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By the Committee on Community Affairs; and Senator Baker

578-03856-09 20091602c1

A bill to be entitled

An act relating to community development districts; amending s. 190.012, F.S.; revising the rulemaking authority of boards of directors of community development districts regarding enforcement of deed restrictions; amending s. 190.046, F.S.; revising procedures and requirements for amending the boundaries of a community development district; revising procedures and requirements for merging community development districts; providing limitations; providing that certain actions constitute consent of landowners within a district to amendment of the boundaries of the district; requiring written consent from such landowners as a prerequisite to the amendment of the boundaries of a district; authorizing filing fees for petitions for merger; preserving rights of certain creditors and certain liens upon property; providing for the continuance of existing claims and pending actions or proceedings by or against a district that is a party to a merger; authorizing the substituting of a surviving district for a dissolved district in such action, claim, or proceeding; providing that approval of the merger agreement and the petition by the board of supervisors of the district constitutes consent of the landowners within the district to a merger; providing an effective date.

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

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Section 1. Paragraphs (a) and (b) of subsection (4) of section 190.012, Florida Statutes, are amended to read:

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 and outside the district if pursuant to an interlocal agreement under chapter 163 if within another district or, if not within another district, with the consent of the county or municipality in which the deed restriction enforcement is proposed to occur. For the purpose of this subsection, the term "deed restrictions" means are those covenants, conditions, and restrictions, compliance mechanisms, and enforcement remedies 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 or property owner's association having respective enforcement powers unless, with respect to a homeowners' association whose board is under member control, the association and the district agree in writing to enforcement by the district. The district may adopt by rule all or certain

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portions of the deed restrictions that:

- 1. Relate to limitations, or prohibitions, compliance mechanisms, or enforcement remedies that apply only to external appearances or uses 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(9);
- 1.2. 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.
- 2.3. For residential districts, the majority of the board has been elected by qualified electors pursuant to the provisions of s. 190.006.; and
- 3. For residential districts, less than 25 percent of residential units are in a homeowners' association.
- 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. A memorandum of the agreement shall be recorded in the public records.
- Section 2. Subsections (1) and (3) of section 190.046, Florida Statutes, are amended to read:
  - 190.046 Termination, contraction, or expansion of

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district.-

(1) A landowner or 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 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

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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.
- 2. Before Prior to filing the petition, the petitioner shall pay a filing fee of \$1,500 to the county if the district or the land to be added or deleted from the district is located within an unincorporated area or to the municipality if the district or the land to be added or deleted is located within an incorporated area, and to each municipality the boundaries of which are contiguous with or contain all or a portion of the land within or to be added to or deleted from the external boundaries of the district or the proposed amendment, and submit a copy of the petition to the county and to each such municipality. The petitioner shall submit a copy of the petition to the entities entitled to receive the filing fee. In addition, if the district is not the petitioner, the petitioner shall file the petition with the district board of supervisors.
- 3. <u>Each</u> 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

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consideration of the contents of the petition and whether the petition for amendment should be supported by the county or municipality.

- 4. 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 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.
- <u>(e) (f)</u>1. During the existence of a district initially established by administrative rule, the process petitions to amend the boundaries of the district pursuant to paragraphs (a) (d) may not permit (a) (e) shall be limited to a cumulative net total of no more than 10 percent of the land in the initial district or, and in no event shall all such petitions to amend

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the boundaries ever encompass more than a total of 250 acres on a cumulative net basis.

- 2. During the existence of a district For districts initially established by county or municipal ordinance, the process to amend the boundaries of the district pursuant to paragraphs (a)-(d) may not permit limitation provided by this paragraph shall be a cumulative net total of no more than 50 percent of the land in the initial district or, and in no event shall all such petitions to amend the boundaries ever encompass more than a total of 500 acres on a cumulative net basis.
- 3. Boundary expansions for districts initially established by county or municipal ordinance shall follow the procedure set forth in paragraph (b) or paragraph (c).
- (f) (g) Petitions to amend the boundaries of the district exceeding which exceed the amount of land specified in paragraph (e) (f) shall be processed in accordance with s. 190.005, and the petition shall include only the elements set forth in s. 190.005(1)(a)1. and 5.-8., and the consent required by paragraph (g) considered petitions to establish a new district and shall follow all of the procedures specified in s. 190.005. However, the resulting administrative rule or ordinance may amend only the boundaries of the district and may not establish a new district or cause a new 6-year or 10-year period, as described in s. 190.006(3)(a)2. to begin. The filing fee for such petitions shall be as set forth in s. 190.005(1)(b) and (2), as applicable.
- (g) For any petition to amend the boundaries of a district, the filing of the petition by the district board of supervisors constitutes consent of the landowners within the district.

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Written consent must be obtained from the landowners whose land is to be added to or deleted from the district as provided in s. 190.005(1)(a)2.

(3) The district may merge with other community development districts upon filing a petition for merger. Such petition must include the elements described in s. 190.005(1) and be evaluated using the criteria set forth in s. 190.005(1)(e). The filing fee shall be as provided in s. 190.005(1)(b). In addition, the petition must state whether a new district will be established or one district will be the surviving district. The district 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, and the rights of creditors and liens upon property are not impaired by such merger. Any existing claim, pending action, or proceeding by or against any district that is a party to the merger may be continued as if the merger had not occurred, or the surviving district may be substituted in the proceeding for the district that ceased to exist. Before Prior to filing the 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 the said debt shall be retired. The approval of the merger agreement and the petition by the board of supervisors elected by the electors of the district shall constitute consent of the landowners

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