive plan; studies and surveys.--
31

1 (6) In addition to the requirements of subsections
2 (1)-(5), the comprehensive plan shall include the following
3 elements:

4 (a) A future land use plan element designating
5 proposed future general distribution, location, and extent of
6 the uses of land for residential uses, commercial uses,
7 industry, agriculture, recreation, conservation, education,
8 public buildings and grounds, other public facilities, and
9 other categories of the public and private uses of land. The
10 future land use plan shall include standards to be followed in
11 the control and distribution of population densities and
12 building and structure intensities. The proposed
13 distribution, location, and extent of the various categories
14 of land use shall be shown on a land use map or map series
15 which shall be supplemented by goals, policies, and measurable
16 objectives. Each land use category shall be defined in terms
17 of the types of uses included and specific standards for the
18 density or intensity of use. The future land use plan shall
19 be based upon surveys, studies, and data regarding the area,
20 including the amount of land required to accommodate
21 anticipated growth; the projected population of the area; the
22 character of undeveloped land; the availability of public
23 services; ~~and~~ the need for redevelopment, including the
24 renewal of blighted areas and the elimination of nonconforming
25 uses which are inconsistent with the character of the
26 community; and, in rural areas, the need for job creation,
27 capital investment, and economic development that will
28 strengthen and diversify the community's economy. The future
29 land use plan may designate areas for future planned
30 development use involving combinations of types of uses for
31 which special regulations may be necessary to ensure

1 development in accord with the principles and standards of the
2 comprehensive plan and this act. In rural areas, the amount of
3 land designated for future planned industrial use shall
4 reflect the need for job creation, capital investment, and the
5 necessity to strengthen and diversify the local economies, and
6 shall not be limited by the existing population base or other
7 factors relating to low density population and undiversified
8 economies.The future land use plan of a county may also
9 designate areas for possible future municipal incorporation.
10 The land use maps or map series shall generally identify and
11 depict historic district boundaries and shall designate
12 historically significant properties meriting protection. The
13 future land use element must clearly identify the land use
14 categories in which public schools are an allowable use. When
15 delineating the land use categories in which public schools
16 are an allowable use, a local government shall include in the
17 categories sufficient land proximate to residential
18 development to meet the projected needs for schools in
19 coordination with public school boards and may establish
20 differing criteria for schools of different type or size.
21 Each local government shall include lands contiguous to
22 existing school sites, to the maximum extent possible, within
23 the land use categories in which public schools are an
24 allowable use. All comprehensive plans must comply with this
25 paragraph no later than October 1, 1999, or the deadline for
26 the local government evaluation and appraisal report,
27 whichever occurs first. The failure by a local government to
28 comply with this requirement will result in the prohibition of
29 the local government's ability to amend the local
30 comprehensive plan as provided by s. 163.3187(6). An amendment
31 proposed by a local government for purposes of identifying the

1 land use categories in which public schools are an allowable
2 use is exempt from the limitation on the frequency of plan
3 amendments contained in s. 163.3187. The future land use
4 element shall include criteria which encourage the location of
5 schools proximate to urban residential areas to the extent
6 possible and shall require that the local government seek to
7 collocate public facilities, such as parks, libraries, and
8 community centers, with schools to the extent possible.

9 Section 4. Subsection (5) is added to section 186.502,
10 Florida Statutes, to read:

11 186.502 Legislative findings; public purpose.--

12 (5) The regional planning council shall have a duty to
13 assist local governments with activities designed to promote
14 and facilitate economic development in the geographic area
15 covered by the council.

16 Section 5. Subsection (4) of section 186.504, Florida
17 Statutes, is amended to read:

18 186.504 Regional planning councils; creation;
19 membership.--

20 (4) In addition to voting members appointed pursuant
21 to paragraph (2)(c), the Governor shall appoint the following
22 ex officio nonvoting members to each regional planning
23 council:

24 (a) A representative of the Department of
25 Transportation.

26 (b) A representative of the Department of
27 Environmental Protection.

28 (c) A representative nominated by Enterprise Florida,
29 Inc., and the Office of Tourism, Trade, and Economic
30 Development ~~of the Department of Commerce.~~

31

1 (d) A representative of the appropriate water
2 management district or districts.

3
4 The Governor may also appoint ex officio nonvoting members
5 representing appropriate metropolitan planning organizations
6 and regional water supply authorities.

7 Section 6. Subsection (25) is added to section
8 186.505, Florida Statutes, to read:

9 186.505 Regional planning councils; powers and
10 duties.--Any regional planning council created hereunder shall
11 have the following powers:

12 (25) To use personnel, consultants, or technical or
13 professional assistants of the council to help local
14 governments within the geographic area covered by the council
15 conduct economic development activities.

16 Section 7. Paragraph (a) of subsection (2) of section
17 212.098, Florida Statutes, 1998 Supplement, is amended to
18 read:

19 212.098 Rural Job Tax Credit Program.--

20 (2) As used in this section, the term:

21 (a) "Eligible business" means any sole proprietorship,
22 firm, partnership, or corporation that is located in a
23 qualified county and is predominantly engaged in, or is
24 headquarters for a business predominantly engaged in,
25 activities usually provided for consideration by firms
26 classified within the following standard industrial
27 classifications: SIC 01 through SIC 09 (agriculture,
28 forestry, and fishing); SIC 20 through SIC 39 (manufacturing);
29 SIC 422 (public warehousing and storage); SIC 70 (hotels and
30 other lodging places); SIC 7391 (research and development);
31 SIC 7992 (public golf courses); and SIC 7996 (amusement

1 parks). Excluded from eligible receipts are receipts from
2 retail sales, except such receipts for hotels and other
3 lodging places classified in SIC 70, public golf courses in
4 SIC 7992, and amusement parks in SIC 7996. In addition, the
5 Office of Tourism, Trade, and Economic Development may, as
6 part of its final budget request submitted pursuant to s.
7 216.023, recommend additions to or deletions from the list of
8 standard industrial classifications used to determine an
9 eligible business, and the Legislature may implement such
10 recommendations. For purposes of this paragraph, the term
11 "predominantly" means that more than 50 percent of the
12 business's gross receipts from all sources is generated by
13 those activities usually provided for consideration by firms
14 in the specified standard industrial classification. The
15 determination of whether the business is located in a
16 qualified county and the tier ranking of that county must be
17 based on the date of application for the credit under this
18 section. Commonly owned and controlled entities are to be
19 considered a single business entity.

20 Section 8. Subsections (1) and (3) of section 288.018,
21 Florida Statutes, are amended to read:

22 288.018 Regional Rural Development Grants Program.--

23 (1) The Office of Tourism, Trade, and Economic
24 Development shall establish a matching grant program to
25 provide funding to regionally based economic development
26 organizations representing rural counties and communities for
27 the purpose of building the professional capacity of their
28 organizations. The Office of Tourism, Trade, and Economic
29 Development is authorized to approve, on an annual basis,
30 grants to such regionally based economic development
31 organizations. The maximum amount an organization may receive

1 in any year will be \$35,000, or \$100,000 in a rural area of
2 critical economic concern recommended by the Rural Economic
3 Development Initiative and designated by the Governor, ~~\$20,000~~
4 and must be matched each year by an equivalent amount of
5 nonstate resources.

6 (3) The Office of Tourism, Trade, and Economic
7 Development may expend up to ~~\$600,000~~ \$100,000 each fiscal
8 year from funds appropriated to the Rural Community
9 Development Revolving Loan Fund for the purposes outlined in
10 this section.

11 Section 9. Subsection (2) of section 288.065, Florida
12 Statutes, is amended to read:

13 288.065 Rural Community Development Revolving Loan
14 Fund.--

15 (2) The program shall provide for long-term loans,
16 loan guarantees, and loan loss reserves to units of local
17 governments within counties with populations less than 50,000,
18 or any county that has a population of 100,000 or less and is
19 contiguous to a county with a population less than 50,000, as
20 determined by the most recent official estimate pursuant to s.
21 186.901, residing in incorporated and unincorporated areas of
22 the county. Requests for loans shall be made by application to
23 the Office of Tourism, Trade, and Economic Development. Loans
24 shall be made pursuant to agreements specifying the terms and
25 conditions agreed to between the local government and the
26 Office of Tourism, Trade, and Economic Development. The loans
27 shall be the legal obligations of the local government. All
28 repayments of principal and interest shall be returned to the
29 loan fund and made available for loans to other applicants.
30 However, in a rural area of critical economic concern
31 designated by the Governor, and upon approval by the Office of

1 Tourism, Trade, and Economic Development, repayments of
2 principal and interest may be retained by a unit of local
3 government if such repayments are dedicated and matched to
4 fund regionally based economic development organizations
5 representing the rural area of critical economic concern.

6 Section 10. There is appropriated from the General
7 Revenue Fund for Fiscal Year 1999-2000 the sum of \$2 million
8 to the Rural Community Development Revolving Loan Fund in the
9 Office of Tourism, Trade, and Economic Development to
10 implement the provisions of section 288.065, Florida Statutes.

11 Section 11. Section 288.0655, Florida Statutes, is
12 created to read:

13 288.0655 Rural Infrastructure Fund.--

14 (1) There is created within the Office of Tourism,
15 Trade, and Economic Development the Rural Infrastructure Fund
16 to facilitate the planning, preparing, and financing of
17 infrastructure projects in rural communities which will
18 encourage job creation, capital investment, and the
19 strengthening and diversification of rural economies by
20 promoting tourism, trade, and economic development.

21 (2) On July 1, 1999, and annually thereafter, \$8
22 million shall be deposited in the Economic Development Trust
23 Fund, as provided in s. 320.20(5), solely for the purpose of
24 funding the Rural Infrastructure Fund.

25 (3)(a) Funds under this section shall be distributed
26 by the office through a grant program that maximizes the use
27 of federal, local, and private resources, including, but not
28 limited to, those available under the Small Cities Community
29 Development Block Grant Program.

30 (b) To facilitate access of rural communities and
31 rural areas of critical economic concern as defined by the

1 Rural Economic Development Initiative to infrastructure
2 funding programs of the Federal Government, such as those
3 offered by the U.S. Department of Agriculture and the U.S.
4 Department of Commerce, the office may award grants to
5 applicants for such federal programs for up to 30 percent of
6 the total infrastructure project cost. Eligible projects must
7 be related to specific job-creating opportunities. Eligible
8 uses of funds shall include improvements to public
9 infrastructure for industrial or commercial sites and upgrades
10 to or development of public tourism infrastructure. Authorized
11 infrastructure may include the following public or
12 public-private partnership facilities: sewer and water
13 capacity facilities, including storm water systems; electrical
14 facilities; telecommunications facilities; natural gas
15 facilities; roads or other remedies to transportation
16 impediments; nature-based tourism facilities; or other
17 physical requirements necessary to facilitate tourism, trade,
18 and economic development activities in the community.

19 (c) To facilitate timely response and induce the
20 location or expansion of specific job creating opportunities,
21 the office may award grants for infrastructure feasibility
22 studies, design and engineering activities, or other
23 infrastructure planning and preparation activities. Authorized
24 grants shall be up to \$50,000 for an employment project with a
25 business committed to create at least 100 jobs, up to \$150,000
26 for an employment project with a business committed to create
27 at least 300 jobs, and up to \$300,000 for a project in a rural
28 area of critical economic concern. Grants awarded under this
29 paragraph may be used in conjunction with grants awarded under
30 paragraph (b), provided that the total amount of both grants
31 does not exceed 30 percent of the total project cost. In

1 evaluating applications under this paragraph, the office shall
2 consider the extent to which the application seeks to minimize
3 administrative and consultant expenses.

4 (d) By September 1, 1999, the office shall pursue
5 execution of a memorandum of agreement with the U.S.
6 Department of Agriculture under which state funds available
7 through the Rural Infrastructure Fund may be advanced, in
8 excess of the prescribed state share, for a project that has
9 received from the department a preliminary determination of
10 eligibility for federal financial support. State funds in
11 excess of the prescribed state share which are advanced
12 pursuant to this paragraph and the memorandum of agreement
13 shall be reimbursed when funds are awarded under an
14 application for federal funding.

15 (e) To enable local governments to access the
16 resources available pursuant to s. 403.973(16), the office may
17 award grants for surveys, feasibility studies, and other
18 activities related to the identification and preclearance
19 review of land which is suitable for preclearance review.
20 Authorized grants under this paragraph shall not exceed
21 \$75,000 each, except in the case of a project in a rural area
22 of critical economic concern, in which case the grant shall
23 not exceed \$300,000. Any funds awarded under this paragraph
24 must be matched at a level of 50 percent with local funds,
25 except that any funds awarded for a project in a rural area of
26 critical economic concern must be matched at a level of 33
27 percent with local funds. In evaluating applications under
28 this paragraph, the office shall consider the extent to which
29 the application seeks to minimize administrative and
30 consultant expenses.

31

1 (4) The office, in consultation with Enterprise
2 Florida, Inc., VISIT Florida, the Department of Environmental
3 Protection, and the Florida Fish and Wildlife Conservation
4 Commission, as appropriate, shall review applications and
5 evaluate the economic benefit of the projects and their
6 long-term viability. The office shall have final approval for
7 any grant under this section and must make a grant decision
8 within 30 days of receiving a completed application.

9 (5) By September 1, 1999, the office shall, in
10 consultation with the organizations listed in subsection (4),
11 and other organizations, develop guidelines and criteria
12 governing submission of applications for funding, review and
13 evaluation of such applications, and approval of funding under
14 this section. The office shall consider factors including, but
15 not limited to, the project's potential for enhanced job
16 creation or increased capital investment, the demonstration of
17 local public and private commitment, the location of the
18 project in an enterprise zone, the location of the project in
19 a community development corporation service area as defined in
20 s. 290.035(2), the location of the project in a county
21 designated under s. 212.097, the unemployment rate of the
22 surrounding area, and the poverty rate of the community.

23 (6) Notwithstanding the provisions of s. 216.301,
24 funds appropriated for the purposes of this section shall not
25 be subject to reversion.

26 Section 12. Present subsection (5) of section 320.20,
27 Florida Statutes, is redesignated as subsection (6) and a new
28 subsection (5) is added to that section to read:

29 320.20 Disposition of license tax moneys.--The revenue
30 derived from the registration of motor vehicles, including any
31 delinquent fees and excluding those revenues collected and

1 distributed under the provisions of s. 320.081, must be
2 distributed monthly, as collected, as follows:

3 (5) Notwithstanding any other provision of law except
4 subsections (1), (2), (3), and (4), on July 1, 1999, and
5 annually thereafter, \$8 million shall be deposited in the
6 Economic Development Trust Fund under s. 288.095, solely for
7 the purposes of funding the Rural Infrastructure Fund under s.
8 288.0655. Such revenues may be assigned, pledged, or set aside
9 as a trust for the payment of principal or interest on bonds,
10 grant anticipation notes, variable rate demand obligations,
11 including, but not limited to, tax exempt commercial paper and
12 derivative instruments, or any other form of indebtedness, or
13 used to purchase credit support to permit such borrowings,
14 issued by a governing body under s. 163.01(7)(d), or
15 appropriate local government having jurisdiction thereof, or
16 collectively by interlocal agreement among any applicable
17 government; however, such debt shall not constitute a general
18 obligation of the State of Florida. The state does hereby
19 covenant with holders of such revenue bonds or other
20 instruments of indebtedness issued hereunder that it will not
21 repeal or impair or amend in any manner that will materially
22 and adversely affect the rights of such holders so long as
23 bonds authorized by this subsection are outstanding. Any
24 revenues which are not pledged to the repayment of bonds as
25 authorized by this subsection may be utilized for purposes
26 authorized under the Rural Infrastructure Fund. The Office of
27 Tourism, Trade, and Economic Development shall approve
28 distribution of funds for rural infrastructure related to
29 tourism, trade, and economic development. The office and the
30 Department of Transportation are authorized to perform such
31 acts as are required to facilitate and implement the

1 provisions of this subsection. To better enable the counties
2 and the Office of Tourism, Trade, and Economic Development to
3 cooperate to their mutual advantage, the governing body of
4 each government may exercise powers provided to municipalities
5 or counties in s. 163.01(7)(d). The use of funds provided
6 under this subsection is limited to eligible projects listed
7 in s. 288.0655. Unexpended proceeds derived from a project
8 completed with the use of program funds, beyond operating
9 costs and debt service, shall be restricted to further capital
10 improvements consistent with tourism, trade, and economic
11 development infrastructure purposes and for no other purpose.
12 Use of such unexpended proceeds for purposes other than
13 tourism, trade, and economic development infrastructure is
14 prohibited. Any funds deposited in the Economic Development
15 Trust Fund for the purposes of the Rural Infrastructure Fund
16 under s. 288.0655 shall not be diverted to any other purpose.
17 Any such diversion shall trigger immediate repayment to the
18 Economic Development Trust Fund from the Working Capital Trust
19 Fund.

20 Section 13. Paragraph (t) is added to subsection (2)
21 of section 288.106, Florida Statutes, 1998 Supplement, and
22 paragraph (b) of subsection (4) of that section is amended, to
23 read:

24 288.106 Tax refund program for qualified target
25 industry businesses.--

26 (2) DEFINITIONS.--As used in this section:

27 (t) "Rural community" means:

28 1. A county with a population of 75,000 or less.

29 2. A county with a population of 100,000 or less that
30 is contiguous to a county with a population of 75,000 or less.

31

1 3. A municipality within a county described in
2 subparagraph 1. or subparagraph 2.

3
4 For purposes of this paragraph, population shall be determined
5 in accordance with the most recent official estimate pursuant
6 to s. 186.901.

7 (4) APPLICATION AND APPROVAL PROCESS.--

8 (b) To qualify for review by the office, the
9 application of a target industry business must, at a minimum,
10 establish the following to the satisfaction of the office:

11 1. The jobs proposed to be provided under the
12 application, pursuant to subparagraph (a)4., must pay an
13 estimated annual average wage equaling at least 115 percent of
14 the average private sector wage in the area where the business
15 is to be located or the statewide private sector average wage.
16 The office may waive this average wage requirement at the
17 request of the local governing body recommending the project
18 and Enterprise Florida, Inc. The wage requirement may only be
19 waived for a project located in a brownfield area designated
20 under s. 376.80 or in a rural city or county or in an
21 enterprise zone and only when the merits of the individual
22 project or the specific circumstances in the community in
23 relationship to the project warrant such action. If the local
24 governing body and Enterprise Florida, Inc., make such a
25 recommendation, it must be transmitted in writing and the
26 specific justification for the waiver recommendation must be
27 explained. If the director elects to waive the wage
28 requirement, the waiver must be stated in writing and the
29 reasons for granting the waiver must be explained.

30 2. The target industry business's project must result
31 in the creation of at least 10 jobs at such project and, if an

1 expansion of an existing business, must result in a net
2 increase in employment of not less than 10 percent at such
3 business. However, at the request of the local governing body
4 recommending the project and Enterprise Florida, Inc., the
5 office may approve an expansion of an existing business under
6 this section in a rural community or an enterprise zone that
7 results in a net increase in employment of less than 10
8 percent if the merits of the individual project or the
9 specific circumstances in the community in relation to the
10 project warrant this action. If the local governing body and
11 Enterprise Florida, Inc., make such a recommendation, it must
12 be transmitted in writing and the specific justification for
13 the request must be explained. If the director elects to
14 accept such request, this decision must be stated in writing
15 and the reasons for granting the request must be explained.

16 3. The business activity or product for the
17 applicant's project is within an industry or industries that
18 have been identified by the office to be high-value-added
19 industries that contribute to the area and to the economic
20 growth of the state and that produce a higher standard of
21 living for citizens of this state in the new global economy or
22 that can be shown to make an equivalent contribution to the
23 area and state's economic progress. The director must approve
24 requests to waive the wage requirement for brownfield areas
25 designated under s. 376.80 unless it is demonstrated that such
26 action is not in the public interest.

27 Section 14. Rural Economic Development Initiative.--

28 (1) The Rural Economic Development Initiative, known
29 as "REDI," is created within the Office of Tourism, Trade, and
30 Economic Development, and the participation of state and
31 regional agencies in this initiative is authorized.

1 (2) As used in this section, the term:
2 (a) "Economic distress" means conditions affecting the
3 fiscal and economic viability of a rural community, including
4 such factors as low per capita income, low per capita taxable
5 values, high unemployment, high underemployment, low weekly
6 earned wages compared to the state average, low housing values
7 compared to the state average, high percentages of the
8 population receiving public assistance, high poverty levels
9 compared to the state average, and a lack of year-round stable
10 employment opportunities.
11 (b) "Rural community" means:
12 1. A county with a population of 75,000 or less.
13 2. A county with a population of 100,000 or less that
14 is contiguous to a county with a population of 75,000 or less.
15 3. A municipality within a county described in
16 subparagraph 1. or subparagraph 2.
17 4. An incorporated rural city with a population of
18 25,000 or less and an employment base focused on traditional
19 agricultural or resource-based industries, located in a county
20 not defined as rural, which has at least three or more of the
21 economic distress factors identified in paragraph (2)(a) and
22 verified by the Office of Tourism, Trade, and Economic
23 Development.
24
25 For purposes of this paragraph, population shall be determined
26 in accordance with the most recent official estimate pursuant
27 to section 186.901, Florida Statutes.
28 (3) REDI shall be responsible for coordinating and
29 focusing the efforts and resources of state and regional
30 agencies on the problems which affect the fiscal, economic,
31 and community viability of Florida's economically distressed

1 rural communities, working with local governments,
2 community-based organizations, and private organizations that
3 have an interest in the growth and development of these
4 communities to find ways to balance environmental and growth
5 management issues with local needs.

6 (4) REDI shall review and evaluate the impact of
7 statutes and rules on rural communities and shall work to
8 minimize any adverse impact.

9 (5) REDI shall facilitate better access to state
10 resources by promoting direct access and referrals to
11 appropriate state and regional agencies and statewide
12 organizations. REDI may undertake outreach, capacity-building,
13 and other advocacy efforts to improve conditions in rural
14 communities. These activities may include sponsorship of
15 conferences and achievement awards.

16 (6)(a) No later than August 1, 1999, the head of each
17 of the following agencies and organizations shall designate a
18 high-level staff person from within the agency or organization
19 to serve as the REDI representative for the agency or
20 organization:

- 21 1. The Department of Community Affairs.
- 22 2. The Department of Transportation.
- 23 3. The Department of Environmental Protection.
- 24 4. The Department of Agriculture and Consumer
25 Services.
- 26 5. The Department of State.
- 27 6. The Department of Health.
- 28 7. The Department of Children and Family Services.
- 29 8. The Department of Corrections.
- 30 9. The Department of Labor and Employment Security.
- 31 10. The Department of Education.

- 1 11. The Fish and Wildlife Conservation Commission.
2 12. Each water management district.
3 13. Enterprise Florida, Inc.
4 14. The Florida Commission on Tourism or VISIT
5 Florida.
6 15. The Florida Regional Planning Council Association.
7 16. The Florida State Rural Development Council.
8 17. The Institute of Food and Agricultural Sciences
9 (IFAS).

10
11 An alternate for each designee shall also be chosen, and the
12 names of the designees and alternates shall be sent to the
13 director of the Office of Tourism, Trade, and Economic
14 Development.

15 (b) Each REDI representative must have comprehensive
16 knowledge of his or her agency's functions, both regulatory
17 and service in nature, and of the state's economic goals,
18 policies, and programs. This person shall be the primary point
19 of contact for his or her agency with REDI on issues and
20 projects relating to economically distressed rural communities
21 and with regard to expediting project review, shall ensure a
22 prompt effective response to problems arising with regard to
23 rural issues, and shall work closely with the other REDI
24 representatives in the identification of opportunities for
25 preferential awards of program funds and allowances and waiver
26 of program requirements when necessary to encourage and
27 facilitate long-term private capital investment and job
28 creation.

29 (c) The REDI representatives shall work with REDI in
30 the review and evaluation of statutes and rules for adverse
31

1 impact on rural communities and the development of alternative
2 proposals to mitigate that impact.

3 (d) Each REDI representative shall be responsible for
4 ensuring that each district office or facility of his or her
5 agency is informed about the Rural Economic Development
6 Initiative and for providing assistance throughout the agency
7 in the implementation of REDI activities.

8 (7) REDI may recommend to the Governor up to three
9 rural areas of critical economic concern. A rural area of
10 critical economic concern must be a rural community, or a
11 region composed of such, that has been adversely affected by
12 an extraordinary economic event or a natural disaster or that
13 presents a unique economic development opportunity of regional
14 impact that will create more than 1,000 jobs over a 5-year
15 period. The Governor may by executive order designate up to
16 three rural areas of critical economic concern which will
17 establish these areas as priority assignments for REDI as well
18 as to allow the Governor, acting through REDI, to:

19 (a) Waive criteria, requirements, or similar
20 provisions of any economic development incentive. Such
21 incentives shall include, but not be limited to: the Qualified
22 Target Industry Tax Refund Program under section 288.106,
23 Florida Statutes, the Quick Response Training Program under
24 section 288.047, Florida Statutes, the WAGES Quick Response
25 Training Program under section 288.047(10), Florida Statutes,
26 transportation projects under section 288.063, Florida
27 Statutes, the brownfield redevelopment bonus refund under
28 section 288.107, Florida Statutes, and the rural job tax
29 credit program under sections 212.098 and 220.1895, Florida
30 Statutes.

31

1 **(b) Waive agency rules to empower the agency to commit**
2 **and coordinate their resources, staff, or assistance to these**
3 **rural communities, as well as to suspend procedural**
4 **requirements of law that do not compromise the public's**
5 **health, safety, or welfare.**

6 **(c) Provide rapid response assistance, training**
7 **services, and educational opportunities for employees; develop**
8 **training programs; and pay tuition or training expenses for**
9 **employees from resources coordinated by the Workforce**
10 **Development Board.**

11 **(d) Commit the resources or benefits of the Rural**
12 **Community Development Revolving Loan Fund under section**
13 **288.065, Florida Statutes, the Regional Rural Grants Program**
14 **under section 288.018, Florida Statutes, the rural job tax**
15 **credit program under sections 212.098 and 220.1895, Florida**
16 **Statutes, and the federal Community Development Block Grant**
17 **Program.**

18 **(e) Direct the assignment of staffing and resources**
19 **from Enterprise Florida, Inc.**

20 **(8) REDI shall submit a report to the Governor, the**
21 **President of the Senate, and the Speaker of the House of**
22 **Representatives each year on or before February 1 on all REDI**
23 **activities. This report shall include a status report on all**
24 **projects currently being coordinated through REDI, the number**
25 **of preferential awards and allowances made pursuant to this**
26 **section, the dollar amount of such awards, and the names of**
27 **the recipients. The report shall also include a description of**
28 **all waivers of program requirements granted. The report shall**
29 **also include information as to the economic impact of the**
30 **projects coordinated by REDI.**

31

1 Section 15. Florida rural economic development
2 strategy grants.--

3 (1) As used in this section, the term "rural
4 community" means:

5 (a) A county with a population of 75,000 or less.

6 (b) A county with a population of 100,000 or less that
7 is contiguous to a county with a population of 75,000 or less.

8 (c) A municipality within a county described in
9 paragraph (a) or paragraph (b).

10
11 For purposes of this subsection, population shall be
12 determined in accordance with the most recent official
13 estimate pursuant to section 186.901, Florida Statutes.

14 (2) The Office of Tourism, Trade, and Economic
15 Development may accept and administer moneys appropriated to
16 the office for providing grants to assist rural communities to
17 develop and implement strategic economic development plans.

18 (3) A rural community, an economic development
19 organization in a rural area, or a regional organization
20 representing at least one rural community or such economic
21 development organizations may apply for such grants.

22 (4) Enterprise Florida, Inc., and VISIT Florida, shall
23 establish criteria for reviewing grant applications. These
24 criteria shall include, but are not limited to, the degree of
25 participation and commitment by the local community and the
26 application's consistency with local comprehensive plans or
27 the application's proposal to ensure such consistency. The
28 International Trade and Economic Development Board of
29 Enterprise Florida, Inc., and VISIT Florida, shall review each
30 application for a grant and shall submit annually to the
31 office for approval a list of all applications that are

1 recommended by the board and VISIT Florida, arranged in order
2 of priority. The office may approve grants only to the extent
3 that funds are appropriated for such grants by the
4 Legislature.

5 Section 16. Establishment of municipal service taxing
6 or benefit units; grants to rural counties.--

7 (1) As used in this section, the term "rural county"
8 means a county with a population of 75,000 or fewer persons,
9 determined pursuant to section 186.901, Florida Statutes.

10 (2) Subject to legislative appropriation, the
11 Department of Community Affairs shall establish a grant
12 program to assist any rural county in making a determination
13 whether to establish a municipal service taxing or benefit
14 unit as authorized by section 125.01, Florida Statutes. Under
15 this program, any rural county that is considering the
16 establishment of a municipal service taxing or benefit unit
17 and that wishes to conduct a study to determine the necessity
18 for and advisability of establishing such a unit may apply to
19 the department for a grant to assist in financing the study.
20 If the application is approved by the department, the
21 department may award a grant to the county in an amount equal
22 to 75 percent of the cost of the study, if the county agrees
23 to finance 25 percent of the cost of the study itself. A copy
24 of the study shall be submitted to the department within 30
25 days after it is completed.

26 (3) The department shall establish an application form
27 and application procedures and requirements by rule pursuant
28 to chapter 120, Florida Statutes.

29 Section 17. There is appropriated from the General
30 Revenue Fund to the Department of Community Affairs for Fiscal
31 Year 1999-2000 the sum of \$1 million to carry out the purposes

1 of a grant program for rural county municipal service taxing
2 or benefit unit feasibility studies.

3 Section 18. Paragraph (d) of subsection (4) of section
4 236.081, Florida Statutes, 1998 Supplement, is amended to
5 read:

6 236.081 Funds for operation of schools.--If the annual
7 allocation from the Florida Education Finance Program to each
8 district for operation of schools is not determined in the
9 annual appropriations act or the substantive bill implementing
10 the annual appropriations act, it shall be determined as
11 follows:

12 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL
13 EFFORT.--The Legislature shall prescribe the aggregate
14 required local effort for all school districts collectively as
15 an item in the General Appropriations Act for each fiscal
16 year. The amount that each district shall provide annually
17 toward the cost of the Florida Education Finance Program for
18 kindergarten through grade 12 programs shall be calculated as
19 follows:

20 (d) Exclusions ~~Exclusion~~.--

21 1. In those instances in which:

22 a.1. There is litigation either attacking the
23 authority of the property appraiser to include certain
24 property on the tax assessment roll as taxable property or
25 contesting the assessed value of certain property on the tax
26 assessment roll, and

27 b.2. The assessed value of the property in contest
28 involves more than 6 percent of the total nonexempt assessment
29 roll,

30
31

1 the assessed value of the property in contest shall be
2 excluded from the taxable value for school purposes for
3 purposes of computing the district required local effort.

4 2. In those instances in which there is a nonpayment
5 of property taxes in a community designated as a rural area of
6 critical economic concern that exceeds 6 percent of the total
7 nonexempt assessment roll, the assessed value of the property
8 that is the subject of the nonpayment shall be excluded from
9 the taxable value for school purposes for purposes of
10 computing the district required local effort.

11 Section 19. Section 311.20, Florida Statutes, is
12 created to read:

13 311.20 Northwest Florida Seaport Transportation and
14 Economic Development Council.--

15 (1) There is created the Northwest Florida Seaport
16 Transportation and Economic Development Council as a
17 corporation not for profit to be incorporated under the
18 provisions of chapter 617. The purpose of the council is to
19 enhance economic development in the northwest Florida region
20 by creating jobs and increasing cargo flow and port revenues
21 at the three ports located in the region and the regional
22 communities.

23 (2)(a) The council shall consist of the following
24 members: the port director or designee of the port of Panama
25 City; the port director or designee of the port of Pensacola;
26 the port director or designee of the port of Port St. Joe; the
27 director or designee of the Office of Tourism, Trade, and
28 Economic Development; and a representative from Enterprise
29 Florida, Inc. In addition, the members of the council may
30 appoint up to four ex officio nonvoting members to the
31 council.

1 (b) Members of the council shall serve without
2 compensation but are entitled to receive reimbursement for per
3 diem and travel expenses as provided in s. 112.061.

4 (3) The council shall develop a comprehensive
5 strategic regional development plan that includes, but is not
6 limited to, the following:

7 (a) A marketing strategy for development at the three
8 ports and their respective communities;

9 (b) A review of multi-modal transportation
10 requirements for the region; and

11 (c) An identification of specific transportation and
12 economic development projects that create jobs and increase
13 cargo flow and port revenues at the three ports and the
14 regional communities. Subject to specific appropriation by the
15 Legislature, the council may grant funds for the development
16 of such projects.

17 (4) The council shall have all the powers necessary
18 and convenient to carry out and effectuate the purposes and
19 provisions of this section, including, but not limited to, the
20 power to:

21 (a) Solicit, receive, hold, invest, and administer any
22 grant, payment, or gift of funds or property.

23 (b) Purchase, receive, hold, lease, or otherwise
24 acquire, and to sell, convey, transfer, lease, or otherwise
25 dispose of, real property and personal property together with
26 such rights and privileges as may be incidental and
27 appurtenant thereto and the use thereof.

28 (c) Make and enter into contracts and other
29 instruments with public or private sector entities for the
30 purpose of exercising or performing its powers and functions.

31

1 (5) The council may appoint an executive director, and
2 the executive director may employ such staff as may be
3 authorized by the council. The compensation of the executive
4 director and staff shall be set by the council.

5 Section 20. Subsection (5) of section 378.601, Florida
6 Statutes, is amended to read:

7 378.601 Heavy minerals.--

8 (5) Any heavy mineral mining operation which annually
9 mines less than 500 acres and whose proposed consumption of
10 water is 3 million gallons per day or less shall not be
11 required to undergo development of regional impact review
12 pursuant to s. 380.06, provided permits and plan approvals
13 pursuant to either this section and part IV of chapter 373, or
14 s. 378.901, are issued. This subsection applies only in the
15 following circumstances:

16 (a) Mining is conducted in counties where the operator
17 has conducted heavy mineral mining activities prior to March
18 1, 1997; and

19 (b) The operator of the heavy mineral mining operation
20 has executed a developer agreement pursuant to s. 380.032 or
21 has received a development order under s. 380.06(15)as of
22 March 1, 1997. Lands mined pursuant to this section need not
23 be the subject of the developer agreement or development
24 order.

25 Section 21. The Florida Fish and Wildlife Conservation
26 Commission is directed to assist the Florida Commission on
27 Tourism; the Florida Tourism Industry Marketing Corporation,
28 doing business as VISIT Florida; convention and visitor
29 bureaus; tourist development councils; economic development
30 organizations; and local governments through the provision of
31 marketing advice, technical expertise, promotional support,

1 and product development related to nature-based recreation and
2 sustainable use of natural resources. In carrying out this
3 responsibility, the Florida Fish and Wildlife Conservation
4 Commission shall focus its efforts on fostering nature-based
5 recreation in rural communities and regions encompassing rural
6 communities. As used in this section, the term "nature-based
7 recreation" means leisure activities related to the state's
8 lands, waters, and fish and wildlife resources, including, but
9 not limited to, wildlife viewing, fishing, hiking, canoeing,
10 kayaking, camping, hunting, backpacking, and nature
11 photography. For the purposes of this section, there is
12 appropriated from the General Revenue Fund, for Fiscal Year
13 1999-2000, the sum of \$277,143 to the Florida Fish and
14 Wildlife Conservation Commission.

15 Section 22. Notwithstanding the provisions of section
16 290.044(4), Florida Statutes, regarding the distribution of
17 funds to categories under the Florida Small Cities Community
18 Development Block Grant Program, in no case shall the
19 percentage of funds for the economic development category be
20 less than 40 percent.

21 Section 23. This act shall take effect July 1, 1999.
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1 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
2 COMMITTEE SUBSTITUTE FOR
3 Senate Bill 1560

4 This committee substitute creates the "Rural Economic
5 Development Enhancement Act" or the "Backyard Florida Act of
6 1999." Through its principal provisions, the committee
7 substitute:

8 Allows for job creation and economic development to be
9 considered as factors in future land use plans and in
10 designation of industrial use, notwithstanding existing
11 population or low-density population.

12 Provides that regional planning councils shall have a
13 duty to assist local governments with economic
14 development activities, and it provides for regional
15 planning council membership to include a representative
16 nominated jointly by Enterprise Florida, Inc., and the
17 Office of Tourism, Trade, and Economic Development. This
18 committee substitute also authorizes regional planning
19 councils to use their personnel, consultants, or other
20 assistants to help local governments with economic
21 development activities.

22 Authorizes the Office of Tourism, Trade, and Economic
23 Development (OTTED) to recommend to the Legislature
24 additions to or deletions from the list of standard
25 industrial classifications used to determine an eligible
26 business for purposes of the Rural Job Tax Credit
27 Program.

28 Increases the maximum grant amount under the Regional
29 Rural Development Grant Program to \$35,000, or \$100,000
30 in a rural area of critical economic concern.

31 Authorizes OTTED to allow a rural area of critical
economic concern to retain repayments of principal and
interest under the Rural Community Development Revolving
Loan Fund if certain conditions are met. Provides a \$2
million appropriation from General Revenue to the Rural
Community Development Revolving Loan Fund.

Creates the Rural Infrastructure Fund within OTTED.
Provides for \$8 million from motor vehicle registration
funds to be deposited annually in the Economic
Development Trust Fund in support of the Rural
Infrastructure Fund. Proceeds will provide grants for
infrastructure in support of specific economic
development projects.

Revises provisions relating to the tax refund program
for Qualified Target Industry (QTI) businesses by
allowing OTTED to approve for tax refund an expansion of
an existing business in a rural community or an
enterprise zone that results in a net increase in
employment of less than 10 percent.

Creates the Rural Economic Development Initiative (REDI)
within OTTED and provides its duties and

1 | responsibilities. REDI would be responsible for
2 | coordinating and focusing the efforts and resources of
3 | state and regional agencies on the problems which affect
4 | the fiscal, economic, and community viability of
5 | Florida's economically distressed rural communities.
6 | Provides for the designation of rural areas of critical
7 | economic concern.
8 |
9 | Authorizes the provision of grants to rural communities
10 | to develop and implement strategic economic development
11 | plans.
12 |
13 | Authorizes the Department of Community Affairs (DCA),
14 | subject to legislative appropriations, to establish a
15 | grant program to assist rural counties in financing
16 | studies to determine the feasibility of establishing
17 | municipal service taxing/benefit units. This committee
18 | substitute provides for an appropriation of \$1 million
19 | to DCA to carry out the purposes of the grant program.
20 |
21 | Provides an exclusion related to the district required
22 | local effort when there is a specified nonpayment of
23 | property taxes in a community designated as a rural area
24 | of critical economic concern.
25 |
26 | Creates the Northwest Florida Seaport Transportation and
27 | Economic Development Council as a not-for-profit
28 | corporation to enhance economic development in Northwest
29 | Florida.
30 |
31 | Expands circumstances under which certain heavy mineral
32 | mining operations may not be required to undergo a
33 | development of regional impact review.
34 |
35 | Directs the Florida Fish and Wildlife Conservation
36 | Commission to provide assistance, including marketing
37 | and product development, related to nature-based
38 | recreation for rural communities. Provides a General
39 | Revenue appropriation of \$277,143.
40 |
41 | Specifies that at least 40 percent of funds under the
42 | Small Cities Community Development Block Grant Program
43 | shall be allocated to economic development.
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