

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: HB 981 Tallahassee Downtown Improvement Authority
SPONSOR(S): Ausley
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government & Veterans' Affairs</u>	<u>16 Y, 0 N</u>	<u>Sheheane</u>	<u>Highsmith-Smith</u>
2) <u>Finance & Tax</u>	<u> </u>	<u> </u>	<u> </u>
3) <u> </u>	<u> </u>	<u> </u>	<u> </u>
4) <u> </u>	<u> </u>	<u> </u>	<u> </u>
5) <u> </u>	<u> </u>	<u> </u>	<u> </u>

SUMMARY ANALYSIS

This bill constitutes the codification of all special acts relating to the Tallahassee Downtown Improvement Authority (Authority). It is the intent of this bill to make it possible for the city to preserve property and prevent deterioration of the downtown area. The Authority is currently authorized to impose and levy ad valorem tax not to exceed one mill. This bill does not change that authority. The bill also makes other changes that do not appear to alter the effect of existing law pertaining to the District.

According to the Economic Impact Statement, there are no new, increased, or decreased revenues as a result of this bill.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

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

B. EFFECT OF PROPOSED CHANGES:

This bill constitutes the codification of all special acts relating to the Tallahassee Downtown Improvement Authority Act. It is the intent of this bill to make it possible for the city to preserve property and prevent deterioration of the downtown area. The Authority is currently authorized to impose and levy ad valorem tax not to exceed one mill. This bill does not change that authority. The bill also makes other changes that do not appear to alter the effect of existing law pertaining to the District.

Codification

Codification is the process of bringing a special act up-to-date. After a special district is created, special acts often amend or alter the special district's charter provisions. To ascertain the current status of a special district's charter, it is necessary to research all amendments or changes made to the charter since its inception or original passage by the Legislature. Codification of special district charters is important because it allows readers to more easily determine the current charter of a district.

Codification of special district charters was initially authorized by the 1997 Legislature and is codified in section 189.429, F.S. and s. 191.015, F.S. The 1998 Legislature subsequently amended both sections of statute. Current law provides for codification of all special district charters by December 1, 2004. The 1998 law allows for the adoption of the codification schedule provided for in an October 3, 1997, memorandum issued by the Chair of the Committee on Community Affairs. Any codified act relating to a special district must provide for the repeal of all prior special acts of the Legislature relating to the district. Additionally, the 2001 Legislature amended section 189.429, Florida Statutes to provide that reenactment of existing law pursuant to section 189.429: (1) shall not be construed to grant additional authority nor to supercede the authority of an entity; (2) shall continue the application of exceptions to law contained in special acts reenacted pursuant to the section; (3) shall not be construed to modify, amend, or alter any covenants, contracts, or other obligations of any district with respect to bonded indebtedness; and (4) shall not be construed to affect a district's ability to levy and collect taxes, assessments, fees, or charges for the purpose of redeeming or servicing the district's bonded indebtedness.

Status Statement Language

Section 189.404(5), F.S., provides that after October 1, 1997, the charter of any newly created special district shall contain and, as practical, the charter of a preexisting special district shall be amended to contain, a reference to the status of the special district as dependent or independent. When necessary, the status statement shall be amended to conform to the Department of Community Affairs' determination or declaratory statement regarding the status of the district

C. SECTION DIRECTORY:

Section 1: Constitutes the codification of all special acts relating to the Tallahassee downtown improvement authority act.

Section 2: Codifies, reenacts, amends, and repeals all prior special acts relating to the Tallahassee downtown improvement authority.

Section 3: The charter for the Tallahassee Downtown Improvement District is re-created and reenacted to read:

Section 1: This act will be known as the "Tallahassee Downtown Improvement Authority Act."

Section 2: Definitions:

- (1) Defines "Board".
- (2) Defines "City".
- (3) Defines "City Commission".
- (4) Defines "Downtown" and "Downtown area".
- (5) Defines "herein", "hereby", and "Hereof".
- (6) Defines "including".
- (7) Defines "majority".
- (8) Defines "mayor".
- (9) Defines "State".
- (10) Defines "freeholder".

Section 3: Statement of Policy:

- (1) It is the policy of the state to make it possible for the city to preserve property and prevent deterioration.
- (2) This section lists several causes of commercial blight in the downtown area as discovered by the Legislature.
- (3) States that the downtown area is plagued with vacant deteriorating buildings.
- (4) States that the area has few residences and describes the concepts in which to remove inferior buildings.
- (5) States that the Legislature declares that the provisions of this act are to accomplish the harmonious development in accordance with future needs.

Section 4: Provides new language describing the boundaries of the downtown area.

Section 5: Maintains that the governing board of the improvement authority is to be composed of eight members.

- (1) Maintains that the mayor will appoint the board members.
- (2) Maintains the terms of the board members.
- (3) Maintains the language describing board qualifications.
- (4) Maintains language relating to vacancy on the board.
- (5) Maintains language relating to the compensation of board members.

Section 6: Maintains the bylaws of the board and internal governance.

Section 7: Functions of the board:

- (1) Maintain an analysis of the current economic conditions of the downtown area.
- (2) Formulate and maintain plans for improving the downtown area.
- (3) Recommend to the city council the actions most suitable for implementing an improvement plan.
- (4) Participate actively in the implementation and execution of downtown improvement plans.
- (5) Carry on all other projects authorized by law.

Section 8: Powers of the board:

- (1) To enter into contracts and agreements.
- (2) To use a corporate seal.
- (3) To maintain and acquire property for the benefit of the authority.
- (4) To accept grants and donations of any type.
- (5) To receive proceeds of the tax imposed upon it by trusts.
- (6) To have exclusive control of funds legally available to it.
- (7) To cooperate and enter into agreements.
- (8) To make or receive loans.
- (9) To request by resolution that the city exercise its powers of eminent domain.
- (10) To issue and sell revenue certificates.
- (11) To fix and regulate fees associates to facilities or projects of the authority.
- (12) To borrow money after the approval of the city commission.
- (13) To acquire a principal office for conducting business.
- (14) To prescribe the compensation of the executive director of the board.

(15) To exercise all powers for the purposes of this act.

(16) To establish development and taxing subdistricts within the downtown area.

Section 9: To levy an ad valorem tax not to exceed one mill on each dollar.

Section 10: Board records and fiscal management:

(1) All funds will be held and secured by the appropriate fiscal officers of the city.

(2) The bylaws of the board will provide accurate minutes and an annual budget for each fiscal year.

(3) No member or employee of the board will vote on any matter in which that individual has financial interest.

Section 11: Provisions governing issuance of certificate:

(1) Maintains provisions relating to revenue certificates.

(2) The city is not obligated to pay on any certificates of the board.

(3) The rates of interest and the sale price of the certificates will not exceed the rate authorized by law for the city.

(4) Before issuing any revenue certificates, the board will:

(a) Prepare from a reputable source detailed estimates of the total cost of the undertaking for which the revenues are issued.

(b) Determine that the anticipated net proceeds from the sale will be sufficient to cover all costs associated.

(c) Determine that the annual revenues anticipated from the undertaking will be sufficient to pay the estimated cost of maintaining the certificates.

(d) Specify these determinations in and include the supporting estimates as parts of the resolution providing for the issue.

(5) The board may engage the services of a corporate trustee for the issuance of revenue certificates.

(6) The board will maintain and meet all payments on the undertaking of its repair.

(7) Revenue certificates may be issued for the purposes of funding, refunding, or both.

(8) All revenue certificates issued will be negotiable instruments for all purposes.

Section 13: Maintains language describing the freeholder's referendum.

(1) Maintains language relating to the election supervisor involved in the referendum.

(2) Maintains language relating to the registration of such referendum.

(3) Maintains language relating to the notification of such referendum.

(4) Maintains language relating to additional registration of the referendum.

- (5) Maintains language relating to voting in the referendum.
- (6) Maintains language relating to the passage of the act.
- (7) For the purposes of this act, each vote will be weighed according to the assessed valuation of property owned by each individual.
- (8) Should the freeholders fail to approve the provisions of this act, the city may call one additional referendum after one year.
- (9) Additional freeholders' elections called after increasing or decreasing boundaries will be held in accordance with referendum provisions set forth in this act.
- (10) A repeal of the referendum may be called by freeholders holding 20% of assessed value of property in the downtown area.

Section 14: Maintains language relating to city and county authority.

Section 15: Provides for severability.

Section 4: All previous laws relating to the authority are repealed.

Section 5: This act shall take effect upon becoming law.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? January 15, 2003

WHERE? Tallahassee Democrat

B. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENT/COMMITTEE SUBSTITUTE CHANGES

None.