

CHAPTER 2019-163

Committee Substitute for House Bill No. 9

An act relating to community redevelopment agencies; amending s. 112.3142, F.S.; requiring ethics training for community redevelopment agency commissioners; specifying requirements for such training; amending s. 163.356, F.S.; revising reporting requirements; deleting provisions requiring certain annual reports; amending s. 163.367, F.S.; requiring ethics training for community redevelopment agency commissioners; amending s. 163.370, F.S.; requiring a community redevelopment agency to follow certain procurement procedures; creating s. 163.371, F.S.; requiring a community redevelopment agency to publish certain digital boundary maps on its website; providing annual reporting requirements; requiring a community redevelopment agency to publish the annual reports on its website; creating s. 163.3755, F.S.; providing termination dates for certain community redevelopment agencies; creating s. 163.3756, F.S.; providing legislative findings; requiring the Department of Economic Opportunity to declare inactive community redevelopment agencies that have reported no financial activity for a specified number of years; providing hearing procedures; authorizing certain financial activity by a community redevelopment agency that is declared inactive; providing applicability; providing construction; requiring the department to maintain a list on its website identifying all inactive community redevelopment agencies; amending s. 163.387, F.S.; specifying the level of tax increment financing that a governing body may establish for funding the redevelopment trust fund; effective on a specified date, revising requirements for the use of redevelopment trust fund proceeds; limiting allowed expenditures; revising requirements for the annual budget of a community redevelopment agency; revising requirements for use of moneys in the redevelopment trust fund for specific redevelopment projects; revising requirements for the annual audit; requiring the audit to be included with the financial report of the county or municipality that created the community redevelopment agency; amending s. 218.32, F.S.; revising criteria for finding that a county or municipality failed to file a report; requiring the Department of Financial Services to provide a report to the Department of Economic Opportunity concerning community redevelopment agencies reporting no revenues, expenditures, or debts; providing an effective date.

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

Section 1. Section 112.3142, Florida Statutes, is amended to read:

112.3142 Ethics training for specified constitutional officers, ~~and~~ elected municipal officers, and commissioners.—

(1) As used in this section, the term “constitutional officers” includes the Governor, the Lieutenant Governor, the Attorney General, the Chief

Financial Officer, the Commissioner of Agriculture, state attorneys, public defenders, sheriffs, tax collectors, property appraisers, supervisors of elections, clerks of the circuit court, county commissioners, district school board members, and superintendents of schools.

(2)(a) All constitutional officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(b) ~~Beginning January 1, 2015,~~ All elected municipal officers must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation if the required subjects are covered.

(c) Beginning January 1, 2020, each commissioner of a community redevelopment agency created under part III of chapter 163 must complete 4 hours of ethics training each calendar year which addresses, at a minimum, s. 8, Art. II of the State Constitution, the Code of Ethics for Public Officers and Employees, and the public records and public meetings laws of this state. This requirement may be satisfied by completion of a continuing legal education class or other continuing professional education class, seminar, or presentation, if the required subject material is covered by the class.

(d) The commission shall adopt rules establishing minimum course content for the portion of an ethics training class which addresses s. 8, Art. II of the State Constitution and the Code of Ethics for Public Officers and Employees.

(e)(d) The Legislature intends that a constitutional officer or elected municipal officer who is required to complete ethics training pursuant to this section receive the required training as close as possible to the date that he or she assumes office. A constitutional officer or elected municipal officer assuming a new office or new term of office on or before March 31 must complete the annual training on or before December 31 of the year in which the term of office began. A constitutional officer or elected municipal officer assuming a new office or new term of office after March 31 is not required to complete ethics training for the calendar year in which the term of office began.

(3) Each house of the Legislature shall provide for ethics training pursuant to its rules.

Section 2. Paragraphs (c) and (d) of subsection (3) of section 163.356, Florida Statutes, are amended to read:

163.356 Creation of community redevelopment agency.—

(3)

(c) The governing body of the county or municipality shall designate a chair and vice chair from among the commissioners. An agency may employ an executive director, technical experts, and such other agents and employees, permanent and temporary, as it requires, and determine their qualifications, duties, and compensation. For such legal service as it requires, an agency may employ or retain its own counsel and legal staff.

~~(d) An agency authorized to transact business and exercise powers under this part shall file with the governing body the report required pursuant to s. 163.371(1), on or before March 31 of each year, a report of its activities for the preceding fiscal year, which report shall include a complete financial statement setting forth its assets, liabilities, income, and operating expenses as of the end of such fiscal year. At the time of filing the report, the agency shall publish in a newspaper of general circulation in the community a notice to the effect that such report has been filed with the county or municipality and that the report is available for inspection during business hours in the office of the clerk of the city or county commission and in the office of the agency.~~

~~(e)~~(d) At any time after the creation of a community redevelopment agency, the governing body of the county or municipality may appropriate to the agency such amounts as the governing body deems necessary for the administrative expenses and overhead of the agency, including the development and implementation of community policing innovations.

Section 3. Subsection (1) of section 163.367, Florida Statutes, is amended to read:

163.367 Public officials, commissioners, and employees subject to code of ethics.—

(1) The officers, commissioners, and employees of a community redevelopment agency created by, or designated pursuant to, s. 163.356 or s. 163.357 are shall be subject to the provisions and requirements of part III of chapter 112, and commissioners also must comply with the ethics training requirements as imposed in s. 112.3142.

Section 4. Subsection (5) is added to section 163.370, Florida Statutes, to read:

163.370 Powers; counties and municipalities; community redevelopment agencies.—

(5) A community redevelopment agency shall procure all commodities and services under the same purchasing processes and requirements that apply to the county or municipality that created the agency.

Section 5. Section 163.371, Florida Statutes, is created to read:

163.371 Reporting requirements.—

(1) By January 1, 2020, each community redevelopment agency shall publish on its website digital maps that depict the geographic boundaries and total acreage of the community redevelopment agency. If any change is made to the boundaries or total acreage, the agency shall post updated map files on its website within 60 days after the date such change takes effect.

(2) Beginning March 31, 2020, and not later than March 31 of each year thereafter, a community redevelopment agency shall file an annual report with the county or municipality that created the agency and publish the report on the agency's website. The report must include the following information:

(a) The most recent complete audit report of the redevelopment trust fund as required in s. 163.387(8). If the audit report for the previous year is not available by March 31, a community redevelopment agency shall publish the audit report on its website within 45 days after completion.

(b) The performance data for each plan authorized, administered, or overseen by the community redevelopment agency as of December 31 of the reporting year, including the:

1. Total number of projects started and completed and the estimated cost for each project.

2. Total expenditures from the redevelopment trust fund.

3. Original assessed real property values within the community redevelopment agency's area of authority as of the day the agency was created.

4. Total assessed real property values of property within the boundaries of the community redevelopment agency as of January 1 of the reporting year.

5. Total amount expended for affordable housing for low-income and middle-income residents.

(c) A summary indicating to what extent, if any, the community redevelopment agency has achieved the goals set out in its community redevelopment plan.

Section 6. Section 163.3755, Florida Statutes, is created to read:

163.3755 Termination of community redevelopment agencies.—

(1) A community redevelopment agency in existence on October 1, 2019, shall terminate on the expiration date provided in the agency's charter on October 1, 2019, or on September 30, 2039, whichever is earlier, unless the governing body of the county or municipality that created the community redevelopment agency approves its continued existence by a majority vote of the members of the governing body.

(2)(a) If the governing body of the county or municipality that created the community redevelopment agency does not approve its continued existence by a majority vote of the governing body members, a community redevelopment agency with outstanding bonds as of October 1, 2019, that do not mature until after the termination date of the agency or September 30, 2039, whichever is earlier, remains in existence until the date the bonds mature.

(b) A community redevelopment agency operating under this subsection on or after September 30, 2039, may not extend the maturity date of any outstanding bonds.

(c) The county or municipality that created the community redevelopment agency must issue a new finding of necessity limited to timely meeting the remaining bond obligations of the community redevelopment agency.

Section 7. Section 163.3756, Florida Statutes, is created to read:

163.3756 Inactive community redevelopment agencies.—

(1) The Legislature finds that a number of community redevelopment agencies continue to exist, but do not report any revenues, expenditures, or debt in the annual reports they file with the Department of Financial Services pursuant to s. 218.32.

(2)(a) A community redevelopment agency that has reported no revenue, no expenditures, and no debt under s. 189.016(9) or s. 218.32 for 6 consecutive fiscal years beginning no earlier than October 1, 2016, must be declared inactive by the Department of Economic Opportunity, which shall notify the agency of the declaration. If the agency does not have board members or an agent, the notice of the declaration of inactive status must be delivered to the county or municipal governing board or commission that created the agency.

(b) The governing board of a community redevelopment agency that is declared inactive under this section may seek to invalidate the declaration by initiating proceedings under s. 189.062(5) within 30 days after the date of the receipt of the notice from the Department of Economic Opportunity.

(3) A community redevelopment agency that is declared inactive under this section may expend funds from the redevelopment trust fund only as necessary to service outstanding bond debt. The agency may not expend other funds in the absence of an ordinance of the local governing body that created the agency which consents to the expenditure of such funds.

(4) The provisions of s. 189.062(2) and (4) do not apply to a community redevelopment agency that has been declared inactive under this section.

(5) The provisions of this section are cumulative to the provisions of s. 189.062. To the extent the provisions of this section conflict with the provisions of s. 189.062, this section prevails.

(6) The Department of Economic Opportunity shall maintain on its website a separate list of community redevelopment agencies declared inactive under this section.

Section 8. Paragraph (a) of subsection (1), subsection (6), paragraph (d) of subsection (7), and subsection (8) of section 163.387, Florida Statutes, are amended to read:

163.387 Redevelopment trust fund.—

(1)(a) After approval of a community redevelopment plan, there may be established for each community redevelopment agency created under s. 163.356 a redevelopment trust fund. Funds allocated to and deposited into this fund shall be used by the agency to finance or refinance any community redevelopment it undertakes pursuant to the approved community redevelopment plan. No community redevelopment agency may receive or spend any increment revenues pursuant to this section unless and until the governing body has, by ordinance, created the trust fund and provided for the funding of the redevelopment trust fund until the time certain set forth in the community redevelopment plan as required by s. 163.362(10). Such ordinance may be adopted only after the governing body has approved a community redevelopment plan. The annual funding of the redevelopment trust fund shall be in an amount not less than that increment in the income, proceeds, revenues, and funds of each taxing authority derived from or held in connection with the undertaking and carrying out of community redevelopment under this part. Such increment shall be determined annually and shall be that amount equal to 95 percent of the difference between:

1. The amount of ad valorem taxes levied each year by each taxing authority, exclusive of any amount from any debt service millage, on taxable real property contained within the geographic boundaries of a community redevelopment area; and

2. The amount of ad valorem taxes which would have been produced by the rate upon which the tax is levied each year by or for each taxing authority, exclusive of any debt service millage, upon the total of the assessed value of the taxable real property in the community redevelopment area as shown upon the most recent assessment roll used in connection with the taxation of such property by each taxing authority prior to the effective date of the ordinance providing for the funding of the trust fund.

However, the governing body of ~~any county as defined in s. 125.011(1)~~ may, in the ordinance providing for the funding of a trust fund established with respect to any community redevelopment area ~~created on or after July 1, 1994~~, determine that the amount to be funded by each taxing authority annually shall be less than 95 percent of the difference between subparagraphs 1. and 2., but in no event shall such amount be less than 50 percent of such difference.

(6) Effective October 1, 2019, moneys in the redevelopment trust fund may be expended ~~from time to time~~ for undertakings of a community redevelopment agency as described in the community redevelopment plan only pursuant to an annual budget adopted by the board of commissioners of the community redevelopment agency and only for the following purposes specified in paragraph (c)., ~~including, but not limited to:~~

(a) Except as otherwise provided in this subsection, a community redevelopment agency shall comply with the requirements of s. 189.016.

(b) A community redevelopment agency created by a municipality shall submit its annual budget to the board of county commissioners for the county in which the agency is located within 10 days after the adoption of such budget and submit amendments of its annual budget to the board of county commissioners within 10 days after the adoption date of the amended budget ~~Administrative and overhead expenses necessary or incidental to the implementation of a community redevelopment plan adopted by the agency.~~

(c) The annual budget of a community redevelopment agency may provide for payment of the following expenses:

1. Administrative and overhead expenses directly or indirectly necessary to implement a community redevelopment plan adopted by the agency.

2.(b) Expenses of redevelopment planning, surveys, and financial analysis, including the reimbursement of the governing body or the community redevelopment agency for such expenses incurred before the redevelopment plan was approved and adopted.

3.(e) The acquisition of real property in the redevelopment area.

4.(d) The clearance and preparation of any redevelopment area for redevelopment and relocation of site occupants within or outside the community redevelopment area as provided in s. 163.370.

5.(e) The repayment of principal and interest or any redemption premium for loans, advances, bonds, bond anticipation notes, and any other form of indebtedness.

6.(f) All expenses incidental to or connected with the issuance, sale, redemption, retirement, or purchase of bonds, bond anticipation notes, or other form of indebtedness, including funding of any reserve, redemption, or

other fund or account provided for in the ordinance or resolution authorizing such bonds, notes, or other form of indebtedness.

7.(g) The development of affordable housing within the community redevelopment area.

8.(h) The development of community policing innovations.

9. Expenses that are necessary to exercise the powers granted under s. 163.370, as delegated under s. 163.358.

(7) On the last day of the fiscal year of the community redevelopment agency, any money which remains in the trust fund after the payment of expenses pursuant to subsection (6) for such year shall be:

(d) Appropriated to a specific redevelopment project pursuant to an approved community redevelopment plan. The funds appropriated for such project may not be changed unless the project is amended, redesigned, or delayed, in which case the funds must be reappropriated pursuant to the next annual budget adopted by the board of commissioners of the community redevelopment agency which project will be completed within 3 years from the date of such appropriation.

(8)(a) Each community redevelopment agency with revenues or a total of expenditures and expenses in excess of \$100,000, as reported on the trust fund financial statements, shall provide for a financial an audit of the trust fund each fiscal year and a report of such audit to be prepared by an independent certified public accountant or firm. Each financial audit conducted pursuant to this subsection must be conducted in accordance with rules for audits of local governments adopted by the Auditor General.

(b) The audit Such report must: shall

1. Describe the amount and source of deposits into, and the amount and purpose of withdrawals from, the trust fund during such fiscal year and the amount of principal and interest paid during such year on any indebtedness to which increment revenues are pledged and the remaining amount of such indebtedness.

2. Include financial statements identifying the assets, liabilities, income, and operating expenses of the community redevelopment agency as of the end of such fiscal year.

3. Include a finding by the auditor as to whether the community redevelopment agency is in compliance with subsections (6) and (7).

(c) The audit report for the community redevelopment agency must accompany the annual financial report submitted by the county or municipality that created the agency to the Department of Financial Services as provided in s. 218.32, regardless of whether the agency reports separately under that section.

(d) The agency shall provide ~~by registered mail~~ a copy of the audit report to each taxing authority.

Section 9. Subsection (3) of section 218.32, Florida Statutes, is amended to read:

218.32 Annual financial reports; local governmental entities.—

(3)(a) The department shall notify the President of the Senate and the Speaker of the House of Representatives of any municipality that has not reported any financial activity for the last 4 fiscal years. Such notice must be sufficient to initiate dissolution procedures as described in s. 165.051(1)(a). Any special law authorizing the incorporation or creation of the municipality must be included within the notification.

(b) Failure of a county or municipality required under s. 163.387(8) to include with its annual financial report to the department a financial audit report for each community redevelopment agency created by that county or municipality constitutes a failure to report under this section.

(c) By November 1 of each year, the department must provide the Special District Accountability Program of the Department of Economic Opportunity with a list of each community redevelopment agency that does not report any revenues, expenditures, or debt for the community redevelopment agency's previous fiscal year.

Section 10. This act shall take effect October 1, 2019.

Approved by the Governor June 28, 2019.

Filed in Office Secretary of State June 28, 2019.