

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 1477 County Lease Arrangements
SPONSOR(S): Government Efficiency & Accountability Council and Evers
TIED BILLS: **IDEN./SIM. BILLS:** SB 1502

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Committee on Urban & Local Affairs</u>	<u>9 Y, 0 N</u>	<u>Fudge</u>	<u>Kruse</u>
2) <u>Government Efficiency & Accountability Council</u>	<u>13 Y, 0 N, As CS</u>	<u>Fudge</u>	<u>Cooper</u>
3) _____	_____	_____	_____
4) _____	_____	_____	_____
5) _____	_____	_____	_____

SUMMARY ANALYSIS

Section 125.031, F.S., authorizes counties to enter into leases or lease-purchase arrangements for properties needed for public purposes for periods not to exceed 30 years. The stipulated rental must be paid from current or other legally available funds.

HB 1477 authorizes counties to enter into a lease with the state or another governmental entity or authorized under s. 125.01, F.S., without being subject to the 30-year lease limitation.

The bill is effective upon becoming law.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government – The bill may reduce the burdens on local governments by allowing them to enter into leases that exceed 30 years.

B. EFFECT OF PROPOSED CHANGES:

Current Situation

Section 125.031, F.S., authorizes counties to enter into leases or lease-purchase arrangements for properties needed for public purposes for periods not to exceed 30 years. The stipulated rental must be paid from current or other legally available funds.

Office of the Miami-Dade County State Attorney - E.R. Graham Building

The Miami-Dade County State Attorney's Office is located in the E.R. Graham Building on NW 12th Avenue in downtown Miami. The underlying property is leased to Dade County for \$1 per year and is owned by the state which received title to the property from Dade County in 1957 for \$1 consideration. The current lease agreement, executed in September 1982, expires in September 2018 but does not contain an option for renewal. When the lease was executed, the county committed to spending at least \$8.2 million in Criminal Justice Facilities General Obligation Bonds to renovate the property and bring it into compliance with the South Florida Building Code. Upon termination of the lease, all improvements automatically become the property of the state which may require removal of any improvements at the expense of Miami-Dade County.

In 2007, s. 253.0341(4), F.S., was amended to require the Board of Trustees of the Internal Improvement Trust Fund (Board), by January 1, 2008, to convey fee simple title in this property to Miami-Dade County for \$1.00 consideration. The use of the property was restricted to housing the offices of the Miami-Dade State Attorney and to provide workforce housing.

In December 2007, the Miami-Dade County Manager notified the Board he intended to recommend to the Board of County Commissioners that Miami-Dade County accept a lease amendment for a new 30-year lease, with two 30-year extensions, or a 99-year lease if legislation was enacted which authorized the county to execute a lease for longer than 30 years. At the December 18th meeting of the Florida Cabinet, the Board authorized the Secretary of Environmental Protection to negotiate the new lease with Miami-Dade County. On January 10, 2008, Miami-Dade County adopted a resolution urging the Legislature to remove the 30-year statutory restriction on county leases.

Effect of Proposed Changes

HB 1477 authorizes counties to enter into a lease with the state or another governmental entity or authorized under s. 125.01, F.S., without being subject to the 30-year lease limitation.

C. SECTION DIRECTORY:

Section 1: Authorizes counties to enter into leases with other governmental entities with lease terms that exceed 30 years.

Section 2: Provides an effective date of upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable because this bill does not appear to: require cities or counties to spend funds or take an action requiring the expenditure of funds; reduce the authority that cities or counties have to raise revenues in the aggregate; or reduce the percentage of a state tax shared with cities or counties.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

D. STATEMENT OF THE SPONSOR

No Sponsor Statement submitted.

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On April 2, 2008, the Committee on Urban & Local Affairs adopted an amendment that conforms the bill to the Senate companion.

On April 9, 2008, the Government Efficiency & Accountability Council reported HB 1477 favorably with a Council Substitute to incorporate the amendment adopted by the Committee on Urban & Local Affairs.