

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: CS/HB 911 Developments of Regional Impact

SPONSOR(S): Economic Expansion and Infrastructure Council, Grimsley & others

TIED BILLS: **IDEN./SIM. BILLS:** SB 1706

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Economic Expansion & Infrastructure Council</u>	<u>14 Y, 0 N, As CS</u>	<u>Rojas/Madsen</u>	<u>Tinker</u>
2) <u>Policy & Budget Council</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>
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SUMMARY ANALYSIS

This bill amends s. 380.06, F.S., to exempt certain developments that include an office or laboratory appropriate for the research and development of medical technology, biotechnology, or life science applications from a development-of-regional impact (DRI) review if specified conditions are met.

The bill clarifies the 3-year extension provided in 2007 for the phase, buildout, commencement, and expiration dates applied to related local approvals. Further, the bill modifies the qualifying developments to include Florida Quality Developments and developments for which a development order was adopted between January 1, 2006 and July 1, 2007, regardless of whether or not active construction has commenced.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. HOUSE PRINCIPLES ANALYSIS:

Provide limited government - This bill would exempt specified developments from review as a DRI, resulting in a cost reduction to the developer and government bodies conducting DRI reviews.

B. EFFECT OF PROPOSED CHANGES:

Current Florida DRI Regulations

The DRI program governed by Section 380.06, F.S., provides state and regional review of local land-use decisions regarding large developments that, due to character, magnitude, or location, would have a significant effect on the health, safety, or welfare of the citizens of more than one county. Section 380.0651, F.S., provides the criteria that determine which land uses are subject to review and determines whether a specific project is required to undergo DRI review. Examples of the land uses for which guidelines are established include: airports; attractions and recreational facilities; industrial plants and industrial parks; office development; retail and service development; hotel or motel development; recreational vehicle development; multi-use development; residential development; workforce housing; and schools.

The DRI review process involves the regional review of proposed developments meeting the defined thresholds by the regional planning councils to determine the degree to which:

- The development would have a favorable or unfavorable impact on state or regional resources or facilities identified in the applicable state or regional plans.
- The development would significantly impact neighboring jurisdictions.
- The development would favorably or unfavorably affect the ability of people to find adequate housing reasonably accessible to their places of employment.

The thresholds defined in s. 380.06(2)(d), F.S., are applied to the guidelines and standards. These fixed thresholds provide that if a development is below 100 percent of all numerical thresholds in the guidelines, the project is not required to undergo DRI review. If a development is at or above 120 percent of the thresholds, it is required to undergo DRI review. A rebuttable presumption is established whereby a development at 100 percent of a numerical threshold or between 100-120 percent of a numerical threshold is presumed to require DRI review. Specified projects that create 100 or more jobs are not subject to DRI review.

When a question arises over whether a specified development is subject to DRI review, the developer may request a determination from the Department of Community Affairs (DCA). The DCA or the local government with jurisdiction over the site of the proposed development can require a developer to obtain a binding letter of interpretation if the development is at a presumptive threshold or up to 20 percent above the established numerical threshold. Neighboring local governments may petition the state land planning agency to require a binding letter of interpretation for a development located in an adjacent jurisdiction if the petition contains adequate showing to find that the development as proposed constitutes a DRI.

Section 380.06(24), F.S., exempts a number of land uses from review through the DRI process. Those land uses include: hospitals; electrical transmission lines; certain sports facility complexes owned by state

universities; certain sports facilities with a seating capacity of at least 50,000; certain parking facilities at sports facilities; certain port uses and port transportation facilities; petroleum storage facilities; renovation or redevelopment on the same parcel which does not change the land use or increase the density or intensity; water port and marina development, including dry storage; certain development within rural land stewardship areas; development or redevelopment within certain designated urban infill and redevelopment areas; establishment, relocation, or expansion of military installations; self-storage warehousing; nursing homes and assisted-living facilities; development in an airport master plan, campus master plan, or special area plan; and any development in a county with a research and education authority created by special act and that is also within a research and development park operated or managed by a research development authority under part V of ch. 159, F.S.

Economic Development of the Life Sciences Industry Sector

Over the last four years, the state has made a significant investment in building a biotechnology and life sciences industry in Florida. In 2003, Florida awarded \$310 million to the Scripps Research Institute, and has committed most of the \$450 million appropriated the last two fiscal years through its Innovation Incentive Grant Program to research and development (R&D) entities. Additionally, the local governments in the counties where these institutes have located are contributing local funds, and in some cases, matching the state contributions.

The Miami Bioscience Center

The University of Miami has proposed a Miami Bioscience Center, to be situated within the urban infill area, as a research laboratory and economic catalyst for creating a bio-tech cluster. The center will include 1.4 million square feet of research, teaching, and associated supporting spaces, and will be three times larger than the Scripps Research Institute, now under construction in Palm Beach County. More than 900,000 square feet will be devoted to laboratory space, with the remainder used for educational and research support purposes. An economic analysis¹ of the project indicates that 16,872 jobs will be created during the project's construction and \$1.4 billion of economic output would be generated during construction. Furthermore, the Miami Biosciences Center operations will create 1,707 direct jobs, generate \$253 million in economic output created each year, and may act as a catalyst in creating 50 life sciences or bio-technology spin-offs during the first 20 years of its operations.

Effect of Proposed Changes:

The bill clarifies the 3-year extension provided in 2007 for the phase, buildout, commencement, and expiration dates applied to related local approvals. Further, the bill modifies the qualifying developments to include Florida Quality Developments and developments for which a development order was adopted between January 1, 2006 and July 1, 2007, regardless of whether or not active construction has commenced.

The bill also exempts certain developments from DRI review if one of at least two proposed land uses within the development is for an office or laboratory appropriate for the research and development of medical technology, biotechnology, or life science applications. The development must also satisfy the following:

- The development must be located within a county having a population greater than 1.25 million. This currently qualifies Broward, Miami-Dade and Palm Beach counties.²
- The land is located in a designated urban infill area or with 5 miles of a state supported biotechnical research facility or the local government adopts a resolution recognizing the land is located in a compact, high-intensity, and high density multi-use area.
- The land is located within three-fourths of one mile from one or more bus or light rail transit stops.

¹ See The Economic Impact of the University of Miami's Proposed Miami Bioscience Center, The Washington Economics Group, August 2006, on file with the House Economic Expansion and Infrastructure Council.

² Office of Economic & Demographic Research – Florida population estimates as of April 1, 2007

- The development is registered with the United States Green Building Council and there is an intent to apply for certification of each building under the Leadership in Energy and Environmental Design program, or the development is registered by an alternate green building rating system that the local government approves by resolution.

C. SECTION DIRECTORY:

- Section 1: Amends 380.06, F.S.: Clarifies provisions relating to the 3-year extension of approvals relating to developments of regional impact and amends to include those developments that receive development orders during a specific period. Specifies that the extension applies to associated approvals.
- Section 2: Amends s. 380.06(24) F.S., to create DRI exemptions for qualifying bioscience centers.
- Section 3: Provides an effective date of July 1, 2008.

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:

This bill would exempt specified developments from review as a DRI, resulting in a cost savings to the developer.

D. FISCAL COMMENTS:

None

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

This bill does not require counties or municipalities to spend funds or take action requiring the expenditure of funds. This bill does not reduce the percentage of state tax shared with counties or municipalities. This bill does not reduce the authority that municipalities have to raise revenue.

2. Other:

Article III, s. 10 of the Florida Constitution, allows passage of a special law only if notice has been published according to general law or the special law becomes effective upon approval of the voters in the affected area. Further, Article III, s. 11 of the Florida Constitution, provides that in the enactment of general laws, political subdivisions or other governmental entities may only be classified on a basis that is reasonably related to the subject of the law. A law that operates uniformly within a permissible classification is a general law and the Legislature has wide discretion in establishing statutory classification schemes.³ A legislative enactment is a general law if:

1. The classification scheme is open so that other localities could fall within the classification system; and
2. The classification bears a reasonable nexus to the subject matter and public purpose to be served, is based on differences that are peculiar to the class, and is not arbitrary⁴.

B. RULE-MAKING AUTHORITY:

None

C. DRAFTING ISSUES OR OTHER COMMENTS:

None

D. STATEMENT OF THE SPONSOR

IV. AMENDMENTS/COUNCIL SUBSTITUTE CHANGES

On April 11, 2008, a strike-all amendment was adopted by the Economic Expansion and Infrastructure Council, and the bill was reported favorably.

³ See *City of Miami v. McGrath*, 824 So. 2d 143, 148 (Fla. 2002), citing *State ex rel. Landis v. Harris*, 163 So. 237 (Fla. 1934) and *Shelton v. Reeder*, 121 So. 2d 145 (Fla. 1960).

⁴ *Lewis v. Mathis*, 345 So. 2d 1066, 1068 (Fla. 1977)

The amendment changes the following:

- The bill clarifies the 3-year extension provided in 2007 for the phase, buildout, commencement, and expiration dates applied to related local approvals. Further, the bill modifies the qualifying developments to include Florida Quality Developments and developments for which a development order was adopted between January 1, 2006 and July 1, 2007, regardless of whether or not active construction has commenced.
- The development must be located within a county having a population greater than 1.25 million. This change added Palm Beach County. This was reduced from 1.5 million.
- The land is located in a designated urban infill area or within 5 miles of a state supported biotechnical research facility or the local government adopts a resolution recognizing the land is located in a compact, high-intensity, and high density multi-use area.