1 A bill to be entitled 2 An act relating to private property rights protection; 3 amending s. 70.001, F.S.; revising legislative intent; revising notice of claim requirements for property 4 5 owners; revising procedures for determination of 6 compensation; requiring that certain settlements of 7 claims apply to all similarly situated residential 8 properties within a political subdivision under 9 certain circumstances; authorizing property owners to 10 bring claims against governmental entities in certain 11 circumstances; providing that property owners are not 12 required to submit formal development applications or proceed through formal application processes to bring 13 14 such claims; amending s. 70.45, F.S.; providing a definition; authorizing property owners to bring 15 actions to declare prohibited exactions invalid; 16 17 providing an effective date. 18 19 Be It Enacted by the Legislature of the State of Florida: 20 21 Section 1. Subsections (1), (4), (5), (6), and (11) of section 70.001, Florida Statutes, are amended to read: 22

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This act may be cited as the "Bert J. Harris, Jr.,

70.001 Private property rights protection.-

Private Property Rights Protection Act." The Legislature

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recognizes that some laws, regulations, and ordinances of the state and political entities in the state, as applied, may inordinately burden, restrict, or limit private property rights without amounting to a taking under the State Constitution or the United States Constitution. The Legislature determines that there is an important state interest in protecting the interests of private property owners from such inordinate burdens. The Legislature further recognizes that it is in the public interest to ensure that all similarly situated residential properties are subject to the same rules and regulations. Therefore, it is the intent of the Legislature that, as a separate and distinct cause of action from the law of takings, the Legislature herein provides for relief, or payment of compensation, when a new law, rule, regulation, or ordinance of the state or a political entity in the state, as applied, unfairly affects real property. Not less than 90 <del>150</del> days before <del>prior to</del> filing an action under this section against a governmental entity, a property owner who seeks compensation under this section must present the claim in writing to the head of the governmental entity, except that if the property is classified as agricultural pursuant to s. 193.461, the notice period is 90 days. The property owner must submit, along with the claim, a bona fide, valid appraisal that supports the claim and

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demonstrates the loss in fair market value to the real property.

If the action of government is the culmination of a process that

involves more than one governmental entity, or if a complete resolution of all relevant issues, in the view of the property owner or in the view of a governmental entity to whom a claim is presented, requires the active participation of more than one governmental entity, the property owner shall present the claim as provided in this section to each of the governmental entities.

- (b) The governmental entity shall provide written notice of the claim to all parties to any administrative action that gave rise to the claim, and to owners of real property contiguous to the owner's property at the addresses listed on the most recent county tax rolls. Within 15 days after the claim is presented, the governmental entity shall report the claim in writing to the Department of Legal Affairs, and shall provide the department with the name, address, and telephone number of the employee of the governmental entity from whom additional information may be obtained about the claim during the pendency of the claim and any subsequent judicial action.
- (c) During the 90-day-notice period or the 150-day-notice period, unless extended by agreement of the parties, the governmental entity shall make a written settlement offer to effectuate:
- 1. An adjustment of land development or permit standards or other provisions controlling the development or use of land.
  - 2. Increases or modifications in the density, intensity,

76 or use of areas of development.

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- 3. The transfer of developmental rights.
- 4. Land swaps or exchanges.
- 5. Mitigation, including payments in lieu of onsite mitigation.
- 6. Location on the least sensitive portion of the property.
- 7. Conditioning the amount of development or use permitted.
- 8. A requirement that issues be addressed on a more comprehensive basis than a single proposed use or development.
- 9. Issuance of the development order, a variance,  $\underline{a}$  special exception, or any other extraordinary relief.
- 10. Purchase of the real property, or an interest therein, by an appropriate governmental entity or payment of compensation.
  - 11. No changes to the action of the governmental entity.

If the property owner accepts a settlement offer, either before or after filing an action, the governmental entity may implement the settlement offer by appropriate development agreement; by issuing a variance, a special exception, or any other extraordinary relief; or by any other appropriate method, subject to paragraphs paragraph (d) and (e).

(d) When the claim involves one or more residential

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properties and is brought as a result of the enactment, or proposed enactment, of a political subdivision's regulation or ordinance that applies to residential property, any settlement offer that includes a modification or variance to the regulation or ordinance shall apply to all similarly situated residential properties within the political subdivision.

- (e)1.(d)1. When a governmental entity enters into a settlement agreement under this section which would have the effect of a modification, variance, or a special exception to the application of a rule, regulation, or ordinance as it would otherwise apply to the subject real property, the relief granted shall protect the public interest served by the regulations at issue and be the appropriate relief necessary to prevent the governmental regulatory effort from inordinately burdening the real property. Settlement offers made pursuant to paragraph (c) shall be presumed to protect the public interest.
- 2. When a governmental entity enters into a settlement agreement under this section which would have the effect of contravening the application of a statute as it would otherwise apply to the subject real property, the governmental entity and the property owner shall jointly file an action in the circuit court where the real property is located for approval of the settlement agreement by the court to ensure that the relief granted protects the public interest served by the statute at issue and is the appropriate relief necessary to prevent the

governmental regulatory effort from inordinately burdening the real property.

This paragraph applies to any settlement reached between a property owner and a governmental entity regardless of when the settlement agreement was entered so long as the agreement fully resolves all claims asserted under this section.

- notice period, unless a settlement offer is accepted by the property owner, each of the governmental entities provided notice pursuant to subsection (4) paragraph (4)(a) shall issue a written statement of allowable uses identifying the allowable uses to which the subject property may be put. The failure of the governmental entity to issue a statement of allowable uses during the applicable 90-day-notice period or 150-day-notice period shall be deemed a denial for purposes of allowing a property owner to file an action in the circuit court under this section. If a written statement of allowable uses is issued, it constitutes the last prerequisite to judicial review for the purposes of the judicial proceeding created by this section, notwithstanding the availability of other administrative remedies.
- (b) If the property owner rejects the settlement offer and the statement of allowable uses of the governmental entity or entities, the property owner may file a claim for compensation

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in the circuit court, a copy of which shall be served contemporaneously on the head of each of the governmental entities that made a settlement offer and a statement of allowable uses that was rejected by the property owner. Actions under this section shall be brought only in the county where the real property is located.

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(6)(a) The circuit court shall determine whether an existing use of the real property or a vested right to a specific use of the real property existed and, if so, whether, considering the settlement offer and statement of allowable uses, the governmental entity or entities have inordinately burdened the real property. If the actions of more than one governmental entity, considering any settlement offers and statement of allowable uses, are responsible for the action that imposed the inordinate burden on the real property of the property owner, the court shall determine the percentage of responsibility each such governmental entity bears with respect to the inordinate burden. A governmental entity may take an interlocutory appeal of the court's determination that the action of the governmental entity has resulted in an inordinate burden. An interlocutory appeal does not automatically stay the proceedings; however, the court may stay the proceedings during the pendency of the interlocutory appeal. If the governmental entity does not prevail in the interlocutory appeal, the court shall award to the prevailing property owner the costs and a

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reasonable attorney fee incurred by the property owner in the interlocutory appeal.

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(b) Following its determination of the percentage of responsibility of each governmental entity, and following the resolution of any interlocutory appeal, the court shall impanel a jury to determine the total amount of compensation to the property owner for the loss in value due to the inordinate burden to the real property. The property owner retains the option to forego a jury and elect to have the court determine the compensation. The award of compensation shall be determined by calculating the difference in the fair market value of the real property, as it existed at the time of the governmental action at issue, as though the owner had the ability to attain the reasonable investment-backed expectation or was not left with uses that are unreasonable, whichever the case may be, and the fair market value of the real property, as it existed at the time of the governmental action at issue, as inordinately burdened, considering the settlement offer together with the statement of allowable uses, of the governmental entity or entities. In determining the award of compensation, consideration may not be given to business damages relative to any development, activity, or use that the action of the governmental entity or entities, considering the settlement offer together with the statement of allowable uses has restricted, limited, or prohibited. The award of compensation

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shall include a reasonable award of prejudgment interest from the date the claim was presented to the governmental entity or entities as provided in subsection (4).

- c) When the claim involves one or more residential properties and is brought as a result of the enactment, or proposed enactment, of a political subdivision's regulation or ordinance that applies to residential property, if the court finds that a modification or variance is the appropriate remedy, that finding shall apply to all similarly situated residential properties within the political subdivision.
- (d)1.(e)1. In any action filed pursuant to this section, the property owner is entitled to recover reasonable costs and attorney fees incurred by the property owner, from the governmental entity or entities, according to their proportionate share as determined by the court, from the date of the claim with the governmental entity pursuant to paragraph (4)(a) filing of the circuit court action, if the property owner prevails in the action and the court determines that the settlement offer, including the statement of allowable uses, of the governmental entity or entities did not constitute a bona fide offer to the property owner which reasonably would have resolved the claim, based upon the knowledge available to the governmental entity or entities and the property owner during the 90-day-notice period or the 150-day-notice period.

2. In any action filed pursuant to this section, the

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governmental entity or entities are entitled to recover reasonable costs and attorney fees incurred by the governmental entity or entities from the date of the filing of the circuit court action, if the governmental entity or entities prevail in the action and the court determines that the property owner did not accept a bona fide settlement offer, including the statement of allowable uses, which reasonably would have resolved the claim fairly to the property owner if the settlement offer had been accepted by the property owner, based upon the knowledge available to the governmental entity or entities and the property owner during the 90-day-notice period or the 150-day-notice period.

2.3. The determination of total reasonable costs and attorney fees pursuant to this paragraph shall be made by the court and not by the jury. Any proposed settlement offer or any proposed decision, except for the final written settlement offer or the final written statement of allowable uses, and any negotiations or rejections in regard to the formulation either of the settlement offer or the statement of allowable uses, are inadmissible in the subsequent proceeding established by this section except for the purposes of the determination pursuant to this paragraph.

(e) (d) Within 15 days after the execution of any settlement pursuant to this section, or the issuance of any judgment pursuant to this section, the governmental entity shall

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provide a copy of the settlement or judgment to the Department of Legal Affairs.

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- (11) A cause of action may not be commenced under this section if the claim is presented more than 1 year after a law or regulation is first applied by the governmental entity to the property at issue.
- (a) For purposes of determining when this 1-year claim period accrues:
- 1.a. A law or regulation is first applied upon enactment and notice as provided for in this sub-subparagraph subparagraph if the impact of the law or regulation on the real property is clear and unequivocal in its terms and notice is provided by mail to the affected property owner or registered agent at the address referenced in the jurisdiction's most current ad valorem tax records. The fact that the law or regulation could be modified, varied, or altered under any other process or procedure does not preclude the impact of the law or regulation on a property from being clear or unequivocal pursuant to this sub-subparagraph subparagraph. Any notice under this subsubparagraph shall be provided after the enactment of the law or regulation and shall inform the property owner or registered agent that the law or regulation may impact the property owner's existing property rights and that the property owner may have only 1 year from receipt of the notice to pursue any rights established under this section.

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b. If the notice required in sub-subparagraph a. is not
provided to the property owner, the property owner may bring a
claim against the governmental entity after the enactment of the
law or regulation if the impact of the law or regulation on the
real property is clear and unequivocal in its terms. In such
cases, the property owner is not required to submit a formal
application for development or proceed through formal
application processes if such actions would be futile and a
waste of resources.

- 2. Otherwise, the law or regulation is first applied to the property when there is a formal denial of a written request for development or variance.
- Section 2. Paragraphs (c) through (e) of subsection (1) of section 70.45, Florida Statutes, are redesignated as paragraphs (d) through (f), respectively, a new paragraph (c) is added to that subsection, and subsections (2), (4), and (5) of that section are amended, to read:
  - 70.45 Governmental exactions.-

- (1) As used in this section, the term:
- (c) "Imposition" or "imposed" means the time at which the property owner must comply with the prohibited exaction or condition of approval.
- (2) In addition to other remedies available in law or equity, a property owner may bring an action in a court of competent jurisdiction under this section to declare a

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prohibited exaction invalid and recover damages caused by a prohibited exaction. Such action may not be brought until a prohibited exaction is actually imposed or required in writing as a final condition of approval for the requested use of real property. The right to bring an action under this section may not be waived. This section does not apply to impact fees adopted under s. 163.31801 or non-ad valorem assessments as defined in s. 197.3632.

- (4) For each claim filed under this section, the governmental entity has the burden of proving that the <a href="mailto:challenged">challenged</a> exaction has an essential nexus to a legitimate public purpose and is roughly proportionate to the impacts of the proposed use that the governmental entity is seeking to avoid, minimize, or mitigate. The property owner has the burden of proving damages that result from a prohibited exaction.
- (5) The court may award attorney fees and costs to the prevailing party; however, if the court determines that the challenged exaction which is the subject of the claim lacks an essential nexus to a legitimate public purpose, the court shall award attorney fees and costs to the property owner.
  - Section 3. This act shall take effect July 1, 2019.

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