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An act relating to the City of Orlando, Orange County; establishing the Orlando Downtown Development Board as a body corporate; providing the boundaries of the Orlando Downtown Development Area; providing number, qualifications, term, and methods of appointment and removal of board members; providing for filling vacancies in office, service without compensation, reimbursement of expenses, bonding, and personal liability in certain instances; providing for bylaws, internal governance, and functions and powers of the board; providing for the city to levy in each fiscal year an ad valorem property tax of not more than 1 mill to finance board operations; providing for assessment and collection of taxes by the city subject to compensation to it for services rendered to the board; requiring maintenance of records and budget and fiscal control; forbidding participation on behalf of the board by personnel financially interested in the matter involved; providing for succession by the city to the property and certain functions of the board if the board ceases to exist or operate; regulating issuance of board revenue certificates; prescribing scope of the act; providing for freeholders' elections; providing construction and severability; providing an effective

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

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Section 1. <u>Popular name.--This act may be cited as the</u> "Downtown Development Board Act."

- Section 2. <u>Definitions; rules of construction.--Unless</u> <u>qualified in the text, the following definitions and rules of construction shall apply to this act:</u>
- (1) "Board" means the Downtown Development Board created by this act and any successor to its functions, authority, rights, and obligations.
 - (2) "City" and "Orlando" mean the City of Orlando.
- (3) "City council" means the Orlando City Council and any succeeding governing body of the city.
- (4) "Freeholder" means any owner of real property in the development area not wholly exempt from ad valorem taxation, whether individual, corporation, trust, estate, or partnership, residing or with its principal place of business located in the United States.
- (5) "Including" shall be construed as merely introducing illustrative examples and not as limiting in any way the generality of the inclusive term.
- (6) "Majority" without qualification means a majority of the board.
 - (7) "Mayor" means the mayor of the City of Orlando.
- (8) "Orlando Downtown Development Area" or "development area" means the area established by the city council as set forth in this act and to which this act primarily relates, including the central business district and its environs.
 - (9) "State" means the State of Florida.
 - Section 3. Statement of policy; legislative findings .--

(1) It is the policy of the state to make it possible for the city to revitalize and preserve property values and prevent future and reduce present deterioration in the Orlando Downtown Development Area. The board created by this act is intended to provide a vehicle whereby property owners of commercial and income-producing properties who will benefit directly from the results of such a program will bear the substantial cost thereof and thereby local problems may be solved on the local level through the use of machinery provided by local government.

- (2) The Legislature further finds and declares that the provisions of this act and the power afforded to the board are desirable.
 - Section 4. Orlando Downtown Development Area. --
- (1) The Orlando Downtown Development Area includes the central business district and its environs, being all lands described in accordance with the following: the initial development area for the purposes of this act shall be the area set forth by the city council in its ordinance of December 15, 1969, being Documentary 8978-A. From and after approval of this act by the referendum required in section 13, the development area shall have existence as provided in this act.
- (2) The city council may from time to time, after a period of 1 year after the approval of this act, by the procedure provided in this act, alter or amend the boundaries of the development area by the inclusion of additional territory or the exclusion of lands from the limits of the development area; however, no real property included within the boundaries of the development area as established in this act shall be removed from said area without the consent of the freeholders as

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2005 provided in section 13. No tax shall be levied upon property later added to the development area by expansion of the boundaries except as provided for by a vote of the freeholders within the added territory as provided for in subsection (10) of section 13 and compliance otherwise with this act. The city council shall set a date for a public hearing prior to the adoption of an ordinance describing area to be added to or deleted from the development area. Upon the adoption of a resolution, the city council shall cause a notice of the public hearing to be published in a newspaper of general circulation published in the city, which notice shall be published one time not less than 30 nor more than 60 days after the date of the hearing. The notice shall set forth the date, time, and place of the hearing and shall describe the boundaries of the proposed development area. Any citizen, taxpayer, or property owner shall have the right to be heard in favor or opposition. After the public hearing, the city council shall, in the manner authorized by its charter, adopt a new ordinance establishing and defining the development area. Creation of the board; composition; provisions Section 5.

relating to members. -- There is created a board composed of five members to be known officially as the "Downtown Development Board." It is constituted a body corporate and an agency of the city, and performance by the board of its duties and exercise of its powers are designated municipal functions and shall be so construed.

(1) The mayor shall appoint the members of the board, with the concurrence of the city council, and by majority vote of its

entire membership, the city council may remove a member of the board for cause.

- (2) Of the initial members, one member shall be appointed for a term expiring July 1, 1973, two members shall be appointed for terms expiring July 1, 1974, and two members shall be appointed for terms expiring July 1, 1975. Thereafter, each succeeding member shall be appointed by the mayor, with the concurrence of the city council, for a term of 3 years.
- (3) To qualify for appointment to the board and to remain qualified for service on it, a prospective member or a member already appointed shall have his or her principal residence, employment, or place of business in the development area or be an owner of realty therein and shall not be serving as a city officer or employee. A majority of members shall be owners of realty within the development area, or lessees thereof, or directors, officers, or managing agents of an owner or of a lessee thereof so required to pay taxes thereon, but no two shall be affiliates of the same corporation, partnership, or other business entity.
- (4) Vacancy in office, which shall be filled in the manner provided in subsections (1) and (2) within 30 days after its occurrence for the remainder of the unexpired term, shall occur whenever a member is removed from office, becomes disqualified, or is otherwise unable to serve or resigns.
- (5) Each member of the board shall serve without compensation for services rendered as a member but may be reimbursed by the board for necessary and reasonable expenses actually incurred in the performance of duty. The board may require that all its members or any or all of its officers or

employees be required to post bond for faithful performance of
duty. The board shall require such bond of all persons
authorized to sign on accounts of the board, and the board shall
pay bonding costs. No member of the board shall be personally
liable for any action taken in attempting in good faith to
perform his or her duty, or for a decision not to act, except in

Section 6. Board bylaws; internal governance. --

instances of fraud or willful neglect of duty.

- (1) The board shall formulate and may amend its own rules of procedure and written bylaws not inconsistent with this act, and such rules of procedure and written bylaws, and amendments thereto, shall not become effective until approved by the city council. A majority of the board's entire membership shall constitute a quorum for the transaction of business, but fewer than a quorum may adjourn from time to time and may compel the attendance of absent members.
- (2) All action shall be taken by vote of at least a majority of the board. The board shall select one of its members as chair and another as vice-chair and shall prescribe their duties, powers, and terms of service. The board shall hold regular meetings at least once a month and shall provide in its bylaws for holding special meetings. All meetings shall be given public notice and shall be open to the public. In time for submission to the governing body as required of all departments of the city, the board shall prepare and submit for the approval of the city council a budget for the operation of the board for the ensuing fiscal year, the same to conform to the fiscal year of the city. The budget shall be prepared in the manner and contain the information required of all departments. However,

when and if approved by the city council, the budget shall not
require approval of any officer or body of the city other than
the governing body. No funds of the city may be included in the
budget of the board except those funds authorized in this act
and such other funds as may be authorized by the city council.

The board shall not expend any funds other than those authorized
by the approved budget, provided that the board shall have the

- nower subject to the approval of the city council to amend i
- power, subject to the approval of the city council, to amend its budget as may from time to time be necessary.
 - Section 7. Functions of the board.--The board shall perform the following functions:

- (1) Prepare and maintain on a current basis an analysis of the economic conditions and changes occurring in the development area, including the effect on the development area of such factors as metropolitan growth, traffic congestion, lack of adequate parking and other access facilities, and structural obsolescence and deterioration.
- (2) Formulate and maintain on a current basis both shortrange and long-range plans for improving the attractiveness and
 accessibility to the public of development area facilities,
 promoting efficient use thereof, remedying the deterioration of
 development area property values, and developing the development
 area.
- (3) Recommend to the city council for its consideration and approval the actions deemed most suitable for implementing the development area plans as provided in subsection (2).
- (4) Participate actively in the implementation and execution of approved development area plans, including establishment, acquisition, construction, ownership, financing,

leasing, licensing, operation, and management of publicly owned or leased facilities deemed feasible and beneficial in effecting implementation for public purposes. However, this subsection shall not give the board any power or control over any city property unless and until assigned to it by the city council under the provisions of subsection (5).

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- (5) Carry on all other projects and undertakings authorized by law and within the limits of the powers granted to it by law and such additional lawful projects and undertakings related to the development area as the city council may assign to the board with its consent.
- Section 8. <u>Powers of the board.--In the performance of the functions vested in or assigned to the board, it is granted the following powers:</u>
- (1) To enter into contracts and agreements, and to sue and be sued as a body corporate.
 - (2) To have and use a corporate seal.
- (3) To acquire, own, convey, or otherwise dispose of; lease as lessor or lessee; and construct, maintain, improve, enlarge, raze, relocate, operate, and manage property and facilities of whatever type to which it holds title; and to grant or acquire licenses, easements, and options with respect thereto, provided, however, that any property owned by the board will be subject to the applicable state and local taxes imposed thereon.
- (4) To accept grants and donations of money, property of any type, labor, or other thing of value from any public or private source.

229 (5) To receive the proceeds of the tax provided by this 230 act.

- (6) To receive the revenues from any property or facility owned, leased, licensed, or operated by it or under its control, subject to the limitations imposed upon it by trusts or other agreements validly entered into by it.
- (7) To have exclusive control of funds legally available to it, subject to limitations imposed upon it by law or by any agreement validly entered into by it.
- (8) To cooperate and enter into agreements with other governmental agencies or other public bodies, except that nothing in this act shall be construed as authorization to initiate a federally subsidized urban renewal program and any such urban renewal program is specifically prohibited.
- (9) To make to or receive from the city or Orange County conveyances, leasehold interests, grants, contributions, loans, and other rights and privileges.
- (10) To request by resolution that the city exercise its powers of eminent domain to acquire any real property for public purposes. If the property involved is acquired, the board shall take over and assume control of such property on terms mutually agreed upon between the city and the board, but the board shall not thereafter be authorized to sell, lease, or otherwise dispose of such property so acquired without the formal consent of the city council.
- (11) To issue and sell revenue certificates as hereinafter provided, or in another manner permitted by law and not inconsistent with the provisions of this act, and to take all steps necessary for efficient preparation and marketing of the

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obtainable, including the entry into agreements with corporate trustees, underwriters, and the holders of the certificates, and the employment and payment as a necessary expense of issuance, for the service of consultants on valuations, costs, and feasibility of undertaking revenues to be anticipated and other financial matters, architecture, engineering, legal matters, accounting matters, and any other fields in which expert advice

(12) To fix, regulate, and collect rents, fees, rates, and charges for facilities or projects or any parts thereof or services furnished by it or under its control and to pledge the revenue to the payment of revenue certificates issued by it.

may be needed to effectuate advantageous issuance and marketing.

- its unsecured notes for a period not exceeding 9 months in an aggregate amount for all outstanding unsecured notes not exceeding 50 percent of the unpledged proceeds received during the immediately prior fiscal year from the tax imposed by this act and at an annual rate of interest not exceeding the rate being charged at the time of the loan by banks in the city on unsecured short-term loans to local businesses.
- (14) To acquire by rental or otherwise and to equip and maintain a principal office for the conduct of its business and such branch offices as may be necessary.
- (15) To employ and prescribe the duties, authority, compensation, not to exceed the highest salary paid to other nonelective city employees, and reimbursement of expenses of the executive director of the board, who shall act as its chief executive officer; a general counsel, who shall be an attorney

in active practice in the state and so engaged at the time of appointment; and such other personnel as may be necessary from time to time; provided, however, that its personnel shall not be under civil service regulations, shall not while employed by it serve as city officers or employees, and, with the exception of its secretary, shall not while employed by it serve as a member of the board.

- (16) To exercise all powers incidental to the effective and expedient exercise of the foregoing powers to the extent not in conflict or inconsistent with this act.
- within the downtown development area for sectional development in accordance with the comprehensive plan, taxes acquired from said subdistricts to be utilized solely within the subdistrict area, said area not to be less than one city block in size; provided, however, that no subdistrict shall be established nor any tax imposed without an authorizing vote as provided by the State Constitution and written approval of all of the freeholders located therein and the city council. The 1-mill limitation set forth in section 9 shall not apply to any such consenting development and taxing subdistrict.

Section 9. Levy of ad valorem tax.--For the fiscal year of the board beginning with the calendar year 1972, and for each fiscal year thereafter, all ad valorem tax in addition to all other ad valorem taxes may be levied or caused to be levied annually by the city council, in its discretion, upon request of the board for the purposes of financing the operation of the board. Said tax may be levied on all property in the development area or subdistrict thereof to the extent same is otherwise

HB 1427 2005 316 subject to ad valorem taxation for city operating expenses, 317 except that property under homestead exemption shall not be 318 taxed. The tax base shall be the assessed valuation subject to 319 taxation as provided in this section made annually by the 320 appropriate tax assessors. The rate shall not exceed 1 mill on each dollar of tax base in 1971 and each year thereafter. The 321 322 city tax collector shall collect or receive the tax when and in 323 the same manner in which he or she collects or receives the city 324 ad valorem taxes and with the same discounts for early payment 325 and shall pay the proceeds to the city treasurer for the account 326 of the board. Notwithstanding anything in this act that may be 327 to the contrary, or the purpose of this legislation, the Orlando 328 Downtown Development Area shall constitute a special taxing 329 district to be administered as such, and any tax levy imposed 330 within said district or subdistrict shall not be construed as 331 part of the 10-mill levy authorized the city by the constitution 332 and statutes of this state for operating expenses or as part of 333 any other millage limitation on the city. Should any court of 334 competent jurisdiction construe this act to be within such 335 millage limitation, all provisions of this act relating to 336 millage levies thereunder shall stand as null and void. 337 Section 10. Board records; fiscal management.--The fiscal 338 year of the board shall coincide with that of the city. 339 (1) All funds of the board shall be received, held, and 340 secured like other public funds by the appropriate fiscal officers of the city. The funds of the board shall be maintained 341 342 under a separate account, shall be used only for purposes 343 authorized in this act, and shall be disbursed only by direction 344 of or with the approval of the board pursuant to requisitions

signed by the director or other designated chief fiscal officer of the board and countersigned by at least one other person who shall be a member of the board. The board shall pay the city as an operating expense the reasonable value of the services rendered by the city to the board, as may be determined by the

city council.

- (2) The board bylaws shall provide for maintenance of minutes and other official records of its proceedings and actions, for preparation and adoption of an annual budget for each ensuing fiscal year, for internal supervision and control of its accounts, which function the appropriate city fiscal officers may perform at its request, and for an external audit at least annually by an independent certified public accountant who has no personal interest, direct or indirect, in its fiscal affairs. A copy of the external audit shall be filed with the city clerk within 90 days after the end of each fiscal year. The bylaws shall specify the means by which each of these functions is to be performed and, as to those functions assigned to board personnel, the manner and schedule of performance.
- (3) No member or employee of the board shall participate by vote or otherwise on behalf of the board in any matter in which he or she has a direct financial interest or an indirect financial interest other than of the benefits to be derived generally from the development of the development area.

 Participation with knowledge of such interest shall constitute malfeasance and shall result, as regards a member, in automatic forfeiture of office, or as regards an employee, in prompt dismissal.

Section 11. <u>Provisions governing issuance of certificates.--Issuance of revenue certificates by the board shall be governed by the following general provisions:</u>

- (1) Revenue certificates for purposes of this act are limited to obligations that are secured solely by pledge of revenues produced by the facility or facilities for the benefit of which the certificates are issued and the sale proceeds used and that do not constitute a lien or encumbrance, legal or equitable, on any real property of the board or on any of its personal property other than the revenues pledged to secure payment of the certificates.
- (2) The faith and credit of the city shall not be pledged and the city shall not be obligated directly or indirectly to make any payments on or appropriate any funds for certificates issued by the board.
- (3) The rate or rates of interest and the sale price of the certificates by the board shall be such that the true interest cost to the board on the proceeds received from the sale shall not exceed the rate authorized by law for the city.
- (4) Before issuing any revenue certificates, the board shall as to each issue:
- (a) Prepare or procure from a reputable source detailed estimates of the total cost of the undertaking for which the certificates are contemplated and of the annual revenues to be obtained therefrom and pledged as security for payment of the certificates.
- (b) Determine that the anticipated net proceeds from the sale, together with any other funds available and intended for the purposes of the issue, will be sufficient to cover all costs

of the undertaking and of preparing and marketing the issues connected therewith.

- (c) Determine that the annual revenues anticipated from the undertaking will be sufficient to pay the estimated annual cost of maintaining, repairing, operating, and replacing, to any necessary extent, not only the undertaking but also the punctual payment of the principal of, and interest on, the contemplated certificates.
- (d) Specify these determinations in and include the supporting estimates as part of the resolution providing for the issue.
- (5) The board may, as to any issue of revenue certificates, engage the services of a corporate trustee for the issue and may treat any or all of the costs of carrying out the trust agreement as part of the operating costs of the undertaking for which the certificates are issued.
- (6) The board shall from time to time establish such rentals, rates, and charges, or shall by agreement maintain such control thereof, as to meet punctually all payments on the undertaking and its maintenance and repair, including reserves therefor, and for depreciation and replacement.
- (7) Revenue certificates may be issued for the purposes of funding, refunding, or both.
- (8) All revenue certificates issued pursuant to this act shall be negotiable instruments for all purposes.
- Section 12. <u>Transfer upon cessation of the board.--Should</u> the board cease to exist or to operate for whatever reason, all of its property of whatever kind shall forthwith, upon consent of the city, become the property of the city. If said property

431 becomes property of the city, it shall be taken subject to the 432 outstanding obligations of the board incurred in conformity with 433 all of the foregoing provisions, and the city shall use this 434 property to the maximum extent then practicable for effectuating 435 the purposes of this act and shall succeed to and exercise such 436 powers of the board as shall be necessary to meet outstanding 437 obligations of the board and effect an orderly cessation of its 438 powers and functions, provided, however, that in no event shall 439 the city become responsible for any debts, obligations, or 440 contracts of the board beyond the income of the property

produced by the sale, lease, operation, or disposition

otherwise, as decided by the city in its discretion.

Section 13. Freeholders' referendum. -- No powers shall be exercised by the board, nor shall any special taxing district be established, until such time as the freeholders within the development area approve of this act in accordance with the following referendum provisions:

- (1) ELECTION SUPERVISOR. -- For the purposes of this referendum, the city clerk shall act as election supervisor and do all things necessary to carry out the provisions of this section.
- (2) REGISTRATION.--Within 30 days after the date this act becomes law, the clerk shall compile a list of the names and the last known addresses of the freeholders in the development area from the tax assessment roll used by the city applicable as of the date of certification of the current tax roll, and the same shall constitute the registration list for the purposes of the freeholders' referendum in this section, except as hereinafter provided.

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(3) NOTIFICATION.--Within 10 days after the expiration of the time period specified in subsection (2), the clerk shall notify each freeholder of the general provisions of this act, including the taxing authority and powers of eminent domain, the dates of the upcoming referendum, and the method provided for additional registration should the status of the freeholder have changed since the compilation of the tax rolls. Such notification shall be by United States mail and, in addition thereto, by publication one time in a newspaper of general circulation in Orange County, within the time period provided in subsection (2).

- (4) ADDITIONAL REGISTRATION.--Any freeholder whose name does not appear on the tax rolls may register with the city clerk at the Orlando City Hall or by mail in accordance with regulations adopted by the clerk. The registration lists shall remain open until 75 days after the date this act becomes law.
- registration list, the referendum shall be held at the Orlando City Hall under the supervision of the clerk. A secret ballot form of voting will be utilized. One vote shall be allowed for each freeholder. After the close of the poll, the results of said referendum shall be tabulated by the clerk, who shall certify the results thereof to the city council no later than 5 days after said referendum. Any person voting who has knowledge that he or she is not a freeholder as defined by this act commits perjury and shall be prosecuted and, upon conviction, punished in accordance with the provisions of the laws of this state.

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(6) PASSAGE OF THE ACT. -- The freeholders shall be deemed to have approved of the provisions of this act at such time as the clerk certifies to the city council that approval has been given by a majority of the freeholders voting in this referendum. Should the freeholders fail to approve of the provisions of this act as provided in this subsection, the city may call one additional referendum by resolution of the city council at any time after 1 year after the certification of the results of the previous referendum by the clerk. The additional referendum shall be held in accordance with the provisions of this section, save and except that all time periods will be computed from the date of the resolution calling for the referendum. Should the freeholders fail to initially approve this act as provided in this subsection after two such referenda, all provisions of this act shall be null and void, and this act shall be repealed.

- (7) OTHER ELECTIONS.--Additional freeholders' elections called after increasing or decreasing the boundaries of the development area in accordance with section 4 shall be held in accordance with the referendum provisions for initial approval of this act; however, no provision of this act shall require the approval of freeholders in an area that has previously approved of the provisions of this act by any referendum held under this section.
- (8) REPEAL OF THE ACT.--A repeal referendum may be called by petition of 20 percent of the freeholders in the development area for the purpose of abolishing the board and repealing this act. Upon receipt of such a petition for a repeal referendum by the city clerk, a freeholders' referendum shall be called by the

HB 1427 2005 517 city. The procedure shall be the same as provided for the 518 initial approval of this act, except that additional repeal 519 referenda may be petitioned at any time after 1 year after the 520 certification of the results of a previous repeal referendum by 521 the clerk. The proposition shall be put on the ballot permitting a vote for or against repeal of the Orlando Downtown Development 522 523 Board. A vote for repeal of the board by more than 50 percent of 524 the freeholders voting in the repeal referendum shall cause 525 immediate cessation of the Orlando Downtown Development Board 526 and shall constitute repeal of this act. 527 Section 14. Liberal construction; severability .-- The 528 provisions of this act, being desirable for the welfare of the 529 city and its inhabitants, shall be liberally construed to 530 effectuate the purposes set forth in this act and are severable. 531 Should any portion of this act be held invalid or 532 unconstitutional by a court of competent jurisdiction, each 533 other portion shall remain effective. 534 Section 15. Repeal of prior special acts.--Chapters 71-810 and 78-577, Laws of Florida, are repealed. 535 536 Section 16. This act shall take effect July 1, 2005.