

1 A bill to be entitled
2 An act relating to improvements to real property
3 damaged by subsidence; amending s. 163.08, F.S.;
4 declaring that there is a compelling state interest in
5 enabling property owners to voluntarily finance
6 certain improvements to real property damaged by
7 ground subsidence, including sinkhole activity, with
8 local government assistance; expanding the definition
9 of the term "qualifying improvement" to include
10 stabilization or other repairs to real property
11 damaged by subsidence; providing that stabilization or
12 other repairs to real property damaged by subsidence
13 are qualifying improvements considered affixed to a
14 building or facility; revising the form of a specified
15 written disclosure statement to include an assessment
16 for a qualifying improvement relating to stabilization
17 or repair of real property damaged by subsidence;
18 amending s. 163.340, F.S.; expanding the definition of
19 the term "blighted area" to include a substantial
20 number or percentage of properties damaged by
21 subsidence that are not adequately repaired or
22 stabilized; conforming a cross-reference; creating s.
23 163.359, F.S.; prohibiting a community redevelopment
24 agency from paying attorney fees or public adjuster
25 fees to specified persons under certain conditions;
26 providing an effective date.

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

Section 1. Paragraph (c) of subsection (1) of section 163.08, Florida Statutes, is redesignated as paragraph (d), a new paragraph (c) is added to that subsection, and paragraph (b) of subsection (2) and subsections (10) and (14) of that section are amended, to read:

163.08 Supplemental authority for improvements to real property.—

(1)

(c) The Legislature finds that real properties damaged by ground subsidence, including, but not limited to, sinkhole activity, that are not adequately repaired may negatively affect the market value of surrounding properties, resulting in the loss of property tax revenues to local communities. The Legislature also finds that there is a compelling state interest in providing local government assistance to enable property owners to voluntarily finance qualifying improvements to real property damaged by subsidence.

(2) As used in this section, the term:

(b) "Qualifying improvement" includes any:

1. Energy conservation and efficiency improvement, which is a measure to reduce consumption through conservation or a more efficient use of electricity, natural gas, propane, or other forms of energy on the property, including, but not

53 limited to, air sealing; installation of insulation;
54 installation of energy-efficient heating, cooling, or
55 ventilation systems; building modifications to increase the use
56 of daylight; replacement of windows; installation of energy
57 controls or energy recovery systems; installation of electric
58 vehicle charging equipment; and installation of efficient
59 lighting equipment.

60 2. Renewable energy improvement, which is the installation
61 of any system in which the electrical, mechanical, or thermal
62 energy is produced from a method that uses one or more of the
63 following fuels or energy sources: hydrogen, solar energy,
64 geothermal energy, bioenergy, and wind energy.

65 3. Wind resistance improvement, which includes, but is not
66 limited to:

- 67 a. Improving the strength of the roof deck attachment;
68 b. Creating a secondary water barrier to prevent water
69 intrusion;
70 c. Installing wind-resistant shingles;
71 d. Installing gable-end bracing;
72 e. Reinforcing roof-to-wall connections;
73 f. Installing storm shutters; or
74 g. Installing opening protections.

75 4. Stabilization or other repairs to real property damaged
76 by subsidence.

77 (10) A qualifying improvement shall be affixed to a
78 building or facility that is part of the real property and shall

79 | constitute an improvement to the building or facility or a
 80 | fixture attached to the building or facility. For the purposes
 81 | of stabilization or other repairs to real property damaged by
 82 | subsidence, a qualifying improvement is deemed affixed to a
 83 | building or facility. An agreement between a local government
 84 | and a qualifying property owner may not cover wind-resistance
 85 | improvements in buildings or facilities under new construction
 86 | or construction for which a certificate of occupancy or similar
 87 | evidence of substantial completion of new construction or
 88 | improvement has not been issued.

89 | (14) At or before the time a purchaser executes a contract
 90 | for the sale and purchase of any real property for which a non-
 91 | ad valorem assessment has been levied under this section and has
 92 | an unpaid balance due, the seller shall give the prospective
 93 | purchaser a written disclosure statement in the following form,
 94 | which shall be set forth in the contract or in a separate
 95 | writing:

96 |
 97 | QUALIFYING IMPROVEMENTS FOR ENERGY EFFICIENCY, RENEWABLE ENERGY,
 98 | ~~OR~~ WIND RESISTANCE, OR SUBSIDENCE STABILIZATION OR REPAIR.—The
 99 | real property being purchased is located within the jurisdiction
 100 | of a local government that has placed an assessment on the
 101 | property pursuant to s. 163.08, Florida Statutes. The assessment
 102 | is for a qualifying improvement to the real property relating to
 103 | energy efficiency, renewable energy, ~~or~~ wind resistance, or
 104 | stabilization or repair of real property damaged by subsidence,

105 and is not based on the value of the property. You are
 106 encouraged to contact the county property appraiser's office to
 107 learn more about this and other assessments that may be provided
 108 by law.

109 Section 2. Subsection (8) of section 163.340, Florida
 110 Statutes, is amended to read:

111 163.340 Definitions.—The following terms, wherever used or
 112 referred to in this part, have the following meanings:

113 (8) "Blighted area" means an area where ~~in which~~ there are
 114 a substantial number of deteriorated~~7~~ or deteriorating
 115 structures, where ~~in which~~ conditions, as indicated by
 116 government-maintained statistics or other studies, endanger life
 117 or property or are leading to economic distress ~~or endanger life~~
 118 ~~or property~~, and where ~~in which~~ two or more of the following
 119 factors are present:

120 (a) Predominance of defective or inadequate street layout,
 121 parking facilities, roadways, bridges, or public transportation
 122 facilities.7

123 (b) Aggregate assessed values of real property in the area
 124 for ad valorem tax purposes have failed to show any appreciable
 125 increase over the 5 years prior to the finding of such
 126 conditions.7

127 (c) Faulty lot layout in relation to size, adequacy,
 128 accessibility, or usefulness.7

129 (d) Unsanitary or unsafe conditions.7

130 (e) Deterioration of site or other improvements.7

- 131 (f) Inadequate and outdated building density patterns.†
- 132 (g) Falling lease rates per square foot of office,
 133 commercial, or industrial space compared to the remainder of the
 134 county or municipality.†
- 135 (h) Tax or special assessment delinquency exceeding the
 136 fair value of the land.†
- 137 (i) Residential and commercial vacancy rates higher in the
 138 area than in the remainder of the county or municipality.†
- 139 (j) Incidence of crime in the area higher than in the
 140 remainder of the county or municipality.†
- 141 (k) Fire and emergency medical service calls to the area
 142 proportionately higher than in the remainder of the county or
 143 municipality.†
- 144 (l) A greater number of violations of the Florida Building
 145 Code in the area than the number of violations recorded in the
 146 remainder of the county or municipality.†
- 147 (m) Diversity of ownership or defective or unusual
 148 conditions of title which prevent the free alienability of land
 149 within the deteriorated or hazardous area.†~~or~~
- 150 (n) Governmentally owned property with adverse
 151 environmental conditions caused by a public or private entity.
- 152 (o) A substantial number or percentage of real properties
 153 damaged by subsidence that have not been adequately repaired or
 154 stabilized.
- 155
- 156 However, the term "blighted area" also means any area in which

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157 | at least one of the factors identified in paragraphs (a) through
 158 | (o) is ~~(n) are~~ present and all taxing authorities subject to s.
 159 | 163.387(2) (a) agree, either by interlocal agreement ~~or~~
 160 | ~~agreements~~ with the agency or by resolution, that the area is
 161 | blighted. Such agreement or resolution must be limited to a
 162 | determination ~~shall only determine~~ that the area is blighted.
 163 | For purposes of qualifying for the tax credits authorized in
 164 | chapter 220, "blighted area" means an area as defined in this
 165 | subsection.

166 | Section 3. Section 163.359, Florida Statutes, is created
 167 | to read:

168 | 163.359 Attorney fees.—A community redevelopment agency
 169 | established based upon the presence of a substantial number or
 170 | percentage of real properties that were damaged by subsidence
 171 | and not adequately repaired or stabilized may not pay attorney
 172 | fees or a public adjuster fee in connection with subsidence loss
 173 | and may not pay such fees to a homeowner, claimant, or insured.

174 | Section 4. This act shall take effect July 1, 2015.