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A bill to be entitled An act relating to rural development; creating the Florida Rural Heritage Act; providing legislative findings; providing definitions; providing for the designation of a Rural Heritage Area; providing for a community-based planning process; specifying guidelines for Rural Heritage Area plans; providing procedure for adoption of a plan; providing for economic incentives, reports, and technical assistance; creating the Rural Heritage Grant Program to assist local governments in adopting Rural Heritage Areas, to be administered by the Department of Community Affairs; providing for development of a nature-and-heritage-based tourism business micro-loan program; providing for establishment of a revolving loan fund; providing for educational technology pilot programs to be established by the Department of Management Services; providing for agricultural diversification pilot projects to be administered by the Department of Agriculture and Consumer Services; providing for review and evaluation by the Office of Program Policy Analysis and Government Accountability; amending s. 163.3187, F.S.; providing conditions for adoption of local comprehensive plans for rural activity centers; amending s. 187.201, F.S.; modifying goals of the State Comprehensive Plan to include housing for specified persons in rural areas and

development of nature-based tourism; providing a policy of fostering integrated and coordinated community planning efforts; providing support for rural communities in developing nature-and-heritage-based tourism enterprises; providing support for landowners who wish their lands to remain in agricultural use; amending s. 212.096, F.S.; providing a credit against sales tax for businesses located in an enterprise zone within a rural county or city as defined; amending s. 220.181, F.S.; providing enterprise zone jobs credits for businesses within jurisdiction of a rural local government; amending s. 290.0055, F.S.; providing a condition for communities within the jurisdiction of a rural local government to be designated as an enterprise zone; amending s. 420.507, F.S.; modifying powers of the Florida Housing Finance Corporation; amending ss. 420.5087 and 420.5088, F.S.; correcting cross references; providing an appropriation; providing an effective date.

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

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Section 1. Florida Rural Heritage Act.--

- 27 (1) SHORT TITLE.--This section may be cited as the 28 "Florida Rural Heritage Act."
  - (2) FINDINGS.--The Legislature finds that:
- 30 (a) Fiscally and culturally strong rural communities
  31 are beneficial to regional and state economies and resources;

are a method for reduction of future urban sprawl; encourage compact, efficient urban growth patterns; and should be promoted by state, regional, and local governments.

- (b) The health and vibrancy of the state's rural areas benefit their respective regions and the state; conversely, the deterioration of those rural areas negatively impacts the surrounding area and the state.
- (c) In recognition of the interwoven nature of the relationships among rural communities, agricultural lands, open space lands, urban centers, regions, and the state, the respective governments should establish a framework and work in partnership with communities and the private sector to revitalize rural areas.
- (d) A state rural policy should guide the state, regional agencies, local governments, and the private sector in creating economic prosperity and preserving the unique rural character and heritage of the state's rural areas. The policy should encourage and assist local governments in addressing issues including adequate provision of infrastructure, affordable housing, human services, safe neighborhoods, agricultural profitability, educational facilities, sound land uses, health care, and economic diversification and development to sustain rural communities into the future.
- (e) Successfully revitalizing and sustaining rural areas depends on addressing, through an integrated and coordinated community effort, a range of varied components essential to a healthy rural environment, including cultural, educational, recreational, economic, transportation, land use, information technology, and social service delivery components.

- (f) Identification of rural activity centers and of strategies to promote economic prosperity while protecting rural character are recognized as important components and useful mechanisms to promote and sustain rural areas. State and regional entities and local governments should provide incentives to promote community-based processes to identify such centers and strategies. Existing programs and incentives should be integrated to the extent possible to promote sound rural development and to achieve the goals of the state rural policy.
- (g) Full funding for rural transportation and water infrastructure needs, rural schools, health care services, and information technology are important investments by the state in the overall health of its rural communities, and are integral components of a state rural policy.
- (h) Many rural local governments are hindered by limited staff and capacity in their efforts to secure available resources. A state rural policy should assist local governments in identifying and accessing needed resources for which they are eligible, and should promote creative ways to maximize the efficiency of rural local governments' existing staff and other resources.
- (i) Agriculture plays an integral role in the economy, ecology, and culture of the state's rural areas and of the state as a whole. At the same time, the state is losing agricultural lands to development at a rapid rate. A state rural policy should assist state agencies and local governments in creating and marketing tools for increasing the profitability of agricultural land uses and other incentives for conserving the state's agricultural lands.

- (j) In recognition that approximately one-half of all visitors to this state include a nature-based experience in their vacations, a state rural policy should encourage the development of a nature-and-heritage-based tourism industry that meets this growing public demand, protects the state's natural and cultural resources, and contributes to economic prosperity, especially in the state's rural communities.
  - (3) DEFINITIONS.--As used in this section, the term:
- (a) "Local government" means any county or municipality.
- (b) "Rural Activity Center" means an area or areas designated by a local government where:
  - 1. The area is located within a Rural Heritage Area.
- 2. Public services such as water and wastewater, transportation infrastructure, schools, and recreation are already available or are scheduled to be provided in an adopted 5-year schedule of capital improvements, and the area has historically served as a commercial business center or site of public buildings for surrounding rural residents.
- 3. The area may consist of or include state community redevelopment areas, brownfields, enterprise zones, or Mainstreet programs, federal Empowerment Zones, Enterprise Communities, Champion Communities, or Brownfield Showcase Communities.
- 4. The area of the Rural Activity Center constitutes no more than 25 percent of the designated Rural Heritage Area within which it exists. The Rural Activity Center will serve and be developed as a "town center," promoting compact, efficient development within the Rural Activity Center, and allowing lower density development that retains rural

character within the remaining portions of the designated Rural Heritage Area.

- (c) "Rural Heritage Area" means an area or areas designated by a local government, or local governments through interlocal agreement, where:
- 1. More than 50 percent of the land within the designated area is in agricultural, open space, recreational, or other non-developed uses;
- 2. The designated area fits the definition of, or falls within an area that fits the definition of, a rural community as defined in section 288.106, Florida Statutes;
- 3. A majority of populated portions of the area are characterized by pervasive poverty, unemployment, and general distress as defined in section 290.0058, Florida Statutes;
- 4. The area may comprise a single rural county as defined in section 288.106, Florida Statutes, a multi-county area, or a sub-county area that is rural in nature and meets the above land use, demographic, economic, and definitional criteria. If a sub-county area, it may comprise one or more rural municipalities, as defined in section 288.106, Florida Statutes, and may include unincorporated areas between or surrounding the rural municipalities provided that all parts of the designated area meet the above criteria.
  - (4) DESIGNATION OF A RURAL HERITAGE AREA.--
- (a) A local government, or local governments through interlocal agreement, may designate a geographic area or areas within their jurisdiction as a Rural Heritage Area for the purpose of convening a community-based holistic planning process to identify community problems and assets, create a vision for the area's future, and formulate a strategic plan

for implementing asset-based solutions to the problems
identified.

(b) A local government, or local governments through interlocal agreement, may designate a geographic area or areas within their jurisdiction and within a designated Rural Heritage Area as a Rural Activity Center for the purpose of targeting economic development, job creation, housing, transportation and other infrastructure, neighborhood revitalization and preservation, the promotion of rural land preservation, and the employment of land use incentives to encourage mixed-use development that will revitalize the Rural Activity Center area as a functioning downtown that can serve residents of surrounding rural areas.

- (5) COMMUNITY-BASED PLANNING PROCESS.--
- (a) As part of the designation of the Rural Heritage
  Area and the preparation of a Rural Heritage Area plan, a
  community participation process must be implemented in each
  proposed Rural Heritage Area. The process must involve
  stakeholders including, but not limited to, community-based
  organizations; neighborhood associations; educational, health
  care, and religious organizations; area residents, including
  low-income residents; appropriate local government
  representatives; local school boards; and, when appropriate,
  institutions of higher education.
- (b) The objective of the community participation process is to produce an integrated plan that benefits the community as a whole, and to encourage residents within the designated area to participate in the design and implementation of the Rural Heritage Area plan, including the visioning of the area's future, before prioritizing and optimizing scarce resources. The planning process must be

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collaborative and holistic and must address, at a minimum,
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   economic development including the nature-and-heritage-based
   tourism industry, land use, affordable housing,
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   infrastructure, education, health care, public safety,
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   financial capacity, both public and private, information
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   technology, workforce development, ecological conservation,
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   social equity, the role of agriculture in the local economy if
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   applicable, and the role of local government.
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          (c) In lieu of preparing a new plan, the local
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   government may demonstrate that an existing plan or
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   combination of plans includes the factors listed in paragraph
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   (d), or amend such existing plans to include the factors
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   listed in paragraph (d), including the community-based
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   planning process. If the area constitutes or contains a
   federally designated Empowerment Zone, Enterprise Community,
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   or Champion Community, the plan and planning process done in
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   application for that designation will serve to meet the
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   requirements of the community-based planning process, and will
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   allow the community to apply for implementation grants under
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   the Rural Heritage Grant program that are based on such plan.
          (d) A local government seeking to designate a
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   geographic area as a Rural Heritage Area shall propose a plan
   that describes means of promoting economic prosperity and
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   preserving the unique rural character of the area. The plan
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   must demonstrate the local government's and community's
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   commitment to comprehensively addressing the problems within
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   the Rural Heritage Area and identify activities, programs, and
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   resources that can help accomplish locally identified goals
   such as improved educational opportunities; economic
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   diversification and development; the future of agricultural
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   land uses in the planning area; provision of infrastructure
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needs, including information technology infrastructure; prioritizing, pooling, and leveraging scarce resources; and mixed-use planning for Rural Activity Centers to improve both the residential and commercial quality of life in the area. The plan must also:

- 1. Contain a map depicting the Rural Heritage Area or areas, and Rural Activity Center if applicable, to be included within the designation.
- 2. Contain interlocal agreements, as appropriate, among participating local governments and any regional or nonprofit organizations which express the entities' commitment to collectively designating the area and to coordinated implementation efforts based on the plan.
- 3. Identify any existing enterprise zones, community redevelopment areas, community development districts, brownfield areas, downtown redevelopment districts, safe neighborhood improvement districts, historic preservation districts, and empowerment zones located within the area proposed for designation.
- 4. Identify a memorandum of understanding between the district school board and the local government jurisdiction regarding public school facilities located within the Rural Heritage Area to identify how the school board will enhance public school facilities and programs in the designated area.
- 5. Explain how projects identified in the plan forward the goals of creating economic prosperity for area residents and preserving the rural character and heritage of the planning area. Projects may include land acquisition; demolition, construction, or renovation of structures; purchase of conservation easements or development rights on agricultural, conservation or recreational lands; job-training

programs; investments in educational technologies; capacity
building through existing or new nonprofit organizations;
creation, enhancement, or marketing of nature, agricultural,
or heritage-based tourism or recreational facilities; or
improvement of the delivery of health care services to rural
residents.

- 6. Identify the geographic locations for projects identified through the community participation process and explain how such projects will be implemented.
- 7. Identify how the local government intends to implement and enhance affordable housing programs as defined in section 420.602, Florida Statutes, including economic and community development programs administered by the Department of Community Affairs and the Florida Housing Finance Corporation within the Rural Heritage Area.
- 8. If applicable, provide guidelines for the adoption of land development regulations specific to the Rural Heritage Area which provide for the use or purchase of conservation easements, purchase or transfer of development rights, or the use of other means available to local governments under section 704.06, Florida Statutes, for the purpose of preserving agricultural lands.
- 9. If applicable, identify and adopt a package of financial and local government incentives which the local government will offer for new development, expansion or renovation of existing development, and redevelopment within any designated Rural Activity Center. Examples of such incentives include:
  - a. Waiver of license and permit fees.
- b. Waiver of delinquent taxes or fees to promote the return of property to productive use.

- c. Expedited permitting.
- <u>d. Prioritization of infrastructure spending within</u> the Rural Heritage Area and Rural Activity Center.
- 10. Identify how activities and incentives within the Rural Heritage Area or Rural Activity Center will be coordinated and what administrative mechanism the local government will use for the coordination and monitoring of Rural Heritage Area plan implementation.
- 11. Provide a list of stakeholders participating in the community planning process, consistent with the list provided in paragraph (a).
- 12. Identify performance measures to evaluate the success of the local government, community-based organizations, and other stakeholders in implementing the Rural Heritage Area plan.
- (e) The regional planning council covering the geographic location of the Rural Heritage Area, or other appropriate nonprofit, university-based, or for-profit organizations, may assist the local government in convening the community-based planning process and in preparing the Rural Heritage Area plan provided that the process and resulting plan meet all other requirements as described in this section.
- (f) After the preparation of a Rural Heritage Area plan or the designation of an existing plan, the local government must adopt the plan by ordinance. Notice for the public hearing on the ordinance must be in the form established in section 166.041(3)(c)2., Florida Statutes, for municipalities and section 125.66(4)(b)2., Florida Statutes, for counties.

- Heritage Area or Rural Activity Center, it must amend its comprehensive land use plan under section 163.3187, Florida Statutes, to delineate the Rural Heritage Area within the future land use element of its comprehensive plan. An amendment to the local comprehensive plan to designate a Rural Heritage Area or Rural Activity Center is exempt from the twice-a-year amendment limitation of section 163.3187, Florida Statutes.
- (6) ECONOMIC INCENTIVES; REPORTS; TECHNICAL ASSISTANCE.--
- (a) A local government with an adopted Rural Heritage

  Area plan or a plan employed in lieu thereof may issue revenue

  bonds under section 163.385, Florida Statutes, and employ tax

  increment financing under section 163.387, Florida Statutes,

  for the purpose of financing the implementation of the plan as

  appropriate, particularly within designated Rural Activity

  Centers.
- (b) A local government with an adopted Rural Heritage Area plan or a plan employed in lieu thereof may exercise the powers granted under section 163.514, Florida Statutes, for community redevelopment neighborhood improvement districts, including the authority to levy special assessments as appropriate, particularly within designated Rural Activity Centers.
- (c) State agencies that provide funding for infrastructure, cost-reimbursement, grants, or loans to local governments, including the Department of Environmental Protection (Clean Water State Revolving Fund, Drinking Water Revolving Loan Trust Fund, and the State of Florida Pollution Control Bond Program); the Department of Community Affairs

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(Economic Development and Housing Program, Florida Communities
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    Trust); the Florida Housing Finance Corporation; and the
    Department of Transportation, shall report to the President of
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    the Senate and the Speaker of the House Representatives by
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    January 1, 2001, regarding statutory and rule changes
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   necessary to give Rural Heritage Areas identified by local
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    governments that have completed the community-based planning
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    process an elevated priority in infrastructure funding, loan,
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    and grant programs.
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- (d) State agencies that provide funding to local governments shall identify grant programs for which local government cash match requirements will be waived or replaced by in-kind match, which can include the creation of a permanent Resource Development staff position within the local government to work on accessing a variety of grants, and loan programs for which repayment will be forgiven, for rural local government applicants that have successfully completed the Rural Heritage Area grant program community planning process. Agencies shall report to the President of the Senate and the Speaker of the House of Representatives by September 1, 2000, on programs identified, statutory or rule changes needed, and cost of implementation.
- (e) The Rural Economic Development Initiative (REDI), as described in section 288.0656, Florida Statutes, shall work with state agencies and other organizations that provide loans, grants, or technical assistance of any kind to the state's rural communities, to update, maintain, and distribute semiannually to every rural county and city government as defined in section 288.106, Florida Statutes, the Rural Resource Directory, which describes resources, including federal resources, which are available to rural local

governments and how to access them. The publication must include statutory provisions that enable local governments to raise or direct revenues toward the goals of promoting economic prosperity while preserving rural character. To the extent possible, REDI shall provide, or shall work through the regional planning councils, the Small County Technical Assistance Program, the Local Government Financial Technical Assistance Program, the State University System, or other relevant organizations to provide, technical assistance to all rural local governments to access these resources. 

- (f) Provision by REDI or other organizations
  identified in paragraph (e) of technical assistance in
  accessing available resources as described in paragraph (e) is
  an automatic result of successful completion of the Rural
  Heritage Area community planning process.
- Development Council and state agencies to develop a simple, uniform grant application form for use by local government grant applicants. To the extent feasible, such a uniform application process should incorporate the sharing of known information about local governments among state government agencies in order to maximize the efficiency of local governments' efforts to secure available resources. The uniform grant application must be adopted for use by state agencies by July 1, 2001.
  - (7) GRANT PROGRAM. --

(a) A Rural Heritage Grant Program is created to assist local governments in adopting Rural Heritage Areas, completing the community-based planning process, and implementing elements of the resulting Rural Heritage Area plan.

(b) Forty-five percent of the general revenue 1 appropriated for the Rural Heritage Grant Program must be available for conducting the community-based planning process 3 4 and completing the Rural Heritage Area plans. Forty-nine 5 percent of the general revenue appropriated for the Rural 6 Heritage Grant Program must be available for implementing 7 projects that are identified in the local government's adopted 8 Rural Heritage Area plan or a plan employed in lieu thereof. A local government may allocate grant money to special 9 districts, including community redevelopment agencies and 10 nonprofit community development organizations, to implement 11 12 projects consistent with an adopted Rural Heritage Area plan 13 or a plan employed in lieu thereof. Five percent of the 14 revenue must be made available for "seed money" grants of not 15 more than \$10,000 to assist local governments to begin the 16 process of identifying Rural Heritage Areas, assembling a core group of community-based participants, and applying for 17 planning grants. The remaining 1 percent must be made 18 19 available for administrative costs incurred by the Department 20 of Community Affairs for implementing the Rural Heritage Grant Program and the Urban Infill and Redevelopment Assistance 21 Grant Program. Projects that provide employment opportunities 22 23 to clients of the WAGES Program must be given an elevated 24 priority in the scoring of competing grant applications. To encourage rural-urban partnerships and regional planning, 25 26 grant applications may be made, and grant moneys may be used, in regional or partnership projects with communities eligible 27 28 to participate in the Urban Infill and Redevelopment Assistance Grant Program. The Division of Housing and 29 Community Development of the Department of Community Affairs 30 shall administer the grant program.

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- (c) The Department of Community Affairs, in consultation with REDI, shall adopt rules establishing grant review criteria consistent with this section.
- (d) If the local government fails to implement sections of the Rural Heritage Area plan funded through a Rural Heritage Area implementation grant pursuant to the deadlines specified in the grant agreement, the Department of Community Affairs, in consultation with REDI, may seek to rescind the economic and regulatory incentives granted to a Rural Heritage Area or Rural Activity Center, subject to the provisions of chapter 120, Florida Statutes. The action to rescind may be initiated 90 days after issuing a written letter of warning to the local government.
- (8) NATURE-AND-HERITAGE-BASED TOURISM BUSINESS MICRO-LOAN PROGRAM. -- The statewide advisory committee on nature-and-heritage-based tourism, as established in section 288.1224, Florida Statutes, shall work with Enterprise Florida, Inc., the Office of Tourism, Trade, and Economic Development, VISIT FLORIDA, the Rural Economic Development Initiative, the Florida Fish and Wildlife Conservation Commission, the Division of Recreation and Parks of the Florida Department of Environmental Protection, and other appropriate entities to develop a statewide micro-loan program for the purpose of financing the creation and enhancement of small businesses providing nature-based or heritage-based tourism experiences. Examples include bicycle rentals, canoe outfitters, and bed-and-breakfast facilities in proximity to natural areas, and eco-tour operators and guides. Enterprise Florida, Inc., shall administer the program as part of the workplan under its contract with the Office of Tourism, Trade, and Economic Development, as authorized under section 14.2015,

Florida Statutes, and shall provide low-interest loans of up 1 to \$20,000 to microenterprises, as defined in section 2 288.9618, Florida Statutes. Enterprise Florida, Inc., shall 3 establish with funds appropriated for this purpose a revolving 4 5 loan fund to finance the nature-and-heritage tourism 6 enterprise micro-loan program. Two percent of allocated funds 7 may be used for administration of the program. The above-named 8 entities shall advise Enterprise Florida, Inc., regarding 9 micro-loan program design, eligibility criteria, eligible uses, and terms of the loans. The micro-loan program shall 10 11 begin providing loans to eligible businesses by March 1, 2001. 12 Notwithstanding the provisions of section 216.301, Florida 13 Statutes, funds appropriated for this purpose are not subject 14 to reversion. 15 (9) EDUCATIONAL TECHNOLOGY PILOT PROGRAM. --16 (a) The Department of Management Services, in consultation with the Department of Education, the regional 17 consortium service organizations established under section 18 19 228.0857, Florida Statutes, and institutions of higher 20 education, shall establish two pilot projects in rural schools that use wireless or other technologies to provide interactive 21 22 learning opportunities and Internet access, in order to illustrate ways to increase access to quality educational 23 resources in the state's rural areas. At least one of the 24 25 pilots must include linkages to existing information 26 technology systems in the pilot area, for example, to a public library, a university, or a four-year or community college, 27 28 county or municipal government, health care facility, or

private business network. The purposes of the projects are to

illustrate ways to increase access to quality educational

resources in the state's rural areas, to leverage federal

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funds available for bridging the "digital divide," to build on existing applications to create community-based networks, and to foster opportunities for innovative distribution of existing funds.

- (b) The Department of Management Services shall select the rural schools or districts that will participate in the pilot projects in consultation with the Department of Education and the Florida Distance Learning Network Advisory Council, as described in section 241.003, Florida Statutes. The selection process shall be based on the following criteria:
- 1. Through evaluation of the school improvement plan, demonstration of how the school or district will leverage additional connectivity provided through the pilot project to improve student achievement;
- 2. If the pilot project involves wireless technology, demonstration of the school's or district's ability to effectively deploy wireless technology based on existing infrastructure;
- 3. Demonstration of commitment of the leadership of the school or district to use technology to improve teaching and learning;
- 4. If the pilot project involves wireless technology, potential cost savings or improved access resulting from the use of wireless rather than traditional connectivity technology;
- <u>5. The ability to use the technology infrastructure in</u> other local government applications within the service area;
- 29 <u>6. Demonstration of willingness and ability of the</u>
  30 <u>community to assume ongoing costs to maintain the pilot</u>
  31 project for a minimum 5-year period. Such willingness and

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2 or other means; and 3 7. Such other criteria as determined by the agencies. 4 (c) The Department of Management Services, in 5 consultation with the Department of Education and the Florida 6 Distance Learning Network Advisory Council, shall develop 7 performance standards for the pilot projects consistent with 8 the Sunshine State Standards, as described in section 229.57, 9 Florida Statutes, and broader community-based standards as appropriate, and shall evaluate the progress of the pilot 10 11 projects at least annually based on the performance standards. 12 (10) AGRICULTURAL CONSERVATION AND PROFITABILITY. --13 (a) The Department of Agriculture and Consumer 14 Services, in consultation with the University of Florida and 15 the Florida Agricultural and Mechanical University, shall 16 establish four pilot projects aimed at encouraging agricultural diversification throughout the state. Two of the 17 projects must introduce alternative crops, such as hot 18 19 peppers, amaranth, or pigeon peas, or alternative growing 20 techniques, for example, greenhouse vegetable production in north Florida or early-season blueberries and peaches. At 21 22 least one of these two projects shall include a tobacco farm that is being adversely impacted by reductions in tobacco 23 quotas. A third pilot project must introduce a value-added 24 25 activity or industry such as fruit or vegetable processing or

ability may be demonstrated through intracommunity agreements

development or expansion of coastal shellfish enterprises. The

purpose of the pilot projects is to demonstrate alternative

packaging into a farming community as a means of increasing

the profitability of current farm products for local growers.

The fourth pilot project should focus on aquaculture, such as

development of the state's sturgeon industry or the

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crops, techniques, and industries that can enhance the
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   profitability and sustainability of agriculture in Florida.
   The Commissioner of Agriculture shall, in consultation with
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   the Agricultural Economic Development Project Review Committee
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   as described in section 570.248, Florida Statutes, select
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   pilot projects based on evaluation criteria for agricultural
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   economic development projects delineated in section 570.247,
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   Florida Statutes. The Commissioner of Agriculture shall report
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   annually to the Agricultural Economic Development Project
   Review Committee on the progress of the pilot projects for the
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   duration of the projects based on performance measures
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   developed for each project consistent with sections 570.244,
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   570.246, and 570.247, Florida Statutes.
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          (b) As authorized in section 403.0752, Florida
   Statutes, and based on results of current "whole farm
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   planning" pilot projects, the Florida Department of
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   Environmental Protection shall work with willing partners to
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   streamline the permitting process for agricultural land uses.
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          (11) REVIEW AND EVALUATION. -- The Office of Program
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   Policy Analysis and Government Accountability shall perform a
   review and evaluation of this legislation, including
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   implementation of the grant program and financial incentives.
   The report must evaluate the effectiveness of the designation
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   of rural planning areas in promoting economic prosperity and
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   preserving rural character in the state's rural areas. This
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   report may be conducted in conjunction with a review of the
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   Urban Infill and Redevelopment Assistance Grant Program. A
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   report of the findings and recommendations of the Office of
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   Program Policy Analysis and Government Accountability must be
   submitted to the President of the Senate and the Speaker of
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the House of Representatives before the 2005 Regular Session of the Legislature.

Section 2. Paragraphs (c) and (i) of subsection (1) of section 163.3187, Florida Statutes, are amended to read:

163.3187 Amendment of adopted comprehensive plan. --

- (1) Amendments to comprehensive plans adopted pursuant to this part may be made not more than two times during any calendar year, except:
- (c) Any local government comprehensive plan amendments directly related to proposed small scale development activities may be approved without regard to statutory limits on the frequency of consideration of amendments to the local comprehensive plan. A small scale development amendment may be adopted only under the following conditions:
- 1. The proposed amendment involves a use of 10 acres or fewer and:
- a. The cumulative annual effect of the acreage for all small scale development amendments adopted by the local government shall not exceed:
- (I) A maximum of 120 acres in a local government that contains areas specifically designated in the local comprehensive plan for urban infill, urban redevelopment, or downtown revitalization as defined in s. 163.3164, urban infill and redevelopment areas designated under s. 163.2517, Rural Activity Centers designated under the Florida Rural Heritage Act, transportation concurrency exception areas approved pursuant to s. 163.3180(5), or regional activity centers and urban central business districts approved pursuant to s. 380.06(2)(e); however, amendments under this paragraph may be applied to no more than 60 acres annually of property

outside the designated areas listed in this sub-sub-subparagraph.

- (II) A maximum of 80 acres in a local government that does not contain any of the designated areas set forth in sub-sub-subparagraph (I).
- (III) A maximum of 120 acres in a county established pursuant to s. 9, Art. VIII of the State Constitution.
- b. The proposed amendment does not involve the same property granted a change within the prior 12 months.
- c. The proposed amendment does not involve the same owner's property within 200 feet of property granted a change within the prior 12 months.
- d. The proposed amendment does not involve a text change to the goals, policies, and objectives of the local government's comprehensive plan, but only proposes a land use change to the future land use map for a site-specific small scale development activity.
- e. The property that is the subject of the proposed amendment is not located within an area of critical state concern.
- f. If the proposed amendment involves a residential land use, the residential land use has a density of 10 units or less per acre, except that this limitation does not apply to small scale amendments described in sub-sub-subparagraph a.(I) that are designated in the local comprehensive plan for urban infill, urban redevelopment, or downtown revitalization as defined in s. 163.3164, urban infill and redevelopment areas designated under s. 163.2517, transportation concurrency exception areas approved pursuant to s. 163.3180(5), or regional activity centers and urban central business districts

approved pursuant to s. 380.06(2)(e), or Rural Activity Centers designated under the Florida Rural Heritage Act.

- 2.a. A local government that proposes to consider a plan amendment pursuant to this paragraph is not required to comply with the procedures and public notice requirements of s. 163.3184(15)(c) for such plan amendments if the local government complies with the provisions in s. 125.66(4)(a) for a county or in s. 166.041(3)(c) for a municipality. If a request for a plan amendment under this paragraph is initiated by other than the local government, public notice is required.
- b. The local government shall send copies of the notice and amendment to the state land planning agency, the regional planning council, and any other person or entity requesting a copy. This information shall also include a statement identifying any property subject to the amendment that is located within a coastal high hazard area as identified in the local comprehensive plan.
- 3. Small scale development amendments adopted pursuant to this paragraph require only one public hearing before the governing board, which shall be an adoption hearing as described in s. 163.3184(7), and are not subject to the requirements of s. 163.3184(3)-(6) unless the local government elects to have them subject to those requirements.
- (i) A comprehensive plan amendment for the purpose of designating an urban infill and redevelopment area under s.

  163.2517 or a Rural Heritage Area or Rural Activity Center under the Florida Rural Heritage Act may be approved without regard to the statutory limits on the frequency of amendments to the comprehensive plan.

Section 3. Subsections (5), (10), (16), (22), (23), and (24) of section 187.201, Florida Statutes, are amended to read:

187.201 State Comprehensive Plan adopted.--The Legislature hereby adopts as the State Comprehensive Plan the following specific goals and policies:

(5) HOUSING. --

- (a) Goal.--The public and private sectors shall increase the affordability and availability of housing for low-income and moderate-income persons, including citizens in rural areas, while at the same time encouraging self-sufficiency of the individual and assuring environmental and structural quality and cost-effective operations.
  - (b) Policies.--
- 1. Eliminate public policies which result in housing discrimination, and develop policies which encourage housing opportunities for all Florida's citizens.
- 2. Diminish the use of institutions to house persons by promoting deinstitutionalization to the maximum extent possible.
- 3. Increase the supply of safe, affordable, and sanitary housing for low-income and moderate-income persons and elderly persons by alleviating housing shortages, recycling older houses and redeveloping residential neighborhoods, identifying housing needs, providing incentives to the private sector to build affordable housing, encouraging public-private partnerships to maximize the creation of affordable housing, and encouraging research into low-cost housing construction techniques, considering life-cycle operating costs.

- 4. Reduce the cost of housing construction by eliminating unnecessary regulatory practices which add to the cost of housing.
- 5. Provide incentives and encourage research to increase the supply of safe, affordable, and sanitary housing for low, very low, and moderate income residents of rural areas, as defined in s. 420.602. Such incentives and research must take into account the importance of development that preserves the rural character of the area, and seek to mitigate the increased per-unit cost of small housing projects appropriate to rural areas over the per-unit cost for larger developments.
  - (10) NATURAL SYSTEMS AND RECREATIONAL LANDS.--
- (a) Goal.--Florida shall protect and acquire unique natural habitats and ecological systems, such as wetlands, tropical hardwood hammocks, palm hammocks, and virgin longleaf pine forests, and restore degraded natural systems to a functional condition.
  - (b) Policies.--
- 1. Conserve forests, wetlands, fish, marine life, and wildlife to maintain their environmental, economic, aesthetic, and recreational values.
- 2. Acquire, retain, manage, and inventory public lands to provide recreation, conservation, and related public benefits.
- 3. Prohibit the destruction of endangered species and protect their habitats.
- 4. Establish an integrated regulatory program to assure the survival of endangered and threatened species within the state.

- 5. Promote the use of agricultural practices which are compatible with the protection of wildlife and natural systems.
- 6. Encourage multiple use of forest resources, where appropriate, to provide for timber production, recreation, wildlife habitat, watershed protection, erosion control, and maintenance of water quality.
- 7. Protect and restore the ecological functions of wetlands systems to ensure their long-term environmental, economic, and recreational value.
- 8. Promote restoration of the Everglades system and of the hydrological and ecological functions of degraded or substantially disrupted surface waters.
- 9. Develop and implement a comprehensive planning, management, and acquisition program to ensure the integrity of Florida's river systems.
- 10. Emphasize the acquisition and maintenance of ecologically intact systems in all land and water planning, management, and regulation.
- 11. Expand state and local efforts to provide recreational opportunities to urban areas, including the development of activity-based parks.
- 12. Protect and expand park systems throughout the state.
- 13. Encourage the use of public and private financial and other resources for the development of recreational and nature-based tourism opportunities at the state and local levels when consistent with natural-system conservation principles and practices.
  - (16) LAND USE.--

(a) Goal. -- In recognition of the importance of preserving the natural resources and enhancing the quality of life of the state, development shall be directed to those areas which have in place, or have agreements to provide, the land and water resources, fiscal abilities, and service capacity to accommodate growth in an environmentally acceptable manner.

## (b) Policies.--

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- 1. Promote state programs, investments, and development and redevelopment activities which encourage efficient development and occur in areas which will have the capacity to service new population and commerce.
- 2. Develop a system of incentives and disincentives which encourages a separation of urban and rural land uses while protecting water supplies, resource development, and fish and wildlife habitats.
- 3. Enhance the livability and character of urban areas through the encouragement of an attractive and functional mix of living, working, shopping, and recreational activities.
- 4. Recognize the interwoven nature of the relationships among rural communities, agricultural lands, open space lands, urban centers, regions, and the state, and the importance of fiscally and culturally strong rural communities to state and regional economies and resources. Promote state and local programs that foster integrated and coordinated community planning efforts. Pursue land use, educational, recreational, economic, transportation, housing, information technology, and social service delivery initiatives in the context of community planning goals.
- 5.4. Develop a system of intergovernmental negotiation 31 | for siting locally unpopular public and private land uses

which considers the area of population served, the impact on land development patterns or important natural resources, and the cost-effectiveness of service delivery.

- $\underline{6.5.}$  Encourage and assist local governments in establishing comprehensive impact-review procedures to evaluate the effects of significant development activities in their jurisdictions.
- 7.6. Consider, in land use planning and regulation, the impact of land use on water quality and quantity; the availability of land, water, and other natural resources to meet demands; and the potential for flooding.
- 8.7. Provide educational programs and research to meet state, regional, and local planning and growth-management needs.
  - (22) THE ECONOMY. --
- (a) Goal.--Florida shall promote an economic climate which provides economic stability, maximizes job opportunities, and increases per capita income for its residents.
  - (b) Policies.--
- 1. Attract new job-producing industries, corporate headquarters, distribution and service centers, regional offices, and research and development facilities to provide quality employment for the residents of Florida.
- 2. Promote entrepreneurship and small and minority-owned business startup by providing technical and information resources, facilitating capital formation, and removing regulatory restraints which are unnecessary for the protection of consumers and society.
- 30 3. Maintain, as one of the state's primary economic assets, the environment, including clean air and water,

 beaches, forests, historic landmarks, and agricultural and natural resources, and support rural communities in developing nature-and-heritage-based tourism enterprises consistent with conservation of these natural resources in order to provide economic benefit to those living in closest proximity to those assets.

- 4. Strengthen Florida's position in the world economy through attracting foreign investment and promoting international banking and trade.
- 5. Build on the state's attractiveness to make it a leader in the visual and performing arts and in all phases of film, television, and recording production.
- 6. Promote economic development for Florida residents through partnerships among education, business, industry, agriculture, and the arts.
- 7. Provide increased opportunities for training Florida's workforce to provide skilled employees for new and expanding business.
- 8. Promote economic self-sufficiency through training and educational programs which result in productive employment.
- 9. Promote cooperative employment arrangements between private employers and public sector employment efforts to provide productive, permanent employment opportunities for public assistance recipients through provisions of education opportunities, tax incentives, and employment training.
- 10. Provide for nondiscriminatory employment opportunities.
- 11. Provide quality child day care for public assistance families and others who need it in order to work.

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- Encourage the development of a business climate 12. that provides opportunities for the growth and expansion of existing state industries, particularly those industries which are compatible with Florida's environment.
- 13. Promote coordination among Florida's ports to increase their utilization.
- 14. Encourage the full utilization by businesses of the economic development enhancement programs implemented by the Legislature for the purpose of extensively involving private businesses in the development and expansion of permanent job opportunities, especially for the economically disadvantaged, through the utilization of enterprise zones, community development corporations, and other programs designed to enhance economic and employment opportunities.
  - (23) AGRICULTURE.--
- (a) Goal.--Florida shall maintain and strive to expand its food, agriculture, ornamental horticulture, aquaculture, forestry, and related industries in order to be a healthy and competitive force in the national and international marketplace.
  - (b) Policies.--
- 1. Ensure that goals and policies contained in state and regional plans are not interpreted to permanently restrict the conversion of agricultural lands to other uses, while creating and providing economically viable options for those landowners who wish their lands to remain in agricultural uses.
- 2. Encourage diversification within the agriculture industry, especially to reduce the vulnerability of communities that are largely reliant upon agriculture for 31 either income or employment.

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- 3. Promote and increase international agricultural marketing opportunities for all Florida agricultural producers.
- 4. Stimulate research, development, and application of agricultural technology to promote and enhance the conservation, production, and marketing techniques available to the agriculture industry.
- Encourage conservation, wastewater recycling, and other appropriate measures to assure adequate water resources to meet agricultural and other beneficial needs.
- 6. Promote entrepreneurship in the agricultural sector by providing technical and informational services.
- Stimulate continued productivity through investment in education and research.
- 8. Encourage development of biological pest controls to further the reduction in reliance on chemical controls.
- 9. Conserve soil resources to maintain the economic value of land for agricultural pursuits and to prevent sedimentation in state waters.
- 10. Promote the vitality of Florida's agricultural industry through continued funding of basic research, extension, inspection, and analysis services and of programs providing for marketing and technical assistance and the control and eradication of diseases and infestations.
- 11. Continue to promote the use of lands for agricultural purposes by maintaining preferential property tax treatment through the greenbelt law.
- 12. Ensure that coordinated state planning of road, rail, and waterborne transportation systems provides adequate facilities for the economical transport of agricultural 31 | products and supplies between producing areas and markets.

- Eliminate the discharge of inadequately treated wastewater and stormwater runoff into waters of the state.
  - (24) TOURISM.--

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- (a) Goal.--Florida will attract at least 55 million tourists annually by 1995 and shall support efforts by all areas of the state wishing to develop or expand tourist-related economies.
  - (b) Policies.--
- 1. Promote statewide tourism and support promotional efforts in those parts of the state that desire to attract visitors.
- 2. Acquire and manage public lands to offer visitors and residents increased outdoor experiences.
- Promote awareness of historic places and cultural and historical activities.
- 4. Develop a nature-and-heritage-based tourism industry that meets growing public demand, protects the state's natural and cultural resources, and contributes to economic prosperity, especially in the state's rural communities.

Section 4. Paragraph (b) of subsection (2) of section 212.096, Florida Statutes, is amended to read:

212.096 Sales, rental, storage, use tax; enterprise zone jobs credit against sales tax. --

(2)

- (b) The credit shall be computed as follows:
- Ten percent of the monthly wages paid in this state to each new employee whose wages do not exceed \$1,500 a month. If no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and 31 part-time employees, the credit shall be computed as 15

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percent of the monthly wages paid in this state to each new employee. If the business is located in an enterprise zone within the jurisdiction of a rural county or city as defined in s. 288.106, the credit must be computed as 15 percent of the actual monthly wages paid in this state to each new employee for a period of up to 12 consecutive months, regardless of the percentage of employees of the business residing in the enterprise zone, provided that the employees are residents of the county within which the rural enterprise zone is located;

- 2. Five percent of the first \$1,500 of actual monthly wages paid in this state for each new employee whose wages exceed \$1,500 a month; or
- Fifteen percent of the first \$1,500 of actual monthly wages paid in this state for each new employee who is a WAGES Program participant pursuant to chapter 414.

For purposes of this paragraph, monthly wages shall be computed as one-twelfth of the expected annual wages paid to such employee. The amount paid as wages to a new employee is the compensation paid to such employee that is subject to unemployment tax. The credit shall be allowed for up to 12 consecutive months, beginning with the first tax return due

Section 5. Paragraph (a) of subsection (1) of section 220.181, Florida Statutes, is amended to read:

220.181 Enterprise zone jobs credit.--

pursuant to s. 212.11 after approval by the department.

(1)(a) Beginning July 1, 1995, there shall be allowed a credit against the tax imposed by this chapter to any business located in an enterprise zone which employs one or 31 more new employees. The credit shall be computed as follows:

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- Ten percent of the actual monthly wages paid in this state to each new employee whose wages do not exceed \$1,500 a month. If no less than 20 percent of the employees of the business are residents of an enterprise zone, excluding temporary and part-time employees, the credit shall be computed as 15 percent of the actual monthly wages paid in this state to each new employee, for a period of up to 12 consecutive months. If the business is located in an enterprise zone within the jurisdiction of a rural county or city as defined in s. 288.106, the credit must be computed as 15 percent of the actual monthly wages paid in this state to each new employee for a period of up to 12 consecutive months, regardless of the percentage of employees of the business residing in the enterprise zone, provided that the employees are residents of the county within which the rural enterprise zone is located;
- 2. Five percent of the first \$1,500 of actual monthly wages paid in this state for each new employee whose wages exceed \$1,500 a month; or
- 3. Fifteen percent of the first \$1,500 of actual monthly wages paid in this state for each new employee who is a WAGES Program participant pursuant to chapter 414.

Section 6. Subsection (4) of section 290.0055, Florida Statutes, is amended to read:

290.0055 Local nominating procedure.--

(4) An area nominated by a county or municipality, or a county and one or more municipalities together, for designation as an enterprise zone shall be eligible for designation under s. 290.0065 only if it meets the following criteria:

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- The selected area does not exceed 20 square miles. The selected area must have a continuous boundary, or consist of not more than three noncontiguous parcels.
- (b)1. The selected area does not exceed the following mileage limitation:
- 2. For communities having a total population of 150,000 persons or more, the selected area shall not exceed 20 square miles.
- 3. For communities having a total population of 50,000 persons or more but less than 150,000 persons, the selected area shall not exceed 10 square miles.
- 4. For communities having a total population of 20,000 persons or more but less than 50,000 persons, the selected area shall not exceed 5 square miles.
- 5. For communities having a total population of 7,500 persons or more but less than 20,000 persons, the selected area shall not exceed 3 square miles.
- 6. For communities having a total population of less than 7,500 persons, the selected area shall not exceed 3 square miles.
- 7. For communities within the jurisdiction of a rural county or city as defined in s. 288.106, the selected area shall not exceed 15 square miles, regardless of total population.
- (c) The selected area does not include any portion of a central business district, as that term is used for purposes of the most recent Census of Retail Trade, unless the poverty rate for each census geographic block group in the district is not less than 30 percent. This paragraph does not apply to any area nominated in a county that has a population which is less 31 than 50,000.

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(d) The selected area suffers from pervasive poverty, unemployment, and general distress, as described and measured pursuant to s. 290.0058.

Section 7. Section 420.507, Florida Statutes, is amended to read:

420.507 Powers of the corporation. -- The corporation shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part, including the following powers which are in addition to all other powers granted by other provisions of this part:

- (1) To sue and be sued, to have a seal, to alter the same at pleasure and to authorize the use of a facsimile thereof, and to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the corporation.
- (2) To undertake and carry out studies and analyses of housing needs within the state and ways of meeting those needs.
- To participate in federal housing assistance and (3) federal community development, insurance, and guarantee programs and to agree and comply with any conditions attached to federal financial assistance, including, without limitation, the waiver of exemption from federal income taxation on interest payable on its bonds, unless expressly prohibited by this act.
- (4) To provide for the collection and payment of fees and charges, regardless of method of payment, in connection with its loans, commitments, and servicing, including, but not limited to, reimbursement of costs of financing by the corporation, service charges and insurance premiums as the 31 corporation shall determine to be reasonable and as shall be

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approved by the corporation. The fees and charges may be paid directly by the borrower to the insurer, lender, or servicing agent or may be deducted from the interest collected by such insurer, lender, or servicing agent.

- (5) To acquire real and personal property or any interest therein when such acquisition is necessary or appropriate to protect any loan or to participate in any program in which the corporation has an interest; to sell, transfer, and convey any such property to a buyer without regard to the provisions of chapters 253 and 270; and, in the event that such sale, transfer, or conveyance cannot be effected with reasonable promptness or at a reasonable price, to lease such property for occupancy.
- (6) To borrow money through the issuance of bonds or from the Federal Home Loan Bank or Rural Housing Services of the United States Department of Agriculture for the purposes provided in this part, to provide for and secure the payment thereof, and to provide for the rights of the holders thereof.
- (7) To purchase bonds of the corporation out of any funds or moneys of the corporation available therefor and to hold, cancel, or resell such bonds.
- (8) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in such investments as may be authorized for trust funds under s. 215.47 and in any authorized investments, provided such investments will be made on behalf of the corporation by the State Board of Administration or by another trustee appointed for that purpose.
- (9) To set standards for residential housing financed by the corporation under this chapter and to provide for 31 inspections to determine compliance with those standards.

- (10) To contract for and to accept gifts, grants, loans, or other aid from the United States Government or any person or corporation.
- (11) To insure and procure insurance against any loss in connection with any bonds of the corporation and the corporation's operations or property, including without limitation:
- (a) The repayment of any loans to mortgage lenders or mortgage loans.
  - (b) Any project.
- (c) Any bonds of the corporation, in such amounts and from such insurers, including the Federal Government, as it may deem necessary or desirable, and to pay any premiums therefor.
- (12) To make rules necessary to carry out the purposes of this part and to exercise any power granted in this part pursuant to the provisions of chapter 120.
- (13) To adopt rules necessary to carry out the purposes of the state's rural policy under the Florida Rural Heritage Act.
- $\underline{(14)(13)}$  To engage the services of private consultants on a contract basis for rendering professional and technical assistance and advice.
- (15)(14) To make additional conditions respecting the grant of loans or mortgage loans pursuant to this part, including, without limitation, the regulation of eligible persons and the admission of tenants and other occupants or users of projects and residential housing, and to enter into regulatory and other agreements and contracts under the provisions of this part.

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(16)<del>(15)</del> To institute any action or proceeding against any eligible person or sponsor receiving a loan or owning any residential housing financed under the provisions of this part in any court of competent jurisdiction to enforce the provisions of this part or the terms and provisions of any agreement or contract between the corporation and such person and, in connection with any such action or proceeding, to apply for and accept the appointment, by a court of competent jurisdiction, of a receiver to take over, manage, operate, and maintain such residential housing.

(17)<del>(16)</del> To procure or require the procurement of a policy or policies of group life insurance or disability insurance, or both, to insure repayment of mortgage loans for residential housing in the event of the death or disability of the eligible person or persons liable therefor, and to pay any premiums therefor.

(18)<del>(17)</del> To renegotiate any mortgage loan or any purchase agreement with a borrower in default; to waive any default or consent to the modification of the terms of any mortgage loan or any purchase agreement; and to commence, prosecute, and enforce a judgment in any action or proceeding to protect or enforce any right conferred upon it by law, mortgage loan, loan agreement or purchase agreement, contract, or other agreement, including without limitation foreclosure of the security interest on the property securing such a mortgage loan; provided that any such action or proceeding shall be brought in the name of the entity servicing the mortgage loan on behalf of the corporation and not in the name of the corporation, and in connection with any such proceeding, to bid for and purchase the property or acquire or 31 take possession thereof and, in such event, complete,

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administer, pay the principal of and interest on any obligations incurred in connection with the property and dispose of and otherwise deal with the property in such manner as the corporation may deem advisable to protect its interests therein.

(19)<del>(18)</del> To make and execute contracts for the administration, servicing, or collection of any mortgage loan or loan agreement or purchase agreement with a mortgage lender or servicing agent for the duration of the loan or agreement and pay the reasonable value of services rendered to the corporation pursuant to such contracts. The fees and charges for such services may be paid directly by the borrower to the lender or servicing agent or may be deducted from the interest collected by such lender or servicing agent.

(20)<del>(19)</del> To fix, revise from time to time, charge, and collect fees and other charges in connection with the making of mortgage loans, the purchasing of mortgage loans, and any other services rendered by the corporation.

(21)<del>(20)</del> To make and execute agreements, contracts, and other instruments necessary or convenient in the exercise of the powers and functions of the corporation under this part, including contracts with any person, firm, corporation, local government, or other entity; and all local governments established under the laws of the state are hereby authorized to enter into and do all things necessary to perform such contracts and otherwise cooperate with the corporation to facilitate the accomplishment of the purposes of this part.

(22)<del>(21)</del> Review all reverse mortgage provisions proposed to be used by an individual lender or a consortium to determine that such provisions are consistent with the 31 purposes and intent of this act. If the corporation finds

that the provisions are consistent, it shall approve those provisions. If the corporation finds that the provisions are inconsistent, it shall state its objections and give the parties an opportunity to amend the provisions to overcome such objections. In approving these provisions, the corporation must determine:

- (a) That the mortgagee is either licensed pursuant to ss. 494.006-494.0077 or specifically exempt from ss. 494.006-494.0077.
- (b) That the mortgagee has sufficient resources to finance such mortgages.
- $\underline{(23)(22)}$  To develop and administer the State Apartment Incentive Loan Program. In developing and administering that program, the corporation may:
- (a) Make first, second, and other subordinated mortgage loans including variable or fixed rate loans subject to contingent interest. The corporation shall make loans exceeding 25 percent of project cost available only to nonprofit organizations and public bodies which are able to secure grants, donations of land, or contributions from other sources and to projects meeting the criteria of subparagraph 1. Mortgage loans shall be made available at the following rates of interest:
- 1. Zero to 3 percent interest for sponsors of projects that maintain an 80 percent occupancy of residents qualifying as farmworkers as defined in s. 420.306(7) over the life of the loan.
- 2. Three to 9 percent interest for sponsors of projects targeted at populations other than farmworkers.
- (b) Geographically and demographically target theutilization of loans.

- (c) Underwrite credit, and reject projects which do not meet the established standards of the corporation.
- (d) Negotiate with governing bodies within the state after a loan has been awarded to obtain local government contributions.
- (e) Inspect any records of a sponsor at any time during the life of the loan or the agreed period for maintaining the provisions of s. 420.5087.
- (f) Establish, by rule, the procedure for evaluating, scoring, and competitively ranking all applications based on the criteria set forth in s. 420.5087(6)(c); determining actual loan amounts; making and servicing loans; and exercising the powers authorized in this subsection.
- (g) Establish a loan loss insurance reserve to be used to protect the outstanding program investment in case of a default, deed in lieu of foreclosure, or foreclosure of a program loan.
- $\underline{(24)}\overline{(23)}$  To develop and administer the Florida Homeownership Assistance Program. In developing and administering the program, the corporation may:
- (a)1. Make subordinated loans to eligible borrowers for down payments or closing costs related to the purchase of the borrower's primary residence.
- 2. Make permanent loans to eligible borrowers related to the purchase of the borrower's primary residence.
- 3. Make subordinated loans to nonprofit sponsors or developers of housing for construction financing of housing to be offered for sale to eligible borrowers as a primary residence at an affordable price.

- (b) Establish a loan loss insurance reserve to supplement existing sources of mortgage insurance with appropriated funds.
- (c) Geographically and demographically target the utilization of loans.
- $\mbox{(d)}$  Defer repayment of loans for the term of the first mortgage.
- (e) Establish flexible terms for loans with an interest rate not to exceed 3 percent per annum and which are nonamortizing for the term of the first mortgage.
- (f) Require repayment of loans upon sale, transfer, refinancing, or rental of secured property.
- (g) Accelerate a loan for monetary default, for failure to provide the benefits of the loans to eligible borrowers, or for violation of any other restriction placed upon the loan.
- (h) Adopt rules for the program and exercise the powers authorized in this subsection.
- (25)(24) To do any and all things necessary or convenient to carry out the purposes of, and exercise the powers given and granted in, this part and the state rural policy under the Florida Rural Heritage Act.
- (26)(25) To develop and administer the Florida Affordable Housing Guarantee Program. In developing and administering the program, the corporation may:
- (a) Develop criteria for determining the priority for expending the moneys in the State Housing Trust Fund.
- (b) Select affordable housing debt to be guaranteed or additionally secured by amounts on deposit in the Affordable Housing Guarantee Fund.

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(c) Adopt rules for the program and exercise the powers authorized in this subsection.

(27) (26) To develop and administer the Predevelopment Loan Program. In developing and administering the program, the corporation may make loans and grants as provided in ss. 420.521-420.529.

(28)<del>(27)</del> Notwithstanding the provisions of chapter 282 and part I of chapter 287, to establish guidelines for and to implement the purchase and procurement of materials and services for use by the corporation.

(29)<del>(28)</del> To expend amounts advanced from the State Housing Trust Fund for the purposes of this part.

(30) (39) To own real and personal property for the purposes of this part, to mortgage such property, and to sell the property without regard to the provisions of chapters 253 and 270.

(31)<del>(30)</del> To prepare and submit to the secretary of the department a budget request for purposes of the corporation, which request shall, notwithstanding the provisions of chapter 216 and in accordance with s. 216.351, contain a request for operational expenditures and separate requests for other authorized corporation programs. The request shall not be required to contain information on the number of employees, salaries, or any classification thereof, and the approved operating budget therefor need not comply with s. 216.181(7)-(9). The secretary is authorized to include within the department's budget request the corporation's budget request in the form as authorized by this section.

(32)<del>(31)</del> Notwithstanding the provisions of s. 216.301, to retain any unused operational expenditure appropriation for 31 other lawful purposes of the corporation.

 $\underline{(33)}\overline{(32)}$  To pay pensions and establish pension plans, pension trusts, and benefit and incentive plans for any and all of its current or former employees and agents.

 $\underline{(34)(33)}$  To receive federal funding in connection with the corporation's programs directly from the Federal Government.

(35) $\frac{(34)}{(34)}$  To establish the corporation's fiscal year.

(36)(35) To preclude from further participation in any of the corporation's programs, for a period of up to 2 years, any applicant or affiliate of an applicant which has made a material misrepresentation or engaged in fraudulent actions in connection with any application for a corporation program.

(37)(36) To provide for the development of infrastructure improvements and rehabilitation primarily in connection with residential housing consistent with the applicable local government comprehensive plan.

Section 8. Paragraphs (a) and (f) of subsection (6) of section 420.5087, Florida Statutes, are amended to read:

420.5087 State Apartment Incentive Loan
Program.--There is hereby created the State Apartment
Incentive Loan Program for the purpose of providing first,
second, or other subordinated mortgage loans or loan
guarantees to sponsors, including for-profit, nonprofit, and
public entities, to provide housing affordable to
very-low-income persons.

(6) On all state apartment incentive loans, except loans made to housing communities for the elderly to provide for lifesafety, building preservation, health, sanitation, or security-related repairs or improvements, the following provisions shall apply:

- (a) The corporation shall establish two interest rates in accordance with s. 420.507(23)(22)(a)1. and 2.
- (f) The review committee established by corporation rule pursuant to this subsection shall make recommendations to the board of directors of the corporation regarding program participation under the State Apartment Incentive Loan Program. The corporation board shall make the final ranking and the decisions regarding which applicants shall become program participants based on the scores received in the competitive ranking, further review of applications, and the recommendations of the review committee. The corporation board shall approve or reject applications for loans and shall determine the tentative loan amount available to each applicant selected for participation in the program. The actual loan amount shall be determined pursuant to rule adopted pursuant to s.  $420.507(23)\frac{(22)}{(22)}(f)$ .

Section 9. Subsections (1), (2), and (4) of section 420.5088, Florida Statutes, are amended to read:

420.5088 Florida Homeownership Assistance
Program.--There is created the Florida Homeownership
Assistance Program for the purpose of assisting low-income
persons in purchasing a home by reducing the cost of the home
with below-market construction financing, by reducing the
amount of down payment and closing costs paid by the borrower
to a maximum of 5 percent of the purchase price, or by
reducing the monthly payment to an affordable amount for the
purchaser. Loans shall be made available at an interest rate
that does not exceed 3 percent. The balance of any loan is due
at closing if the property is sold or transferred.

(1) For loans made available pursuant to s. 420.507(24)(23)(a)1. or 2.:

- The corporation may underwrite and make those mortgage loans through the program to persons or families who are eligible to participate in the corporation's single-family mortgage revenue bond programs and who have incomes that do not exceed 80 percent of the state or local median income, whichever is greater, adjusted for family size. If the corporation determines that there is insufficient demand for such loans by persons or families who are eligible to participate in the corporation's single-family mortgage revenue bond programs, the corporation may make such mortgage loans to other persons or families who have incomes that do not exceed 80 percent of the state or local median income, whichever amount is greater. (b) Loans shall be made available for the term of the
- first mortgage.
- (c) Loans are limited to the lesser of 25 percent of the purchase price of the home or the amount necessary to enable the purchaser to meet credit underwriting criteria.
- (2) For loans made pursuant to s.  $420.507(24)\frac{(23)}{(a)3}$ :
- (a) Availability is limited to nonprofit sponsors or developers who are selected for program participation pursuant to this subsection.
- (b) Preference must be given to community development corporations as defined in s. 290.033 and to community-based organizations as defined in s. 420.503.
- (c) Priority must be given to projects that have received state assistance in funding project predevelopment costs.

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- (d) The benefits of making such loans shall be contractually provided to the persons or families purchasing homes financed under this subsection.
- (e) At least 30 percent of the units in a project financed pursuant to this subsection must be sold to persons or families who have incomes that do not exceed 80 percent of the state or local median income, whichever amount is greater, adjusted for family size; and at least another 30 percent of the units in a project financed pursuant to this subsection must be sold to persons or families who have incomes that do not exceed 50 percent of the state or local median income, whichever amount is greater, adjusted for family size.
- (f) The maximum loan amount may not exceed 33 percent of the total project cost.
- (g) A person who purchases a home in a project financed under this subsection is eligible for a loan authorized by s.  $420.507\underline{(24)(23)}(a)1$ . or 2. in an aggregate amount not exceeding the construction loan made pursuant to this subsection. The home purchaser must meet all the requirements for loan recipients established pursuant to the applicable loan program.
- (h) The corporation shall provide, by rule, for the establishment of a review committee composed of corporation staff and shall establish, by rule, a scoring system for evaluating and ranking applications submitted for construction loans under this subsection, including, but not limited to, the following criteria:
- 1. The affordability of the housing proposed to be built.
- 2. The direct benefits of the assistance to the persons who will reside in the proposed housing.

- 3. The demonstrated capacity of the applicant to carry out the proposal, including the experience of the development team.
  - 4. The economic feasibility of the proposal.
- 5. The extent to which the applicant demonstrates potential cost savings by combining the benefits of different governmental programs and private initiatives, including the local government contributions and local government comprehensive planning and activities that promote affordable housing.
- 6. The use of the least amount of program loan funds compared to overall project cost.
  - 7. The provision of homeownership counseling.
- 8. The applicant's agreement to exceed the requirements of paragraph (e).
- 9. The commitment of first mortgage financing for the balance of the construction loan and for the permanent loans to the purchasers of the housing.
- 10. The applicant's ability to proceed with construction.
- 11. The targeting objectives of the corporation which will ensure an equitable distribution of loans between rural and urban areas.
- 12. The extent to which the proposal will further the purposes of this program.
- (i) The corporation may reject any and all applications.
- (j) The review committee established by corporation rule pursuant to this subsection shall make recommendations to the corporation board regarding program participation under this subsection. The corporation board shall make the final

ranking for participation based on the scores received in the ranking, further review of the applications, and the recommendations of the review committee. The corporation board shall approve or reject applicants for loans and shall determine the tentative loan amount available to each program participant. The final loan amount shall be determined pursuant to rule adopted under s. 420.507(24)(23)(h).

- (4) During the first 9 months of fund availability:
- (a) Sixty percent of the program funds shall be reserved for use by borrowers pursuant to s.  $420.507(24)\frac{(23)}{(23)}(a)1.;$
- (b) Twenty percent of the program funds shall be reserved for use by borrowers pursuant to s.  $420.507(24)\frac{(23)}{(23)}(a)2.i$  and
- (c) Twenty percent of the program funds shall be reserved for use by borrowers pursuant to s.  $420.507(24)\frac{(23)}{(23)}(a)3$ .

If the application of these percentages would cause the reservation of program funds under paragraph (a) to be less than \$1 million, the reservation for paragraph (a) shall be increased to \$1 million or all available funds, whichever amount is less, with the increase to be accomplished by reducing the reservation for paragraph (b) and, if necessary, paragraph (c).

Section 10. The sum of \$10 million is appropriated from the General Revenue Fund for implementation of the Florida Rural Heritage Act as follows: \$7,550,000 to the Department of Community Affairs to fund the Rural Heritage Grant Program; \$1 million to the Office of Tourism, Trade, and Economic Development to create a revolving loan fund to

1 finance the Nature-and-Heritage-Based Tourism Enterprise Micro-loan Program; \$800,000 to the Department of Agriculture 3 to implement the agricultural diversification pilot projects; 4 \$600,000 to the Department of Management Services to implement the education technology pilot projects; and \$50,000 to the Rural Economic Development Initiative to fund the update of 6 the Rural Resource Directory and the provision of technical assistance required by this act during the 2000-2001 fiscal year.

Section 11. This act shall take effect July 1, 2000.

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## LEGISLATIVE SUMMARY

Creates the Florida Rural Heritage Act. Provides legislative intent. Provides definitions. Provides for the designation of a Rural Heritage Area and a community-based planning process. Specifies guidelines for Rural Heritage Area plans. Provides procedures for adoption of a plan. Provides for economic incentives, reports, and technical assistance. Creates the Rural Heritage Grant Program to assist local governments in Heritage Grant Program to assist local governments in adopting Rural Heritage Areas, to be administered by the Department of Community Affairs. Provides for development Department of Community Affairs. Provides for development of a nature-and-heritage-based tourism business micro-loan program. Provides for the establishment of a revolving loan program. Provides for establishment of educational technology pilot programs by the Department of Management Services. Provides for agricultural diversification pilot projects to be administered by the Department of Agriculture and Consumer Services. Provides for review and evaluation by the Office of Program Policy Analysis and Government Accountability. Provides conditions for the adoption of local comprehensive plans Analysis and Government Accountability. Provides conditions for the adoption of local comprehensive plans for rural activity centers. Modifies goals of the State Comprehensive Plan. Provides a credit against sales tax for businesses located in an enterprise zone within a rural county or city as defined. Provides enterprise zone jobs credit for businesses within the jurisdiction of a rural local government. Provides conditions under which communities within the jurisdiction of a rural local government may be designated as an enterprise zone government may be designated as an enterprise zone. Modifies powers of the Florida Housing Finance Corporation. Provides appropriations.

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