

By the Committees on Fiscal Policy; Commerce and Economic Opportunities; and Senator Kirkpatrick

309-2132-99

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; creating s. 288.0655, F.S.;
9 creating the Rural Infrastructure Fund for
10 infrastructure projects in rural communities;
11 providing for an annual deposit in the Economic
12 Development Trust Fund in support of such
13 infrastructure fund; authorizing grants for
14 infrastructure projects and related studies;
15 requiring the development of guidelines;
16 providing that funds appropriated for such
17 infrastructure fund shall not be subject to
18 reversion; amending s. 320.20, F.S.; requiring
19 the deposit of a certain amount of motor
20 vehicle registration funds in the Economic
21 Development Trust Fund in support of the Rural
22 Infrastructure Fund; prescribing the manner in
23 which such funds may be used; prohibiting
24 diversion of such funds; amending s. 288.106,
25 F.S., relating to the tax refund program for
26 qualified target industry businesses; providing
27 a definition; authorizing the Office of
28 Tourism, Trade, and Economic Development to
29 reduce certain employment requirements for an
30 expanding business in a rural community or
31 enterprise zone under certain conditions;

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

1 311.20, F.S.; creating the Northwest Florida
2 Seaport Transportation and Economic Development
3 Council; providing for the membership of the
4 council; requiring the council to develop a
5 strategic regional development plan;
6 prescribing powers of the council; providing
7 for staffing of the council; amending s.
8 378.601, F.S.; exempting specified heavy mining
9 operations from requirements for
10 development-of-regional-impact review under
11 certain circumstances; directing the Florida
12 Fish and Wildlife Conservation Commission to
13 provide assistance related to promotion and
14 development of nature-based recreation;
15 providing an appropriation; specifying a
16 minimum percentage of funds to be allocated to
17 economic development under the Florida Small
18 Cities Community Development Block Grant
19 Program; providing an effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

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

26 Section 2. Legislative intent.--

27 (1) The Legislature finds and declares that because of
28 climate, tourism, industrialization, technological advances,
29 federal and state government policies, transportation, and
30 migration, Florida's urban communities have grown rapidly over
31 the past 40 years. This growth and prosperity, however, have

1 not been shared by Florida's rural communities, although they
2 are the stewards of the vast majority of the land and natural
3 resources. Without this land and these resources, the state's
4 growth and prosperity cannot continue. In short, successful
5 rural communities are essential to the overall success of the
6 state's economy.

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

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

28 Section 3. Paragraph (a) of subsection (6) of section
29 163.3177, Florida Statutes, 1998 Supplement, is amended to
30 read:
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1 163.3177 Required and optional elements of
2 comprehensive plan; studies and surveys.--

3 (6) In addition to the requirements of subsections
4 (1)-(5), the comprehensive plan shall include the following
5 elements:

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

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

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

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

13 186.502 Legislative findings; public purpose.--

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

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

20 186.504 Regional planning councils; creation;
21 membership.--

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

26 (a) A representative of the Department of
27 Transportation.

28 (b) A representative of the Department of
29 Environmental Protection.

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1 (c) A representative nominated by Enterprise Florida,
2 Inc., and the Office of Tourism, Trade, and Economic
3 Development of the Department of Commerce.

4 (d) A representative of the appropriate water
5 management district or districts.

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7 The Governor may also appoint ex officio nonvoting members
8 representing appropriate metropolitan planning organizations
9 and regional water supply authorities.

10 Section 6. Subsection (25) is added to section
11 186.505, Florida Statutes, to read:

12 186.505 Regional planning councils; powers and
13 duties.--Any regional planning council created hereunder shall
14 have the following powers:

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

19 Section 7. Paragraph (a) of subsection (2) of section
20 212.098, Florida Statutes, 1998 Supplement, is amended to
21 read:

22 212.098 Rural Job Tax Credit Program.--

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

24 (a) "Eligible business" means any sole proprietorship,
25 firm, partnership, or corporation that is located in a
26 qualified county and is predominantly engaged in, or is
27 headquarters for a business predominantly engaged in,
28 activities usually provided for consideration by firms
29 classified within the following standard industrial
30 classifications: SIC 01 through SIC 09 (agriculture,
31 forestry, and fishing); SIC 20 through SIC 39 (manufacturing);

1 SIC 422 (public warehousing and storage); SIC 70 (hotels and
2 other lodging places); SIC 7391 (research and development);
3 SIC 7992 (public golf courses); and SIC 7996 (amusement
4 parks). Excluded from eligible receipts are receipts from
5 retail sales, except such receipts for hotels and other
6 lodging places classified in SIC 70, public golf courses in
7 SIC 7992, and amusement parks in SIC 7996. In addition, the
8 Office of Tourism, Trade, and Economic Development may, as
9 part of its final budget request submitted pursuant to s.
10 216.023, recommend additions to or deletions from the list of
11 standard industrial classifications used to determine an
12 eligible business, and the Legislature may implement such
13 recommendations. For purposes of this paragraph, the term
14 "predominantly" means that more than 50 percent of the
15 business's gross receipts from all sources is generated by
16 those activities usually provided for consideration by firms
17 in the specified standard industrial classification. The
18 determination of whether the business is located in a
19 qualified county and the tier ranking of that county must be
20 based on the date of application for the credit under this
21 section. Commonly owned and controlled entities are to be
22 considered a single business entity.

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

25 288.018 Regional Rural Development Grants Program.--

26 (1) The Office of Tourism, Trade, and Economic
27 Development shall establish a matching grant program to
28 provide funding to regionally based economic development
29 organizations representing rural counties and communities for
30 the purpose of building the professional capacity of their
31 organizations. The Office of Tourism, Trade, and Economic

1 Development is authorized to approve, on an annual basis,
2 grants to such regionally based economic development
3 organizations. The maximum amount an organization may receive
4 in any year will be \$35,000, or \$100,000 in a rural area of
5 critical economic concern recommended by the Rural Economic
6 Development Initiative and designated by the Governor, ~~\$20,000~~
7 and must be matched each year by an equivalent amount of
8 nonstate resources.

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

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

16 288.065 Rural Community Development Revolving Loan
17 Fund.--

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

1 loan fund and made available for loans to other applicants.
2 However, in a rural area of critical economic concern
3 designated by the Governor, and upon approval by the Office of
4 Tourism, Trade, and Economic Development, repayments of
5 principal and interest may be retained by a unit of local
6 government if such repayments are dedicated and matched to
7 fund regionally based economic development organizations
8 representing the rural area of critical economic concern.

9 Section 10. Section 288.0655, Florida Statutes, is
10 created to read:

11 288.0655 Rural Infrastructure Fund.--

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

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

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

28 (b) To facilitate access of rural communities and
29 rural areas of critical economic concern as defined by the
30 Rural Economic Development Initiative to infrastructure
31 funding programs of the Federal Government, such as those

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

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

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1 consider the extent to which the application seeks to minimize
2 administrative and consultant expenses.

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

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

30 (4) The office, in consultation with Enterprise
31 Florida, Inc., VISIT Florida, the Department of Environmental

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

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

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

24 Section 11. Present subsection (5) of section 320.20,
25 Florida Statutes, is redesignated as subsection (6) and a new
26 subsection (5) is added to that section to read:

27 320.20 Disposition of license tax moneys.--The revenue
28 derived from the registration of motor vehicles, including any
29 delinquent fees and excluding those revenues collected and
30 distributed under the provisions of s. 320.081, must be
31 distributed monthly, as collected, as follows:

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

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

18 Section 12. Paragraph (t) is added to subsection (2)
19 of section 288.106, Florida Statutes, 1998 Supplement, and
20 paragraph (b) of subsection (4) of that section is amended, to
21 read:

22 288.106 Tax refund program for qualified target
23 industry businesses.--

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

25 (t) "Rural community" means:

- 26 1. A county with a population of 75,000 or less.
- 27 2. A county with a population of 100,000 or less that
28 is contiguous to a county with a population of 75,000 or less.
- 29 3. A municipality within a county described in
30 subparagraph 1. or subparagraph 2.

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

4 (4) APPLICATION AND APPROVAL PROCESS.--

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

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

27 2. The target industry business's project must result
28 in the creation of at least 10 jobs at such project and, if an
29 expansion of an existing business, must result in a net
30 increase in employment of not less than 10 percent at such
31 business. However, at the request of the local governing body

1 recommending the project and Enterprise Florida, Inc., the
2 office may approve an expansion of an existing business under
3 this section in a rural community or an enterprise zone that
4 results in a net increase in employment of less than 10
5 percent if the merits of the individual project or the
6 specific circumstances in the community in relation to the
7 project warrant this action. If the local governing body and
8 Enterprise Florida, Inc., make such a recommendation, it must
9 be transmitted in writing and the specific justification for
10 the request must be explained. If the director elects to
11 accept such request, this decision must be stated in writing
12 and the reasons for granting the request must be explained.

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

24 Section 13. Rural Economic Development Initiative.--

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

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

30 (a) "Economic distress" means conditions affecting the
31 fiscal and economic viability of a rural community, including

1 such factors as low per capita income, low per capita taxable
2 values, high unemployment, high underemployment, low weekly
3 earned wages compared to the state average, low housing values
4 compared to the state average, high percentages of the
5 population receiving public assistance, high poverty levels
6 compared to the state average, and a lack of year-round stable
7 employment opportunities.

8 (b) "Rural community" means:

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

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

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

14 4. An unincorporated federal enterprise community or
15 an incorporated rural city with a population of 25,000 or less
16 and an employment base focused on traditional agricultural or
17 resource-based industries, located in a county not defined as
18 rural, which has at least three or more of the economic
19 distress factors identified in paragraph (2)(a) and verified
20 by the Office of Tourism, Trade, and Economic Development.

21
22 For purposes of this paragraph, population shall be determined
23 in accordance with the most recent official estimate pursuant
24 to section 186.901, Florida Statutes.

25 (3) REDI shall be responsible for coordinating and
26 focusing the efforts and resources of state and regional
27 agencies on the problems which affect the fiscal, economic,
28 and community viability of Florida's economically distressed
29 rural communities, working with local governments,
30 community-based organizations, and private organizations that
31 have an interest in the growth and development of these

1 communities to find ways to balance environmental and growth
2 management issues with local needs.

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

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

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

- 18 1. The Department of Community Affairs.
- 19 2. The Department of Transportation.
- 20 3. The Department of Environmental Protection.
- 21 4. The Department of Agriculture and Consumer
22 Services.
- 23 5. The Department of State.
- 24 6. The Department of Health.
- 25 7. The Department of Children and Family Services.
- 26 8. The Department of Corrections.
- 27 9. The Department of Labor and Employment Security.
- 28 10. The Department of Education.
- 29 11. The Fish and Wildlife Conservation Commission.
- 30 12. Each water management district.
- 31 13. Enterprise Florida, Inc.

- 1 14. The Florida Commission on Tourism or VISIT
2 Florida.
- 3 15. The Florida Regional Planning Council Association.
4 16. The Florida State Rural Development Council.
5 17. The Institute of Food and Agricultural Sciences
6 (IFAS).
- 7
- 8 An alternate for each designee shall also be chosen, and the
9 names of the designees and alternates shall be sent to the
10 director of the Office of Tourism, Trade, and Economic
11 Development.
- 12 (b) Each REDI representative must have comprehensive
13 knowledge of his or her agency's functions, both regulatory
14 and service in nature, and of the state's economic goals,
15 policies, and programs. This person shall be the primary point
16 of contact for his or her agency with REDI on issues and
17 projects relating to economically distressed rural communities
18 and with regard to expediting project review, shall ensure a
19 prompt effective response to problems arising with regard to
20 rural issues, and shall work closely with the other REDI
21 representatives in the identification of opportunities for
22 preferential awards of program funds and allowances and waiver
23 of program requirements when necessary to encourage and
24 facilitate long-term private capital investment and job
25 creation.
- 26 (c) The REDI representatives shall work with REDI in
27 the review and evaluation of statutes and rules for adverse
28 impact on rural communities and the development of alternative
29 proposals to mitigate that impact.
- 30 (d) Each REDI representative shall be responsible for
31 ensuring that each district office or facility of his or her

1 agency is informed about the Rural Economic Development
2 Initiative and for providing assistance throughout the agency
3 in the implementation of REDI activities.

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

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

27 (b) Waive agency rules to empower the agency to commit
28 and coordinate their resources, staff, or assistance to these
29 rural communities, as well as to suspend procedural
30 requirements of law that do not compromise the public's
31 health, safety, or welfare.

1 (c) Provide rapid response assistance, training
2 services, and educational opportunities for employees; develop
3 training programs; and pay tuition or training expenses for
4 employees from resources coordinated by the Workforce
5 Development Board.

6 (d) Commit the resources or benefits of the Rural
7 Community Development Revolving Loan Fund under section
8 288.065, Florida Statutes, the Regional Rural Grants Program
9 under section 288.018, Florida Statutes, the rural job tax
10 credit program under sections 212.098 and 220.1895, Florida
11 Statutes, and the federal Community Development Block Grant
12 Program.

13 (e) Direct the assignment of staffing and resources
14 from Enterprise Florida, Inc.

15
16 Designation as a rural area of critical economic concern under
17 this subsection shall be contingent upon the execution of a
18 memorandum of agreement among the Office of Tourism, Trade,
19 and Economic Development, the governing body of the county,
20 and the governing bodies of any municipalities to be included
21 within a rural area of critical economic concern. Such
22 agreement shall specify the terms and conditions of the
23 designation, including, but not limited to, the duties and
24 responsibilities of the county and any participating
25 municipalities to take actions designed to facilitate the
26 retention and expansion of existing businesses in the area, as
27 well as the recruitment of new businesses to the area.

28 (8) REDI shall submit a report to the Governor, the
29 President of the Senate, and the Speaker of the House of
30 Representatives each year on or before February 1 on all REDI
31 activities. This report shall include a status report on all

1 projects currently being coordinated through REDI, the number
2 of preferential awards and allowances made pursuant to this
3 section, the dollar amount of such awards, and the names of
4 the recipients. The report shall also include a description of
5 all waivers of program requirements granted. The report shall
6 also include information as to the economic impact of the
7 projects coordinated by REDI.

8 Section 14. Florida rural economic development
9 strategy grants.--

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

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

13 (b) 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 (c) A municipality within a county described in
16 paragraph (a) or paragraph (b).

17
18 For purposes of this subsection, population shall be
19 determined in accordance with the most recent official
20 estimate pursuant to section 186.901, Florida Statutes.

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

25 (3) A rural community, an economic development
26 organization in a rural area, or a regional organization
27 representing at least one rural community or such economic
28 development organizations may apply for such grants.

29 (4) Enterprise Florida, Inc., and VISIT Florida, shall
30 establish criteria for reviewing grant applications. These
31 criteria shall include, but are not limited to, the degree of

1 participation and commitment by the local community and the
2 application's consistency with local comprehensive plans or
3 the application's proposal to ensure such consistency. The
4 International Trade and Economic Development Board of
5 Enterprise Florida, Inc., and VISIT Florida, shall review each
6 application for a grant and shall submit annually to the
7 office for approval a list of all applications that are
8 recommended by the board and VISIT Florida, arranged in order
9 of priority. The office may approve grants only to the extent
10 that funds are appropriated for such grants by the
11 Legislature.

12 Section 15. Establishment of municipal service taxing
13 or benefit units; grants to rural counties.--

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

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

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1 of the study shall be submitted to the department within 30
2 days after it is completed.

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

6 Section 16. There is appropriated from the General
7 Revenue Fund to the Department of Community Affairs for Fiscal
8 Year 1999-2000 the sum of \$1 million to carry out the purposes
9 of a grant program for rural county municipal service taxing
10 or benefit unit feasibility studies.

11 Section 17. Paragraph (d) of subsection (4) of section
12 236.081, Florida Statutes, 1998 Supplement, is amended to
13 read:

14 236.081 Funds for operation of schools.--If the annual
15 allocation from the Florida Education Finance Program to each
16 district for operation of schools is not determined in the
17 annual appropriations act or the substantive bill implementing
18 the annual appropriations act, it shall be determined as
19 follows:

20 (4) COMPUTATION OF DISTRICT REQUIRED LOCAL
21 EFFORT.--The Legislature shall prescribe the aggregate
22 required local effort for all school districts collectively as
23 an item in the General Appropriations Act for each fiscal
24 year. The amount that each district shall provide annually
25 toward the cost of the Florida Education Finance Program for
26 kindergarten through grade 12 programs shall be calculated as
27 follows:

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

29 1. In those instances in which:

30 a.1. There is litigation either attacking the
31 authority of the property appraiser to include certain

1 property on the tax assessment roll as taxable property or
2 contesting the assessed value of certain property on the tax
3 assessment roll, and

4 ~~b.2.~~ The assessed value of the property in contest
5 involves more than 6 percent of the total nonexempt assessment
6 roll,

7
8 the assessed value of the property in contest shall be
9 excluded from the taxable value for school purposes for
10 purposes of computing the district required local effort.

11 2. In those instances in which there is a nonpayment
12 of property taxes in a community designated as a rural area of
13 critical economic concern that exceeds 6 percent of the total
14 nonexempt assessment roll, the assessed value of the property
15 that is the subject of the nonpayment shall be excluded from
16 the taxable value for school purposes for purposes of
17 computing the district required local effort.

18 Section 18. Section 311.20, Florida Statutes, is
19 created to read:

20 311.20 Northwest Florida Seaport Transportation and
21 Economic Development Council.--

22 (1) There is created the Northwest Florida Seaport
23 Transportation and Economic Development Council as a
24 corporation not for profit to be incorporated under the
25 provisions of chapter 617. The purpose of the council is to
26 enhance economic development in the northwest Florida region
27 by creating jobs and increasing cargo flow and port revenues
28 at the three ports located in the region and the regional
29 communities.

30 (2)(a) The council shall consist of the following
31 members: the port director or designee of the port of Panama

1 City; the port director or designee of the port of Pensacola;
2 the port director or designee of the port of Port St. Joe; the
3 director or designee of the Office of Tourism, Trade, and
4 Economic Development; and a representative from Enterprise
5 Florida, Inc. In addition, the members of the council may
6 appoint up to four ex officio nonvoting members to the
7 council.

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

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

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

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

18 (c) An identification of specific transportation and
19 economic development projects that create jobs and increase
20 cargo flow and port revenues at the three ports and the
21 regional communities. Subject to specific appropriation by the
22 Legislature, the council may grant funds for the development
23 of such projects.

24 (4) The council shall have all the powers necessary
25 and convenient to carry out and effectuate the purposes and
26 provisions of this section, including, but not limited to, the
27 power to:

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

30 (b) Purchase, receive, hold, lease, or otherwise
31 acquire, and to sell, convey, transfer, lease, or otherwise

1 dispose of, real property and personal property together with
2 such rights and privileges as may be incidental and
3 appurtenant thereto and the use thereof.

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

7 (5) The council may appoint an executive director, and
8 the executive director may employ such staff as may be
9 authorized by the council. The compensation of the executive
10 director and staff shall be set by the council.

11 Section 19. Subsection (5) of section 378.601, Florida
12 Statutes, is amended to read:

13 378.601 Heavy minerals.--

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

22 (a) Mining is conducted in counties where the operator
23 has conducted heavy mineral mining activities prior to March
24 1, 1997; and

25 (b) The operator of the heavy mineral mining operation
26 has executed a developer agreement pursuant to s. 380.032 or
27 has received a development order under s. 380.06(15)as of
28 March 1, 1997. Lands mined pursuant to this section need not
29 be the subject of the developer agreement or development
30 order.

31

1 Section 20. The Florida Fish and Wildlife Conservation
2 Commission is directed to assist the Florida Commission on
3 Tourism; the Florida Tourism Industry Marketing Corporation,
4 doing business as VISIT Florida; convention and visitor
5 bureaus; tourist development councils; economic development
6 organizations; and local governments through the provision of
7 marketing advice, technical expertise, promotional support,
8 and product development related to nature-based recreation and
9 sustainable use of natural resources. In carrying out this
10 responsibility, the Florida Fish and Wildlife Conservation
11 Commission shall focus its efforts on fostering nature-based
12 recreation in rural communities and regions encompassing rural
13 communities. As used in this section, the term "nature-based
14 recreation" means leisure activities related to the state's
15 lands, waters, and fish and wildlife resources, including, but
16 not limited to, wildlife viewing, fishing, hiking, canoeing,
17 kayaking, camping, hunting, backpacking, and nature
18 photography. For the purposes of this section, there is
19 appropriated from the General Revenue Fund, for Fiscal Year
20 1999-2000, the sum of \$277,143 to the Florida Fish and
21 Wildlife Conservation Commission.

22 Section 21. Notwithstanding the provisions of section
23 290.044(4), Florida Statutes, regarding the distribution of
24 funds to categories under the Florida Small Cities Community
25 Development Block Grant Program, in no case shall the
26 percentage of funds for the economic development category be
27 less than 40 percent.

28 Section 22. This act shall take effect July 1, 1999.
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STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN
COMMITTEE SUBSTITUTE FOR
CS/SB 1560

Changes "rural areas" to "rural communities" as related to a future land use plan; clarifies that in the determination on the amount of land designated for future planned industrial use shall be based upon surveys and studies regarding local economic conditions; and shall not be limited solely by the projected population of the rural community.

Deletes the \$2 million appropriation for the Rural Community Development Revolving Loan Fund to avoid a duplicate appropriation.

Provides that a designation as a rural area of critical economic concern is contingent upon a Memorandum of Agreement between OTTED, the governing body of the county, and the governing bodies of any municipalities to be included within a rural area of critical concern, with the agreement specifying local steps to promote economic development. Adds an unincorporated, federal enterprise community to the definition of "rural community".