1

13

A bill to be entitled

2 An act relating to property rights; amending s. 70.001, 3 F.S.; revising a definition; shortening a notice period 4 for certain actions; providing for the state land planning 5 agency to receive notice of claims; revising procedures 6 for determining a governmental entity's final decision 7 identifying the allowable uses for a property; providing 8 that enactment of a law or adoption of a regulation does 9 not constitute applying the law or regulation; providing 10 for a waiver of sovereign immunity for liability; 11 providing for prospective application; providing an effective date. 12

WHEREAS, the Legislature wishes to clarify its original intent with respect to allowing appropriate compensation for unduly burdened real property and to provide a waiver of sovereign immunity under section 70.001, Florida Statutes, the Bert J. Harris, Jr., Private Property Rights Protection Act, to conform statutory language to Royal World Metropolitan, Inc. v. City of Miami Beach, 863 So.2d 320 (Fla. 3rd D.C.A. 2003), and

21 WHEREAS, the Legislature wishes to emphasize the 22 alternative bases under this act for determining an existing 23 use, and to correct and to clarify that certain determinations 24 under this act are questions of law and fact, considered in City 25 of Jacksonville v. Coffield, 18 So.3d 589 (Fla. 1st D.C.A. 26 2009), and

27 WHEREAS, the Legislature wishes to correct and to clarify 28 its original intent with respect to what constitutes the first Page 1 of 10

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

HB 701 2011 29 application of a law or regulation under the act, considered in 30 Citrus County, Florida v. Halls River Development, Inc., 8 So.3d 31 413 (Fla. 5th D.C.A. 2009), and M & H Profit, Inc. v. City of 32 Panama City, 28 So.3d 71 (Fla. 1st D.C.A. 2010), and 33 WHEREAS, the Legislature wishes to make other changes to 34 clarify provisions of this act, NOW, THEREFORE, 35 36 Be It Enacted by the Legislature of the State of Florida: 37 38 Section 1. Paragraphs (b) and (e) of subsection (3), 39 paragraphs (a) and (c) of subsection (4), and subsections (5), (6), (11), and (13) of section 70.001, Florida Statutes, are 40 amended to read: 41 42 70.001 Private property rights protection.-43 For purposes of this section: (3) 44 (b) The term "existing use" means: 1. An actual, present use or activity on the real 45 property, including periods of inactivity which are normally 46 47 associated with, or are incidental to, the nature or type of 48 use; or 49 Activity or such reasonably foreseeable, nonspeculative 2. 50 land uses which are suitable for the subject real property and 51 compatible with adjacent land uses and which have created an 52 existing fair market value in the property greater than the fair 53 market value of the actual, present use or activity on the real 54 property. The terms "inordinate burden" and or "inordinately 55 (e) 56 burdened" mean that an action of one or more governmental Page 2 of 10

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

57 entities has directly restricted or limited the use of real 58 property such that the property owner is permanently unable to attain the reasonable, investment-backed expectation for the 59 60 existing use of the real property or a vested right to a 61 specific use of the real property with respect to the real 62 property as a whole, or that the property owner is left with 63 existing or vested uses that are unreasonable such that the 64 property owner bears permanently a disproportionate share of a 65 burden imposed for the good of the public, which in fairness 66 should be borne by the public at large. The terms "inordinate 67 burden" and or "inordinately burdened" do not include temporary 68 impacts to real property; impacts to real property occasioned by 69 governmental abatement, prohibition, prevention, or remediation 70 of a public nuisance at common law or a noxious use of private 71 property; or impacts to real property caused by an action of a 72 governmental entity taken to grant relief to a property owner 73 under this section; however, a moratorium on development, as 74 defined in s. 380.04, that is in effect for longer than 1 year 75 is not a temporary impact to real property and, thus, depending 76 upon the particular circumstances, may constitute an "inordinate 77 burden" as provided in this paragraph.

(4) (a) Not less than <u>120</u> 180 days prior to filing an action under this section against a governmental entity, a property owner who seeks compensation under this section must present the claim in writing to the head of the governmental entity, except that if the property is classified as agricultural pursuant to s. 193.461, the notice period is 90 days. The property owner must submit, along with the claim, a

Page 3 of 10

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0701-00

85 bona fide, valid appraisal that supports the claim and 86 demonstrates the loss in fair market value to the real property. 87 If the action of government is the culmination of a process that 88 involves more than one governmental entity, or if a complete 89 resolution of all relevant issues, in the view of the property 90 owner or in the view of a governmental entity to whom a claim is 91 presented, requires the active participation of more than one governmental entity, the property owner shall present the claim 92 93 as provided in this section to each of the governmental entities. 94 95 (C) During the 90-day-notice period or the 120-day-notice 96 180-day-notice period, unless extended by agreement of the 97 parties, the governmental entity shall make a written settlement 98 offer to effectuate: An adjustment of land development or permit standards 99 1. 100 or other provisions controlling the development or use of land. 101 Increases or modifications in the density, intensity, 2. 102 or use of areas of development. The transfer of developmental rights. 103 3. 104 Land swaps or exchanges. 4. 105 5. Mitigation, including payments in lieu of onsite 106 mitigation. 107 6. Location on the least sensitive portion of the 108 property. Conditioning the amount of development or use 109 7. 110 permitted. 111 8. A requirement that issues be addressed on a more comprehensive basis than a single proposed use or development. 112 Page 4 of 10

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

FLORIDA HOUSE OF REPRESENTAT	IVES
------------------------------	------

113 9. Issuance of the development order, a variance, special114 exception, or other extraordinary relief.

10. Purchase of the real property, or an interest therein,
by an appropriate governmental entity <u>or payment of</u>
<u>compensation</u>.

118 11. No changes to the action of the governmental entity.
119
120 If the property owner accepts the settlement offer, the

120 If the property owner accepts the settlement offer, the 121 governmental entity may implement the settlement offer by 122 appropriate development agreement; by issuing a variance, 123 special exception, or other extraordinary relief; or by other 124 appropriate method, subject to paragraph (d).

125 During the 90-day-notice period or the 120-day-(5)(a) 126 notice 180-day-notice period, unless a settlement offer is 127 accepted by the property owner, each of the governmental 128 entities provided notice pursuant to paragraph (4) (a) shall 129 issue a written ripeness decision identifying the allowable uses 130 to which the subject property may be put. The failure of the 131 governmental entity to issue such a written ripeness decision 132 during the applicable 90-day-notice period or 120-day-notice 133 180-day-notice period shall cause be deemed to ripen the prior 134 action of the governmental entity to become its final decision, 135 for purposes of this section, identifying the uses for the 136 subject property, and shall operate as a ripeness decision that 137 has been rejected by the property owner. Whether rendered by submission of a written decision during the 120-day-notice 138 period or by failure to submit such a written decision, the 139 140 final decision of the governmental entity produced under this

Page 5 of 10

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0701-00

141 paragraph operates as a final decision that has been rejected by 142 the property owner. This final The ripeness decision, as a 143 matter of law, constitutes the last prerequisite to judicial 144 review on the merits, and the matter shall be deemed ripe or 145 final for the purposes of the judicial proceeding created by 146 this section, notwithstanding the availability of other 147 administrative remedies.

If the property owner rejects the settlement offer and 148 (b) 149 the final ripeness decision of the governmental entity or 150 entities, the property owner may file a claim for compensation in the circuit court, a copy of which shall be served 151 152 contemporaneously on the head of each of the governmental 153 entities that made a settlement offer and a final ripeness 154 decision that was rejected by the property owner. Actions under 155 this section shall be brought only in the county where the real 156 property is located.

157 The circuit court shall determine whether an (6)(a) 158 existing use of the real property or a vested right to a 159 specific use of the real property existed and, if so, whether, 160 considering the settlement offer and final ripeness decision, 161 the governmental entity or entities have inordinately burdened 162 the real property. If the actions of more than one governmental 163 entity, considering any settlement offers and final ripeness 164 decisions, are responsible for the action that imposed the inordinate burden on the real property of the property owner, 165 166 the court shall determine the percentage of responsibility each such governmental entity bears with respect to the inordinate 167 burden. A governmental entity may take an interlocutory appeal 168 Page 6 of 10

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

169 of the court's determination that the action of the governmental 170 entity has resulted in an inordinate burden. An interlocutory 171 appeal does not automatically stay the proceedings; however, the 172 court may stay the proceedings during the pendency of the 173 interlocutory appeal. If the governmental entity does not 174 prevail in the interlocutory appeal, the court shall award to 175 the prevailing property owner the costs and a reasonable 176 attorney fee incurred by the property owner in the interlocutory 177 appeal.

Following its determination of the percentage of 178 (b) 179 responsibility of each governmental entity, and following the 180 resolution of any interlocutory appeal, the court shall impanel a jury to determine the total amount of compensation to the 181 182 property owner for the loss in value due to the inordinate 183 burden to the real property. The award of compensation shall be 184 determined by calculating the difference in the fair market 185 value of the real property, as it existed at the time of the 186 governmental action at issue, as though the owner had the 187 ability to attain the reasonable investment-backed expectation 188 or was not left with uses that are unreasonable, whichever the 189 case may be, and the fair market value of the real property, as 190 it existed at the time of the governmental action at issue, as 191 inordinately burdened, considering the settlement offer together 192 with the final ripeness decision, of the governmental entity or entities. In determining the award of compensation, 193 194 consideration may not be given to business damages relative to 195 any development, activity, or use that the action of the 196 governmental entity or entities, considering the settlement

Page 7 of 10

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0701-00

197 offer together with the <u>final</u> ripeness decision, has restricted, 198 limited, or prohibited. The award of compensation shall include 199 a reasonable award of prejudgment interest from the date the 200 claim was presented to the governmental entity or entities as 201 provided in subsection (4).

(c)1. In any action filed pursuant to this section, the 202 203 property owner is entitled to recover reasonable costs and attorney fees incurred by the property owner, from the 204 205 governmental entity or entities, according to their 206 proportionate share as determined by the court, from the date of 207 the filing of the circuit court action, if the property owner 208 prevails in the action and the court determines that the settlement offer, including the final ripeness decision, of the 209 210 governmental entity or entities did not constitute a bona fide 211 offer to the property owner which reasonably would have resolved 212 the claim, based upon the knowledge available to the 213 governmental entity or entities and the property owner during 214 the 90-day-notice period or the 120-day-notice 180-day-notice 215 period.

216 In any action filed pursuant to this section, the 2. 217 governmental entity or entities are entitled to recover 218 reasonable costs and attorney fees incurred by the governmental 219 entity or entities from the date of the filing of the circuit 220 court action, if the governmental entity or entities prevail in the action and the court determines that the property owner did 221 not accept a bona fide settlement offer, including the final 222 ripeness decision, which reasonably would have resolved the 223 claim fairly to the property owner if the settlement offer had 224 Page 8 of 10

CODING: Words stricken are deletions; words <u>underlined</u> are additions.

hb0701-00

been accepted by the property owner, based upon the knowledge available to the governmental entity or entities and the property owner during the 90-day-notice period or the <u>120-day-</u> <u>notice</u> 180-day-notice period.

229 The determination of total reasonable costs and 3. 230 attorney fees pursuant to this paragraph shall be made by the court and not by the jury. Any proposed settlement offer or any 231 232 proposed ripeness decision, except for the final written 233 settlement offer or the final written ripeness decision, and any 234 negotiations or rejections in regard to the formulation either 235 of the settlement offer or the final ripeness decision, are 236 inadmissible in the subsequent proceeding established by this 237 section except for the purposes of the determination pursuant to 238 this paragraph.

(d) Within 15 days after the execution of any settlement pursuant to this section, or the issuance of any judgment pursuant to this section, the governmental entity shall provide a copy of the settlement or judgment to the Department of Legal Affairs.

244 A cause of action may not be commenced under this (11)245 section if the claim is presented more than 1 year after a law 246 or regulation is first applied by the governmental entity to the 247 property at issue. For purposes of this section, enacting a law or adopting a regulation does not constitute applying the law or 248 249 regulation to a property. If an owner seeks relief from the 250 governmental action through lawfully available administrative or judicial proceedings, the time for bringing an action under this 251 252 section is tolled until the conclusion of such proceedings.

Page 9 of 10

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

253	(13) In accordance with s. 13, Art. X of the State
254	Constitution, the state, for itself and for its agencies or
255	political subdivisions, waives sovereign immunity for causes of
256	action based upon the application of any law, regulation, or
257	ordinance subject to this section, but only to the extent
258	specified in this section This section does not affect the
259	sovereign immunity of government.
260	Section 2. The amendments to s. 70.001, Florida Statutes,
261	made by this act apply prospectively only and do not apply to
262	any claim or action filed under s. 70.001, Florida Statutes,
263	which is pending on the effective date of this act.
264	Section 3. This act shall take effect July 1, 2011.

CODING: Words stricken are deletions; words <u>underlined</u> are additions.