

HOUSE OF REPRESENTATIVES STAFF FINAL BILL ANALYSIS

BILL #: HB 895 Lakewood Ranch Stewardship District, Manatee and Sarasota Counties

SPONSOR(S): McFarland

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

FINAL HOUSE FLOOR ACTION: 117 Y's 0 N's **GOVERNOR'S ACTION:** Approved

SUMMARY ANALYSIS

HB 895 passed the House on March 2, 2022, and subsequently passed the Senate on March 10, 2022.

Lakewood Ranch Stewardship District (District) is an independent special district created in 2005, containing land in Manatee and Sarasota counties, and providing community development systems, facilities, services, projects, improvements, and infrastructure to the area. The District is governed by a five-member board of supervisors 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. However, ad valorem taxes may be imposed only after all members of the board are elected on a popular vote basis and the levy of ad valorem taxes is approved by the district voters in a subsequent referendum.

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 District was subsequently expanded in 2018 and 2019.

The bill adds an additional 1,993 acres to the District's jurisdictional boundaries. 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 a landowner's meeting (or their proxy) to be held within 90 days of the effective date of the act.

The bill was approved by the Governor on June 24, 2022, ch. 2022-236, L.O.F., and will become effective upon approval of a majority vote of the landowners voting in a referendum, except that sections 2 and 3 became effective on June 24, 2022.

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Background

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 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

The 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

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

¹ S. 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 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 *2021–2022 Local Gov’t Formation Manual*, p. 70, at <https://myfloridahouse.gov/Sections/Committees/committeesdetail.aspx?CommitteeId=3117> (last visited Jan. 13, 2022) (hereinafter *Local Government Manual*).

⁴ *Local Government Manual* at 64.

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. 2005-338, Laws of Fla.

⁸ Ch. 2005-338, s. 3(4), Laws of Fla. 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.

benefit special assessments.¹¹ However, ad valorem taxes may be imposed only after all members of the board are elected on a popular vote basis and the levy of ad valorem taxes is approved by the district voters in a subsequent referendum.¹² 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. The District was also authorized to enter into joint ventures or other agreements necessary to accomplish sustainable or green goals.¹³ The District is not authorized to provide electric service to retail customers or otherwise take action to impair electric utility franchise agreements.¹⁴ In the same act, the District was expanded by approximately 200 acres to a total acreage of approximately 23,255 acres.¹⁵ The District was expanded by an additional 47 acres in 2018 and 2,303 acres in 2019, bringing the total acreage to approximately 25,605 acres.¹⁶

Effect of the Bill

The bill amends the boundaries of the District to annex approximately 1,993 acres into the District. The bill increases the total acreage from 25,605 acres to 27,598 acres.

The addition of 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, is counted as one vote, pursuant to the terms of the District’s charter. 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.

The Economic Impact Statement filed with the bill indicates that the District will raise an expected \$1 million in additional revenue, all of which is anticipated to be used for infrastructure and costs related to the jurisdictional expansion.

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.

¹¹ Ch. 2005-338, s.6(6), Laws of Fla. The District currently does not levy ad valorem taxes. The District may only levy ad valorem taxes subject to approval at a referendum held after the complete transition of the District’s board to election by the qualified electors of the District. Ch. 2005-338, s. 8, Laws of Fla.

¹² Ch. 2005-338, ss. 5(3), 6(12), Laws of Fla.

¹³ Ch. 2005-338, s.6(6), as amended by ch. 2009-263, s.2, Laws of Fla.

¹⁴ *Id.*

¹⁵ Ch. 2005-338, as amended by ch. 2009-263, s.1, Laws of Fla.

¹⁶ Chs. 2018-178 and 2019-180, Laws of Fla.

2. Expenditures:

None.

C. ECONOMIC IMPACT STATEMENT FILED? Yes No

D. NOTICE PUBLISHED? Yes No

IF YES, WHEN? November 5, 2021 and November 9, 2021.

WHERE? The *Bradenton Herald*, a daily newspaper of general circulation published in Manatee County, Florida and the *Sarasota Herald-Tribune*, a daily newspaper of general circulation published in Sarasota County, Florida, respectively.

E. REFERENDUM(S) REQUIRED? Yes No

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