

**DELRAY BEACH COMMUNITY REDEVELOPMENT AGENCY**

**MEMORANDUM NO. 2017-02**

TO: Annette Gray, Chair  
Members of the CRA Board of Commissioners

CC: Jeff Costello, Executive Director

FROM: David N. Tolces, General Counsel *DNT*

DATE: October 5, 2017

RE: Delray Beach Community Redevelopment Agency ("CRA")/Proposed Legislation  
Related to Community Redevelopment Agencies for the 2018 Florida Legislature

---

Representative Jake Rayburn (Hillsborough County) filed the attached legislation for consideration during the upcoming 2018 legislative session.

While the Delray Beach CRA already complies with many of the requirements contained in the bill, there are additional data collection requirements that if enacted, would potentially require the CRA to expend additional funds to pay consultants to provide information related to the following:

1. Earliest data available as of the date the agency was created, providing total commercial property vacancy rates within the community redevelopment agency.
2. Total commercial property vacancy rates within the boundaries of the community redevelopment agency.
3. Earliest data available as of the day the agency was created, providing total housing vacancy rates within the boundaries of the community redevelopment agency.
4. Total housing vacancy rates within the boundaries of the community redevelopment agency.

In addition to the reporting requirements, the legislation will require four (4) hours of ethics training, annually, for CRA board members. The training shall address the Florida Code of Ethics, the Sunshine Law, and Florida's Public Records Law.

The legislation will also amend Section 163.387(6), Fla.Stat., related to the use of funds deposited in the CRA's Trust Fund. Specifically, line 399 on Page 16, will delete the phrase ". . . including, but not limited to. . ." from the existing statute. The existing language provides a CRA with flexibility in its ability to expend trust fund monies on matters related to redevelopment that are consistent with the Community Redevelopment Plan, as adopted by the City Commission.

There is concern, by some, that in removing the language from the existing statute that the CRA may be unnecessarily limited in its ability to expend trust fund monies for economic redevelopment activities including, business recruitment, business assistance programs, and other projects customarily funded by CRA's that are not strictly related to bricks and mortar projects.

We will continue to monitor this legislation as it progresses through the legislative process. Thank you for your consideration, and if you would like to discuss further, please contact my office.

1                                   A bill to be entitled  
2       An act relating to community redevelopment agencies;  
3       amending s. 112.3142, F.S.; specifying ethics training  
4       requirements for community redevelopment agency  
5       commissioners; amending s. 163.356, F.S.; requiring a  
6       county or municipality, by resolution, to petition the  
7       Legislature to create a new community redevelopment  
8       agency; establishing procedures for appointing members  
9       of the board of the community redevelopment agency;  
10      providing reporting requirements; deleting provisions  
11      requiring certain annual reports; amending s. 163.367,  
12      F.S.; requiring ethics training for community  
13      redevelopment agency commissioners; amending s.  
14      163.370, F.S.; establishing procurement procedures;  
15      creating s. 163.371, F.S.; providing annual reporting  
16      requirements; requiring publication of notices of  
17      reports; requiring reports to be available for  
18      inspection in designated places; requiring a community  
19      redevelopment agency to post annual reports and  
20      boundary maps on its website; creating s. 163.3755,  
21      F.S.; providing termination dates for certain  
22      community redevelopment agencies; requiring the  
23      creation of new community redevelopment agencies to  
24      occur by special act after a date certain; providing a  
25      phase-out period for existing community redevelopment

26 agencies under specified circumstances; creating s.  
 27 163.3756, F.S.; providing legislative findings;  
 28 requiring the Department of Economic Opportunity to  
 29 declare inactive community redevelopment agencies that  
 30 have reported no financial activity for a specified  
 31 number of years; providing hearing procedures;  
 32 authorizing certain financial activity by a community  
 33 redevelopment agency that is declared inactive;  
 34 requiring the Department of Economic Opportunity to  
 35 maintain a website identifying all inactive community  
 36 redevelopment agencies; amending s. 163.387, F.S.;  
 37 specifying the level of tax increment financing that  
 38 the governing body may establish for funding the  
 39 redevelopment trust fund; revising requirements for  
 40 the expenditure of redevelopment trust fund proceeds;  
 41 revising requirements for the annual budget of a  
 42 community redevelopment agency; requiring municipal  
 43 community redevelopment agencies to provide annual  
 44 budget to county commission; specifying allowed  
 45 expenditures from the annual budget; revising  
 46 requirements for use of moneys in the redevelopment  
 47 trust fund for specific redevelopment projects;  
 48 revising requirements for the annual audit; requiring  
 49 the audit to be included with the financial report of  
 50 the county or municipality that created the community

51 redevelopment agency; amending s. 218.32, F.S.;

52 requiring county and municipal governments to submit

53 community redevelopment agency annual audit reports as

54 part of an annual report; revising criteria for

55 finding that a county or municipality failed to file a

56 report; requiring the Department of Financial Services

57 to provide to the Department of Economic Opportunity a

58 list of community redevelopment agencies with no

59 revenues, no expenditures, and no debts; providing an

60 effective date.

61

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

63

64 Section 1. Subsection (2) of section 112.3142, Florida

65 Statutes, is amended to read:

66 112.3142 Ethics training for specified constitutional

67 officers and elected municipal officers.—

68 (2) (a) All constitutional officers must complete 4 hours

69 of ethics training each calendar year which addresses, at a

70 minimum, s. 8, Art. II of the State Constitution, the Code of

71 Ethics for Public Officers and Employees, and the public records

72 and public meetings laws of this state. This requirement may be

73 satisfied by completion of a continuing legal education class or

74 other continuing professional education class, seminar, or

75 presentation if the required subjects are covered.

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

85 (c) Beginning October 1, 2018, each commissioner of a  
 86 community redevelopment agency under part III of chapter 163  
 87 must complete 4 hours of ethics training each calendar year  
 88 which addresses, at a minimum, s. 8, Art. II of the State  
 89 Constitution, the Code of Ethics for Public Officers and  
 90 Employees, and the public records and public meetings laws of  
 91 this state. This requirement may be satisfied by completion of a  
 92 continuing legal education class or other continuing  
 93 professional education class, seminar, or presentation if the  
 94 required subjects are covered.

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

99 ~~(e)-(d)~~ The Legislature intends that a constitutional  
 100 officer or elected municipal officer who is required to complete

101 ethics training pursuant to this section receive the required  
 102 training as close as possible to the date that he or she assumes  
 103 office. A constitutional officer or elected municipal officer  
 104 assuming a new office or new term of office on or before March  
 105 31 must complete the annual training on or before December 31 of  
 106 the year in which the term of office began. A constitutional  
 107 officer or elected municipal officer assuming a new office or  
 108 new term of office after March 31 is not required to complete  
 109 ethics training for the calendar year in which the term of  
 110 office began.

111 Section 2. Subsections (1), (2), and (3) of section  
 112 163.356, Florida Statutes, are amended to read:

113 163.356 Creation of community redevelopment agency.—

114 (1) Upon a finding of necessity as set forth in s.  
 115 163.355, and upon a further finding that there is a need for a  
 116 community redevelopment agency to function in the county or  
 117 municipality to carry out the community redevelopment purposes  
 118 of this part, any county or municipality may, by resolution,  
 119 petition the Legislature to create a public body corporate and  
 120 politic to be known as a "community redevelopment agency." A  
 121 ~~charter county having a population less than or equal to 1.6~~  
 122 ~~million may create, by a vote of at least a majority plus one of~~  
 123 ~~the entire governing body of the charter county, more than one~~  
 124 ~~community redevelopment agency.~~ Each such agency shall be  
 125 constituted as a public instrumentality, and the exercise by a

126 community redevelopment agency of the powers conferred by this  
 127 part shall be deemed and held to be the performance of an  
 128 essential public function. Community redevelopment agencies of a  
 129 county have the power to function within the corporate limits of  
 130 a municipality only as, if, and when the governing body of the  
 131 municipality has by resolution concurred in the community  
 132 redevelopment plan or plans proposed by the governing body of  
 133 the county.

134 (2) As of the creation date of a community redevelopment  
 135 agency, the governing ~~When the governing body adopts a~~  
 136 ~~resolution declaring the need for a community redevelopment~~  
 137 ~~agency,~~ that body shall, by ordinance, appoint a board of  
 138 commissioners of the community redevelopment agency, which shall  
 139 consist of not fewer than five or more than nine commissioners.  
 140 The terms of office of the commissioners shall be for 4 years,  
 141 except that three of the members first appointed shall be  
 142 designated to serve terms of 1, 2, and 3 years, respectively,  
 143 from the date of their appointments, and all other members shall  
 144 be designated to serve for terms of 4 years from the date of  
 145 their appointments. A vacancy occurring during a term shall be  
 146 filled for the unexpired term. As provided in an interlocal  
 147 agreement between the governing body that created the agency and  
 148 one or more taxing authorities, one or more members of the board  
 149 of commissioners of the agency may be representatives of a  
 150 taxing authority, including members of that taxing authority's

151 governing body, whose membership on the board of commissioners  
 152 of the agency would be considered an additional duty of office  
 153 as a member of the taxing authority governing body.

154 (3) (a) A commissioner shall receive no compensation for  
 155 services, but is entitled to the necessary expenses, including  
 156 travel expenses, incurred in the discharge of duties. Each  
 157 commissioner shall hold office until his or her successor has  
 158 been appointed and has qualified. A certificate of the  
 159 appointment or reappointment of any commissioner shall be filed  
 160 with the clerk of the county or municipality, and such  
 161 certificate is conclusive evidence of the due and proper  
 162 appointment of such commissioner.

163 (b) The powers of a community redevelopment agency shall  
 164 be exercised by the commissioners thereof. A majority of the  
 165 commissioners constitutes a quorum for the purpose of conducting  
 166 business and exercising the powers of the agency and for all  
 167 other purposes. Action may be taken by the agency upon a vote of  
 168 a majority of the commissioners present, unless in any case the  
 169 bylaws require a larger number. Any person may be appointed as  
 170 commissioner if he or she resides or is engaged in business,  
 171 which means owning a business, practicing a profession, or  
 172 performing a service for compensation, or serving as an officer  
 173 or director of a corporation or other business entity so  
 174 engaged, within the area of operation of the agency, which shall  
 175 be coterminous with the area of operation of the county or

176 municipality, and is otherwise eligible for such appointment  
 177 under this part.

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

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

198 (e) ~~(d)~~ At any time after the creation of a community  
 199 redevelopment agency, the governing body of the county or  
 200 municipality may appropriate to the agency such amounts as the

201 governing body deems necessary for the administrative expenses  
 202 and overhead of the agency, including the development and  
 203 implementation of community policing innovations.

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

206 163.367 Public officials, commissioners, and employees  
 207 subject to code of ethics.-

208 (1) (a) The officers, commissioners, and employees of a  
 209 community redevelopment agency created by, or designated  
 210 pursuant to, s. 163.356 or s. 163.357 are ~~shall be~~ subject to  
 211 the provisions and requirements of part III of chapter 112.

212 (b) Commissioners of a community redevelopment agency must  
 213 comply with the ethics training requirements in s. 112.3142.

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

216 163.370 Powers; counties and municipalities; community  
 217 redevelopment agencies.-

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

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

224 163.371 Reporting requirements.-

225 (1) Beginning March 31, 2019, and no later than March 31

226 of each year thereafter, a community redevelopment agency shall  
 227 file an annual report with the county or municipality that  
 228 created the agency and post the report on the agency's website.  
 229 At the time the report is filed and posted on the website, the  
 230 agency shall also publish in a newspaper of general circulation  
 231 in the community a notice that such report has been filed with  
 232 the county or municipality and that the report is available for  
 233 inspection during business hours in the office of the clerk of  
 234 the city or county commission, in the office of the agency, and  
 235 on the website of the agency. The report must include the  
 236 following information:

237 (a) The most recent audit report for the community  
 238 redevelopment agency prepared pursuant to s. 163.387(8).

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

242 1. Total number of projects started, total number of  
 243 projects completed, and estimated project cost for each project.

244 2. Total expenditures from the redevelopment trust fund.

245 3. Assessed real property values of property located  
 246 within the boundaries of the community redevelopment agency as  
 247 of the day the agency was created.

248 4. Total assessed real property values of property within  
 249 the boundaries of the community redevelopment agency as of  
 250 January 1 of the year being reported.

251        5. Earliest data available as of the date the agency was  
 252 created, providing total commercial property vacancy rates  
 253 within the community redevelopment agency.

254        6. Total commercial property vacancy rates within the  
 255 boundaries of the community redevelopment agency.

256        7. Assessed real property values for redeveloped  
 257 properties within the boundaries of the community redevelopment  
 258 agency as of January 1 of the year being reported.

259        8. Earliest data available as of the day the agency was  
 260 created, providing total housing vacancy rates within the  
 261 boundaries of the community redevelopment agency.

262        9. Total housing vacancy rates within the boundaries of  
 263 the community redevelopment agency.

264        10. Total number of code enforcement violations within the  
 265 boundaries of the community redevelopment agency.

266        11. Total amount expended for affordable housing for low  
 267 and middle income residents, if the community redevelopment  
 268 agency has affordable housing as part of its community  
 269 redevelopment plan.

270        12. Name of the sponsor or donor and total amount  
 271 sponsored or donated for sponsorships and donations that were  
 272 made to the community redevelopment agency.

273        13. Ratio of redevelopment funds to private funds expended  
 274 within the boundaries of the community redevelopment agency.

275        (2) By January 1, 2019, each community redevelopment

276 agency shall post on its website digital maps that depict the  
 277 geographic boundaries and total acreage of the community  
 278 redevelopment agency. If any change is made to the boundaries or  
 279 total acreage, the agency shall post updated map files on its  
 280 website within 60 days after the date such change takes effect.

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

283 163.3755 Termination of community redevelopment agencies;  
 284 prohibition on future creation.-

285 (1) A community redevelopment agency in existence on  
 286 October 1, 2018, shall terminate on the expiration date provided  
 287 in the agency's charter on October 1, 2018, or on September 30,  
 288 2038, whichever is earlier, unless the governing body of the  
 289 county or municipality that created the community redevelopment  
 290 agency approves its continued existence by a super majority  
 291 (majority plus one) vote of the members of the governing body.

292 (2) (a) If the governing body of the county or municipality  
 293 that created the community redevelopment agency does not approve  
 294 its continued existence by a super majority (majority plus one)  
 295 vote of the governing body members, a community redevelopment  
 296 agency with outstanding bonds as of October 1, 2018, that do not  
 297 mature until after the earlier of the termination date of the  
 298 agency or September 30, 2038, remains in existence until the  
 299 date the bonds mature.

300 (b) A community redevelopment agency operating under this

301 subsection on or after September 30, 2038, may not extend the  
 302 maturity date of any outstanding bonds.

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

307 (3) On or after October 1, 2018, a community redevelopment  
 308 agency may be created only by special act of the Legislature. A  
 309 community redevelopment agency in existence before October 1,  
 310 2018, may continue to operate as provided in this part.

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

313 163.3756 Inactive community redevelopment agencies.—

314 (1) The Legislature finds that a number of community  
 315 redevelopment agencies continue to exist but report no revenues,  
 316 no expenditures, and no outstanding debt in their annual reports  
 317 to the Department of Financial Services pursuant to s. 218.32.

318 (2)(a) A community redevelopment agency that has reported  
 319 no revenues, no expenditures, and no debt under s. 218.32 or s.  
 320 189.016(9), for 4 consecutive fiscal years beginning on October  
 321 1, 2014, shall be declared inactive by the Department of  
 322 Economic Opportunity. The department shall notify the agency of  
 323 the declaration of inactive status under this subsection. If the  
 324 agency has no board members or no agent, the notice of inactive  
 325 status must be delivered to the governing board or commission of

326 the county or municipality that created the agency.

327 (b) The governing board of a community redevelopment  
 328 agency declared inactive under this subsection may seek to  
 329 invalidate the declaration by initiating proceedings under s.  
 330 189.062(5) within 30 days after the date of the receipt of the  
 331 notice from the department.

332 (3) A community redevelopment agency declared inactive  
 333 under this section is authorized only to expend funds from the  
 334 redevelopment trust fund as necessary to service outstanding  
 335 bond debt. The agency may not expend other funds without an  
 336 ordinance of the governing body of the local government that  
 337 created the agency consenting to the expenditure of funds.

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

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

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

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

351           163.387   Redevelopment trust fund.—  
 352           (1) (a)   After approval of a community redevelopment plan,  
 353   there may be established for each community redevelopment agency  
 354   created under s. 163.356 a redevelopment trust fund. Funds  
 355   allocated to and deposited into this fund shall be used by the  
 356   agency to finance or refinance any community redevelopment it  
 357   undertakes pursuant to the approved community redevelopment  
 358   plan. No community redevelopment agency may receive or spend any  
 359   increment revenues pursuant to this section unless and until the  
 360   governing body has, by ordinance, created the trust fund and  
 361   provided for the funding of the redevelopment trust fund until  
 362   the time certain set forth in the community redevelopment plan  
 363   as required by s. 163.362(10). Such ordinance may be adopted  
 364   only after the governing body has approved a community  
 365   redevelopment plan. The annual funding of the redevelopment  
 366   trust fund shall be in an amount not less than that increment in  
 367   the income, proceeds, revenues, and funds of each taxing  
 368   authority derived from or held in connection with the  
 369   undertaking and carrying out of community redevelopment under  
 370   this part. Such increment shall be determined annually and shall  
 371   be that amount equal to 95 percent of the difference between:  
 372           1.   The amount of ad valorem taxes levied each year by each  
 373   taxing authority, exclusive of any amount from any debt service  
 374   millage, on taxable real property contained within the  
 375   geographic boundaries of a community redevelopment area; and

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

385  
 386 However, the governing body of ~~any county as defined in s.~~  
 387 ~~125.011(1)~~ may, in the ordinance providing for the funding of a  
 388 trust fund established with respect to any community  
 389 redevelopment area ~~created on or after July 1, 1994~~, determine  
 390 that the amount to be funded by each taxing authority annually  
 391 shall be less than 95 percent of the difference between  
 392 subparagraphs 1. and 2., but in no event shall such amount be  
 393 less than 50 percent of such difference.

394           (6) Beginning October 1, 2018, moneys in the redevelopment  
 395 trust fund may be expended ~~from time to time~~ for undertakings of  
 396 a community redevelopment agency as described in the community  
 397 redevelopment plan only pursuant to an annual budget adopted by  
 398 the board of commissioners of the community redevelopment agency  
 399 and only for the following purposes, ~~including, but not limited~~  
 400 ~~to:~~

401           (a) Except as provided in this subsection, a community  
 402 redevelopment agency shall comply with the requirements of s.  
 403 189.016.

404           (b) A community redevelopment agency created by a  
 405 municipality shall submit its operating budget to the board of  
 406 county commissioners for the county in which the agency is  
 407 located within 10 days after the adoption of such budget and  
 408 submit amendments of its operating budget to the board of county  
 409 commissioners within 10 days after the date the budget is  
 410 adopted. Administrative and overhead expenses necessary or  
 411 incidental to the implementation of a community redevelopment  
 412 plan adopted by the agency.

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

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

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

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

424           4. ~~(d)~~ The clearance and preparation of any redevelopment  
 425 area for redevelopment and relocation of site occupants within

HB 17

2018

426 or outside the community redevelopment area as provided in s.  
427 163.370.

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

431 ~~6.(f)~~ All expenses incidental to or connected with the  
432 issuance, sale, redemption, retirement, or purchase of bonds,  
433 bond anticipation notes, or other form of indebtedness,  
434 including funding of any reserve, redemption, or other fund or  
435 account provided for in the ordinance or resolution authorizing  
436 such bonds, notes, or other form of indebtedness.

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

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

440 9. Expenses that are necessary to exercise the powers  
441 approved under s. 163.370.

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

446 (d) Appropriated to a specific redevelopment project  
447 pursuant to an approved community redevelopment plan. The funds  
448 appropriated for such project may not be changed unless the  
449 project is amended, redesigned, or delayed, in which case the  
450 funds must be reappropriated pursuant to the next annual budget

451 adopted by the board of commissioners of the community  
 452 redevelopment agency which project will be completed within 3  
 453 years from the date of such appropriation.

454 (8) (a) Each community redevelopment agency with revenues  
 455 or a total of expenditures and expenses in excess of \$100,000,  
 456 as reported on the trust fund financial statements, shall  
 457 provide for a financial an audit of the trust fund each fiscal  
 458 year and a report of such audit shall to be prepared by an  
 459 independent certified public accountant or firm. Each financial  
 460 audit provided pursuant to this subsection shall be conducted in  
 461 accordance with rules for audits adopted by the Auditor General  
 462 which are in effect as of the last day of the community  
 463 redevelopment agency's fiscal year being audited.

464 (b) The audit ~~Such~~ report shall:

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

471 2. Include a complete financial statement identifying the  
 472 assets, liabilities, income, and operating expenses of the  
 473 community redevelopment agency as of the end of such fiscal  
 474 year.

475 3. Include a finding by the auditor determining whether

476 the community redevelopment agency complied with the  
 477 requirements of subsections (6) and (7).

478 (c) The audit report for the community redevelopment  
 479 agency shall be included with the annual financial report  
 480 submitted by the county or municipality that created the agency  
 481 to the Department of Financial Services as provided in s.  
 482 218.32, regardless of whether the agency reports separately  
 483 under s. 218.32.

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

486 Section 9. Subsection (4) is added to section 218.32,  
 487 Florida Statutes, to read:

488 218.32 Annual financial reports; local governmental  
 489 entities.-

490 (4) (a) A local governmental entity that does not include  
 491 with its annual financial report submitted to the department the  
 492 audit report required by s. 163.387(8) for each community  
 493 redevelopment agency created by the reporting entity shall be  
 494 deemed to have failed to submit an annual financial report. The  
 495 department shall report such failure to the Legislative Auditing  
 496 Committee and the Special District Accountability Program of the  
 497 Department of Economic Opportunity.

498 (b) By November 1 of each year, the department must  
 499 provide the Special District Accountability Program with a list  
 500 of each community redevelopment agency reporting no revenues, no

F L O R I D A H O U S E O F R E P R E S E N T A T I V E S

HB 17

2018

501 expenditures, and no debt for the community redevelopment  
502 agency's previous fiscal year.

503 Section 10. This act shall take effect October 1, 2018.

