

By Senator Kirkpatrick

5-1576A-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. 212.098,
8 F.S.; authorizing the Office of Tourism, Trade,
9 and Economic Development to recommend to the
10 Legislature additions to or deletions from the
11 list of standard industrial classifications
12 used to determine an eligible business for
13 purposes of the Rural Job Tax Credit Program;
14 providing an appropriation to the Rural
15 Community Development Revolving Loan Fund;
16 amending s. 288.106, F.S., relating to the tax
17 refund program for qualified target industry
18 businesses; providing a definition; authorizing
19 the office to reduce certain employment
20 requirements for an expanding business in a
21 rural community or enterprise zone under
22 certain conditions; creating the Rural Economic
23 Development Initiative within the office and
24 providing its duties and responsibilities;
25 directing specified agencies to select a
26 representative to work with the initiative;
27 providing for an annual report; authorizing the
28 office to accept and administer moneys
29 appropriated for grants to assist rural
30 communities to develop and implement strategic
31 economic development plans; providing for

1 review of grant applications; providing an
2 effective date.

3
4 Be It Enacted by the Legislature of the State of Florida:

5
6 Section 1. Short title.--This act may be cited as the
7 "Rural Economic Development Enhancement Act."

8 Section 2. Legislative intent.--

9 (1) The Legislature finds and declares that because of
10 climate, tourism, industrialization, technological advances,
11 federal and state government policies, transportation, and
12 migration, Florida's urban communities have grown rapidly over
13 the past 40 years. This growth and prosperity, however, have
14 not been shared by Florida's rural communities, although they
15 are the stewards of the vast majority of the land and natural
16 resources. Without this land and these resources, the state's
17 growth and prosperity cannot continue. In short, successful
18 rural communities are essential to the overall success of the
19 state's economy.

20 (2) The Legislature further finds and declares that
21 many rural areas of the state are experiencing not only a lack
22 of growth, but severe and sustained economic distress. Median
23 household incomes are significantly less than the state's
24 median household income level. Job creation rates trail those
25 in more urbanized areas. In many cases, rural counties have
26 lost jobs, which handicaps local economies and drains wealth
27 from these communities. These and other factors, including
28 government policies, amplify and compound social, health, and
29 community problems, making job creation and economic
30 development even more difficult. Moreover, the Legislature
31 finds that traditional program and service delivery is often

1 hampered by the necessarily rigid structure of the programs
2 themselves, and the lack of local resources.

3 (3) It is the intent of the Legislature to provide for
4 the most efficient and effective delivery of programs of
5 assistance and support to rural communities, including the
6 use, where appropriate, of regulatory flexibility through
7 multiagency coordination and adequate funding. Therefore, the
8 Legislature determines and declares that the provisions of
9 this act fulfill an important state interest.

10 Section 3. Paragraph (a) of subsection (6) of section
11 163.3177, Florida Statutes, 1998 Supplement, is amended to
12 read:

13 163.3177 Required and optional elements of
14 comprehensive plan; studies and surveys.--

15 (6) In addition to the requirements of subsections
16 (1)-(5), the comprehensive plan shall include the following
17 elements:

18 (a) A future land use plan element designating
19 proposed future general distribution, location, and extent of
20 the uses of land for residential uses, commercial uses,
21 industry, agriculture, recreation, conservation, education,
22 public buildings and grounds, other public facilities, and
23 other categories of the public and private uses of land. The
24 future land use plans shall include standards to be followed in
25 the control and distribution of population densities and
26 building and structure intensities. The proposed
27 distribution, location, and extent of the various categories
28 of land use shall be shown on a land use map or map series
29 which shall be supplemented by goals, policies, and measurable
30 objectives. Each land use category shall be defined in terms
31 of the types of uses included and specific standards for the

1 density or intensity of use. The future land use plan shall
2 be based upon surveys, studies, and data regarding the area,
3 including the amount of land required to accommodate
4 anticipated growth; the projected population of the area; the
5 character of undeveloped land; the availability of public
6 services; ~~and~~ the need for redevelopment, including the
7 renewal of blighted areas and the elimination of nonconforming
8 uses which are inconsistent with the character of the
9 community; and, in rural areas, the need for job creation,
10 capital investment, and economic development that will
11 strengthen and diversify the community's economy. The future
12 land use plan may designate areas for future planned
13 development use involving combinations of types of uses for
14 which special regulations may be necessary to ensure
15 development in accord with the principles and standards of the
16 comprehensive plan and this act. In rural areas, the amount of
17 land designated for future planned industrial use shall
18 reflect the need for job creation, capital investment, and the
19 necessity to strengthen and diversify the local economies, and
20 shall not be limited by the existing population base or other
21 factors relating to low density population and undiversified
22 economies.The future land use plan of a county may also
23 designate areas for possible future municipal incorporation.
24 The land use maps or map series shall generally identify and
25 depict historic district boundaries and shall designate
26 historically significant properties meriting protection. The
27 future land use element must clearly identify the land use
28 categories in which public schools are an allowable use. When
29 delineating the land use categories in which public schools
30 are an allowable use, a local government shall include in the
31 categories sufficient land proximate to residential

1 development to meet the projected needs for schools in
2 coordination with public school boards and may establish
3 differing criteria for schools of different type or size.
4 Each local government shall include lands contiguous to
5 existing school sites, to the maximum extent possible, within
6 the land use categories in which public schools are an
7 allowable use. All comprehensive plans must comply with this
8 paragraph no later than October 1, 1999, or the deadline for
9 the local government evaluation and appraisal report,
10 whichever occurs first. The failure by a local government to
11 comply with this requirement will result in the prohibition of
12 the local government's ability to amend the local
13 comprehensive plan as provided by s. 163.3187(6). An amendment
14 proposed by a local government for purposes of identifying the
15 land use categories in which public schools are an allowable
16 use is exempt from the limitation on the frequency of plan
17 amendments contained in s. 163.3187. The future land use
18 element shall include criteria which encourage the location of
19 schools proximate to urban residential areas to the extent
20 possible and shall require that the local government seek to
21 collocate public facilities, such as parks, libraries, and
22 community centers, with schools to the extent possible.

23 Section 4. Paragraph (a) of subsection (2) of section
24 212.098, Florida Statutes, 1998 Supplement, is amended to
25 read:

26 212.098 Rural Job Tax Credit Program.--

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

28 (a) "Eligible business" means any sole proprietorship,
29 firm, partnership, or corporation that is located in a
30 qualified county and is predominantly engaged in, or is
31 headquarters for a business predominantly engaged in,

1 activities usually provided for consideration by firms
2 classified within the following standard industrial
3 classifications: SIC 01 through SIC 09 (agriculture,
4 forestry, and fishing); SIC 20 through SIC 39 (manufacturing);
5 SIC 422 (public warehousing and storage); SIC 70 (hotels and
6 other lodging places); SIC 7391 (research and development);
7 SIC 7992 (public golf courses); and SIC 7996 (amusement
8 parks). Excluded from eligible receipts are receipts from
9 retail sales, except such receipts for hotels and other
10 lodging places classified in SIC 70, public golf courses in
11 SIC 7992, and amusement parks in SIC 7996. In addition, the
12 Office of Tourism, Trade, and Economic Development may, as
13 part of its final budget request submitted pursuant to s.
14 216.023, recommend additions to or deletions from the list of
15 standard industrial classifications used to determine an
16 eligible business, and the Legislature may implement such
17 recommendations. For purposes of this paragraph, the term
18 "predominantly" means that more than 50 percent of the
19 business's gross receipts from all sources is generated by
20 those activities usually provided for consideration by firms
21 in the specified standard industrial classification. The
22 determination of whether the business is located in a
23 qualified county and the tier ranking of that county must be
24 based on the date of application for the credit under this
25 section. Commonly owned and controlled entities are to be
26 considered a single business entity.

27 Section 5. There is appropriated from the General
28 Revenue Fund for fiscal year 1999-2000 the sum of \$2 million
29 to the Rural Community Development Revolving Loan Fund in the
30 Office of Tourism, Trade, and Economic Development to
31 implement the provisions of section 288.065, Florida Statutes.

1 Section 6. Paragraph (t) is added to subsection (2) of
2 section 288.106, Florida Statutes, 1998 Supplement, and
3 paragraph (b) of subsection (4) of that section is amended, to
4 read:

5 288.106 Tax refund program for qualified target
6 industry businesses.--

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

8 (t) "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
15 For purposes of this paragraph, population shall be determined
16 in accordance with the most recent official estimate pursuant
17 to s. 186.901.

18 (4) APPLICATION AND APPROVAL PROCESS.--

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

22 1. The jobs proposed to be provided under the
23 application, pursuant to subparagraph (a)4., must pay an
24 estimated annual average wage equaling at least 115 percent of
25 the average private sector wage in the area where the business
26 is to be located or the statewide private sector average wage.
27 The office may waive this average wage requirement at the
28 request of the local governing body recommending the project
29 and Enterprise Florida, Inc. The wage requirement may only be
30 waived for a project located in a brownfield area designated
31 under s. 376.80 or in a rural city or county or in an

1 enterprise zone and only when the merits of the individual
2 project or the specific circumstances in the community in
3 relationship to the project warrant such action. If the local
4 governing body and Enterprise Florida, Inc., make such a
5 recommendation, it must be transmitted in writing and the
6 specific justification for the waiver recommendation must be
7 explained. If the director elects to waive the wage
8 requirement, the waiver must be stated in writing and the
9 reasons for granting the waiver must be explained.

10 2. The target industry business's project must result
11 in the creation of at least 10 jobs at such project and, if an
12 expansion of an existing business, must result in a net
13 increase in employment of not less than 10 percent at such
14 business. However, at the request of the local governing body
15 recommending the project and Enterprise Florida, Inc., the
16 office may approve an expansion of an existing business under
17 this section in a rural community or an enterprise zone that
18 results in a net increase in employment of less than 10
19 percent if the merits of the individual project or the
20 specific circumstances in the community in relation to the
21 project warrant this action. If the local governing body and
22 Enterprise Florida, Inc., make such a recommendation, it must
23 be transmitted in writing and the specific justification for
24 the request must be explained. If the director elects to
25 accept such request, this decision must be stated in writing
26 and the reasons for granting the request must be explained.

27 3. The business activity or product for the
28 applicant's project is within an industry or industries that
29 have been identified by the office to be high-value-added
30 industries that contribute to the area and to the economic
31 growth of the state and that produce a higher standard of

1 living for citizens of this state in the new global economy or
2 that can be shown to make an equivalent contribution to the
3 area and state's economic progress. The director must approve
4 requests to waive the wage requirement for brownfield areas
5 designated under s. 376.80 unless it is demonstrated that such
6 action is not in the public interest.

7 Section 7. Rural Economic Development Initiative.--

8 (1) The Rural Economic Development Initiative, known
9 as "REDI," is created within the Office of Tourism, Trade, and
10 Economic Development, and the participation of state and
11 regional agencies in this initiative is authorized.

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

13 (a) "Economic distress" means conditions affecting the
14 fiscal and economic viability of a rural community, including
15 such factors as low per capita income, low per capita taxable
16 values, high unemployment, high underemployment, low weekly
17 earned wages compared to the state average, low housing values
18 compared to the state average, high percentages of the
19 population receiving public assistance, high poverty levels
20 compared to the state average, and a lack of year-round stable
21 employment opportunities.

22 (b) "Rural community" means:

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

28
29 For purposes of this paragraph, population shall be determined
30 in accordance with the most recent official estimate pursuant
31 to section 186.901, Florida Statutes.

1 (3) REDI shall be responsible for coordinating and
2 focusing the efforts and resources of state and regional
3 agencies on the problems which affect the fiscal, economic,
4 and community viability of Florida's economically distressed
5 rural communities, working with local governments,
6 community-based organizations, and private organizations that
7 have an interest in the growth and development of these
8 communities to find ways to balance environmental and growth
9 management issues with local needs.

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

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

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

- 25 1. The Department of Community Affairs.
- 26 2. The Department of Transportation.
- 27 3. The Department of Environmental Protection.
- 28 4. The Department of Agriculture and Consumer
29 Services.
- 30 5. The Department of State.
- 31 6. The Department of Health.

- 1 7. The Department of Children and Family Services.
2 8. The Department of Corrections.
3 9. The Department of Labor and Employment Security.
4 10. The Fish and Wildlife Conservation Commission.
5 11. Each water management district.
6 12. Enterprise Florida, Inc.
7 13. The Florida Commission on Tourism or VISIT
8 Florida, Inc.
9 14. The Florida Regional Planning Council Association.
10 15. The Florida State Rural Development Council.
11

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

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

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

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 shall submit a report to the Governor, the
9 President of the Senate, and the Speaker of the House of
10 Representatives each year on or before February 1 on all REDI
11 activities. This report shall include a status report on all
12 projects currently being coordinated through REDI, the number
13 of preferential awards and allowances made pursuant to this
14 section, the dollar amount of such awards, and the names of
15 the recipients. The report shall also include a description of
16 all waivers of program requirements granted. The report shall
17 also include information as to the economic impact of the
18 projects coordinated by REDI.

19 Section 8. Florida rural economic development strategy
20 grants.--

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

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

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

26 (c) A municipality within a county described in
27 paragraph (a) or paragraph (b).

28
29 For purposes of this subsection, population shall be
30 determined in accordance with the most recent official
31 estimate pursuant to section 186.901, Florida Statutes.

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

5 (3) A rural community, an economic development
6 organization in a rural area, or a regional organization made
7 up of rural communities or such economic development
8 organizations may apply for such grants.

9 (4) Enterprise Florida, Inc., and VISIT Florida, Inc.,
10 shall establish criteria for reviewing grant applications.
11 These criteria shall include, but are not limited to, the
12 degree of participation and commitment by the local community
13 and the application's consistency with local comprehensive
14 plans or the application's proposal to ensure such
15 consistency. The International Trade and Economic Development
16 Board of Enterprise Florida, Inc., and VISIT Florida, Inc.,
17 shall review each application for a grant and shall submit
18 annually to the office for approval a list of all applications
19 that are recommended by the board and VISIT Florida, Inc.,
20 arranged in order of priority. The office may approve grants
21 only to the extent that funds are appropriated for such grants
22 by the Legislature.

23 Section 9. This act shall take effect July 1, 1999.
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LEGISLATIVE SUMMARY

Creates the "Rural Economic Development Enhancement Act."

Provides requirements for the future land use element of a local government comprehensive plan with respect to rural areas.

Authorizes the Office of Tourism, Trade, and Economic Development to recommend to the Legislature additions to or deletions from the list of standard industrial classifications used to determine an eligible business for purposes of the Rural Job Tax Credit Program.

Provides an appropriation to the Rural Community Development Revolving Loan Fund.

Revises provisions relating to the tax refund program for qualified target industry businesses. Authorizes the office to reduce certain employment requirements for an expanding business in a rural community or enterprise zone under certain conditions.

Creates the Rural Economic Development Initiative within the office and provides its duties and responsibilities. Directs specified agencies to select a representative to work with the initiative. Provides for an annual report.

Authorizes the office to accept and administer moneys appropriated for grants to assist rural communities to develop and implement strategic economic development plans and provides for review of grant applications.