

STORAGE NAME: h1789a.ca

DATE: April 5, 2000

**HOUSE OF REPRESENTATIVES
COMMITTEE ON
COMMUNITY AFFAIRS
ANALYSIS - LOCAL LEGISLATION**

BILL #: HB 1789

RELATING TO: Flagler Estates Road & Water Control

SPONSOR(S): Representative Wiles

TIED BILL(S): None

ORIGINATING COMMITTEE(S)/COMMITTEE(S) OF REFERENCE:

(1) COMMUNITY AFFAIRS (PRC) YEAS 10 NAYS 0

(2)

(3)

(4)

(5)

I. SUMMARY:

The bill requires the Flagler Estates Road and Water Control District (District) to conduct an independent feasibility study, to reduce its assessment rate by 20 percent beginning with the 2000-01 tax year. The bill also requires the District to enter into discussions with St. Johns and Flagler Counties with respect to the provision of services and facilities for the District.

The bill has provisions for reducing assessments further and dissolution of lands from the District if an agreement cannot be reached.

The bill prevents revenue loss from being imposed on landowners in the St. Johns County portion of the District without public hearings.

Revenues for the District are expected to decrease by \$23,200 for fiscal year 2000-01 and \$41,760 for fiscal year 2001-02 according to the Economic Impact Statement.

II. SUBSTANTIVE ANALYSIS:

A. DOES THE BILL SUPPORT THE FOLLOWING PRINCIPLES:

- | | | | |
|-----------------------------------|---|-----------------------------|---|
| 1. <u>Less Government</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. <u>Lower Taxes</u> | Yes <input checked="" type="checkbox"/> | No <input type="checkbox"/> | N/A <input type="checkbox"/> |
| 3. <u>Individual Freedom</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. <u>Personal Responsibility</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. <u>Family Empowerment</u> | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

Lower Taxes: According to the Economic Impact Statement (EIS) and the provisions of the bill, the tax burden on Flagler County landowners of the District is reduced. Revenues for the District are expected to decrease by \$23,200 for fiscal year 2000-01 and \$41,760 for fiscal year 2001-02 according to the EIS.

B. PRESENT SITUATION:

The Flagler Estates Road and Water Control District (District) is composed of nearly 6,500 individual lots in St. Johns and Flagler Counties. The owners of the property in the Flagler County portion of the District are restricted in their ability to build on their property due to restricted access, a lack of infrastructure provided by the District, and the inability of the county to provide necessary services such as schools. The owners and residents of this property are charged the same assessment for services by the District as the St. Johns' residents even though they cannot feasibly build on their property.

C. EFFECT OF PROPOSED CHANGES:

The bill requires the District to conduct an independent feasibility study to determine the current effectiveness of the District in providing services to landowners.

The bill provides that the District must reduce its assessment rate by 20 percent, beginning with the 2000-01 tax year.

The bill requires that the District shall enter into discussions with St. Johns and Flagler Counties with the goal of taking action that would lead to the facilitation of development by owners of property within the Flagler portion of the District.

The bill provides that in the event that the District and Flagler County are unable to reach an agreement, the assessment to Flagler County landowners shall be reduced an additional 20 percent for the 2001-02 tax year and shall continue to be reduced by 20 percent in each subsequent tax year until January 1, 2004, when the assessment for Flagler County landowners will be reduced to zero.

The bill also provides that if no agreement can be reached and the level of assessment on properties located within the District reaches zero, the lands shall be dissolved from the District, Flagler County shall assume title to all real property of the District that is located in

STORAGE NAME: h1789a.ca

DATE: April 5, 2000

PAGE 3

Flagler County, and the county shall assume all debts owed by the District with respect to property or interest so transferred.

The bill provides that the burden of attendant revenue loss may not be imposed upon the landowners in the St. Johns County portion of the District without justification in the feasibility study, which is required by the bill, and public hearings.

D. SECTION-BY-SECTION ANALYSIS:

Section 1: Provides for the Flagler Estates Road and Water Control District; provides that the District shall obtain an independent feasibility study to determine the current effectiveness of the District in providing services to landowners. The study will address: the feasibility of an interlocal agreement between the District and St. Johns and Flagler Counties for the purpose of providing services and facilities for the District; the cost-effectiveness of current services provided by the District; and alternatives to the District for providing services; provides that the feasibility study shall be completed by January 1, 2001.

Section 2: Provides that the District must reduce its assessment rate by 20 percent, beginning with the 2000-01 tax year; provides that the burden of attendant revenue loss may not be imposed upon the landowners in the St. Johns County portion of the District without justification in the feasibility study and public hearings.

Section 3: Provides that the District shall enter into discussions with St. Johns and Flagler Counties with the goal of taking action that would lead to the facilitation of development by owners of property within the Flagler portion of the District.

Section 4: Provides that in the event that the District and Flagler County are unable to reach an agreement, the assessment to Flagler County landowners shall be reduced an additional 20 percent for the 2001-02 tax year and shall continue to be reduced by 20 percent in each subsequent tax year until January 1, 2004, when the assessment for Flagler County landowners will be reduced to zero; provides that the attendant revenue loss in subsequent tax years shall not be imposed upon the landowners in the St. Johns County portion of the District without public hearings.

Section 5: Provides that if no agreement can be reached and the level of assessment on properties located within the District shall be dissolved from the District, Flagler County shall assume title to all real property of the District that is located in Flagler County and the county shall assume all debts owed by the District with respect to property or interest so transferred.

Section 6: Provides this act shall take effect upon becoming a law.

III. NOTICE/REFERENDUM AND OTHER REQUIREMENTS:

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? February 7, 2000

WHERE? The News-Journal in Volusia County, Florida

STORAGE NAME: h1789a.ca

DATE: April 5, 2000

PAGE 4

B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached [X] No []

IV. COMMENTS:

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

None.

C. OTHER COMMENTS:

None.

V. AMENDMENTS OR COMMITTEE SUBSTITUTE CHANGES:

None

VI. SIGNATURES:

COMMITTEE ON COMMITTEE ON COMMUNITY AFFAIRS:

Prepared by:

Staff Director:

Kyle V. Mitchell

Joan Highsmith-Smith