

By the Committee on Community Affairs and Representative
K. Smith

1 A bill to be entitled
2 An act relating to economic development in
3 rural areas; providing a short title; providing
4 intent; 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; authorizing the
2 Department of Community Affairs to establish a
3 grant program to assist rural counties in
4 financing studies regarding the establishment
5 of municipal service taxing or benefit units;
6 providing for rules; providing an
7 appropriation; providing an effective date.
8

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

10

11 Section 1. Short title.--This act may be cited as the
12 "Rural Economic Development Enhancement Act."

13 Section 2. Legislative intent.--

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

25 (2) The Legislature further finds and declares that
26 many rural areas of the state are experiencing not only a lack
27 of growth, but severe and sustained economic distress. Median
28 household incomes are significantly less than the state's
29 median household income level. Job creation rates trail those
30 in more urbanized areas. In many cases, rural counties have
31 lost jobs, which handicaps local economies and drains wealth

1 from these communities. These and other factors, including
2 government policies, amplify and compound social, health, and
3 community problems, making job creation and economic
4 development even more difficult. Moreover, the Legislature
5 finds that traditional program and service delivery is often
6 hampered by the necessarily rigid structure of the programs
7 themselves, and the lack of local resources.

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

15 Section 3. Paragraph (a) of subsection (6) of section
16 163.3177, Florida Statutes, 1998 Supplement, is amended to
17 read:

18 163.3177 Required and optional elements of
19 comprehensive plan; studies and surveys.--

20 (6) In addition to the requirements of subsections
21 (1)-(5), the comprehensive plan shall include the following
22 elements:

23 (a) A futureland use plan element designating
24 proposed future general distribution, location, and extent of
25 the uses of land for residential uses, commercial uses,
26 industry, agriculture, recreation, conservation, education,
27 public buildings and grounds, other public facilities, and
28 other categories of the public and private uses of land. The
29 future land use plan shall include standards to be followed in
30 the control and distribution of population densities and
31 building and structure intensities. The proposed

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

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

28 Section 4. Paragraph (a) of subsection (2) of section
29 212.098, Florida Statutes, 1998 Supplement, is amended to
30 read:

31 212.098 Rural Job Tax Credit Program.--

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

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

6 Section 6. Paragraph (t) is added to subsection (2) of
7 section 288.106, Florida Statutes, 1998 Supplement, and
8 paragraph (b) of subsection (4) of said section is amended, to
9 read:

10 288.106 Tax refund program for qualified target
11 industry businesses.--

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

13 (t) "Rural community" means:

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

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

17 3. A city within a county described in subparagraph 1.
18 or subparagraph 2.

19
20 For purposes of this paragraph, population shall be determined
21 in accordance with the most recent official estimate pursuant
22 to s. 186.901.

23 (4) APPLICATION AND APPROVAL PROCESS.--

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

27 1. The jobs proposed to be provided under the
28 application, pursuant to subparagraph (a)4., must pay an
29 estimated annual average wage equaling at least 115 percent of
30 the average private sector wage in the area where the business
31 is to be located or the statewide private sector average wage.

1 The office may waive this average wage requirement at the
2 request of the local governing body recommending the project
3 and Enterprise Florida, Inc. The wage requirement may only be
4 waived for a project located in a brownfield area designated
5 under s. 376.80 or in a rural city or county or in an
6 enterprise zone and only when the merits of the individual
7 project or the specific circumstances in the community in
8 relationship to the project warrant such action. If the local
9 governing body and Enterprise Florida, Inc., make such a
10 recommendation, it must be transmitted in writing and the
11 specific justification for the waiver recommendation must be
12 explained. If the director elects to waive the wage
13 requirement, the waiver must be stated in writing and the
14 reasons for granting the waiver must be explained.

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

1 3. The business activity or product for the
2 applicant's project is within an industry or industries that
3 have been identified by the office to be high-value-added
4 industries that contribute to the area and to the economic
5 growth of the state and that produce a higher standard of
6 living for citizens of this state in the new global economy or
7 that can be shown to make an equivalent contribution to the
8 area and state's economic progress. The director must approve
9 requests to waive the wage requirement for brownfield areas
10 designated under s. 376.80 unless it is demonstrated that such
11 action is not in the public interest.

12 Section 7. Rural Economic Development Initiative.--

13 (1) The Rural Economic Development Initiative, known
14 as "REDI," is created within the Office of Tourism, Trade, and
15 Economic Development, and the participation of state and
16 regional agencies in this initiative is authorized.

17 (2) As used in this section:

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

27 (b) "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 city within a county described in subparagraph 1.
2 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 (3) REDI shall be responsible for coordinating and
8 focusing the efforts and resources of state and regional
9 agencies on the problems which affect the fiscal, economic,
10 and community viability of Florida's economically distressed
11 rural communities, working with local governments,
12 community-based organizations, and private organizations that
13 have an interest in the growth and development of these
14 communities to find ways to balance environmental and growth
15 management issues with local needs.

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

19 (5) REDI shall facilitate better access to state
20 resources by promoting direct access and referrals to
21 appropriate state and regional agencies and statewide
22 organizations. REDI may undertake outreach, capacity-building,
23 and other advocacy efforts to improve conditions in rural
24 communities. These activities may include sponsorship of
25 conferences and achievement awards.

26 (6)(a) No later than August 1, 1999, the head of each
27 of the following agencies and organizations shall designate a
28 high-level staff person from within the agency or organization
29 to serve as the REDI representative for the agency or
30 organization:

31 1. The Department of Community Affairs.

- 1 2. The Department of Transportation.
2 3. The Department of Environmental Protection.
3 4. The Department of Agriculture and Consumer
4 Services.
5 5. The Department of State.
6 6. The Department of Health.
7 7. The Department of Children and Family Services.
8 8. The Department of Corrections.
9 9. The Department of Labor and Employment Security.
10 10. The Department of Education.
11 11. The Fish and Wildlife Conservation Commission.
12 12. Each water management district.
13 13. Enterprise Florida, Inc.
14 14. The Florida Commission on Tourism or VISIT
15 Florida, Inc.
16 15. The Florida Regional Planning Council Association.
17 16. The Florida State Rural Development Council.
18 17. The Institute of Food and Agricultural Sciences
19 (IFAS).
20
21 An alternate for each designee shall also be chosen, and the
22 names of the designees and alternates shall be sent to the
23 director of the Office of Tourism, Trade, and Economic
24 Development.
25 (b) Each REDI representative must have comprehensive
26 knowledge of his or her agency's functions, both regulatory
27 and service in nature, and of the state's economic goals,
28 policies, and programs. This person shall be the primary point
29 of contact for his or her agency with REDI on issues and
30 projects relating to economically distressed rural communities
31 and with regard to expediting project review, shall ensure a

1 prompt effective response to problems arising with regard to
2 rural issues, and shall work closely with the other REDI
3 representatives in the identification of opportunities for
4 preferential awards of program funds and allowances and waiver
5 of program requirements when necessary to encourage and
6 facilitate long-term private capital investment and job
7 creation.

8 (c) The REDI representatives shall work with REDI in
9 the review and evaluation of statutes and rules for adverse
10 impact on rural communities and the development of alternative
11 proposals to mitigate that impact.

12 (d) Each REDI representative shall be responsible for
13 ensuring that each district office or facility of his or her
14 agency is informed about the Rural Economic Development
15 Initiative and for providing assistance throughout the agency
16 in the implementation of REDI activities.

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

28 Section 8. Florida rural economic development strategy
29 grants.--

30 (1) As used in this section, "rural community" means:

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

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

3 (c) A city within a county described in paragraph (a)
4 or paragraph (b).

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

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

13 (3) A rural community, an economic development
14 organization in a rural area, or a regional organization
15 representing at least one rural community or one of such
16 economic development organizations may apply for such grants.

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

31

1 Section 9. Establishment of municipal service taxing
2 or benefit units; grants to rural counties.--

3 (1) As used in this section, "rural county" means a
4 county with a population of 75,000 or fewer persons,
5 determined pursuant to s. 186.901, Florida Statutes.

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

22 (3) The department shall adopt rules to implement the
23 grant program. Such rules shall include criteria for awarding
24 grants and application requirements, procedures, and forms.

25 Section 10. There is hereby appropriated from the
26 General Revenue Fund to the Department of Community Affairs
27 for fiscal year 1999-2000 the sum of \$1 million to carry out
28 the purposes of a grant program for rural county municipal
29 service taxing or benefit unit feasibility studies.

30 Section 11. This act shall take effect July 1, 1999.
31