By the Committee on Comprehensive Planning

316-2027-04

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A bill to be entitled An act relating to community development districts; amending s. 190.012, F.S.; providing for the enforcement of deed restrictions in certain circumstances; amending s. 190.046, F.S.; providing for additional dissolution procedures; amending s. 190.006, F.S.; specifying procedures for selecting a chair at the initial landowners' meeting; specifying requirements for proxy voting; requiring notice of landowners' elections; specifying the terms of certain supervisors; providing for nonpartisan elections; specifying the time that resident supervisors assume office; authorizing the supervisor of elections to designate seat numbers for resident supervisors of the board; providing procedures for filing qualifying papers; allowing candidates the option of paying a filing fee to qualify for the election; specifying payment requirements; specifying the number of petition signatures required to qualify for the election; requiring the county canvassing board to certify the results of resident elections; providing an effective date. Be It Enacted by the Legislature of the State of Florida: Section 1. Subsection (4) is added to section 190.012, Florida Statutes, to read:

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CODING: Words stricken are deletions; words underlined are additions.

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190.012 Special powers; public improvements and community facilities.—The district shall have, and the board may exercise, subject to the regulatory jurisdiction and permitting authority of all applicable governmental bodies, agencies, and special districts having authority with respect to any area included therein, any or all of the following special powers relating to public improvements and community facilities authorized by this act:

- (4)(a) To adopt rules necessary for the district to enforce certain deed restrictions pertaining to the use and operation of real property within the district. For the purpose of this subsection, "deed restrictions" are those covenants, conditions, and restrictions contained in any applicable declarations of covenants and restrictions that govern the use and operation of real property within the district and, for which covenants, conditions, and restrictions, there is no homeowners' association having enforcement powers. The district may adopt by rule all or certain portions of the deed restrictions that:
- 1. Relate to limitations or prohibitions that apply only to external structures and are deemed by the district to be generally beneficial for the district's landowners and for which enforcement by the district is appropriate, as determined by the district's board of supervisors; or
- 2. Are consistent with the requirements of a development order or regulatory agency permit.
- (b) The board may vote to adopt such rules only when all of the following conditions exist:
- 1. The district's geographic area contains no homeowners' associations as defined in s. 720.301(7);

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- 2. The district was in existence on the effective date of this subsection, or is located within a development that consists of multiple developments of regional impact and a Florida Quality Development;
- The majority of the board has been elected by qualified electors pursuant to the provisions of s. 190.006; and
- 4. The declarant in any applicable declarations of covenants and restrictions has provided the board with a written agreement that such rules may be adopted.
- (c) Within 60 days after such rules taking effect, the district shall record a notice of rule adoption stating generally what rules were adopted and where a copy of the rules may be obtained. Districts may impose fines for violations of such rules and enforce such rules and fines in circuit court through injunctive relief.
- Section 2. Section 190.046, Florida Statutes, is amended to read:
- 190.046 Termination, contraction, or expansion of district.--
- (1) The board may petition to contract or expand the boundaries of a community development district in the following manner:
- (a) The petition shall contain the same information required by s. 190.005(1)(a)1. and 8. In addition, if the petitioner seeks to expand the district, the petition shall describe the proposed timetable for construction of any district services to the area, the estimated cost of constructing the proposed services, and the designation of the future general distribution, location, and extent of public 31 and private uses of land proposed for the area by the future

land use plan element of the adopted local government local comprehensive plan. If the petitioner seeks to contract the district, the petition shall describe what services and facilities are currently provided by the district to the area being removed, and the designation of the future general distribution, location, and extent of public and private uses of land proposed for the area by the future land element of the adopted local government comprehensive plan.

- (b) For those districts initially established by county ordinance, the petition for ordinance amendment shall be filed with the county commission. If the land to be included or excluded is, in whole or in part, within the boundaries of a municipality, then the county commission shall not amend the ordinance without municipal approval. A public hearing shall be held in the same manner and with the same public notice as other ordinance amendments. The county commission shall consider the record of the public hearing and the factors set forth in s. 190.005(1)(e) in making its determination to grant or deny the petition for ordinance amendment.
- (c) For those districts initially established by municipal ordinance pursuant to s. 190.005(2)(e), the municipality shall assume the duties of the county commission set forth in paragraph (b); however, if any of the land to be included or excluded, in whole or in part, is outside the boundaries of the municipality, then the municipality shall not amend its ordinance without county commission approval.
- (d)1. For those districts initially established by administrative rule pursuant to s. 190.005(1), the petition shall be filed with the Florida Land and Water Adjudicatory Commission.

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- 2. Prior to filing the petition, the petitioner shall pay a filing fee of \$1,500 to the county and to each municipality the boundaries of which are contiguous with or contain all or a portion of the land within the district or the proposed amendment, and submit a copy of the petition to the county and to each such municipality. In addition, if the district is not the petitioner, the petitioner shall file the petition with the district board of supervisors.
- The county and each municipality shall have the option of holding a public hearing as provided by s. 190.005(1)(c). However, such public hearing shall be limited to consideration of the contents of the petition and whether the petition for amendment should be supported by the county or municipality.
- The district board of supervisors shall, in lieu of a hearing officer, hold the local public hearing provided for by s. 190.005(1)(d). This local public hearing shall be noticed in the same manner as provided in s. 190.005(1)(d). Within 45 days of the conclusion of the hearing, the district board of supervisors shall transmit to the Florida Land and Water Adjudicatory Commission the full record of the local hearing, the transcript of the hearing, any resolutions adopted by the local general-purpose governments, and its recommendation whether to grant the petition for amendment. The commission shall then proceed in accordance with s. 190.005(1)(e).
- 5. A rule amending a district boundary shall describe the land to be added or deleted.
- (e) In all cases, written consent of all the landowners whose land is to be added to or deleted from the 31 district shall be required. The filing of the petition for

 expansion or contraction by the district board of supervisors shall constitute consent of the landowners within the district other than of landowners whose land is proposed to be added to or removed from the district.

- (f)1. During the existence of a district initially established by administrative rule, petitions to amend the boundaries of the district pursuant to paragraphs (a)-(e) shall be limited to a cumulative total of no more than 10 percent of the land in the initial district, and in no event shall all such petitions to amend the boundaries ever encompass more than a total of 250 acres.
- 2. For districts initially established by county or municipal ordinance, the limitation provided by this paragraph shall be a cumulative total of no more than 50 percent of the land in the initial district, and in no event shall all such petitions to amend the boundaries ever encompass more than a total of 500 acres.
- 3. Boundary expansions for districts initially established by county or municipal ordinance shall follow the procedure set forth in paragraph (b) or paragraph (c).
- (g) Petitions to amend the boundaries of the district which exceed the amount of land specified in paragraph (f) shall be considered petitions to establish a new district and shall follow all of the procedures specified in s. 190.005.
 - (2) The district shall remain in existence unless:
- (a) The district is merged with another district as
 provided in subsection (3);
- (b) All of the specific community development <u>systems</u>, <u>facilities</u>, <u>and</u> services that it is authorized to perform have been transferred to a general-purpose unit of local government in the manner provided in subsections (4), (5), and (6); or

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- (c) The district is dissolved as provided in subsection (7), or subsection (8), or subsection (9).
- The district may merge with other community development districts upon filing a petition for establishment of a community development district pursuant to s. 190.005 or may merge with any other special districts upon filing a petition for establishment of a community development district pursuant to s. 190.005. The government formed by a merger involving a community development district pursuant to this section shall assume all indebtedness of, and receive title to, all property owned by the preexisting special districts. Prior to filing said petition, the districts desiring to merge shall enter into a merger agreement and shall provide for the proper allocation of the indebtedness so assumed and the manner in which said debt shall be retired. The approval of the merger agreement by the board of supervisors elected by the electors of the district shall constitute consent of the landowners within the district.
- (4) The local general-purpose government within the geographical boundaries of which the district lies may adopt a nonemergency ordinance providing for a plan for the transfer of a specific community development service from a district to the local general-purpose government. The plan must provide for the assumption and guarantee of the district debt that is related to the service by the local general-purpose government and must demonstrate the ability of the local general-purpose government to provide such service:
 - (a) As efficiently as the district.
- (b) At a level of quality equal to or higher than the level of quality actually delivered by the district to the 31 users of the service.

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- (c) At a charge equal to or lower than the actual charge by the district to the users of the service.
- (5) No later than 30 days following the adoption of a transfer plan ordinance, the board of supervisors may file, in the circuit court for the county in which the local general-purpose government that adopted the ordinance is located, a petition seeking review by certiorari of the factual and legal basis for the adoption of the transfer plan ordinance.
- (6) Upon the transfer of all of the community development services of the district to a general-purpose unit of local government, the district shall be terminated in accordance with a plan of termination which shall be adopted by the board of supervisors and filed with the clerk of the circuit court.
- (7) If, within 5 years after the effective date of the rule or ordinance <u>establishing</u> creating the district, a landowner has not received a development permit, as defined in chapter 380, on some part or all of the area covered by the district, then the district will be automatically dissolved and a judge of the circuit court shall cause a statement to that effect to be filed in the public records.
- (8) In the event the district has become inactive pursuant to s. 189.4044, the <u>respective</u> board of county commissioners <u>or city commission</u> shall be informed and it shall take appropriate action.
- (9) If a district has no outstanding financial obligations and no operating or maintenance responsibilities, upon the petition of the district, the district may be dissolved by a nonemergency ordinance of the general-purpose local governmental entity that established the district or, if

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the district was established by rule of the Florida Land and Water Adjudicatory Commission, the district may be dissolved by repeal of such rule of the commission.

Section 3. Section 190.006, Florida Statutes, is amended to read:

190.006 Board of supervisors; members and meetings.--

- (1) The board of the district shall exercise the powers granted to the district pursuant to this act. The board shall consist of five members; except as otherwise provided herein, each member shall hold office for a term of 2 years or 4 years, as provided in this section, and until a successor is chosen and qualifies. The members of the board must be residents of the state and citizens of the United States.
- (2)(a) Within 90 days following the effective date of the rule or ordinance establishing the district, there shall be held a meeting of the landowners of the district for the purpose of electing five supervisors for the district. Notice of the landowners' meeting shall be published once a week for 2 consecutive weeks in a newspaper which is in general circulation in the area of the district, the last day of such publication to be not fewer than 14 days or more than 28 days before the date of the election. The landowners, when assembled at such meeting, shall organize by electing a chair who shall conduct the meeting. The chair may be any person present at the meeting. If the chair is a landowner or proxy holder of a landowner, he or she may nominate candidates and make and second motions.
- (b) At such meeting, each landowner shall be entitled to cast one vote per acre of land owned by him or her and located within the district for each person to be elected. A landowner may vote in person or by proxy in writing. \underline{Each}

proxy must be signed by one of the legal owners of the property for which the vote is cast and must contain the typed 2 3 or printed name of the individual who signed the proxy; the 4 street address, legal description of the property, or tax 5 parcel identification number; and the number of authorized 6 votes. If the proxy authorizes more than one vote, each 7 property must be listed and the number of acres of each 8 property must be included. The signature on a proxy need not 9 be notarized.A fraction of an acre shall be treated as 1 acre, entitling the landowner to one vote with respect 10 11 thereto. The two candidates receiving the highest number of votes shall be elected for a period of 4 years, and the three 12 13 candidates receiving the next largest number of votes shall be elected for a period of 2 years, with the term of office for 14 each successful candidate commencing upon election. The 15 members of the first board elected by landowners shall serve 16 17 their respective 4-year or 2-year terms; however, the next election by landowners shall be held on the first Tuesday in 18 19 November. Thereafter, there shall be an election of 20 supervisors for the district every 2 years in November on a date established by the board and noticed pursuant to 21 paragraph (a). The second and subsequent landowners' election 22 shall be announced at a public meeting of the board at least 23 24 90 days prior to the date of the landowners' meeting and shall 25 also be noticed pursuant to paragraph (a). Instructions on how all landowners may participate in the election, along with 26 27 sample proxies, shall be provided during the board meeting 28 that announces the landowners' meeting. The two candidates 29 receiving the highest number of votes shall be elected to serve for a 4-year period, and the remaining candidate elected 30 31 | shall serve for a 2-year period.

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(3)(a)1. If the board proposes to exercise the ad valorem taxing power authorized by s. 190.021, the district board shall call an election at which the members of the board of supervisors will be elected. Such election shall be held in conjunction with a primary or general election unless the district bears the cost of a special election. Each member shall be elected by the qualified electors of the district for a term of 4 years, except that, at the first such election, three members shall be elected for a period of 4 years and two members shall be elected for a period of 2 years. All elected board members must be qualified electors of the district.

2.a. Regardless of whether a district has proposed to levy ad valorem taxes, commencing 6 years after the initial appointment of members or, for a district exceeding 5,000 acres in area, 10 years after the initial appointment of members, the position of each member whose term has expired shall be filled by a qualified elector of the district, elected by the qualified electors of the district. However, for those districts established after June 21, 1991, and for those existing districts established after December 31, 1983, which have less than 50 qualified electors on June 21, 1991, sub-subparagraphs b. and c. shall apply.

b. For those districts to which this sub-subparagraph applies If, in the 6th year after the initial appointment of members, or 10 years after such initial appointment for districts exceeding 5,000 acres in area, there are not at least 250 qualified electors in the district, or for a district exceeding 5,000 acres, there are not at least 500 qualified electors, members of the board shall continue to be elected by landowners.

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 <u>b.</u> After the 6th or 10th year, once a district reaches 250 or 500 qualified electors, respectively, then the position of two board members whose terms are expiring shall be filled by qualified electors of the district, elected by the qualified electors of the district <u>for 4-year terms</u>. One of these board members shall serve a 2-year term, and the other a 4-year term. The remaining board member whose term is expiring shall be elected for a 4-year term by the landowners and is not required to be a qualified elector. Thereafter, as terms expire, board members shall be qualified electors elected by qualified electors of the district <u>for a term of 4 years</u>.

- c. On or before July 15 of each year, the board shall determine the number of qualified electors in the district as of the immediately preceding June 1. The board shall use and rely upon the official records maintained by the supervisor of elections and property appraiser or tax collector in each county in making this determination. Such determination shall be made at a properly noticed meeting of the board and shall become a part of the official minutes of the district.
- (b) Elections of board members by qualified electors held pursuant to this subsection shall be <u>nonpartisan and</u> shall be conducted in the manner prescribed by law for holding general elections. <u>Board members shall assume the office on</u> the second Tuesday following their election.
- (c) Candidates seeking election to office by qualified electors under this subsection shall conduct their campaigns in accordance with the provisions of chapter 106 and shall file qualifying papers and qualify for individual seats in accordance with s. 99.061. Candidates shall pay a qualifying fee, which shall consist of a filing fee and an election

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assessment or, as an alternative, shall file a petition signed by not less than 1 percent of the registered voters of the district, Candidates shall file petitions, and take the oath required in s. 99.021, with the supervisor of elections in the county affected by such candidacy. The amount of the filing fee is 3 percent of \$4,800; however, if the electors have provided for compensation pursuant to subsection (8), the amount of the filing fee is 3 percent of the maximum annual compensation so provided. The amount of the election assessment is 1 percent of \$4,800; however, if the electors have provided for compensation pursuant to subsection (8), the amount of the election assessment is 1 percent of the maximum annual compensation so provided. The filing fee and election assessment shall be distributed as provided in s. 105.031(3).

- The supervisor of elections shall appoint the inspectors and clerks of elections, prepare and furnish the ballots, designate polling places, and canvass the returns of the election of board members by qualified electors. The county canvassing board of county commissioners shall declare and certify the results of the election.
- (4) Members of the board shall be known as supervisors and, upon entering into office, shall take and subscribe to the oath of office as prescribed by s. 876.05. They shall hold office for the terms for which they were elected or appointed and until their successors are chosen and qualified. If, during the term of office, a vacancy occurs, the remaining members of the board shall fill the vacancy by an appointment for the remainder of the unexpired term.
- (5) A majority of the members of the board constitutes a quorum for the purposes of conducting its business and 31 exercising its powers and for all other purposes. Action

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30 31 taken by the district shall be upon a vote of a majority of the members present unless general law or a rule of the district requires a greater number.

- (6) As soon as practicable after each election or appointment, the board shall organize by electing one of its members as chair and by electing a secretary, who need not be a member of the board, and such other officers as the board may deem necessary.
- (7) The board shall keep a permanent record book entitled "Record of Proceedings of ... (name of district)... Community Development District," in which shall be recorded minutes of all meetings, resolutions, proceedings, certificates, bonds given by all employees, and any and all corporate acts. The record book shall at reasonable times be opened to inspection in the same manner as state, county, and municipal records pursuant to chapter 119. The record book shall be kept at the office or other regular place of business maintained by the board in the county or municipality in which the district is located or within the boundaries of a development of regional impact or Florida Quality Development, or combination of a development of regional impact and Florida Quality Development, which includes the district.
- (8) Each supervisor shall be entitled to receive for his or her services an amount not to exceed \$200 per meeting of the board of supervisors, not to exceed \$4,800 per year per supervisor, or an amount established by the electors at referendum. In addition, each supervisor shall receive travel and per diem expenses as set forth in s. 112.061.
- (9) All meetings of the board shall be open to the public and governed by the provisions of chapter 286.

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                   Section 4. This act shall take effect upon becoming a
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       law.
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                    STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 1392
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      The CS differs from the bill as filed in that it amends s. 190.012, F.S., to allow certain CDD governing boards to enforce deed restrictions in specified circumstances.
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