

The Florida Senate
BILL ANALYSIS AND FISCAL IMPACT STATEMENT

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

Prepared By: The Professional Staff of the Commerce Committee

BILL: SB 1706
 INTRODUCER: Senator Margolis
 SUBJECT: Developments of Regional Impact
 DATE: March 21, 2008 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Herrin	Yeatman	CA	Favorable
2.	Pugh	Cooper	CM	Favorable
3.			TR	
4.			HE	
5.				
6.				

I. Summary:

SB 1706 exempts certain developments that include an office or laboratory appropriate for the research and development of medical technology, biotechnology, or life science applications from development-of-regional impact (DRI) review if certain conditions are met.

This bill amends section 380.06 of the Florida Statutes.

II. Present Situation:

Florida's DRI regulations

The DRI program is a vehicle that provides state and regional review of local land-use decisions regarding large developments that, because of their character, magnitude, or location, would have a substantial effect on the health, safety, or welfare of the citizens of more than one county.¹

For those land uses that are subject to review, numerical thresholds determine whether a specific development is required to undergo DRI review and those thresholds are identified in s. 380.0651, F.S. Examples of the land uses for which guidelines are established include: airports; attractions and recreational facilities; industrial plants and industrial parks; office development; retail and service development; hotel or motel development; recreational vehicle development; multi-use development; residential development; workforce housing; and schools.

The DRI review process involves the regional review of proposed developments meeting the defined thresholds by the regional planning councils to determine the extent to which:

¹ Section 380.06(1), F.S.

- The development will have a favorable or unfavorable impact on state or regional resources or facilities identified in the applicable state or regional plans.
- The development will significantly impact adjacent jurisdictions.
- The development will favorably or adversely affect the ability of people to find adequate housing reasonably accessible to their places of employment.²

Percentage thresholds, as defined in s. 380.06(2)(d), F.S., are applied to the guidelines and standards. These fixed thresholds provide that if a development is below 100 percent of all numerical thresholds in the guidelines, the project is not required to undergo DRI review. If a development is at or above 120 percent of the thresholds, it is required to undergo DRI review. A rebuttable presumption is established whereby a development at 100 percent of a numerical threshold or between 100-120 percent of a numerical threshold is presumed to require DRI review. Certain projects that create 100 or more jobs are not subject to DRI review.

If there is a concern over whether a particular development is subject to DRI review, the developer may request a determination from the state land planning agency.³ The state land planning agency or the local government with jurisdiction over the site to be used for the proposed development may require a developer to obtain a binding letter of interpretation if the development is at a presumptive threshold or up to 20 percent above the established numerical threshold.⁴ Any other local government may petition the state land planning agency to require a binding letter of interpretation for a development located in an adjacent jurisdiction if the petition contains sufficient facts to find that the development as proposed constitutes a DRI.

Subsection (24) of s. 380.06, F.S., exempts a number of land uses from review through the DRI process. Those land uses include: hospitals; electrical transmission lines; certain sports facility complexes owned by state universities; certain sports facilities with a seating capacity of at least 50,000; certain parking facilities at sports facilities; certain port uses and port transportation facilities; petroleum storage facilities; renovation or redevelopment on the same parcel which does not change the land use or increase the density or intensity; water port and marina development, including dry storage; certain development within rural land stewardship areas; development or redevelopment within certain designated urban infill and redevelopment areas; establishment, relocation, or expansion of military installations; self-storage warehousing; nursing homes and assisted-living facilities; development in an airport master plan, campus master plan, or special area plan; and any development in a county with a research and education authority created by special act and that is also within a research and development park operated or managed by a research development authority under part V of ch. 159, F.S.

Economic development of the life sciences industry sector

Over the last 4 years, the state of Florida has made a substantial investment in building a biotechnology and life sciences industry here. In 2003, Florida awarded \$310 million to Scripps Research Institute, and has committed most of the \$450 million appropriated the last 2 fiscal years through its Innovation Incentive Grant Program to five research and development (R&D)

² Section 380.061(12)(a), F.S.

³ Section 380.06(4)(a), F.S.

⁴ Section 380.06(4)(b), F.S.

entities. Additionally, the local governments in the counties where these institutes have located have, at the very least, matched the state contributions.

Recent Investment in Life Sciences R&D Institutes
Current as of March 2008

Entity	State \$	Local \$	Eventual # of Jobs
Scripps Research Institute	\$310 m	> \$200 m	545
Burnham Research Institute	\$155.255m	\$155.5 m	303
Torrey Pines Institute for Molecular Studies	\$24.7 m	\$71.5 m	189
Stanford Research Institute	\$20 m	> \$30 m	160
University of Miami/Institute of Human Genomics	\$80 m	at least \$100 m	296
Max Planck Institute	\$93 m	> \$86.9 m	Under negotiation

Source: Office of Tourism, Trade and Economic Development and reports from the entities.

The Miami Bioscience Center⁵

The University of Miami has proposed a Miami Bioscience Center, to be located on three blocks between NW 17th Street and NW 20th Street and between NW 7th Avenue and I-95, as a research laboratory and economic catalyst for creating a bio-tech cluster.

At 1.4 million square feet of research, teaching, and associated supporting spaces, the center will be three times as large as the Scripps Research Institute, now under construction in Palm Beach County. More than 900,000 square feet will be devoted to laboratory space, with the remainder to be used for educational and research support purposes.

An economic analysis of the project indicates that 16,872 jobs will be created during the project’s construction; \$1.4 billion of economic output will be generated during construction; the Miami Biosciences Center operations will create 3,172 permanent jobs and generate \$253 million in economic output created each year; and may act as a catalyst in creating 50 life sciences or bio-technology spin-offs during the first 20 years of its operations.

III. Effect of Proposed Changes:

Section 1 amends s. 380.06(24), F.S., to exempt certain development from review as a DRI if one of at least two proposed land uses within the development is for an office or laboratory appropriate for the research and development of medical technology, biotechnology, or life science applications. The development must also satisfy the following:

- The development must be located within a county having a population greater than 1.5 million.
- The land is located in a designated urban infill area or the local government adopts a

⁵ Information for this section is taken from the report, “The Economic Impact of the University of Miami’s Proposed Miami Bioscience Center.” The Washington Economics Group. August 2006. On file with the Senate Commerce Committee.

- resolution recognizing the land is located in a compact, high-intensity, and high density multi-use area.
- The land is located within three-fourths of one mile from one or more bus or light rail transit stops.
 - The development is registered with the United States Green Building Council and there is an intent to apply for certification of each building under the Leadership in Energy and Environmental Design program, or the development is registered by an alternate green building rating system that the local government approves by resolution.

One proposed life sciences project that may be able to take advantage of the DRI exemption is the planned Miami Bioscience Center.

SB 1706 takes effect July 1, 2008.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

Article III, s. 10 of the Florida Constitution, allows passage of a special law only if notice has been published according to general law or the special law becomes effective upon approval of the voters in the affected area. Further, Article III, s. 11 of the Florida Constitution, provides that in the enactment of general laws, political subdivisions or other governmental entities may only be classified on a basis that is reasonably related to the subject of the law. A law that operates uniformly within a permissible classification is a general law and the Legislature has wide discretion in establishing statutory classification schemes.⁶ A legislative enactment is a general law if:

- The classification scheme is open so that other localities could fall within the classification system; and
- The classification bears a reasonable nexus to the subject matter and public

⁶ See *City of Miami v. McGrath*, 824 So. 2d 143, 148 (Fla. 2002), citing *State ex rel. Landis v. Harris*, 163 So. 237 (Fla. 1934) and *Shelton v. Reeder*, 121 So. 2d 145 (Fla. 1960), respectively.

purpose to be served, is based on differences that are peculiar to the class, and is not arbitrary.⁷

V. Fiscal Impact Statement:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

SB 1706 exempts certain development from review as a DRI, which can be a lengthy process and, thus, it should result in a cost savings to the developer.

C. Government Sector Impact:

None.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Additional Information:

A. Committee Substitute – Statement of Substantial Changes:

(Summarizing differences between the Committee Substitute and the prior version of the bill.)

None.

B. Amendments:

None.

This Senate Bill Analysis does not reflect the intent or official position of the bill's introducer or the Florida Senate.

⁷ Lewis v. Mathis, 345 So. 2d 1066, 1068 (Fla. 1977).