

HOUSE OF REPRESENTATIVES STAFF ANALYSIS

BILL #: HB 1633 Rural Economic Development
SPONSOR(S): Stansel
TIED BILLS: **IDEN./SIM. BILLS:**

REFERENCE	ACTION	ANALYST	STAFF DIRECTOR
1) <u>Local Government & Veterans' Affairs</u>	_____	<u>Grayson</u>	<u>Highsmith-Smith</u>
2) <u>Transportation</u>	_____	_____	_____
3) <u>Commerce</u>	_____	_____	_____
4) <u>Finance & Tax</u>	_____	_____	_____
5) <u>Appropriations</u>	_____	_____	_____

SUMMARY ANALYSIS

This bill requires the cooperation between specific agencies to promote economic development in small counties with an emphasis on the development of interstate exchanges.

The bill requires a comprehensive interchange sector plan to be included in the traffic circulation element which includes future highway interchanges intersecting limited access facilities on the Florida Intrastate Highway System (FIHS).

The bill amends existing law to provide that the funds from the Rural Infrastructure Fund may be used for plan development; and that certain grant matching requirements may be met by the in kind services of agencies participating in a memorandum of agreement.

The bill requires OTTED, the Rural Economic Development Initiative, and agencies who are parties to the memorandum of agreement to work together in development of a master plan, the preparation and processing of permit applications, and the reduction in permit fees.

The bill creates a tourist-oriented directional sign program in counties with a population of 75,000 or less, to encourage and assist in rural economic development.

The fiscal impacts of this bill on the state and local budgets are indeterminate.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1633.lgv.doc
DATE: March 28, 2003

FULL ANALYSIS

I. SUBSTANTIVE ANALYSIS

A. DOES THE BILL:

- | | | | |
|--------------------------------------|------------------------------|-----------------------------|---|
| 1. Reduce government? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 2. Lower taxes? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 3. Expand individual freedom? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 4. Increase personal responsibility? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |
| 5. Empower families? | Yes <input type="checkbox"/> | No <input type="checkbox"/> | N/A <input checked="" type="checkbox"/> |

For any principle that received a "no" above, please explain:

B. EFFECT OF PROPOSED CHANGES:

According to the bill preamble statements, the intent of this bill is to stimulate rural, predominately agricultural, economies by providing greater opportunities for the development of interstate interchanges in these areas.

This bill requires the cooperation between a number of specific agencies to promote economic development in small counties with an emphasis on the development of interstate exchanges.

The bill requires a comprehensive interchange sector plan to be included in the traffic circulation element of local comprehensive plans which includes future highway interchanges intersecting limited access facilities on the Florida Intrastate Highway System (FIHS). Where the sector plan extends into more than one local jurisdiction, the local government with the largest amount of land within the sector will be responsible for coordinating the plan.

The bill provides that the sector plan prescribe the type and intensity of the land use and patterns, and include a comprehensive access management plan showing specific traffic features. The plan must conform to the State Highway System Access Management Act and its regulatory provisions, and subject to Florida Department of Transportation (FDOT) approval.

The bill provides that in rural communities, the sector plan consider:

- job creation, capital investment, and economic development to strengthen and diversify the community's economy;
- projected population growth with and in proximity to the sectors;
- utilities required to support the proposed land uses;
- stormwater management and treatment facilities; and other infrastructure needs specific to the interchange sector.

The bill requires the FDOT to consider, in conjunction with the state land planning agency and other entities, the compatibility of highway access to and from land uses within the sector. Additionally, in rural areas, FDOT shall coordinate with public and private agencies promoting economic development and job creation.

The bill requires the FDOT, at the request of the board of county commissioners or a municipality with a population of less than 75,000, to coordinate the development of a well-planned, environmentally sensitive development on the FIHS in those areas.

The bill amends existing law to provide that the funds from the Rural Infrastructure Fund may be used for plan development; and that certain grant matching requirements may be met by the in kind services

of agencies participating in a memorandum of agreement related to expedited permitting for economic development projects as authorized in s. 403.973, F.S.

The bill provides additional intent language to existing law relating to transportation corridors.

The bill requires OTTED, the Rural Economic Development Initiative, and the memorandum of agreement participating agencies to work together in development of a master plan, the preparation and processing of permit applications, and the reduction in permit fees

The bill creates a tourist-oriented directional sign program in counties with a population of 75,000 or less, to encourage and assist in rural economic development. FDOT is required to provide efficient and cost-effective service through department staff or through contract to businesses shall offset the costs to FDOT. The bill prohibits the creation of a proprietary or compensable interest for any business in the tourist-oriented directional signs.

Section 163.3177(6)(b), F.S.

Section 163.3177, F.S., addresses required and optional elements to be included in local comprehensive plans. Section 163.3177(6)(b), F.S., requires a traffic circulation element and states:

(6) In addition to the requirements of subsections (1)-(5), the comprehensive plan shall include the following elements:

(b) A traffic circulation element consisting of the types, locations, and extent of existing and proposed major thoroughfares and transportation routes, including bicycle and pedestrian ways. Transportation corridors, as defined in s. 334.03, may be designated in the traffic circulation element pursuant to s. 337.273. If the transportation corridors are designated, the local government may adopt a transportation corridor management ordinance.

Section 288.0655(2)(e), F.S.

Section 288.0655, F.S., relates to the Rural Infrastructure Fund, within the Office of Tourism, Trade, and Economic Development, to facilitate the planning, preparing, and financing of infrastructure projects in rural communities. Section 288.0655(2)(e), F.S., states:

(2)(e) To enable local governments to access the resources available pursuant to s. 403.973(18), the office may award grants for surveys, feasibility studies, and other activities related to the identification and preclearance review of land which is suitable for preclearance review. Authorized grants under this paragraph shall not exceed \$75,000 each, except in the case of a project in a rural area of critical economic concern, in which case the grant shall not exceed \$300,000. Any funds awarded under this paragraph must be matched at a level of 50 percent with local funds, except that any funds awarded for a project in a rural area of critical economic concern must be matched at a level of 33 percent with local funds. In evaluating applications under this paragraph, the office shall consider the extent to which the application seeks to minimize administrative and consultant expenses.

Section 337.273(7), F.S.

Section 337.273, F.S., addresses transportation corridors. This bill creates s. 337.273(7), F.S., to broaden the legislative intent statements to include highway interchanges.

C. SECTION DIRECTORY:

Section 1. Provides that specific state agencies cooperate to promote economic development in small counties with an emphasis on the development of interstate exchanges.

Section 2.

- Creates s. 163.3177(6)(b)2., F.S., to require the local comprehensive plan include in the traffic circulation element a comprehensive interchange sector plan for certain future highway interchanges; provides for a lead jurisdiction when such interchange extends into more than one local government jurisdiction; provides for prescription of type and intensity of land use and patterns in the plan; requires inclusion of a comprehensive access management plan; provides minimum criteria; provides for preserving Department of Transportation (DOT) jurisdiction over the State Highway System; provides for the consideration of certain issues in the sector plan.
- Creates s. 163.3177(10)(m) and (n), F.S., to require the DOT to consider highway access compatibility to and from land uses in the interchange sector plan; to require coordination with public and private agencies promoting economic development and job creation; to require DOT, upon the request of a board of county commissioners, or local municipality with a population of 75,000 or less, to coordinate all applicable parties to prepare a coordinated plan, which plan shall consider all existing permitting requirements.

Section 3. Amends s. 288.0655(2)(e), F.S., to provide that the funds from the Rural Infrastructure Fund may be used for plan development pursuant to s. 403.973(18), F.S. (related to expedited permitting for economic development projects); to provide that awarded funds must be matched at least 50 percent with governmental or private funds and in-kind resources by certain agencies; to provide that the local match is 33 percent in a rural area of critical economic concern; to provide that the Office of Tourism, Trade and Economic Development may consider the number of grants authorized for the facilitation of rural communities and rural areas of critical economic concern, and to facilitate timely response and to induce the location or expansion of specific job creating opportunities.

Section 4. Creates s. 337.273(7), F.S., to add an additional legislative intent finding to existing law relating to transportation corridors.

Section 5. Amends s. 403.973(18), F.S., requiring OTTED, the Rural Economic Development Initiative, and the memorandum of agreement participating agencies to work together in development of a master plan, the preparation and processing of permit applications, and the reduction in permit fees.

Section 6. Creates a tourist-oriented directional sign program.

Section 7. Provides an effective date of upon becoming law.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

Development in these areas will ultimately generate additional state revenues.

2. Expenditures:

The costs of the FDOT and other agencies in the coordinated planning activities required by this bill are indeterminate.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

Development in these areas will ultimately generate additional state revenues.

2. Expenditures:

Local expenses that will be incurred in pursuit of the sector plans and subsequent development are indeterminate.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

Development in these areas is intended to stimulate local rural and small county economies.

D. FISCAL COMMENTS:

None.

III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

The bill does not require a city or county to expend funds or to take any action requiring the expenditure of funds.

The bill does not reduce the authority that municipalities or counties have to raise revenues in the aggregate.

This bill does not reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill provides rulemaking authority to the FDOT regarding the tourist-oriented directional sign program.

C. DRAFTING ISSUES OR OTHER COMMENTS:

Drafting Issues

See Other Comments.

Other Comments

The Florida Department of Transportation has the following comments:

Based on FDOT's review of this language in the context of HB 1633, we suggest the following clarifications:

Lines 87 and 88: replace "intersecting limited access facilities" with "on". This will allow the bill to apply not only to limited access facilities but also to interchanges with controlled access facilities on the FIHS

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Lines 179: strike "public" to eliminate any confusion with "public transportation" which is generally interpreted as buses, trains, etc. The intent is to address management of all transportation facilities but typically roads and streets.

The FDOT supports the above referenced language and is prepared to comply with these changes should they be enacted into law.

For consistency and clarification purposes, the Department suggests the following:

Line 54: replace "exchanges" with "interchanges". The word "interchange" is the more widely accepted term.

Line 70: revise to read "emphasis on the planned development of interstate ~~exchanges~~ interchanges."

Lines 141 and 142: strike "on the Florida Intrastate Highway System". This will clarify That the intent is for the sector plans to address land development in the area defined for sector planning, not just on or adjacent to the FIHS facility.

Line 167: we believe the cite here should be s. 403.973 not s. 409.973.

Because DCA is the state land-planning agency, we suggest the following revisions:

Line.131: replace "Department of Transportation" with "Department of Community Affairs".

Line 135: replace "Department of Community Affairs" with "Department of Transportation".

Line 133: rewrite to read "with a population of less than 75,000, coordinate planning activities of all applicable."

Line 139: rewrite to read "'and the local landowners in the development of the comprehensive interchange sector plan. The parties shall prepare a".

The suggested change in planning coordination responsibility from FDOT to DCA is a substantive change, but one that the FDOT believes is appropriate. FDOT welcomes the opportunity to participate in this coordination effort and agrees that it is critical to the successful development of these sector plans. We feel, however, that the coordination should be led by the DCA.

The Department of Community Affairs (DCA) has no objection to the bill; however, the Department would recommend that the DCA be identified as the lead agency regarding all ch. 163, F.S. planning issues.¹

IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

The Sponsor intends to offer an amendment to address the comments of the Florida Department of Transportation.

¹ Sonny Timmerman, Director, Division of Community Planning, Department of Community Affairs, 4/15/03.