CHAMBER ACTION

The Justice Council recommends the following:

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Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to eminent domain; creating s. 73.013, F.S.; restricting certain transfers of property taken by eminent domain to certain natural persons or private entities; amending s. 163.335, F.S.; providing legislative findings and declarations; amending s. 163.355, F.S.; requiring disclosure of eminent domain authority in resolutions finding slum or blight conditions; providing for notice to property owners and business owners or lessees and requirements therefor; providing for hearings and advertising requirements therefor; amending s. 163.358, F.S.; providing that the power of eminent domain does not vest in a community redevelopment agency but rather with the governing body of a county or municipality; amending s. 163.360, F.S.; requiring disclosure of eminent domain authority in community redevelopment plans; amending s. 163.370, F.S.; revising powers of community redevelopment agencies with respect to the acquisition of real property; amending s. 163.375, Page 1 of 19

F.S.; revising eminent domain authority and procedures, including notice, hearings, and challenge; amending ss. 127.01 and 127.02, F.S.; requiring county compliance with eminent domain limitations; amending ss. 166.401 and 166.411, F.S.; requiring municipal compliance with eminent domain limitations; providing application; providing an effective date.

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

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Section 1. Section 73.013, Florida Statutes, is created to read:

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73.013 Conveyance of property taken by eminent domain.--

Notwithstanding any other provision of law, including

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any charter provision, ordinance, statute, or special law, if the state, any political subdivision as defined in s. 1.01(8),

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delegated files a petition of taking on or after July 1, 2006,

or any other entity to which the power of eminent domain is

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regarding a parcel of real property in this state, ownership or control of property acquired pursuant to such petition may not

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 $\underline{\text{be conveyed}}$ by the condemning authority or any other entity to $\underline{\text{a}}$

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control of property acquired pursuant to such petition may be

natural person or private entity, except that ownership or

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(a) A natural person or private entity for use in providing common carrier services or systems;

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(b) A natural person or private entity for use as a road or other right-of-way or means open to the public for transportation, whether at no charge or by toll;

- (c) A natural person or private entity that is a public or private utility for use in providing electricity services or systems, natural or manufactured gas services or systems, water and wastewater services or systems, stormwater or runoff services or systems, sewer services or systems, pipeline facilities, telephone services or systems, or similar services or systems;
- (d) A natural person or private entity for use in providing public infrastructure;
- (e) A natural person or private entity that occupies,
 pursuant to a lease, an incidental part of a public property or
 a public facility for the purpose of providing goods or services
 to the public;
- (f) A natural person or private entity, after public notice and competitive bidding unless otherwise provided by general law, if the property was owned and controlled by the condemning authority or a governmental entity for at least 5 years after the condemning authority acquired title to the property; or
- (g) A natural person or private entity in accordance with subsection (2).
- (2) If ownership of property is conveyed to a natural person or private entity pursuant to any of paragraphs (1)(a)(e), and that natural person or private entity retains ownership and control of the property for at least 5 years after acquiring

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title, the property may subsequently be transferred, after public notice and competitive bidding unless otherwise provided by general law, to another natural person or private entity without restriction.

Section 2. Subsection (3) of section 163.335, Florida Statutes, is amended, and subsection (7) is added to that section, to read:

163.335 Findings and declarations of necessity.--

- (3) It is further found and declared that the powers conferred by this part are for public uses and purposes for which public money may be expended, the police power exercised, and the power of eminent domain exercised subject to the limitations in s. 163.375 and the power of eminent domain and police power exercised, and the necessity in the public interest for the provisions herein enacted is hereby declared as a matter of legislative determination.
- (7) It is further found that the prevention or elimination of a "slum area" or "blighted area" as defined in this part and the preservation or enhancement of the tax base are not public uses or purposes for which private property may be taken by eminent domain.

Section 3. Section 163.355, Florida Statutes, is amended to read:

163.355 Finding of necessity by county or municipality.-(1) No county or municipality shall exercise the community redevelopment authority conferred by this part until after the governing body has adopted a resolution, supported by data and

analysis, which makes a legislative finding that the conditions Page 4 of 19

in the area meet the criteria described in s. 163.340(7) or (8).

The resolution must state that:

- (a) (1) One or more slum or blighted areas, or one or more areas in which there is a shortage of housing affordable to residents of low or moderate income, including the elderly, exist in such county or municipality; and
- (b)(2) The rehabilitation, conservation, or redevelopment, or a combination thereof, of such area or areas, including, if appropriate, the development of housing which residents of low or moderate income, including the elderly, can afford, is necessary in the interest of the public health, safety, morals, or welfare of the residents of such county or municipality.
- (2) A resolution finding slum or blight conditions must indicate that property within the community redevelopment area may be subject to taking by eminent domain pursuant to s.

 163.375. In the alternative, the county or municipality may explicitly state in the resolution that the power of eminent domain provided under s. 163.375 will not be exercised by the county or municipality within the community redevelopment area.

 A county or municipality is not required to provide notice in accordance with subsections (3) and (4) if the resolution finding slum or blight conditions, as proposed and adopted by the county or municipality, expressly declares that the power of eminent domain provided under s. 163.375 will not be exercised by the county or municipality within the community redevelopment area.
- (3) At least 30 days prior to the first public hearing at which a proposed resolution finding slum or blight conditions

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will be considered by a county or municipality, actual notice of the public hearing must be mailed via first class mail to each real property owner whose property may be included within the community redevelopment area and to each business owner, including a lessee, who operates a business located on property that may be included within the community redevelopment area.

- (a) Notice must be sent to each owner of real property that may be included within the community redevelopment area at the owner's last known address as listed on the county ad valorem tax roll. Alternatively, the notice may be personally delivered to a property owner. If there is more than one owner of a property, notice to one owner constitutes notice to all owners of the property. The return of the notice as undeliverable by the postal authorities constitutes compliance with this subsection. The condemning authority is not required to give notice to a person who acquires title to property after the notice required by this subsection has been given.
- (b) Notice must be sent to the address of the registered agent for the business located on the property or, if no agent is registered, by certified mail or personal delivery to the address of the business located on the property. Notice to one owner of a multiple ownership business constitutes notice to all owners of that business. The return of the notice as undeliverable by the postal authorities constitutes compliance with this subsection. The condemning authority is not required to give notice to a person who acquires an interest in a business after the notice required by this subsection has been given.

(c) At a minimum, the mailed notice required by paragraphs
(a) and (b) must:

- 1. Generally explain the purpose, effect, and substance of the proposed resolution;
- 2. Indicate that private property within the proposed redevelopment area may be subject to taking by eminent domain if the current condition of the property poses an existing threat to the public health or public safety that is likely to continue absent the exercise of eminent domain;
- 3. Indicate that private-to-private transfers of property may occur;
- 4. Contain a geographic location map that clearly indicates the area covered by the resolution, including major street names as a means of identification of the general area;
- 5. Provide the dates, times, and locations of future public hearings during which the resolution may be considered;
- 6. Identify the place or places within the county or municipality at which the resolution may be inspected by the public;
- 7. Indicate that the property owner may file written objections with the local governing board prior to any public hearing on the resolution; and
- 8. Indicate that interested parties may appear and be heard at all public hearings at which the resolution will be considered.
- (4) In addition to mailing notice to property owners, the county or municipality must conduct at least two advertised public hearings prior to adoption of the proposed resolution. At

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190 least one hearing must be held after 5 p.m. on a weekday, unless the governing body, by a majority plus one vote, elects to 191 conduct the hearing at another time of day. The first public 192 193 hearing must be held at least 7 days after the day the first 194 advertisement is published. The second hearing must be held at 195 least 10 days after the first hearing and must be advertised at 196 least 5 days prior to the public hearing. The required 197 advertisements must be no less than 2 columns wide by 10 inches 198 long in a standard size or a tabloid size newspaper, and the 199 headline in the advertisement must be in a type no smaller than 200 18 point. The advertisement must not be placed in that portion 201 of the newspaper where legal notices and classified 202 advertisements appear and must be placed in a newspaper of 203 general paid circulation rather than one of limited subject 204 matter. Whenever possible, the advertisement must appear in a 205 newspaper that is published at least 5 days a week unless the 206 only newspaper in the community is published fewer than 5 days a 207 week. At a minimum, the advertisement must:

- (a) Generally explain the substance and effect of the resolution;
- (b) Include a statement indicating that private property within the proposed redevelopment area may be subject to taking by eminent domain if the current condition of the property poses an existing threat to the public health or public safety that is likely to continue absent the exercise of eminent domain;
 - (c) Provide the date, time, and location of the meeting;

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216	(d) Identify the place or places within the county or
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218	<pre>public;</pre>
219	(e) Contain a geographic location map that clearly
220	indicates the area covered by the resolution, including major
221	street names as a means of identification of the general area;
222	(f) Indicate that any interested party may file written
223	objections with the local governing board prior to the public
224	hearing; and
225	(g) Indicate that any interested party may appear and be
226	heard at the public hearing.
227	Section 4. Subsection (6) is added to section 163.358,
228	Florida Statutes, to read:
229	163.358 Exercise of powers in carrying out community
230	redevelopment and related activities The community
231	redevelopment powers assigned to a community redevelopment
232	agency created under s. 163.356 include all the powers necessary
233	or convenient to carry out and effectuate the purposes and
234	provisions of this part, except the following, which continue to
235	vest in the governing body of the county or municipality:
236	(6) The power of eminent domain.
237	Section 5. Paragraph (d) is added to subsection (2) of
238	section 163.360, Florida Statutes, to read:
239	163.360 Community redevelopment plans
240	(2) The community redevelopment plan shall:
241	(d) Indicate that real property within the community
242	redevelopment area may be subject to taking by eminent domain

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pursuant to s. 163.375. If consistent with the resolution

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

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finding slum or blight conditions, the plan must indicate that the power of eminent domain provided under s. 163.375 will not be exercised by the county or municipality within the community redevelopment area.

- Section 6. Paragraph (o) of subsection (1) and paragraph (a) of subsection (3) of section 163.370, Florida Statutes, are amended to read:
- 163.370 Powers; counties and municipalities; community redevelopment agencies.--
- (1) Every county and municipality shall have all the powers necessary or convenient to carry out and effectuate the purposes and provisions of this part, including the following powers in addition to others herein granted:
- (o) To exercise all or any part or combination of powers herein granted or to elect to have such powers exercised by a community redevelopment agency; however, the power of eminent domain shall not be exercised by a community redevelopment agency.
- (3) With the approval of the governing body, a community redevelopment agency may:
- (a) Prior to approval of a community redevelopment plan or approval of any modifications of the plan, acquire real property in a community redevelopment area <u>by purchase</u>, <u>lease</u>, <u>option</u>, <u>gift</u>, <u>grant</u>, <u>bequest</u>, <u>devise</u>, <u>or other voluntary method of acquisition</u>, demolish and remove any structures on the property, and pay all costs related to the acquisition, demolition, or removal, including any administrative or relocation expenses.

Section 7. Section 163.375, Florida Statutes, is amended to read:

163.375 Eminent domain.--

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After the community redevelopment plan is adopted, a county or municipality may acquire by eminent domain any interest in a parcel of real property within a community redevelopment area, including a fee simple title thereto, for the purpose of eliminating an existing threat to public health or public safety if the parcel of real property is condemnation eligible as defined in subsection (2). A county or municipality shall exercise the power of eminent domain in the manner provided in this section and in chapters 73 and 74, or pursuant to the power of eminent domain provided by any other statutory provision, as limited by s. 73.013. Real property belonging to the United States, the state, or any political subdivision of the state may not be acquired without its consent. Any county or municipality, or any community redevelopment agency pursuant to specific approval of the governing body of the county or municipality which established the agency, as provided by any county or municipal ordinance has the right to acquire by condemnation any interest in real property, including a fee simple title thereto, which it deems necessary for, or in connection with, community redevelopment and related activities under this part. Any county or municipality, or any community redevelopment agency pursuant to specific approval by the governing body of the county or municipality which established the agency, as provided by any county or municipal ordinance may exercise the power of eminent domain in the manner provided in

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chapters 73 and 74 and acts amendatory thereof or supplementary thereto, or it may exercise the power of eminent domain in the manner now or which may be hereafter provided by any other statutory provision for the exercise of the power of eminent domain. Property in unincorporated enclaves surrounded by the boundaries of a community redevelopment area may be acquired when it is determined necessary by the agency to accomplish the community redevelopment plan. Property already devoted to a public use may be acquired in like manner. However, no real property belonging to the United States, the state, or any political subdivision of the state may be acquired without its consent.

- (2) Private property is condemnation eligible if the current condition of the property poses an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain as evidenced by at least one of the following factors:
- (a) The property contains a structure which, in its current condition, has substantial dilapidation which is either physically incurable or economically incurable in that the cost of repair or rehabilitation would exceed the replacement cost of a new structure. Superficial or cosmetic disrepair, which is repairable by a nominal expenditure, not to exceed 20 percent of the market value of the existing structure, shall not constitute dilapidation for purposes of constituting a condemnation-eligible factor;
- (b) The property contains a structure which, in its current condition, is unsanitary, unsafe, or vermin infested and

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is designated by the agency responsible for enforcement of the housing, building, or fire codes as unfit for human habitation or use;

- (c) The property contains a structure which, in its current condition, is a fire hazard, or otherwise dangerous to the safety of persons or property, and is designated by the agency responsible for enforcement of the housing, building, or fire codes as unfit for human habitation or use;
- (d) The property contains a structure from which, in its current condition, the utilities, plumbing, heating, sewerage, or other facilities have been disconnected, destroyed, removed, or rendered ineffective so that the property is unfit for human habitation or use; or
- (e) The physical condition, use, or occupancy of the property constitutes a public nuisance and the property has been the subject of code violations affecting public health or public safety that have not been substantially rehabilitated within 1 year after receipt of notice to rehabilitate from the appropriate code enforcement agency.
- (3) A county or municipality may not initiate an eminent domain proceeding pursuant to authority conferred by this section unless the governing body first adopts a resolution of taking containing specific determinations or findings that:
- (a) The public purpose of the taking is to eliminate an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain;
- (b) The parcel of real property is condemnation eligible as defined in subsection (2), including a specific description

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of the current conditions on the property that pose an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain; and

- (c) Taking the property by eminent domain is reasonably necessary in order to accomplish the public purpose of eliminating an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain.
- (4) The county or municipality may not adopt a resolution of taking under this section unless actual notice of the public hearing at which the resolution is considered was provided, at least 45 days prior to the hearing, to the property owner and to any business owner, including a lessee, who operates a business located on the property.
- (a) Notice must be sent by certified mail, return receipt requested, to the last known address listed on the county ad valorem tax roll of each owner of the property. Alternatively, the notice may be personally delivered to each property owner. Compliance with this subsection shall also require conspicuous posting of the notice to the premises of the property to be acquired. The posted notice shall prominently and legibly display the information provided in paragraph (c). The condemning authority is not required to give notice to a person who acquires title to the property after the notice required by this subsection has been given.
- (b) Notice must be sent by certified mail, return receipt requested, to the address of the registered agent for the business located on the property to be acquired or, if no agent

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is registered, by certified mail or personal delivery to the address of the business located on the property to be acquired. Notice to one owner of a multiple ownership business constitutes notice to all business owners of that business. Compliance with this subsection shall also require conspicuous posting of the notice to the premises of the property to be acquired. The posted notice shall prominently and legibly display the information provided in paragraph (c). The condemning authority is not required to give notice to a person who acquires an interest in the business after the notice required by this subsection has been given.

- (c) At a minimum, the notices required by paragraphs (a) and (b) shall indicate:
- 1. That the county or municipal governing body will determine whether to take the parcel of real property pursuant to authority granted by this part and will formally consider a resolution of taking at a public hearing;
- 2. That the property is subject to taking by eminent domain under this part because current conditions on the property pose an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain;
- 3. The specific conditions on the property that pose an existing threat to public health or public safety and form the basis for taking the property;
- 4. That the property will not be subject to taking if the specific conditions that pose an existing threat to public health or public safety and form the basis for the taking are

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removed prior to the public hearing at which the resolution will be considered by the governing body;

- 5. The date, time, and location of the public hearing at which the resolution of taking will be considered;
- 6. That the property owner or business owner may file written objections with the governing board prior to the public hearing at which the resolution of taking is considered; and
- 7. That any interested party may appear and be heard at the public hearing at which the resolution of taking is considered.
- (5) (a) In accordance with chapters 73 and 74, if a property owner challenges an attempt to acquire his or her property by eminent domain under this section, the condemning authority must prove by clear and convincing evidence in an evidentiary hearing before the circuit court that:
- 1. The public purpose of the taking is to eliminate an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain;
- 2. The property is condemnation eligible as defined in subsection (2); and
- 3. Taking the property by eminent domain is reasonably necessary in order to accomplish the public purpose of eliminating an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain.
- (b) The circuit court shall determine whether the public purpose of the taking is to eliminate an existing threat to public health or public safety that is likely to continue absent

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the exercise of eminent domain, whether the property is condemnation eligible as defined in subsection (2), and whether taking the property is reasonably necessary in order to accomplish the public purpose of eliminating an existing threat to public health or public safety that is likely to continue absent the exercise of eminent domain. The circuit court shall make these determinations without attaching a presumption of correctness or extending judicial deference to any determinations or findings in the resolution of taking adopted by the condemning authority.

- (6)(2) In any proceeding to fix or assess compensation for damages for the taking of property, or any interest therein, through the exercise of the power of eminent domain or condemnation, evidence or testimony bearing upon the following matters shall be admissible and shall be considered in fixing such compensation or damages in addition to evidence or testimony otherwise admissible:
- (a) Any use, condition, occupancy, or operation of such property, which is unlawful or violative of, or subject to elimination, abatement, prohibition, or correction under, any law, ordinance, or regulatory measure of the state, county, municipality, or other political subdivision, or any agency thereof, in which such property is located, as being unsafe, substandard, unsanitary, or otherwise contrary to the public health, safety, morals, or welfare.
- (b) The effect on the value of such property of any such use, condition, occupancy, or operation or of the elimination,

abatement, prohibition, or correction of any such use, condition, occupancy, or operation.

- (7) (3) In any proceeding to fix or assess compensation for damages for the taking of property, or any interest therein, the foregoing testimony and evidence shall be admissible notwithstanding that no action has been taken by any public body or public officer toward the abatement, prohibition, elimination, or correction of any such use, condition, occupancy, or operation. Testimony or evidence that any public body or public officer charged with the duty or authority so to do has rendered, made, or issued any judgment, decree, determination, or order for the abatement, prohibition, elimination, or correction of any such use, condition, occupancy, or operation shall be admissible and shall be prima facie evidence of the existence and character of such use, condition, or operation.
- Section 8. Subsection (3) is added to section 127.01, Florida Statutes, to read:
 - 127.01 Counties delegated power of eminent domain; recreational purposes, issue of necessity of taking.--
 - (3) Each county shall strictly comply with the limitations set forth in s. 73.013.
 - Section 9. Section 127.02, Florida Statutes, is amended to read:
 - 127.02 County commissioners may authorize acquirement of property by eminent domain.--The board of county commissioners may, by resolution, authorize the acquirement by eminent domain of property, real or personal, for any county use or purpose

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designated in such resolution, subject to the limitations set forth in s. 73.013.

Section 10. Subsection (3) is added to section 166.401, Florida Statutes, to read:

166.401 Right of eminent domain .--

(3) Each municipality shall strictly comply with the limitations set forth in s. 73.013.

Section 11. Subsections (1), (9), and (10) of section 166.411, Florida Statutes, are amended to read:

- 166.411 Eminent domain; uses or purposes.--Municipalities are authorized to exercise the power of eminent domain for the following uses or purposes:
- (1) For the proper and efficient carrying into effect of any proposed scheme or plan of drainage, ditching, grading, filling, or other public improvement deemed necessary or expedient for the preservation of the public health, or for other good reason connected in anywise with the public welfare or the interests of the municipality and the people thereof, subject to the limitations set forth in s. 73.013;
 - (9) For laying wires and conduits underground; and
- (10) For city buildings, waterworks, ponds, and other municipal purposes which shall be coextensive with the powers of the municipality exercising the right of eminent domain <u>subject</u> to the limitations set forth in s. 73.013.; and
- Section 12. This act shall take effect July 1, 2006, and shall apply to all condemnation proceedings in which a petition of taking is filed pursuant to chapter 73, Florida Statutes, on or after that date.

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