

HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

BILL #: CS/HB 1119 Lakewood Ranch Stewardship District, Manatee and Sarasota Counties
SPONSOR(S): Government Accountability Committee; Gruters
TIED BILLS: **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|------------------|---------|---------------------------------------|
| 1) Local, Federal & Veterans Affairs Subcommittee | 11 Y, 0 N | Rivera | Miller |
| 2) Ways & Means Committee | 15 Y, 0 N | Dugan | Langston |
| 3) Government Accountability Committee | 21 Y, 0 N, As CS | Rivera | Williamson |

SUMMARY ANALYSIS

Lakewood Ranch Stewardship District is an independent special district created in 2005 by special act. It covers land in Manatee and Sarasota counties and provides community development systems, facilities, services, projects, improvements, and infrastructure to the area. The District is governed by a five member board of supervisors who are elected on a one vote per acre basis. The District is authorized to impose ad valorem taxes and may levy user charges and fees, non-ad valorem maintenance taxes as authorized by general law, maintenance special assessments, and benefit special assessments.

The District was expanded in 2009 by approximately 200 additional acres and given additional power to pursue sustainable or green infrastructure improvements, facilities, and services within its boundaries with the exception that the District could not provide electric service to retail customers or otherwise impair electric utility franchise agreements.

The bill adds an additional 47 acres to the District's jurisdictional boundaries. The boundary expansion is subject to approval by a majority vote of the land owners within the district not exempt from taxation who are present at a landowner's meeting (or their proxy), which meeting will be held within 90 days of the effective date of the act.

Infrastructure in the additional 47 acres will be funded through the issuance of bonds, payable by the new homeowners residing in the additional 47 acres through annual assessments.

The bill provides an effective date for the referendum provisions of upon becoming a law and an effective date for the expansion of upon approval by a majority electors voting in the referendum.

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Present Situation

Special Districts

A "special district" is a unit of local government created for a particular purpose, with jurisdiction to operate within a limited geographic boundary.¹ A special district may be created by general law, special act, local ordinance, or by rule of the Governor and Cabinet.² A special district has only those powers expressly provided by, or reasonably implied from, the authority provided in the district's charter.³ Special districts provide specific municipal services in addition to, or in place of, those provided by a municipality or county.⁴

A "dependent special district" is a special district in which the membership of the governing body is identical to the governing body of a single county or municipality, all members of the governing body are appointed by the governing body of a single county or municipality, members of the district's governing body are removable at will by the governing body of a single county or municipality, or the district's budget is subject to the approval of governing body of a single county or municipality.⁵ An "independent special district" is any district that is not a dependent special district or one that includes more than one county unless the district lies wholly within a single municipality.⁶

Lakewood Ranch Stewardship District

Lakewood Ranch Stewardship District (District) is an independent special district created in 2005 by special act.⁷ The District covers land in Manatee and Sarasota counties and its purpose is to provide sound planning, provision, acquisition, development, operation, maintenance, and related financing for public systems, facilities, services, improvements, projects, and infrastructure works as authorized by its charter.⁸ The District is authorized to provide these services extraterritorially upon execution of an interlocal agreement.⁹ The District is governed by a five member board of supervisors elected to serve four-year terms either by the landowners or qualified electors residing in the District.¹⁰

¹ Section 189.012(6), F.S. The Legislature adopted ch. 189, F.S., in 1989, to provide uniform statutes for the definition, creation, and operation of special districts. *See* s. 189.011(1), F.S.

² Section 189.012(6), F.S.

³ *See* ss. 189.02(4)-(5) and 189.031(3), F.S. Counties and municipalities have "home rule" powers allowing them to enact ordinances not inconsistent with general or special law for governmental, corporate, or proprietary purposes. Special districts do not possess home rule powers and are permitted to impose only those taxes, assessments, or fees authorized by special or general law. *See* art. VIII, ss. 1(f) and (g), 2(b), s. 6(e), Fla. Const. and ss. 166.021 and 125.01, F.S. *See also* 2017 – 2018 *Local Gov't Formation Manual*, p. 70, at <http://myfloridahouse.gov/Sections/Documents/loadoc.aspx?PublicationType=Committees&CommitteeId=2911&Session=2018&DocumentType=General Publications&FileName=2017-2018 Local Government Formation Manual Final Pub.pdf> (accessed 1/18/2018)(hereinafter *Local Government Manual*).

⁴ *Local Government Manual*, p. 64.

⁵ Section 189.012(2), F.S.

⁶ Section 189.012(3), F.S. Independent special districts are created by the Legislature unless otherwise authorized by general law. The charter of a newly-created district must meet minimum statutory requirements which includes a statement that it is an independent special district.

⁷ Ch. 2005-338, Laws of Fla.

⁸ Ch. 2005-338, s. 3(4), as amended by ch. 2009-263, Laws of Fla.

⁹ *Id.*

¹⁰ Ch. 2005-338, s. 5, Laws of Fla. As qualified electors move into the District more members are chosen in an election of the qualified electorate rather than a landowners' meeting. Once 45,000 qualified electors reside within the District all five members will be elected by the qualified electorate. Ch. 2005-338, s.5(3)(a)2.a.(V), Laws of Fla.

The District is authorized to impose ad valorem taxes and may levy user charges and fees, non-ad valorem maintenance taxes as authorized by general law, maintenance special assessments, and benefit special assessments.¹¹ In 2009, the District was also authorized to provide sustainable or green infrastructure improvements, facilities, and services, including recycling of natural resources, reduction of energy demands, development and generation of alternative or renewable energy sources and technologies, and entering into joint ventures or other agreement necessary to accomplish sustainable or green goals.¹² The District expressly was not granted the authority to provide electric service to retail customers or otherwise act to impair electric utility franchise agreements.¹³ In the same act, the District was expanded by approximately 200 acres to a total acreage of approximately 20,255 acres.¹⁴

Proposed Changes

The bill expands the District to include 47 acres of land that are currently surrounded by the boundaries of the District.¹⁵ At a referendum of the voters to approve the boundary expansion, landowners subject to the District's taxing power will receive one vote for each assessable acre, or fraction thereof, of land.

According to the Economic Impact Statement Form, infrastructure in the additional 47 acres will cost \$6 million and will be funded through the issuance of bonds, payable by the new homeowners residing in the additional 47 acres through annual assessments. The annual assessments are estimated to generate \$600,000 in revenue per year.¹⁶

The bill provides an effective date for the provisions regarding the referendum and vote count of the act upon becoming law. The effective date of the boundary expansion is upon approval by the majority of voters at a landowners' meeting to be held within 90 days of the other provisions in the act taking effect. Landowners' otherwise eligible to vote at the meeting may assign a proxy to vote in their place.

B. SECTION DIRECTORY:

- Section 1. Amends ch. 2005-338, as amended by ch. 2009-263, revising the boundaries of the Lakewood Ranch Stewardship District.
- Section 2. Provides a referendum to approve the boundary expansion, allowing each landowner one vote per assessable acre.
- Section 3. Provides the act is effective upon becoming a law and provides a separate effective date for boundary expansion upon approval by majority of the voters at a landowner's meeting.

II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 29, 2017

WHERE? *Bradenton Herald*, Bradenton, Manatee County, Florida

B. REFERENDUM(S) REQUIRED? Yes No

¹¹ Ch. 2005-338, s.6(6), Laws of Fla.

¹² Ch. 2005-338, s.6(6), as amended by ch. 2009-263, s.2, Laws of Fla.

¹³ *Id.*

¹⁴ Ch. 2005-338, as amended by ch. 2009-263, s.1, Laws of Fla.

¹⁵ See attached Appendix A.

¹⁶ See Economic Impact Statement, on file with House Ways & Means Committee.

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes, attached No

D. ECONOMIC IMPACT STATEMENT FILED? Yes, attached No

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill neither authorizes nor requires executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On February 22, 2018, the Government Accountability Committee adopted one amendment and reported the bill favorably as a committee substitute. The amendment made technical changes to correct a drafting issue and clarify the proxy voting procedure.

This analysis is drafted to the committee substitute as approved by the Government Accountability Committee.

