

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: HB 1251 Water Street Tampa Improvement District, Hillsborough County

SPONSOR(S): Toledo and others

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

FINAL HOUSE FLOOR ACTION: 114 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

HB 1251 passed the House on April 1, 2021, and subsequently passed the Senate on April 29, 2021.

The Water Street Tampa Improvement District (District) is an independent special district created in 2018. The District covers land wholly located within Hillsborough County and the City of Tampa 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 assessments, benefit special assessments, maintenance special assessments, and special assessments.

The bill expands the District's boundaries from 68.7 acres to 73.8 acres. The boundary expansion is subject to approval by a majority vote of the landowners within the district, including those in the areas to be added, who are present at the landowners' meeting (or their proxy) to be held within 90 days of the effective date of the act.

According to the District's Economic Impact Statement, the expansion of the District's boundaries will not have an impact on the District's revenue.

The bill was approved by the Governor on June 21, 2021, ch. 2021-252, L.O.F., and became effective on that date, except that Section 1 is effective only upon approval by a majority vote of the landowners voting in a referendum.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF 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

Water Street Tampa Improvement District

The Water Street Tampa Improvement District (District) is an independent special district created in 2018 by special act.⁷ The District covers land wholly located in Hillsborough County and the City of Tampa. The purpose of the District is to provide community development systems, facilities, services, projects, improvements, and infrastructure works as authorized by its charter.⁸

The District is governed by a five-member board of supervisors who are elected on a one vote per acre basis.⁹ Members of the board must be both residents of the state and citizens of the United States. The District is authorized to impose ad valorem taxes and may levy user charges and fees, non-ad valorem assessments, benefit special assessments, maintenance special assessments, and special assessments.¹⁰

¹ See *Halifax Hospital Medical Center v. State of Fla., et al.*, 278 So. 3d 545, 547 (Fla. 2019).

² See ss. 189.031(3), 189.02(1), and S. 190.005(1), F.S. See generally s. 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 2020-2022 *The Local Government Formation Manual*, p. 70, at <https://www.myfloridahouse.gov/Sections/Documents/loadoc.aspx?PublicationType=Committees&CommitteeId=3117&Session=2021&DocumentType=General+Publications&FileName=2021-2022+Local+Government+Formation+Manual.pdf>, (last visited March 4, 2021) (hereinafter *Local Government Manual*).

⁴ *Local Government Formation Manual* at 65.

⁵ S. 189.012(2), F.S.

⁶ S. 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. 2018-183, Laws of Fla.

⁸ Ch. 2018-183, s. 2(3), Laws of Fla.

⁹ Ch. 2018-183, s. 5, Laws of Fla.

¹⁰ Ch. 2018-183, ss. 6(6)-(7), 6(12), Laws of Florida.

According to the Economic Impact Statement, the District does not levy ad valorem taxes or any assessments. The operations of the District consist solely of administrative functions, which are funded by the developer of the land who pays developer contributions in lieu of assessments.

Effect of Proposed Changes

The bill amends the boundaries of the District to annex additional areas of approximately five acres, thereby increasing the District’s total acreage from 68.7 acres to 73.8 acres.

The addition of the lands to the District is subject to a referendum of landowners, including those in the areas to be annexed. For purposes of the referendum, each assessable acre, or fraction thereof, must be counted as one vote, pursuant to the terms of the District’s charter.¹¹ The bill states that the landowners’ meeting to vote on the annexation must be held within 90 days of the effective date of the act. Landowners otherwise eligible to vote at the meeting may assign a proxy to vote in their place.

According to the Economic Impact Statement, the expansion of the District’s boundaries will not have an impact on state or local revenues. The District will continue to be funded through developer contributions. Since the District’s operations consist solely of administrative functions, the extent and cost of these functions will not change as a result of the expansion of the District’s boundaries. Further, the District within its amended boundaries will continue to install and maintain its infrastructure and provide community services with revenue derived through its current funding model.

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. ECONOMIC IMPACT STATEMENT FILED? Yes [x] No []

D. NOTICE PUBLISHED? Yes [x] No []

IF YES, WHEN? February 7, 2021

¹¹ Ch. 2018-183, s. 5, Laws of Florida.

WHERE? The *Tampa Bay Times*, a daily newspaper of general circulation in Hillsborough County, Florida.

E. REFERENDUM(S) REQUIRED? Yes No

IF YES, WHEN? A landowners' referendum held within 90 days after the effective date of the bill.