4-1491-02 See HB 789

A bill to be entitled 1 2 An act relating to rural development; creating 3 the Florida Rural Heritage Act; providing legislative findings; providing definitions; 4 5 providing for the designation of a Rural Heritage Area; providing for a community-based 6 7 planning process; specifying guidelines for 8 Rural Heritage Area plans; providing procedure for adoption of a plan; providing for economic 9 incentives, reports, and technical assistance; 10 11 creating the Rural Heritage Grant Program, to be administered by the Department of Community 12 13 Affairs, to assist local governments in 14 adopting Rural Heritage Areas; providing for 15 priority of funding; requiring the Department 16 of Community Affairs to adopt rules; providing 17 for development of a micro-loan program for 18 nature-based tourism and heritage tourism 19 businesses; providing for wireless 20 community-based network technology pilot programs to be established by the State 21 22 Technology Office; providing for pilot projects 23 to be developed by the Department of 24 Agriculture and Consumer Services to encourage diversification of agricultural products and 25 26 marketing; providing for review and evaluation 27 by the Office of Program Policy Analysis and 28 Government Accountability; amending s. 29 163.3187, F.S.; providing conditions for adoption of local comprehensive plan amendments 30 31 for Rural Heritage Areas or Rural Activity

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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-based planning efforts; providing support for rural communities in developing nature-based tourism and heritage tourism enterprises; providing support for landowners who wish their lands to remain in agricultural use; amending s. 290.0055, F.S.; providing a condition for designating communities within the jurisdiction of a rural local government as an enterprise zone; amending s. 420.507, F.S.; modifying powers of the Florida Housing Finance Corporation; amending ss. 420.5087, 420.5088, F.S.; conforming cross-references; providing that specified provisions are subject to appropriation or the availability of agency funds; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Florida Rural Heritage Act.--(1) SHORT TITLE. -- This section may be cited as the "Florida Rural Heritage Act." FINDINGS. -- The Legislature finds that: Fiscally and culturally strong rural communities

are a method for reduction of future urban sprawl, encourage

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are beneficial to regional and state economies and resources,

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 areas 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 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

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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 is an important investment by the state in the overall health of its rural communities and is an integral component 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

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development of a nature-based tourism and heritage tourism industry that meets this growing public demand, protects the 2 3 state's natural and cultural resources, and contributes to economic prosperity, especially in the state's rural 4 5 communities. 6 (3) DEFINITIONS.--As used in this section, the term: 7 (a) "Local government" means any county or 8 municipality. 9 (b) "Rural Activity Center" means an area or areas: 10 Designated by a local government or by local 11 governments through interlocal agreement. 12 2. Located within a Rural Heritage Area. 3. In which public services, including water services, 13 transportation infrastructure, schools, and recreation, are 14 already available or are scheduled to be provided in an 15 adopted 5-year schedule of capital improvements, and which 16 17 have historically served as commercial business centers or sites of public buildings for surrounding rural residents. 18 19 The Rural Activity Center may consist of or include state 20 21 community redevelopment areas, brownfields, enterprise zones, or Mainstreet programs, federal Empowerment Zones, Enterprise 22 Communities, Champion Communities, or Brownfield Showcase 23 24 Communities. The Rural Activity Center shall serve and be developed as a "town center," promoting compact, efficient 25 development within the area and allowing lower-density 26 27 development that retains rural character within the remaining 28 portions of the designated Rural Heritage Area. 29 "Rural Heritage Area" means an area or areas: (C)

1. Designated by a local government or by local

governments through interlocal agreement.

2. Within which more than 50 percent of the land is in agricultural, open space, recreational, or other nondeveloped use.

3. That fit the definition of, or fall within an area that fits the definition of, a rural county, rural municipality, or rural community as defined in section 288.106, Florida Statutes.

A Rural Heritage Area may comprise a single rural county as defined in section 288.106, Florida Statutes, a multicounty area, or a subcounty area that is rural in nature and meets the land-use, demographic, economic, and definitional criteria set forth in this paragraph. If a subcounty area, a Rural Heritage Area 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 criteria set forth in this paragraph.

- (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 the applicable 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 the applicable 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.

- (c) Designation of a Rural Heritage Area or Rural

 Activity Center does not exempt the local government from the

 process required under chapter 163, Florida Statutes, for

 amending the comprehensive plan within the designated area.
 - (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-based planning 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-based planning 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 collaborative and holistic and must address, at a minimum, economic development including the nature-based tourism and

heritage tourism industry, land use, affordable housing, infrastructure, education, health care, public safety, public 2 3 and private financial capacity, information technology, workforce development, ecological conservation, social equity, 4 5 the role of agriculture in the local economy if applicable, 6 and the role of local government. 7 In lieu of preparing a new plan, the local (C) 8 government may demonstrate that an existing plan or combination of plans includes the factors listed in paragraph 9 10 (d), or amend such existing plans to include the factors 11 listed in paragraph (d), including the community-based planning process. If the area constitutes or contains a 12 federally designated Empowerment Zone, Enterprise Community, 13 or Champion Community, the plan and planning process done in 14 application for that designation shall serve to meet the 15 requirements of the community-based planning process and shall 16 17 allow the community to apply for implementation grants under the Rural Heritage Grant program that are based on such plan. 18 19 (d) A local government seeking to designate a geographic area as a Rural Heritage Area shall propose a plan 20 21 that describes means of promoting economic prosperity and preserving the unique rural character of the area. The plan 22 must demonstrate the local government's and community's 23 24 commitment to comprehensively addressing the problems within the Rural Heritage Area and identify activities, programs, and 25 resources that can help accomplish locally identified goals 26 27 such as improved educational opportunities; economic diversification and development; the future of agricultural 28 29 land uses in the planning area; provision of infrastructure 30 needs, including information technology infrastructure; prioritizing, pooling, and leveraging scarce resources; and 31

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 advance the goals of creating economic prosperity for area residents and of 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

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nonprofit organizations; creation, enhancement, or marketing of nature-based, agricultural, or heritage 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-based planning 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.

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- $\underline{\text{d. Prioritization of infrastructure spending within}}$ 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-based planning process, pursuant to paragraph (a).
- 12. Identify goals, objectives, performance measures, and baseline data on conditions for evaluating the success of the local government, community-based organizations, and other stakeholders in implementing the Rural Heritage Area plan and in improving economic prosperity and preserving rural character.
- (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.

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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

(Economic Development and Housing Program and Florida Communities Trust), the Florida Housing Finance Corporation, 2 3 and the Department of Transportation, shall report to the President of the Senate and the Speaker of the House of 4 5 Representatives by January 1, 2003, regarding statutory and 6 rule changes necessary to give Rural Heritage Areas identified 7 by local governments that have completed the community-based 8 planning process an elevated priority in infrastructure funding, loan, and grant programs. 9 (d) State agencies that provide funding to local 10 11 governments shall identify grant programs for which local government cash match requirements will be waived or replaced 12 by in-kind match, which can include the creation of a 13 permanent resource development staff position within the local 14 government to work on accessing a variety of grants, and loan 15 programs for which repayment will be forgiven, for rural local 16 17 government applicants that have successfully completed the 18 Rural Heritage Area grant program community-based planning 19 process. Agencies shall report to the President of the Senate and the Speaker of the House of Representatives by September 20 21 1, 2002, on programs identified, statutory or rule changes needed, and cost of implementation. 22 23 The Rural Economic Development Initiative (REDI), as described in section 288.0656, Florida Statutes, shall work 24 with state agencies and other organizations that provide 25 loans, grants, or technical assistance of any kind to the 26 27 state's rural communities to update, maintain, and distribute semiannually to every rural county and city government as 28 29 defined in section 288.106, Florida Statutes, the Rural 30 Resource Directory, which describes resources, including

federal resources, that are available to rural local

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governments and how to access them. The publication must include statutory provisions that enable local governments to 2 3 raise or direct revenues toward the goals of promoting economic prosperity while preserving rural character. To the 4 5 extent possible, REDI shall provide, or shall work through the 6 regional planning councils, the Small County Technical 7 Assistance Program, the Local Government Financial Technical 8 Assistance Program, the State University System, or other relevant organizations to provide, technical assistance to all 9 10 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-based 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, 2003.
 - (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.

1 (b) Forty-five percent of the general revenue appropriated for the Rural Heritage Grant Program must be 2 3 available for conducting the community-based planning process and completing the Rural Heritage Area plans. Forty-nine 4 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 11 nonprofit community development organizations, to implement projects consistent with an adopted Rural Heritage Area plan 12 or a plan employed in lieu thereof. Five percent of the 13 revenue must be made available for "seed money" grants of not 14 more than \$10,000 to assist local governments to begin the 15 process of identifying Rural Heritage Areas, assembling a core 16 17 group of community-based planning participants, and applying for planning grants. The remaining 1 percent must be made 18 19 available for administrative costs incurred by the Department of Community Affairs for implementing the Rural Heritage Grant 20 Program and the Urban Infill and Redevelopment Assistance 21 Grant Program. Projects that provide employment opportunities 22 to clients of the WAGES program must be given an elevated 23 24 priority in the scoring of competing grant applications. To encourage rural-urban partnerships and regional planning, 25 grant applications may be made, and grant moneys may be used, 26 27 in regional or partnership projects with communities eliqible to participate in the Urban Infill and Redevelopment 28 Assistance Grant Program. The Division of Housing and 29 30 Community Development of the Department of Community Affairs 31 shall administer the grant program.

- (c) Priority for funding under the Rural Heritage

 Grant Program shall be given to Rural Heritage Areas in which
 a majority of the populated portions of the area are
 characterized by pervasive poverty, unemployment, and general
 distress, as defined in section 290.0058, Florida Statutes.
- (d) The Department of Community Affairs, in consultation with REDI, shall adopt rules establishing grant review criteria consistent with this section. Actions required by this paragraph are contingent upon funds being provided to implement the Rural Heritage Grant Program.
- (e) 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) MICRO-LOAN PROGRAM FOR NATURE-BASED TOURISM AND HERITAGE TOURISM BUSINESSES.—The statewide advisory committee on nature-based tourism and heritage tourism, as established in s. 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 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 tourism or heritage tourism experiences. Examples include eco-tour operators and guides 2 3 and bicycle rentals, canoe outfitters, and bed-and-breakfast facilities in proximity to natural areas. No later than 4 5 November 1, 2002, this group shall submit a report to the 6 President of the Senate and the Speaker of the House of 7 Representatives that provides the mission and structure of the 8 micro-loan program, guidelines for administering the program, and criteria for and any limitations on loan recipient 9 10 eligibility and use of loan funds. 11 (9) WIRELESS COMMUNITY-BASED NETWORK PILOT PROGRAM. --The State Technology Office, in consultation with 12 the Departments of Education, Health, and Community Affairs, 13 the State Library, local governments, the regional consortium 14 service organizations established under section 228.0857, 15 Florida Statutes, and institutions of higher education, shall 16 17 develop recommendations regarding the establishment of two pilot projects in rural communities that use wireless or other 18 19 technologies. The purposes of the projects are to illustrate ways to increase access to quality educational, health care, 20 and other resources in the state's rural areas; to leverage 21 federal funds available for bridging the "digital divide"; to 22 build on existing applications to create community-based 23 24 networks; and to foster opportunities for innovative distribution of existing funds. The pilot projects must 25 include linkages to existing information technology systems in 26 27 the pilot area; for example, to a public library, a university, or a 4-year or community college, county or 28 29 municipal government, health-care facility, or private 30 business network.

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- (b) The State Technology Office shall select the rural communities that will participate in the pilot project in consultation with the Departments of Education, Health, and Community Affairs and the State Library. The selection process must 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.
- 6. Demonstration of willingness and ability of the community to assume ongoing costs to maintain the pilot project for a minimum of 5 years. Such willingness and ability may be demonstrated through intracommunity agreements or other means.
 - 7. Such other criteria as determined by the agencies.
- (c) The State Technology Office, in consultation with the Departments of Education, Health, and Community Affairs, the State Library, and local governments, shall include in its

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report performance standards for the pilot project consistent with the Sunshine State Standards, as described in section 229.57, Florida Statutes, and broader community-based standards as appropriate, and shall evaluate the progress of the pilot project at least annually based on the performance standards.

- (d) The State Technology Office shall report its recommendations to the President of the Senate, the Speaker of the House of Representatives, and the Governor by November 1, 2002. Recommendations shall address the implementation and funding of the pilot programs.
 - (10) AGRICULTURAL CONSERVATION AND PROFITABILITY.--
- The Department of Agriculture and Consumer Services, in consultation with the University of Florida and the Florida Agricultural and Mechanical University, shall establish three pilot projects aimed at encouraging the diversification of agricultural production and marketing throughout the state. Each project must do at least one of the following: introduce alternative crops, such as hot peppers, amaranth, or pigeon peas, or alternative growing techniques, such as greenhouse vegetable production in North Florida or early-season blueberries and peaches; or introduce a value-added activity or industry, such as fruit or vegetable processing or packaging, into a farming community as a means of increasing the profitability of current farm products for local growers. At least one of these projects must include a tobacco farm that is being adversely impacted by reductions in tobacco quotas. The purpose of the pilot projects is to demonstrate alternative crops, techniques, and industries that can enhance the profitability and sustainability of agriculture in the state. The Commissioner of Agriculture

shall, in consultation with the Agricultural Economic Development Project Review Committee as described in section 2 3 570.248, Florida Statutes, select the pilot project based on evaluation criteria for agricultural economic development 4 5 projects delineated in section 570.247, Florida Statutes. The 6 Commissioner of Agriculture shall report annually to the 7 Agricultural Economic Development Project Review Committee on 8 the progress of the pilot project for the duration of the project based on performance measures developed for the 9 project consistent with sections 570.244, 570.246, and 10 11 570.247, Florida Statutes. The Commissioner of Agriculture shall issue a 12 report on the progress of the pilot programs to the President 13 of the Senate, the Speaker of the House of Representatives, 14 and the Governor by December 15, 2002. 15 (c) As authorized in section 403.0752, Florida 16 17 Statutes, and based on results of current "whole farm planning" pilot projects, the Department of Environmental 18 19 Protection shall work with willing partners to streamline the permitting process for agricultural land uses. 20 (11) REVIEW AND EVALUATION. -- The Office of Program 21 22 Policy Analysis and Government Accountability shall perform a review and evaluation of the grant program and financial 23 24 incentives and the wireless community-based network pilot program. The report must evaluate the effectiveness of the 25 designation of rural planning areas in promoting economic 26 27 prosperity and preserving character in the state's rural 28 areas. This report may be conducted in conjunction with a 29 review of the Urban Infill and Redevelopment Assistance Grant 30 Program. A report of the findings and recommendations of the

Office of Program Policy Analysis and Government

Accountability must be submitted to the President of the Senate and the Speaker of the House of Representatives before the 2006 Regular Session of the Legislature.

Section 2. Paragraph (i) of subsection (1) of section 163.3187, Florida Statutes, is 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:
- (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.--

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- Eliminate public policies which result in housing discrimination, and develop policies which encourage housing opportunities for all Florida's citizens.
- Diminish the use of institutions to house persons by promoting deinstitutionalization to the maximum extent possible.
- 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.
- 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-income, very-low-income, 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 must 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 31 | natural habitats and ecological systems, such as wetlands,

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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.
- 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.
- 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 31 Florida's river systems.

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- 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.--
- 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-based planning efforts; and 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 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.--

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- (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.
- 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.
- 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-based tourism and heritage tourism enterprises consistent with conservation of these natural resources in order to provide economic benefit to those living in closest proximity to those assets.
- 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, 31 agriculture, and the arts.

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- 7. Provide increased opportunities for training Florida's workforce to provide skilled employees for new and expanding business.
- 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.
- 12. Encourage the development of a business climate 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.
- 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 either income or employment.
- 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.
- 5. 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.
- 7. 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
 - 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 products and supplies between producing areas and markets.
 - 13. Eliminate the discharge of inadequately treated wastewater and stormwater runoff into waters of the state.
 - (24) TOURISM.--
 - (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.

- 3. Promote awareness of historic places and cultural and historical activities.
- 4. Develop a nature-based tourism and heritage 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. 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:
- (a) 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.

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- 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.
- 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 than 50,000.
- (d) The selected area suffers from pervasive poverty, unemployment, and general distress, as described and measured pursuant to s. 290.0058.
- Section 5. Present subsections (13) through (39) of section 420.507, Florida Statutes, are renumbered as subsections (14) through (40), respectively, a new subsection (13) is added to that section, and present subsection (24) of that section 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:

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(13) To adopt rules necessary to carry out the purposes of the state's rural policy under the Florida Rural Heritage Act.

(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's rural policy under the Florida Rural Heritage Act.

Section 6. 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. $420.507(23)\frac{(22)}{(23)}$ (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 The corporation board shall make the final ranking Program. and the decisions regarding which applicants shall become program participants based on the scores received in the 31 competitive ranking, further review of applications, and the

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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. actual loan amount shall be determined pursuant to rule adopted pursuant to s. $420.507(23)\frac{(22)}{(1)}$.

Section 7. 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. $420.507(24)\frac{(23)}{(a)}$ 1. or 2.:
- (a) The corporation may underwrite and make those mortgage loans through the program to persons or families who have incomes that do not exceed 80 percent of the state or local median income, whichever is greater, adjusted for family size.
- (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 31 enable the purchaser to meet credit underwriting criteria.

 (2) For loans made pursuant to s. 420.507(24)(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.
- (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(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

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 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.

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- 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.
- 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 progra
- (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
- 28 (c) Twenty percent of the program funds shall be 29 reserved for use by borrowers pursuant to s. 30 420.507(24)(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 8. The implementation of subsections (7) and (10) of section 1 of this act is subject to specific appropriation or the availability of funds from the agencies designated as responsible for implementing those subsections.

Section 9. This act shall take effect July 1, 2002.

LEGISLATIVE SUMMARY

Creates the Florida Rural Heritage Act. Provides legislative findings. Provides definitions. Provides for the designation of a Rural Heritage Area and for a community-based planning process. Specifies guidelines for Rural Heritage Area plans. Provides procedure for adoption of a plan. Provides for economic incentives, reports, and technical assistance. Creates the Rural Heritage Grant Program, to be administered by the Department of Community Affairs, to assist local governments in adopting Rural Heritage Areas. Provides for priority of funding. Provides for the adoption of rules by the Department of Community Affairs. Provides for development of a micro-loan program for nature-based tourism and heritage tourism businesses. Provides for wireless community-based network technology pilot programs to be established by the State Technology Office. 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 plan amendments for Rural Heritage Areas or Rural Activity Centers. Modifies goals of the State Comprehensive Plan in accordance with the act. Provides a condition under which communities within the jurisdiction of a rural local government may be designated as an enterprise zone. Modifies powers of the Florida Housing Finance Corporation. Provides that specified provisions of the act are subject to appropriation or the availability of agency funds.