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COMMUNITY REDEVELOPMENT IN FLORIDA: A Public/Private Partnership

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I. INTRODUCTION

The term "public/private partnership" describes the new relationship between state and local governments and the private sector in the redevelopment of downtown areas.[1] Traditionally, the public sector was involved in development through the urban renewal process.[2] In the 1970s, rapid growth in urban areas forced local governments to expand their roles to be regulators of growth.[3] In this decade, the impact of the Reagan administration's budget cuts, the reduction in the availability of federal grants and loan programs, and state tax and expenditure limitations have changed the role of state and local government in community redevelopment from "regulator and passive enforcer of codes to that of partner with private sector entities."[4]

Various methods employed by the government are indicative of the levels of government involvement in public/private partnerships. Under the traditional approach, the government serves as a passive facilitator of private investment.[5] When government assumes a traditional role in redevelopment its involvement is limited to the use of eminent domain, lease purchase agreements, tax abatements, deregulation, subsidized public services and writedowns.[6] Under the intermediate

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1. *See generally* Freilich and Nichols, *Public/Private Partnerships in Joint Development: The Legal and Financial Anatomy of Large-Scale Urban Development Projects*, INST. ON PLAN., ZONING & EMINENT DOMAIN (1986); Mandelker, *Public Entrepreneurship: A Legal Primer*, 15 REAL EST. L.J. 3 (1986).

2. Freilich, *supra* note 1, at 1-3.

3. Freilich, *supra* note 1, at 1-2 - 1-3.

4. Freilich, *supra* note 1, at 1-4.

5. Freilich, *supra* note 1, at 1-3, 1-6.

6. For an in-depth discussion of these and other less intensive methods of government involvement, see Lawrence, *Constitutional Limitations on Government Participation in Downtown Development Projects*, 35 VAND. L. REV. 277, 305-320 (1982); Davidson, *Tax-Related Development Strategies for Local Government*, 13 REAL ESTATE L.J. 121, 123-128 (1984); Note, *Problems with State Aid to New and Expanding Business*, 58 S. CAL. L. REV. 1019 (1985).

approach, state and local governments assume greater control over the redevelopment process. They select specific areas for redevelopment and establish continuing programs in those areas. Enterprise zones, bond financing, and tax increment financing are some of the methods used in this approach.[7] The third approach to public/private partnerships involves the greatest level of public control over redevelopment projects—direct participation and ownership. Quasi-public equity financing programs,[8] partnership agreements between public and private entities,[9] and public authorities[10] are included in this category.

Florida's approach to redevelopment incorporates a combination of the traditional, intermediate and direct participation methods. Florida legislation designed to encourage public/private partnerships for redevelopment includes: downtown development authorities,[11] the Main Street Program,[12] the Community Redevelopment Act of 1969,[13] the Florida Enterprise Zone Act,[14] the Safe Neighborhoods Act,[15] the Community Development Corporation Support and Assistance Program,[16] and the Florida Black Business Investment Board.[17] The purpose of this article is to examine Florida's legislation on public/private partnerships for redevelopment. The impact of the Tax Reform Act of 1986[18] on Florida's redevelopment legislation will also be discussed.

II. DOWNTOWN DEVELOPMENT AUTHORITIES

Downtown development authorities illustrate the traditional approach to public/private partnerships in redevelopment. Created by special act,[19] downtown development authorities are established to

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7. *See* Davidson, *Tax-Related Development Strategies for Local Government*, 13 REAL EST. L.J. 121 (1984).

8. Freilich, *supra* note 1, at 1-6.

9. Freilich, *supra* note 1, at 1-7.

10. For a complete discussion of public authorities, see FOSLER & BERGER, PUBLIC/PRIVATE PARTNERSHIP IN AMERICAN CITIES (1982); GITAJN, CREATING AND FINANCING PUBLIC ENTERPRISES (1982); HENREQUES, THE MACHINERY OF GREED (1986); WALSH, THE PUBLIC'S BUSINESS (1978).

11. Downtown development authorities are created by special acts. Interview with Ann D. Jenkins, Florida League of Cities (Mar. 11, 1988) [hereinafter Jenkins interview].

12. The Main Street Program was created by the Bureau of Historic Preservation, Division of Historic Resources, Florida Department of State, pursuant to section 267.031(3), Florida Statutes.

13. FLA. STAT. §§ 163.30-.450 (1987).

14. FLA. STAT. §§ 290.001-.015 (1987).

15. FLA. STAT. §§ 163.501-.522 (1987).

16. FLA. STAT. §§ 290.0301-.038 (1987).

17. FLA. STAT. §§ 288.707-.714 (1987).

18. Pub. L. No. 99-514, 100 Stat. 2085 (1986).

19. At one time downtown development authorities were also established by local ordinances, but this is now prohibited. Jenkins interview, *supra* note 11.

prevent further deterioration in and promote development of central business districts.[20] The board of commissioners (board), usually five to seven members, is elected by residents of the district where the downtown development authority is situated. The board may adopt annual budgets; prepare analyses of economic conditions and changes in downtown areas; formulate immediate and long range development and improvement programs for downtown areas; participate actively in the planning of downtowns; assume the custody of public property; and acquire, finance, construct, improve, maintain, lease, sell or operate redevelopment projects.[21] Ad valorem taxes pursuant to local referendum, and revenue bonds provide funding for these redevelopment projects.[22]

Due to their local nature, downtown development authorities are difficult to evaluate. They have commonly been substituted with more active methods of government participation in redevelopment. For example, some have been dissolved and replaced with community redevelopment agencies, while others have become community redevelopment agencies.[23] However, some communities have chosen to maintain downtown development authorities as separate entities.[24]

III. MAIN STREET PROGRAM

The Main Street Program[25] creates an impetus for redevelopment in Florida's small communities using a traditional comprehensive ap-

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20. *Id.* The state legislature is weary of the tax consequences tied to establishing downtown development authorities, and as a result, the last downtown development authority was established in 1977. *Id.* Downtown development authorities have been established in Bradenton, Clearwater, Daytona Beach, Delray Beach, Fort Lauderdale, Gilchrest, Jacksonville, Kissimmee, Lakeland, Lake Worth, Miami, Ocala, Orlando, Panama City, Pensacola, St. Petersburg, Tallahassee, Tampa, and West Palm Beach. *Id.* (Ann Jenkins, Executive Assistant of the Florida League of Cities, has prepared an unpublished data table from which this information was derived.)

21. *Id.* For examples of these powers, see ch. 72-592, § 7, 1972 Fla. Laws 606, 611; ch. 72-520, § 5, 1972 Fla. Laws 303, 308; ch. 69-1056, § 7, 1969 Fla. Laws 1006-1020; ch. 67-2170, § 6, 1967 Fla. Laws 4680, 4685; ch. 67-1385, § 7, 1967 Fla. Laws 1648, 1650; § 7, ch. 65-1090, § 8, 1965 Fla. Laws 691, 696; ch. 65-1541, § 7, 1965 Fla. Laws 1278, 1281; ch. 65-1979, § 3, 1965 Fla. Laws 2678, 2680.

22. Staff of Fla. S. Comm. on Econ., Comm'y & Cons. Affairs, SB 497 (1986) Staff Analysis 1 (May 2, 1986) (on file with committee). Downtown Development authorities may be dependent or independent. Dependent authorities must have their budgets approved by the governing board of the city or municipality and are subject to the 10 mill cap placed on ad valorem millage for municipal purposes by article VII, section (9)(b) of the Florida Constitution. Independent downtown development authorities, however, are special districts whose budget is established independent of any local government. "Independent special district millage may not be levied in excess of the limit set by law and approved by the voters." *Id.*

23. *See infra* notes 44-106 and accompanying text.

24. Jenkins interview, *supra* note 11.

25. Marshall Swenson, the Florida Main Street Coordinator, Bureau of Historic Preserva-

proach. Initiated in 1985 and administered by the Bureau of Historic Preservation of the Florida Department of State, the Main Street Program is a technical assistance program for older cities encouraging economic development of downtown commercial districts through historic preservation.[26] Currently, eighteen Florida Main Street Downtowns exist and three more will be selected for 1989.[27] During the first year each Main Street city is eligible for a $10,000 Main Street incentive grant.[28] Selected municipalities receive services from the Bureau of Historic Preservation for up to three years.[29]

The goals of the Main Street Program are to build a positive image for the community, create job opportunities, save tax dollars and preserve the community's historic resources.[30] To achieve these goals Main Street focuses on organization, promotion, historic renovation and economic development.[31]

The program assists in organizing partnerships between public and private sector community leaders to coordinate resources for revitalizing downtown areas. Local merchants, bankers, chambers of commerce and civic groups are brought together to improve historic downtown areas under this program. Realtors, historic societies and private property owners also coordinate and fund redevelopment.[32]

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tion, Division of Historical Resources, Department of State, has developed a set of draft proposed rules which are indicative of the policies implemented in the Main Street Program. These draft proposed rules are the reference by which the provisions of the program are discussed in this section [hereinafter Draft proposed rule 1A-36]. A copy of these draft proposed rules can be obtained at the Department of State, Division of Historical Resources, R.A. Gray Building, 500 South Bronough Street, Tallahassee, Florida 32399-0250. Specific authority for the establishment of the Main Street Program is derived from section 267.031(3), Florida Statutes. The Florida Historical Resources Act, section 267.0617, Florida Statutes, was implemented to form the Main Street Program.

26. Draft proposed rule 1A-36.001, *supra* note 25.

27. Florida Main Street Downtowns include: the 1985 cities of Arcadia, Deland, Ocala, Panama City and Plant City; the 1986 cities of Bartow, Chipley, Lake Worth, Sebring and Tarpon Springs; the 1987 cities of Dade City, Lake Wales, Miami Shores, Quincy and Stuart; and, the 1988 cities of Avon Park, Fort Pierce and Venice, Florida. Bureau of Historic Preservation, Florida Department of State, *Florida Main Street Update*, FLORIDA PRESERVATION NEWS (Nov./Dec. 1988).

28. Draft proposed rule 1A-36.007(2), *supra* note 25.

The five cities selected in 1985 have completed the state's on-site technical assistance and have opted to continue to participate in other aspects of the program. Bureau of Historic Preservation, Dep't. of State, *Florida Main Street Update*, FLORIDA PRESERVATION NEWS (Jan./Feb. 1988).

29. Draft proposed rule IA-36.007(3), *supra* note 25.

30. Interview with Marshall E. Swenson, Florida Main Street Coordinator, Bureau of Historic Preservation, Division of Historic Resources, Florida Department of State (March 11, 1988) [hereinafter Swenson interview].

31. Draft proposed rule 1A-36.002(12), *supra* note 25.

32. Swenson interview, *supra* note 30.

The Main Street Program also promotes a positive image of the downtown area through special events, retail sales, effective advertising and public relations. Main Street emphasizes the visual aspects of the downtown area by encouraging quality building rehabilitation, signage, public improvements, window displays and landscape. To improve and diversify the economic bases of communities, Main Street cities recruit new stores and work to tailor businesses to the demands of the local market, providing a balanced retail mix.[33] For self-help, the Florida Main Street Program offers manager training, consultant team visits, technical design assistance, as well as the benefit of a network of other state Main Street Programs.[34]

The ad hoc Florida Main Street Advisory Committee[35] annually reviews applications and recommends up to five recipient municipalities[36] for the Main Street Downtown Program.[37] Areas designated for relief under the Main Street Program must be incorporated municipalities with a population between 5,000 and 50,000.[38] In analyzing applications, the degree of public/private involvement, organizational readiness, the need and potential for change in the downtown area, and general historical characteristics of the downtown area are assessed.[39] The applicant must organize a group to administer and manage the local Main Street Program. This group must be either the governing body of a municipality, a local non-profit corporation, a community redevelopment agency, or a downtown development authority.[40]

The success of the Main Street Program has been substantial. Reinvestment produced by Main Street Programs has resulted in the crea-

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33. *Id.*

34. *Id.*

35. Draft proposed rule 1A-36.005(2)(a)-(g), provides:

> [T]he committee shall consist of a chairperson and [] seven to nine members, with one member representing . . . (a) the Florida Division of Historical Resources, Bureau of Historic Preservation; (b) Florida Department of Commerce; (c) Florida Department of Community Affairs; (d) Florida Downtown Development Association; (e) Florida League of Cities; (f) Florida Trust for Historic Preservation; and (g) [u]p to three additional representatives from other organizations and agencies with interest and expertise in issues relating to downtown revitalization and historic preservation.

Draft proposed rule IA-36.005(2)(a)-(g), *supra* note 25.

36. Recommendations are submitted to the Secretary of State of the State of Florida. Draft proposed rule 1A-36.002(16), *supra* note 25.

37. Draft proposed rule IA-36.005(1), *supra* note 25.

38. Draft proposed rule 1A-36.003(1), *supra* note 25. To qualify for the program, "the applicant must [also] provide verification of a commitment to employ a full-time Manager . . . ." and "verification of full first year funding . . . ." Draft proposed rule 1A-36.003(3)-(4), *supra* note 25.

39. Draft proposed rule 1A-36.006(5)(a)-(d), *supra* note 25.

40. Draft proposed rule 1A-36.003(2), *supra* note 25.

tion of 1017 jobs, the investment of $75,884,630 into 693 projects, and the relocation, expansion, or establishment of 351 businesses.[41] An apparent weakness in this program is its limited scope and the uncertainty of continuing appropriations.[42] Local Main Street programs are difficult to implement as a large amount of their success depends on the cooperation provided by the community. The program is aimed at teaching the community how to solve its economic problems, therefore, the community must make an effort to carry those aspects of the program initiated by local Main Street advisors to become economically self sufficient. Some local Main Street programs have not been successful because of a lack of necessary cooperation in the community.[43]

IV. THE COMMUNITY REDEVELOPMENT ACT OF 1969

The Community Redevelopment Act of 1969[44] (Redevelopment Act) was created to prevent and remedy deterioration of local communities in Florida.[45] Similar to the special acts and local ordinances which cre-

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41. Bureau of Historic Preservation, Department of State, *Florida Main Street Update*, FLORIDA PRESERVATION NEWS (Jan./Feb. 1989).

42. Swenson interview, *supra* note 30. Mr. Swenson indicated that because specific funds are not directly appropriated to the Main Street Program, State budget cuts can result in overall cuts in the Main Street Program. *Id.*

43. *Id.*

44. FLA. STAT. §§ 163.330-.450 (1987).

45. Id. § 163.335(1). "The first community redevelopment plan implemented under the act was prepared by Miami Beach Redevelopment Agency in 1977 and approved by the Dade County Commission in January, 1978." Comment, *The Community Redevelopment Act of 1969: A Historical Perspective with Commentary on the 1984 Amendments*, 14 STETSON L. REV. 623, 624 (1985). Due to the lack of a central registration organization, the exact number of community redevelopment agencies is difficult to determine. Jenkins interview, *supra* note 11. The Downtown Development Association has identified the following community redevelopment agencies: Alachua CRA, Altamonte Springs CRA, Boca Raton CRA, Boynton Beach CRA, Bradenton CRA, Broward County CRA, Cape Coral CRA, Clearwater CRA, Cocoa CRA, Crestview CRA, Dade County CRA, DeLand Downtown Redevelopment Authority, Downtown Davie (Redevelopment) Agency, Daytona Beach CRA, Delray Beach CRA, Fort Myers Downtown Redevelopment Agency, Fort Pierce Redevelopment Agency, Fort Walton Beach Redevelopment Agency, Gainesville Downtown Redevelopment Agency, Hialeah Redevelopment Agency, Hollywood CRA, Jacksonville CRA, City of Jacksonville Beach, Key West Redevelopment Agency (no longer active), Lake City CRA, Lakeland Redevelopment Agency, Leesburg CRA, Melbourne CRA, Miami Beach Redevelopment Agency, Milton CRA, New Smyrna Beach CRA, Orlando Redevelopment Agency, Palatka Downtown Redevelopment Agency, CRA of the City of Palmetto, Panama City CRA, City of Pensacola, Plant City CRA, Pompano Beach CRA, Riveria Beach, St. Petersburg CRA, Sebring CRA, City of Miami Redevelopment Agency, Stuart CRA, Tampa CRA, CRA of the City of Titusville, West Palm Beach CRA, CRA of the City of Winter Haven, Eagle Lake Community Redevelopment Authority, CRA of Starke and Lake Wales CRA. *Community Redevelopment Agencies in Florida* (unpublished data table prepared by Ann Jenkins, Executive Assistant, Florida League of Cities) (June 1986) (a copy of the table can be obtained at the Florida League of Cities, Tallahassee, Florida).

ated downtown development authorities, the Redevelopment Act authorizes the creation of community development agencies. The scope of the act, however, is broader as it encourages redevelopment of slum areas[46], blighted areas[47] and areas with housing shortages,[48] by private enterprise using a combination of traditional and intermediate approaches to redevelopment.[49]

The Redevelopment Act provides a series of steps a county or municipal governing body (governing body)[50] must take in order to initiate redevelopment in an area. First, the governing body must designate a part of its community as a slum or blighted area or an area with a shortage of low to moderate income housing.[51] In addition, the governing body must find that the rehabilitation, conservation, and/or redevelopment of the area is in the interest of the public health, safety and welfare of the community's residents.[52] The govern-

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46. Section 163.340(7), Florida Statutes, defines a slum area as:
[A]n area in which there is a predominance of buildings or improvements, whether residential or nonresidential, which by reason of dilapidation, deterioration, age, or obsolescence; inadequate provision for ventilation, light, air, sanitation, or open spaces; high density of population and overcrowding; the existence of conditions which endanger life or property by fire or other causes; or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or welfare.

47. Section 163.340(8), Florida Statutes, defines a blighted area to mean either:
(a) An area in which there are a substantial number of slum, deteriorated, or deteriorating structures and conditions which endanger life or property by fire or other causes or one or more of the following factors which substantially impairs or arrests the sound growth of a county or municipality and is a menace to the public health, safety, morals, or welfare in its present condition and use:
1. Predominance of defective or inadequate street layout;
2. Faulty lot layout in relation to size, adequacy, accessibility, or usefulness;
3. Unsanitary or unsafe conditions;
4. Deterioration of site or other improvements;
5. Tax or special assessment delinquency exceeding the fair value of the land; and
6. Diversity of ownership or defective or unusual conditions of title which prevent the free alienability of land within the deteriorated or hazardous area; or
(b) An area in which there exists faulty or inadequate street layout; inadequate parking facilities; or roadways, bridges, or public transportation facilities incapable of handling the volume of traffic flow into or through the area, either at present or following proposed construction.

See also State v. Miami Beach Redevelopment Agency, 392 So. 2d 875, 879 (Fla.1980). The Florida Supreme Court distinguished slum and blighted areas by stating, "a slum is an area where conditions actively and directly menace the essential public order while a blighted area is one where conditions are not conducive to sound growth and public good is impaired by various impediments to such growth." *Id.*

48. FLA. STAT. § 163.340(10) (1987).

49. *Id.* § 163.345.

50. *Id.* § 163.340(3).

51. *Id.* § 163.355(1).

52. *Id.* § 163.355(2).

ing body must appoint five to seven people by ordinance[53] or declare itself by resolution[54] the board of commissioners to exercise the powers of the redevelopment agency.[55] In addition, a community redevelopment plan must be prepared[56] and approved by the governing body after recommendations are received from the local planning agency[57] and a public hearing is held.[58]

When the approval process is complete, the Redevelopment Act gives community redevelopment agencies extensive powers to redevelop distressed areas pursuant to the redevelopment plan.[59] These include the authority to make contracts with public or private entities, invest money from the redevelopment trust fund, acquire and dispose of real property, implement mandatory repair programs, install or repair infrastructure and demolish or repair buildings.[60] As the Florida Supreme Court said in *State v. Miami Beach Redevelopment Agency*,[61] not only may the agency "carry out projects involving the acquisition of slum and blighted areas, the demolition of buildings, the construction of streets, utilities, parks, playgrounds, and other im-

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53. *Id.* § 163.356(2).

54. *Id.* § 163.357(1)(a).

55. *Id.* § 163.356(3)(b).

56. *Id.* § 163.360. The community redevelopment agency or any person or agency, public or private, may prepare the redevelopment plan. *Id.* § 163.360(3). A neighborhood plan can be prepared in addition to the general plan. Id. § 163.365. The contents of the community development plan are delineated in section 163.362, Florida Statutes.

57. *Id.* § 163.360(3). The redevelopment plan is reviewed for its consistency with the comprehensive plan of the respective county or municipality. The local planning agency has up to sixty days to review the plan and return it to the community redevelopment agency. *Id.*; *see id.* § 163.360(2)(a).

58. *Id.* § 163.360(5). If the agency approves the plan as revised by the local planning agency, it is submitted to the city or municipal governing body which publishes notice of the plan in the general newspaper and then considers it at a public hearing. *Id.* Section 163.360(6), Florida Statutes, provides that a governing body may approve community redevelopment and the plan if:

> (a) A feasible method exists for the location of families who will be displaced from the community redevelopment area in decent, safe, and sanitary dwelling accommodations within their means and without undue hardship to such families;
> (b) The community redevelopment plan conforms to the general plan of the county or municipality as a whole;
> (c) The community redevelopment plan gives due consideration to the provision of adequate park and recreational areas and facilities that may be desirable for neighborhood improvement, with special consideration for the health, safety, and welfare of children residing in the general vicinity of the site covered by the plans; and
> (d) The community redevelopment plan will afford maximum opportunity, consistent with the sound needs of the county or municipality as a whole, for the rehabilitation or redevelopment of the community redevelopment area by private enterprise.

59. *Id.* § 163.360.(8).

60. *Id.* § 163.370.

61. 392 So. 2d 875 (Fla. 1980).

provements, disposition of property at market value . . . and the sale of acquired structures,"[62] it ". . . may construct almost any kind of 'improvement' deemed to be desirable. It may even construct luxurious housing units for subsequent sale or lease to private persons."[63]

The use of eminent domain,[64] revenue bonds,[65] and tax increment financing,[66] pursuant to the Redevelopment Act, has been the subject of significant litigation. In *Miami Beach*, these methods and the provisions conferring power upon redevelopment agencies to carry out such actions were held to be constitutional.

A. Eminent Domain

The use of eminent domain in downtown redevelopment raises a constitutional question as to whether the state can condemn private property for redevelopment and subsequently sell or lease that property to another private individual[67]—the developer. The Fifth Amendment to the United States Constitution provides that "private property [shall not] be taken for public use, without just compensation," and the just compensation clause, made applicable to the states through the fourteenth amendment, prohibits the taking of private property unless the use advances some public purpose. Many state constitutions contain similar provisions.[68] Although the public use requirement is not explicitly set out in all state constitutions, state courts have "uniformly [held] that public and private agencies which enjoy the power of eminent domain may take property for public uses only."[69]

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62. *Id.* at 880.

63. *Id.* at 880 n.1.

64. FLA. STAT. § 163.375 (1987).

65. *Id.* § 163.385.

66. *Id.* § 163.387(1)-(2).

67. *See* id. § 163.380.

68. *See, e.g.*, FLA. CONST. art. VII, § 10; MINN. CONST. art. 11, § 2; N.M. CONST. art. IX, § 14; OR. CONST. art. XI, §§ 7, 9. Lawrence, *Constitutional Limitations on Government Participation in Downtown Development Projects*, 35 VAND. L. REV. 277, 279 n.6 (1982).

69. Lawrence, *supra* note 68, at 279 n.8. Justification for the use of eminent domain in redevelopment has been based on urban renewal cases, industrial development cases and downtown redevelopment as an independent basis. *See generally* Lawrence, *supra* note 68. Originally, the constitutionality of eminent domain power in urban redevelopment was based on the extent to which the condemnation resulted in public benefit. As long as the benefit to the public was primary and the private benefit was "secondary or incidental," the court would uphold the condemnation. Freilich, *supra* note 1, at 1-15. *See also* Poletown Neighborhood Council v. Detroit, 304 N.W.2d 455 (Mich. 1981). Poletown demonstrates the extent to which a state supreme court would go in upholding the "primary versus secondary" test. Eminent domain was used to clear hundreds of homes and businesses for a 465-acre factory site for General Motors creating jobs and economic stability. Freilich, *supra* note 1, at 1-15. For an excellent discussion of the historical development of the use of eminent domain in redevelopment see Lawrence, *supra* note 68, at 281-300.

In *Miami Beach*, the Florida Supreme Court directly addressed the use of eminent domain in the Florida Redevelopment Act.

The court referred to the decision in *Berman v. Parker*,[70] in which the United States Supreme Court upheld the constitutionality of a redevelopment act which authorized the use of eminent domain in blighted areas and the sale or lease of those lands to private enterprise.[71] Giving great deference to legislative authorizations of eminent domain, the Court said that the definition of public use "is essentially the product of legislative determinations addressed to the purposes of government, purposes neither abstractly or historically capable of complete definition."[72]

Following this reasoning, the court in *Miami Beach* gave deference to the Florida legislative determination that redevelopment itself serves a public purpose supporting the use of eminent domain.[73] The court held that the Legislature had specifically authorized the use of eminent domain and that legislative determinations should not be set aside "unless [they are] so arbitrary or unfounded—unless [they are] so clearly erroneous as to be beyond the power of the legislature."[74] Eminent domain, the court recognized, can be used to control decay in blighted areas, even for only aesthetic purposes, and can be used in areas where private enterprise will ultimately exist and benefit from the government action.[75]

The public use requirement was later expanded in *Hawaii Housing Authority v. Midkiff*.[76] In this case, the United States Supreme Court upheld a Hawaii statute authorizing homeowners to voluntarily have their leased land acquired by the government.[77] This was permitted in order to reduce the concentration of land ownership to further the public's economic development.[78] In holding that the public use clause is satisfied where the exercise of eminent domain "is rationally related to a conceivable public purpose . . . ,"[79] the Court indicated its scope

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70. 348 U.S. 26 (1954).

71. Freilich, *supra* note 1, at 1-13.

72. *Berman*, 348 U.S. at 32. The Court went further to state: "[s]ubject to specific constitutional limitations, when the legislature has spoken, the public interest has been declared in terms well-nigh conclusive . . . ." *Id.* "Once the object is within the authority of Congress, the means by which it will be attained is also for Congress to determine." *Id.* at 33.

73. *Miami Beach*, 392 So. 2d at 890-891. The Florida Legislature expressly authorizes the use of eminent domain to further the purpose of the Redevelopment Act in sections 163.335(3) and 163.375, Florida Statutes.

74. 392 So. 2d at 886 (citations omitted).

75. *Id.* at 890-891.

76. 104 S. Ct. 2321 (1984).

77. *Id.* at 2325, 2331.

78. *Id.* at 2325.

79. *Id.*

of review is extremely narrow.[80] It said that as long as "the condemnor can articulate some plausible relationship between the condemnation and some possible public purpose," the courts will defer to the legislature's interpretation of public use or purpose.[81] For all practical purposes, *Midkiff* did away with the public use requirement.

The majority of courts have allowed public agencies to acquire land for economic development, even in areas that are not blighted,[82] by recognizing downtown redevelopment as an independent justification for the use of eminent domain.[83] In *City of Minneapolis v. Wurtele*,[84] the Minnesota Supreme Court found that condemnation served a public purpose by increasing the area's potential for contributing to the tax base and by generally enhancing the business community.[85] The downtown area in question, although not blighted, was obsolete and not properly utilized for maintaining a viable business community. The court determined that the area would, therefore, benefit from public action, such as condemnation. Most importantly, it recognized that downtown development, independent of other specific social justifications, serves a public purpose.[86]

B. Revenue Bonds

The use of redevelopment revenue bonds was authorized by the Redevelopment Act in 1977.[87] Redevelopment revenue bonds delineated in the act are repaid from a trust fund which "receives [money] from sales, leases, and charges for the use of redeveloped property," and from "contribut[ions] each year by the county and city, [in amounts] measured by the tax increment."[88]

The constitutionality of the bonds remained in question until 1980 when the court in *Miami Beach* affirmed the validation of bonds proposed for sale by the Miami Beach Redevelopment Agency. Again, the court deferred to the legislative determination that redevelopment serves a public purpose by removing blighted areas, and found that

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80. Mandelker, *supra* note 1, at 6.

81. Freilich, *supra* note 1, at 1-14.

82. Mandelker, *supra* note 1, at 7.

83. For a comprehensive discussion of *Midkiff*, see Lawrence, *supra* note 68, at 293-304; Mandelker, *supra* note 1, at 6-10.

84. 291 N.W.2d 386 (Minn. 1980).

85. *Id.* at 390; Mandelker, *supra* note 1, at 7.

86. 291 N.W.2d at 390; Mandelker, *supra* note 1, at 8.

87. FLA. STAT. § 163.385 (1977).

88. *Miami Beach*, 392 So. 2d at 898; see FLA. STAT. § 163.387 (1987). *See generally* Ide and Ubell, *Financing Florida's Future: Revenue Bond Law in Florida*, 12 FLA. ST. U.L. REV. 701 (1985).

the issuance of bonds, like the use of eminent domain under the Redevelopment Act, is constitutional.[89]

C. *Tax Increment Financing*

Pursuant to the Redevelopment Act, each local government entity with taxing authority in a redevelopment area, except certain special districts,[90] must annually appropriate to the redevelopment trust fund "an amount not less than that increment of income, proceeds, revenues and funds of each taxing authority derived from or held in connection with . . . community redevelopment . . . ."[91] This increment is produced as a result of increased property values from redevelopment.[92]

In *Miami Beach*, the court upheld the use of tax increment financing for the payment of redevelopment revenue bonds from the redevelopment trust fund. The use of ad valorem taxes to fund redevelopment bonds was challenged on the ground that because the funds are payable from monies levied from ad valorem taxes, voters must first approve the use of these funds by referendum.[93]

The court in *Miami Beach* held that tax increment financing is not a pledge of ad valorem tax revenues, but merely a requirement that a taxing authority annually appropriate from any available funds a portion of its revenues to the redevelopment trust fund.[94] It was held that even if the taxing authority uses ad valorem taxes to make appropriations to the trust fund, the Constitution is not violated because there

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89. 392 So. 2d at 891. In Holloway v. Lakeland Downtown Development Authority, 417 So. 2d 963 (Fla. 1982), the Florida Supreme Court reaffirmed the public purpose doctrine articulated in *Miami Beach*. The court upheld the use of tax increment bonds issued to finance acquisition of downtown property for resale to a private developer. It was noted "that eventual partial private ownership of a redevelopment area under Chapter 163 does not defeat the public purpose of eliminating slum and blighted areas within our cities." *Id.* at 965.

90. FLA. STAT. § 163.340(2) (1987). Section 163.340(2), Florida Statutes, provides the following are exempt from the definition of "taxing authority":

> [S]chool district[s], library district[s], neighborhood improvement district[s] created pursuant to the Safe Neighborhoods Act, metropolitan transportation authorit[ies], water management district[s] . . . , special district[s] which lev[y] ad valorem taxes on taxable real property in more than one county, [and] special district[s] the sole available source of revenue of which is ad valorem taxes at the time an ordinance is adopted pursuant to 163.387 . . . .

Id.

91. *Id.* § 163.387(1). The definition of taxing increment is contained in section 163.387(1)(a)-(b), Florida Statutes.

92. D. Cardwell and H. Bucholtz, *Redevelopment Financing in Florida* (1986) (unpublished paper on file at the Journal of Land Use and Environmental Law office, Florida State University) [hereinafter Cardwell].

93. 392 So. 2d at 894. *See* FLA. CONST. art. VII, § 12.

94. 392 So. 2d at 984.

is no direct pledge of ad valorem tax revenues, and, furthermore, the taxing authority cannot be compelled to levy an ad valorem tax to make a bond payment.[95] The increase or increment in ad valorem tax revenues, the court determined, is only a reference by which the amount of each taxing authority's contribution is assessed.[96]

Another constitutional problem related to tax increment financing arose, not long after *Miami Beach* was decided, in *State ex rel. City of Gainesville v. St. Johns River Water Management District*.[97] In *Gainesville*, the City of Gainesville sought to compel a water management district to appropriate an annual tax increment to the city's redevelopment fund. The water management district contended that article VII, section 9(a) of the Florida Constitution, which limits the taxing power of special districts, prohibited payment of funds for any purpose other than the purposes for which they were created.[98] The First District Court of Appeals agreed, holding that the tax increment payment for redevelopment was not for the "respective purpose" of the water management district, and thus was prohibited.[99]

In 1984, the controversy over which special districts must make contributions to the trust fund was settled with amendments to the Redevelopment Act. One amendment expressly provided that special districts do derive a benefit from redevelopment, and, therefore, must contribute to the redevelopment trust fund.[100] In another amendment, the Legislature defined library districts, water management districts created under section 373.069, Florida Statutes, and certain other special taxing districts as local entities which are not required to contribute to the trust fund.[101]

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95. *Id.* at 894, 898.

96. *Id.* at 894.

97. 408 So. 2d 1067 (Fla. 1st DCA 1982), *cert. denied*, 418 So. 2d 1278 (Fla. 1982). *See* Cardwell, *supra* note 92, at 9.

98. 408 So. 2d at 1068. Article VII, section 9(a) of the Florida Constitution, provides:

> Counties, school districts, and municipalities shall, and special districts may, be authorized by law to levy other taxes, for their respective purposes, except ad valorem taxes on intangible personal property and taxes prohibited by this constitution.

99. The court in *Gainesville* rejected the "measurement formula approach" taken in *Miami Beach*, stating that in reality tax increment financing is an indirect method of doing what could not be directly accomplished constitutionally. 408 So. 2d at 1069; Cardwell, *supra* note 92, at 9. *Miami Beach* was distinguished because it dealt with a different section of the constitution, and the taxing authority in that case benefited from the redevelopment trust fund. *Id.*

100. Ch. 84-356, 1984 Fla. Laws 2023, 2025 (amending FLA. STAT. § 163.335(4) (Supp. 1984). *See also* Kelson v. City of Pensacola, 483 So. 2d 77 (Fla. 1st DCA 1986). In *Kelson*, the court refused to follow *Gainesville* and held that the use of county funds by a city community redevelopment agency served a county purpose and "did not impair bond obligations of the county to which ad valorem taxes had been pledged." Cardwell, *supra* note 92, at 10.

101. Ch. 84-356, § 2, 1984 Fla. Laws 2023, 2026 (amending FLA. STAT. § 163.340(2) (Supp. 1984).

D. *Results of the Redevelopment Act*

The overall results of the use of community redevelopment agencies, eminent domain, redevelopment revenue bonds and tax increment financing pursuant to the Community Redevelopment Act are difficult to determine. Pensacola, Jacksonville, Daytona Beach, St. Petersburg and Dade County have established successful redevelopment programs. Other areas, such as Key West, Miami Beach and Crestview have had problems adopting a plan or establishing a trust fund.[102] Often, community redevelopment agencies work with downtown development authorities or other groups and other programs, such as the enterprise zone program[103] and the Main Street Program,[104] making it difficult to determine the extent to which the use of various redevelopment methods contribute to the successful results.[105] As a result, the Florida Downtown Development Association has been extended a Studies in Applied Research grant to research the effectiveness of community redevelopment agencies.[106]

V. ENTERPRISE ZONES

As a result of the riots in Miami in 1980, the Florida Legislature passed a package of incentives for redevelopment designed to remedy the problems which led to the unrest.[107] In 1982, the Florida Enterprise Zone Act (the "Act") was passed which organized and revised the 1980 legislation.[108] More specifically, the intermediate approach taken by the Act is designed to centralize redevelopment programs, clearly identify distressed areas and facilitate employment of residents. Furthermore, the Act is intended to increase economic development within enterprise zones by providing both state and local government incentives encouraging private investment in distressed areas.[109]

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102. Jenkins interview, *supra* note 11.

103. *See infra* notes 107-121 and accompanying text.

104. *See supra* notes 25-43 and accompanying text.

105. Jenkins interview, *supra* note 11. In addition, community redevelopment agencies currently have no centralized authority to report their results. *Id.*

106. Jenkins interview, *supra* note 11. Carol Marchner, Administrative Assistant with the Downtown Development Association, is currently researching the effectiveness of the Community Redevelopment Act. The completion date for report is scheduled in 1990. *Id.*

107. STAFF OF FLA. H.R. COMM. ON TOURISM & ECON. DEV., LEGISLATIVE REVIEW: FLORIDA'S ENTERPRISE ZONES (April 7, 1986), at 7-8 [hereinafter LEGISLATIVE REVIEW].

108. FLA. STAT. §§ 290.001-.015 (1987).

109. LEGISLATIVE REVIEW, *supra* note 107, at 7-9. The original enterprise zone legislation resulted from the enactment of four bills sponsored by Representative Barry Kutun (ch. 80-247, 1980 Fla. Laws 809; ch. 80-249, 1980 Fla. Laws 819; ch. 80-250, 1980 Fla. Laws 822, ch. 80-251,

Businesses investing in enterprise zones receive corporate and sales tax advantages.[110] These significant tax benefits are derived by businesses which employ residents of enterprise zones, move to or augment their facilities in enterprise zones, or provide money to community development projects in enterprise zones.[111] Local governments, likewise, may provide a variety of local incentives to encourage economic growth and investment in enterprise zones.[112] In 1988, the Florida Legislature took steps to simplify the qualifying requirements

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1980 Fla. Laws 827), and the enactment of amendments to two other general economic development bills (ch. 80-287, 1980 Fla. Laws 1228; ch. 80-347, 1980 Fla. Laws 1441), providing incentives to redevelop distressed areas. *Id.* As originally enacted, Florida's enterprise zone legislation designated that slum or blighted areas, pursuant to the Community Redevelopment Act of 1969, are qualified to receive state incentive funds. These areas were renamed enterprise zones. *Id.* at 8-9. The Department of Community Affairs was empowered to promulgate rules for approval of designated areas eligible for job creation incentive tax credit pursuant to section 220.181, Florida Statutes, and economic revitalization tax credit pursuant to section 220.182, Florida Statutes. *Id* at 9.

110. *See* FLA. STAT. § 290.007 (1987).

111. DEP'T OF COMM'Y AFFAIRS, FLORIDA ENTERPRISE ZONE ANNUAL REPORT (March 1988), at 4 [hereinafter ANNUAL REPORT]. Section 290.007, Florida Statutes, provides the following state incentives: (1) "The enterprise zone jobs credit provided in s. 220.181." FLA. STAT. § 290.007(1)(a) (1987). Credit can be received for up to 24 months for 25% of the wages earned by new employees who are residents of an enterprise zone or recipients of Aid to Families with Dependent Children if the business is located in an enterprise zone and credit for up to 12 months if business is outside the zone. *Id.* § 220.181(1)(a)-(b). There are restrictions on verification and on replacement of workers. *Id.* § 220.181(1)(c).

(2) "The enterprise zone property tax credit provided in s.220.182." *Id.* § 290.007(1)(b). "A credit based on the ad valorem taxes paid on new or expansion-related property (up to a maximum of $50,000 per year) can be applied to the corporate income tax for businesses expanding or locating in enterprise zones." ANNUAL REPORT, *supra*, at 5.

(3) "The community contribution tax credit provided in s. 220.183." FLA. STAT. § 290.007(1)(c) (1987). "Businesses are allowed a 50 percent tax credit (up to a maximum of $200,000 per year) for contributions made to revitalization projects undertaken by non-profit organizations." ANNUAL REPORT, *supra*, at 5.

(4) "The community development corporation support and assistance program provide in ss. 290.0301-.038." FLA. STAT. § 290.007(1)(d) (1987).

(5) "The sales tax exemption for building materials used in the rehabilitation of real property in enterprise zones provided in s. 212.08(5)(g)." *Id.* § 290.007(1)(e). "A refund of previously paid taxes is allowed on building materials used to rehabilitate property provided that the improvements increase property values by at least 30 percent." ANNUAL REPORT, *supra*, at 5.

(6) "The sales tax exemption for business equipment used in an enterprise zone provided in s. 212.08(5)(h)." FLA. STAT. § 290.007(1)(g) (1987).

(7) "The sales tax exemption for electrical energy used in an enterprise zone provided in s. 212.08(15)." *Id.* § 290.007(1)(f).

(8) "The credit against the sales tax for job creation in enterprise zones provided in s. 212.08 (15)." *Id.* § 290.007(1)(g). "Businesses are provided a credit against sales taxes (130 per month for new full-time employees or $65 for part-time employees) for hiring residents of enterprise zones or recipients of Aid to Families with Dependent Children into newly created jobs." ANNUAL REPORT, *supra*, at 5.

112. FLA. STAT. § 290.007(2) (1987). For a list of local incentives, see ANNUAL REPORT, *supra* note 111, at 6.

for the incentives offered to investing businesses under the program. These changes will aid the business community in using the incentives and will help state agencies administer the program more efficiently.[113]

Currently, there are thirty enterprise zones in existence.[114] In 1986, the Department of Community Affairs selected these enterprise zones competitively[115] using economic distress factors[116] and new local participation factors.[117] The 1988 Legislature amended the Act, increasing

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113. *See* ch. 88-201, § 27, 1988 Fla. Laws 1098, 1129 (amending FLA. STAT. § 212.08 (1987)) (relating to the sales tax exemptions for building materials, business property and electrical energy); ch. 88-201, § 28, 1988 Fla. Laws 1098, 1135 (amending FLA. STAT. § 212.096 (1987)) (relating to the credit against sales tax for hiring enterprise zone residents); ch. 88-201, §§ 29-30, 1988 Fla. Laws 1098, 1139 (amending FLA. STAT. §§ 220.03, 220.181 (1987)) (relating to the enterprise zone job credits).

114. By 1983, an overabundance of enterprise zones had been created, preventing the passage of additional incentives by the Legislature. LEGISLATIVE REVIEW, *supra* note 107, at 10. A report prepared in 1983 by the Florida House of Representatives, Committee on Tourism and Economic Development, noted that the purpose of enterprise zones is to provide incentives for redevelopment in the most distressed areas and that the large size of enterprise zones detracted from that purpose by failing to target the most distressed areas. STAFF OF H.R. ON TOURISM & ECON. DEV., FLORIDA'S ENTERPRISE ZONES OVERSIGHT REPORT: PART II (October 31, 1983), at 35 [hereinafter OVERSIGHT REPORT]. The report indicated that a more focused approach to the selection of enterprise zones was necessary. *Id.* For a complete list of recommendations made in the Oversight Report, see LEGISLATIVE REVIEW, *supra* note 107, at 10-11. Amendments to the act in 1984 adopted the recommendations in the Oversight Report. *Id.* at 11.

115. *See* ANNUAL REPORT, *supra* note 111, at 2 (for a map of selected zones). Before 1986 areas were subject to approval under provisions in section 290.006, Florida Statutes, and after January 1, 1986 the Department of Community Affairs selected 30 new enterprise zones on a competitive basis, to become effective January 1, 1987, pursuant to provisions in sections 290.0055 and 290.0065, Florida Statutes. All zones selected prior to 1986 were abolished as of December 31, 1986. FLA. STAT. § 290.006(5) (1987).

116. Section 290.0065(4)(b), Florida Statutes, provides that the "economic, social, physical, and fiscal distress" of an area shall be determined through the use of a Community Conservation Index based on but not limited to the following factors:

1. The percentage of housing units in the area built more than 30 years ago.
2. The percentage of year-round housing units in the area that are vacant rental housing units.
3. The percentage of housing units in the area that lack some or all plumbing facilities.
4. The per capita income in the area.
5. The percentage of change in per capita income in the area from the prior year to the current year.
6. The percentage of the population in the area that is over the age of 65 and the percentage of the population that is under the age of 18.
7. The unemployment rate in the area.
8. The percentage of the population in the area having incomes below the poverty level.
9. The per capita taxable value of property in the area.
10. The percentage of change in the per capita taxable value of property in the area from the prior year to the current year.
11. The per capita local taxes levied in the area.

117. Section 290.0065(2), Florida Statutes, provides that local participation is to be given 35 percent weight in evaluating applications for enterprise zones. The factors used in determining

the number of enterprise zones by ten each in 1989 and 1990, depending upon the findings of a review of the effectiveness of the existing thirty enterprise zones.[118] In addition to the requirements set out for the thirty areas previously selected, each of the additional twenty areas must include a neighborhood improvement district.[119] The 1988 amendments to the Act also permit minor alterations to the boundaries of the previously selected enterprise zones.[120]

Results of the enterprise zone program have been positive. Forty-one thousand six hundred fifty-five jobs have been created. One hundred eighty seven recipients of Aid for Families with Dependent Children were certified under the State's jobs tax credit program. Donations by businesses to eligible community development projects in the enterprise zones amounted to $286,840. Forty-three businesses

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local participation include:

1. adoption of a local option economic development property tax exemption referendum and a commitment to grant these exemptions;

2. the adoption of occupational license fee abatements;

3. the adoption of utility tax abatements;

4. utilization of locally generated funds for capital projects in the proposed area which demonstrate the county's or municipality's commitment for community redevelopment;

5. UDAG eligibility;

6. commitment of specific additional local government services to the area;

7. targeting of federal community development funds;

8. adoption of community redevelopment plan and trust fund under the community redevelopment act;

9. commitment to reduce impact of specific local government regulations;

10. commitment to issue industrial revenue bonds in the area.

Id. § 290.0065(4)(c).

No single factor is weighted more than 20% of the total weight given for local government participation and no factor is to be given the same weight. *Id.* To be eligible, an area also must have a continuous boundary and "[a] population that does not exceed the greater of 2,500 persons; 10 percent of the population of the county or municipality, or both . . . [or] the percentage of families with incomes below the poverty level in the county or municipality where the enterprise zone is located." Id § 290.0055(4)(a)-(b). The use of the land in the area applying to be an enterprise zone cannot be zoned to allow use less than a 40% commercial and 40% residential use. *Id.* § 290.0055(4)(c).

118. The Department of Community Affairs is authorized to approve up to 10 additional areas prior to July 1, 1989 and 10 more areas prior to July 1, 1990. The new areas will be selected competitively, as were the existing 30 enterprise zones. The Department may approve additional enterprise zones in revised population categories to the extent the maximum number allowed in a category has not been reached. The revised categories and the number of enterprise zones allowed in each are: a population over 125,000; a population between 60,000 and 125,000; a population between 40,000 and 60,000; a population between 25,000 and 40,000; a population between 15,000 and 25,000; a population between 7,500 and 15,000; and a population of less than 7,500. Ch. 88-201, § 26, 1988 Fla. Laws 1098, 1127 (amending FLA. STAT. § 290.0065 (1987)).

119. Ch. 88-201, § 25, 1988 Fla. Laws 1098, 1127 (amending FLA. STAT. § 290.0055 (1987)). *See infra* notes 122-153 and accompanying text.

120. Ch. 88-201, § 25, 1988 Fla. Laws 1098, 1127 (amending FLA. STAT. § 290.0055 (1987)); ch. 88-201, § 26, 1988 Fla. Laws 1098, 1127 (amending FLA. STAT § 290.0065 (1987)).

have applied for sales tax refund permits to enable them to receive refunds for building materials and business property used exclusively in the enterprise zones. Contributions made by local governments within the enterprise zones totalled $171,893,689, and nine community development corporations' target areas consist of enterprise zones.[121]

VI. SAFE NEIGHBORHOODS ACT

The Safe Neighborhoods Act (Neighborhoods Act), a new program designed to assist neighborhood revitalization and crime prevention, represents a combination of the traditional and intermediate approaches to public/private partnerships. The Neighborhoods Act authorizes the creation of three kinds of neighborhood improvement districts as a means for local governments[122] to encourage development, redevelopment, preservation and revitalization. This is accomplished through the employment of environmental design and defensible space techniques.[123] Access control and monitoring as a result of architectural design is employed to reinforce the neighborhood or community setting and to control areas along the lines of proprietary interests.[124] The application of these techniques is based on the theory that crime often plays an important role in the decline of neighborhoods, and, therefore, crime reduction is often a crucial element in neighborhood revitalization.[125]

A neighborhood improvement district must be located in an area in which more than seventy-five percent of the land is used either for residential purposes or for commercial, office, business or industrial purposes and in which a crime reduction plan has been established.[126] A city or county must authorize the formation of a neighborhood improvement district by the adoption of a planning ordinance. Once a planning ordinance has been adopted, the governing authority of the city or county may create either a local government neighborhood improvement district,[127] a property owners' association neighborhood

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121. ANNUAL REPORT, *supra* note 111, at 3.

122. FLA. STAT. § 163.502(3) (1987).

123. Staff of Fla. H.R. Comm. on Crim. Just., PCB CJ 87-1 (1987) Staff Analysis 1 (April 28, 1987) (on file with the committee).

124. For definitions of environmental design, environmental security and defensible space, see sections 163.503(5)-(7), Florida Statutes.

125. Greenburg and Rohe, *Neighborhood Design and Crime—A Test of Two Perspectives*, 50 JOURNAL OF THE AMERICAN PLANNING ASSOCIATION 48 (1984); *see* FLA. STAT. § 163.502 (1987). Based on these relationships, the 1988 Legislature required that each of the additional enterprise zones include a neighborhood improvement district. *See* ch. 88-201, § 25, 1988 Fla. Laws 1098, 1127 (amending FLA. STAT. § 290.0055(7) (1987)).

126. FLA. STAT. § 163.503(1) (1987), ch. 88-381, § 24, 1988 Fla. Laws 2039, 2060.

127. FLA. STAT. § 163.506(1) (1987).

improvement district[128] or a special neighborhood improvement district.[129]

A local government neighborhood improvement district may be created by a local ordinance which specifies the boundaries, size and name of the district, authorizes the district to receive planning funds from the Department of Community Affairs and authorizes the district to levy an ad valorem tax of up to two mills annually.[130] The local governing body may act as the board of directors for the district or it may appoint three to seven directors who are property owners or residents of the district to act as the board of directors.[131] In addition, an advisory council to the board must be created which consists of property owners or residents of the district.[132] The council is to perform the duties assigned to it by the governing body.[133]

A property owners' association neighborhood improvement district may be created by local ordinance when an incorporated property owners' association (representing seventy-five percent of the property owners within a proposed district) petitions the governing body of the municipality or county in which the district is to be located.[134] The property owners' association may be either a newly created association or an existing association.[135] These associations are authorized to negotiate with the governing body of the municipality or county for closing or privatizing the rights-of-way in the district and to make and collect assessments against all property in the district for the repair, maintenance or improvement of privatized streets, land and common areas within the district.[136]

The third type of district under the Neighborhoods Act is the special neighborhood improvement district. Counties and municipalities are authorized to create either residential or business improvement districts of this type.[137] The ordinance declaring a need for a special neighborhood improvement district must limit the levy of ad valorem taxes to two mills annually, must authorize the use of special assessments under chapter 170, Florida Statutes, must provide for the appointment of a board of directors and may authorize the use of

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128. *Id.* § 163.508.
129. *Id.* § 163.511; *see id.* § 163.504(1).
130. Id. § 163.506(1)(a)-(c), *as amended by* ch. 88-381, § 26, 1988 Fla. Laws 2039, 2061.
131. *Id.* § 163.506, *as amended by* ch. 88-381, § 26, 1988 Fla. Laws 2039, 2061.
132. *Id.* § 163.506(1)(e).
133. *Id.* § 163.506(2).
134. *Id.* § 163.508(1).
135. *Id.* § 163.508(2), *as amended by* ch. 88-381, § 27, 1988 Fla. Laws 2039, 2063.
136. *Id.* § 163.508(3), *as amended by* ch. 88-381, § 27, 1988 Fla. Laws 2039, 2063.
137. *Id.* § 163.511(1), *as amended by* ch. 88-381, § 28, 1988 Fla. Laws 2039, 2063-2064.

eminent domain powers.[138] The local government ordinance creating the district is conditioned upon the approval of a referendum.[139] Special neighborhood improvement districts cease to exist after ten years, but may be continued in operation if approved by referenda.[140]

All three types of neighborhood improvement districts are required to collect data on the types and level of crime occurring in the district, while relating the occurrence of crimes to specific land use and environmental conditions in the district.[141] In addition, they are required to determine where in the district the modification, closing or restriction of access to particular streets would assist in crime prevention, and prepare projects that will prevent crime, "stabilize neighborhoods and enhance property values" in their district.[142]

Unless prohibited in the local ordinance creating the district, all types of neighborhood improvement districts are authorized to exercise a wide variety of powers. These include the power to acquire property, to promote commercial development, to conduct cooperative advertising programs with businesses, to improve street lighting, parks, drainage, and utilities, to privatize, close, vacate or plan streets, roads and sidewalks, to adopt a safe neighborhood plan and to issue revenue bonds.[143]

It is mandatory that each district institute a safe neighborhood plan[144] which inludes a number of elements.[145] Prior to the adoption of a plan by the district board of directors, the board is required to hold a public hearing and must submit the plan to the local governing body for written approval as being consistent with the local government comprehensive plan.[146] The plan adopted by the district board of directors must then be approved by the municipal or county governing

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138. *Id.* § 163.511(1)(b), (c), (g), *as amended by* ch. 88-381, § 28, 1988 Fla. Laws 2039, 2063.

139. *Id.* § 163.511(2). The referendum must be held within 120 days of the enactment of the ordinance by the county or municipal governing body or the receipt of a petition by the county or municipal governing body containing the signatures of 20% of property owners (if the proposed district is a business improvement district), or 40% of the electors of the proposed district (if the proposed district is to be a residential improvement district). *Id.* § 163.511(2)(a)-(b). In special residential neighborhood improvement districts, the voters in the referendum are the residents of the district. *Id.* § 163.511(3)(a). The voters in referenda on special business improvement districts are the property owners of the district as of the preceding December 31. *Id.* § 163.511(4)(a).

140. *Id.* § 163.511(13), *as amended by* ch. 88-381, § 28, 1988 Fla. Laws 2039, 2063.

141. *Id.* § 163.513(1)-(2).

142. *Id.* § 163.513(3)-(4).

143. *Id.* § 163.514.

144. *Id.* § 163.516(1).

145. *Id.* § 163.516(4). A list of these elements is set out in section 163.516(1), Florida Statutes. The plan may be prepared by the district, the municipality or county that created the district, or any other person. *Id.*

146. *Id.* § 163.516(5), (6)(a).

body that created the district after two public hearings[147] and prior to the levy of any tax or fee authorized under the Neighborhoods Act.[148]

The Neighborhoods Act authorizes planning grants and technical assistance on a one hundred percent matching basis.[149] In addition, cities and counties that create districts are permitted to request the Department of Community Affairs to submit budget requests to the Legislature for funding of capital improvement projects involving an enterprise zone and a district selected pursuant to the Neighborhoods Act.[150]

The Neighborhoods Act was created in 1987 and, as a result, there is little information about its impact. In the 1987-88 fiscal year, planning grants totalling more than $1.5 million were available.[151] Seven cities created eight local government neighborhood improvement districts that received grants in 1987-88.[152] In 1988-89, $1.1 million in grants will be available.[153]

VII. COMMUNITY DEVELOPMENT CORPORATIONS

The Community Development Corporation Support and Assistance Program[154] demonstrates the direct participation approach to redevelopment. Community development corporations are locally based organizations which financially support and organize community businesses to enhance the economic well being of a specific geographic area.[155] This program is designed "to assist community development

147. *Id.* § 163.516(8).

148. *Id.* § 163.516(9).

149. *Id.* § 163.517(1). The three types of districts are property owners' association neighborhood improvement districts, local government neighborhood improvement districts and special neighborhood improvement districts. *Id.* § 163.516(1)(a)-(c). They receive up to $20,000, $250,000, and $ 100,000, respectively. *Id.*

150. *Id.* § 163.521, *as amended by* ch. 88-381, § 31, 1988 Fla. Laws 2039, 2068.

151. Ch. 87-98, 1987 Fla. Laws 469, 502 (line item 262B).

152. The cities of Fort Lauderdale, Miami Beach, Opalocka, Plantation and South Miami each received technical assistance grants of $30,000 each. Each of these cities created at least one neighborhood improvement district. The following districts received the indicated planning grants: Northwest Neighborhood Improvement District (Fort Lauderdale) $250,000; Gateway 7 Development District (Plantation) $160,000; Ali-Baba Neighborhood Improvement District (Opalocka) $186,675; Nile Gardens Neighborhood Improvement District (Opalocka) $236,760; South Miami Neighborhood Improvement District $30,000; Miami Beach Neighborhood Improvement District I $102,375; Miami Beach Neighborhood Improvement District II $34,125; and, Gretna Safe Neighborhood Improvement District $7,148. Letter from Mr. Robert G. Nave, Chief, Bureau of Local Planning, Dep't of Comm'y Affairs, to Thomas R. McSwain (September 30, 1988).

153. Chapter 88-555, 1988 Fla. Laws 2447, 2475 (line item 233).

154. FLA. STAT. §§ 290.0301-.038 (1987).

155. *Id.* § 290.033(2).

corporations in undertaking projects,[156] in concert with private enterprise, designed to create and maintain a sound industrial base, to revitalize the health of established commercial areas, and to preserve and rehabilitate existing residential neighborhoods."[157] Florida assists community development corporations[158] through the use of grants to fund operational needs of businesses,[159] deferred payment loans to aid

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156. Section, 290.033(4), Florida Statutes, provides: " 'Project' means a public and private activity or series of activities, designed to be carried out in a specific, definable location, that achieves objectives which are consistent with the provisions and intent of th[e] act."

157. FLA. STAT. § 290.032 (1987).

158. Section 290.035, Florida Statutes, provides:

> Community development corporations meeting the following requirements shall be eligible for assistance:
>
> (1) The community development corporation must be a nonprofit corporation under state law or a local development company established under state law and certified to be eligible to participate in the Small Business Administration Loan Program under s. 502 of the Small Business Investment Act of 1958, as amended and must meet the following further requirements:
>
> (a) Its membership must be open to all service area residents 18 years of age or older.
>
> (b) A majority of its board members must be elected by those members of the corporation who are service area residents.
>
> (c) Elections must be held annually for at least a third of the elected board members, so that elected members serve terms of no more than 3 years.
>
> (d) Elections must be adequately publicized within the service area, and ample opportunity must be provided for full participation.
>
> (e) A minority of the board members must be appointed by the Governor.
>
> (2) The community development corporation must contain a target area in which economic development projects are located which meet one or more of the following criteria:
>
> (a) A slum area or blighted area as defined in s. 163.340(7) or (8).
>
> (b) A community development block grant program area.
>
> (c) A neighborhood housing service district.
>
> (d) An area containing substantial conditions of blight, economic depression, and excessive reliance on public assistance, as certified by the department.
>
> (e) An enterprise zone as defined in s. 290.004(1).
>
> (3) The target area of the community development corporation must be either the same as the service area of the community development corporation or an area contained within the boundaries of the service area of the community development corporation.

159. FLA. STAT. § 290.036 (1987). The Department of Community Affairs may fund up to 18 community development corporations each year. A community development corporation may be awarded an administrative grant of up to $100,000 in any one year and may receive only one administrative grant per year for up to five years. *Id.* § 290.036(3). The criteria for receiving a grant include:

> (a) The relative degree of distress of the target area served by the community development corporation; (b) The demonstrable capacity of the community development corporation to carry out the proposal; (c) The overall impact of the project and the problems and needs of the community; (d) The degree to which the proposal would provide assistance to low-income persons; and (e) The extent to which the proposal would further the policy and purposes of th[e] act.

Id. § 290.036(5).

in the participation of various types of business ventures,[160] and training programs for employees of the corporations.[161] Grants are provided to community development corporations annually through a competitive process to cover staff salaries and administrative expenses.[162] Loans are offered to enable community development corporations establish new businesses, provide financial assistance to existing businesses, or acquire full ownership of businesses.[163] Since the program was created in 1980, the Legislature has appropriated $20.3 million to the grant and loan components of the program.[164]

This program has been controversial in the Legislature for several years.[165] The 1988 Legislature established the Joint Committee on Community Development Corporations to conduct a program review and assessment and to submit findings and recommendations to the Legislature by March 1, 1989.[166] The Committee is directed to undertake a financial review of the community development deferred loan program, a needs assessment of each community development corporation, an evaluation of program goals and objectives, an evaluation of the program's funding mechanism, and an assessment of the role of the Department of Community Affairs in administering the program.[167]

VIII. THE BLACK BUSINESS INVESTMENT BOARD

Another program designed to engender public/private partnerships in redevelopment using a direct participation approach authorizes the

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160. *Id.* § 290.037(1). Section 290.037, Florida Statutes provides:

(1) The secretary is authorized to make loans from the fund to eligible applicants for the following purposes:

(a) Establishment of a new business venture;

(b) Financial assistance to an existing community development corporation-controlled or independent business venture located within the community development corporation target area; and

(c) Purchase of partial or full ownership of a business venture.

161. FLA. STAT. § 290.038(2)(f) (1987).

162. *Id.* § 290.036.

163. OFFICE OF THE AUDITOR GENERAL, STATE OF FLA., PERFORMANCE AUDIT OF THE COMMUNITY DEVELOPMENT CORPORATION SUPPORT AND ASSISTANCE PROGRAM (Report # 11022) (May 2, 1988), at 1 [hereinafter AUDITOR'S REPORT].

164. *See* ch. 88-555, 1988 Fla. Laws 2447, 2479 (line items 257, 258); ch. 87-98, 1987 Fla. Laws 469, 500 (line items 253, 254); ch. 86-167, 1986 Fla. Laws 828, 859 (line items 251, 252); ch. 85-119, 1985 Fla. Laws 737, 763 (line items 246, 247); ch. 84-220, 1984 Fla. Laws 724, 750 (line item 260B); ch. 83-300, 1983 Fla. Laws 1552, 1576 (line item 238); ch. 82-215, 1982 Fla. Laws 832, 1026 (line item 1358); ch. 80-411, 1980 Fla. Laws 1674, 1683 (line item 40G).

165. In 1988, the Auditor General issued Audit Report Number 11022 that indicated the loan and grant programs were not effectively being utilized by community development corporations, financial sufficiency of participating community development corporations was not being achieved, and the Department of Community Affairs needed to improve its administration of the program. AUDITOR'S REPORT, *supra* note 163, at 3.

166. Ch. 88-201, § 41, 1988 Fla. Laws 1098, 1148.

167. Ch. 88-201, § 41(3)-(4), 1988 Fla. Laws 1098, 1148.

formation of the Black Business Investment Board (Board).[168] The Board was created by the Florida Small and Minority Business Act of 1985[169] "to promote, encourage and assist the creation and growth of black business enterprises."[170] An appropriation of $5 million was received by the Board in the 1985 General Appropriations Act[171] to develop black business assistance programs and to promote the creation of Black Business Investment Corporations.[172] The Board is responsible for encouraging financial institutions to participate in syndicates which invest in black businesses[173] and ensuring that its funds are disbursed on a statewide basis.[174] A franchise technical assistance and finance program was implemented in 1988 in Miami, with a statewide program planned by 1990.[175] A surety bonding program and a secondary market and resale program have been proposed by the Board, with start-up dates in 1989.[176]

Stated most broadly, the Board may "do any and all things necessary or convenient to carry out the purposes of, and exercise the powers given and granted . . . [in the Act], and exercise any other powers, rights, or responsibilities of a corporation."[177] The Board's powers include the ability to loan funds from the Florida Investment Incentive Trust Fund[178] to black business investment corporations,[179] create, issue, purchase or sell stock or other capital participation instruments,[180] and acquire or dispose of real or personal property.[181]

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168. FLA. STAT. § 288.707 (1987). The board consists of seven members, appointed for four year terms by the governor, subject to confirmation by the Senate. Six of the members must "be experienced in investment finance and business development." Id. § 288.707(3)(a).

169. *Id.* §§ 288.702-.714.

170. FLA. ADMIN. CODE R. 8K-1.002 (1987). Rule 8k-2.002 of the Florida Administrative Code, provides:

> 'Black Business Enterprise' means any business concern which is organized to engage in commercial transactions, and which is at least 51 percent owned by one or more black Americans as defined in paragraph 288.703 (3)(a), Florida Statutes, and whose management and daily operations are controlled by such persons.

171. Ch. 85-119, 1985 Fla. Laws 737.

172. Section 288.707(2)(b), Florida Statutes, defines a black business investment corporation as "a subsidiary of a financial institution or a consortium of financial institutions investing in, or lending to, black business enterprises."

173. FLA. STAT. § 288.709(7) (1987).

174. *Id.* § 288.709(8).

175. Telephone interview with Ryan Jones of the Black Business Investment Board (December 19, 1988) [hereinafter Ryan interview].

176. BLACK BUSINESS INVESTMENT BOARD, 1987 ANNUAL REPORT (1988) (available at the Black Business Investment Board, 519 East Park Avenue, Tallahassee, Florida, 32301) [hereinafter 1987 ANNUAL REPORT).

177. FLA. STAT. § 288.709(17) (1987); *see generally* ch. 85-104, §§ 9-21, 1985 Fla. Laws 627, 638-646.

178. FLA. STAT. § 288.711 (1987).

179. Id. § 788.711(2).

180. *Id.* § 288.709(4).

181. *Id.* § 288.709(5), (9).

The Board's main focus has been on the establishment of black business investment corporations, which are financial institutions that lend to black enterprises.[182] The establishment of black business investment corporations has been encouraged by the Board by offering financial assistance in amounts equal to the private equity invested in the corporations by their voting and non-voting owners.[183] These funds are provided from the Florida Investment Incentive Trust Fund. The Board has adopted administrative rules limiting its matching investment to amounts between $500,000[184] and $1,000,000,[185] which may take the form of non-voting stock, preferred or common, loans or some other evidence of non-voting investment.[186] Loans are also made available to the black business investment corporations.[187]

Each black business investment corporation is virtually independent, as the Board restricts its involvement to overseeing issues concerning "portfolio quality, use of funds, board policy, and legislative intent."[188] Investment corporations may structure the financing of black businesses in the form of direct loans, subordination of debt, loan guarantees, common or preferred equity participation, joint ventures or limited partnerships.[189] Each corporation's approach varies depending upon its designated goals and its community's needs. Some corporations may focus on providing seed capital for new businesses, while others may stress assistance to expanding businesses.[190]

Currently, Florida has six black business investment corporations.[191] The pooling of public and private assets in these corporations has resulted in a total capitalization of $10,090,000.[192] Black business invest-

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182. 1987 ANNUAL REPORT, *supra* note 176. The Board's position relative to the investment corporation is similar to "that of a bank holding company in its affiliate banks." *Id.*

183. FLA. ADMIN. CODE R. 8k-2.005 (1987).

184. *Id.* R. 8d-2.004(2)(a).

185. Ryan interview, *supra* note 175.

186. FLA. ADMIN. CODE R. 8k-2.004(1). To date, the board's investments in black business investment corporations have been in the form of preferred stock. *Id.* R. 8k-2.005.

187. FLA. STAT. § 288.711(2)(b) (1987).

188. 1987 ANNUAL REPORT, *supra* note 176.

189. *Id.*

190. Telephone interview with Tony Hansberry, Director of Finance for the Black Business Investment Board (March 15, 1988).

191. Florida black business investment corporations include: the Business Assistance Consortium in Miami, Metro-Broward Capital Corporation in Broward County, Palm Beach County Black Business Investment Corporation in West Palm Beach, Black Business Investment Fund of Central Florida in Orlando, First Coast Black Business Investment Board in Jacksonville and Tampa-Bay Black Business Investment Corporation. The Board also contributed $510,000 to establish a state wide loan program. 1987 ANNUAL REPORT, *supra* note 176.

192. *Id.*

ment corporations made a total of $2 million in loans to black businesses in 1988.[193]

The Board foresees a need for and is considering the creation of an additional black business investment corporation in northwest Florida. At this time, it is too early to make an evaluation of the long term success of the program since investments by the Board in black business investment corporations were made only in late 1987.[194]

IX. THE IMPACT OF THE TAX REFORM ACT OF 1986

One of the most important aspects of effective public/private partnerships is financing. The use of tax increment financing under the Community Redevelopment Act of 1969 and the use of industrial development revenue bonds under the Florida Enterprise Zone Act have been severely impacted by the Tax Reform Act of 1986 (Tax Reform Act).[195] Tax increment financing is used to provide the infrastructure improvements necessary for redevelopment. Industrial development revenue bonds have been used in Florida's enterprise zones to provide capital financing for private businesses.

Effective August 15, 1986, the Tax Reform Act essentially classified state and local obligations as either government use bonds or Private Activity Bonds.[196] The term "bond," for federal tax purposes, encompasses many of the tools used in public/private partnerships which includes "any obligation or evidence of indebtedness, including notes, loans or leases that are installment sales. . . ."[197] Under the Act, the interest paid on bonds used for traditional government purposes is tax exempt while the interest paid on private activity bonds is taxable.[198] Thus, the interest on most industrial development bonds, as well as many other forms of capital financing, is now taxable. The interest on private activity bonds, which are qualified bonds, is tax exempt.[199]

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193. Ryan interview, *supra* note 175.

194. Telephone interview with Tony Hansberry, Director of Finance for the Black Business Investment Board (November 22, 1988).

195. Pub. L. No. 99-514, 100 Stat. 2085 (1986). For a comprehensive discussion of the 1986 Tax Reform Act, see NATIONAL ASSOCIATION OF BOND LAWYERS, FUNDAMENTALS OF MUNICIPAL BOND LAW 1987 (1987) [hereinafter MUNICIPAL BOND LAW]; Cardwell, *supra* note 92, at 11-20.

196. I.R.C. § 141 (1987). Section 141 of the Internal Revenue Code, provides that "Private Activity Bond" means any bond issued as part of an issue which meets the private business use test, the private security or payment test, or the private loan financing test. All three tests are found in section 141 of the Internal Revenue Code.

197. Cardwell, *supra* note 92, at 11; I.R.C. § 103 (1987).

198. I.R.C. §§ 103(b), 141 (1987).

199. *Id.* Section 141 of the Internal Revenue Code, provides that a qualified bond is an exempt facilities bond, a qualified 501(c)(3) bond, a qualified redevelopment bond, a qualified student loan bond, a qualified mortgage bond, or a qualified small issue bond (note—the only small issue exemptions left are for manufacturing factories and that exemption expires Dec. 31, 1989). Cardwell, *supra* note 92, at 15-16.

Two types of qualified bonds used in Florida in tax increment financing are qualified redevelopment bonds[200] and qualified small issue bonds.[201] Even though the interest is tax exempt, qualified redevelopment bonds and qualified small issue bonds are now limited by a volume cap and other restrictions.[202]

A volume cap on state bond issuance "applies to all qualified bonds except qualified 501(c)(3) bonds and bonds used to finance publicly owned airports, docks and wharves and solid waste disposal facilities."[203] Even private use portions of a traditional government bond, to the extent that portion exceeds $15 million, are subject to the cap. The state ceiling for the 1986 and 1987 calendar years was the greater of $75 per capita or $250,000,000.[204] The current cap has been reduced to the greater of $50 per capita or $150,000,000.[205] Any "[u]nused volume cap can be carried forward for up to three years, provided the purpose and amount of the carryforward is identified."[206]

Other limitations on private activity bonds include limitations on the use of proceeds, issuance costs, and advance refunding.[207] "At least 95% of the proceeds of the bond must be used with respect to the exempt facility being financed."[208] The "[i]ssuance costs paid from bond proceeds cannot exceed 2% of the aggregate face amount of the bond and do not count toward the 95% required to be spent on the project." Qualified private activity bonds cannot be advance refunded.[209]

The Tax Reform Act of 1986 has changed the types of public/private partnerships used in Florida. Private activity bonds are no longer widely used. The role of redevelopment bonds and tax increment financing has also been tremendously reduced. Cities and counties are placing more emphasis on using the other redevelopment powers in

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200. I.R.C. § 144(c) (1987).

201. I.R.C. § 144(a) (1987).

202. I.R.C. §§ 141, 144(c), 146 (1987). For an excellent discussion of the limitations on qualified redevelopment bonds see MUNICIPAL BOND LAW, *supra* note 195, at 448-454; Cardwell, *supra* note 92, at 17-20. One particularly interesting limitation on Qualified Redevelopment Bonds is the prohibition on the use of proceeds of the QRB to be used for new construction. I.R.C. § 144(c)(3)(B) (1987).

203. Cardwell, *supra* note 92, at 16; I.R.C. § 146(g) (1987).

204. Cardwell, *supra* note 92, at 16; I.R.C. § 146(d)(1) (1987).

205. Cardwell, *supra* note 92, at 16; I.R.C. § 146(d)(2) (1987).

206. Cardwell, *supra* note 92, at 16; I.R.C. § 146(f)(2), (3) (1987). Note, however, carryforwards are not available for qualified small issue bonds and for the private use portion of governmental bonds. I.R.C. § 146 (1986).

207. For a broader discussion of PAB limitations, see generally MUNICIPAL BOND LAW, *supra* note 195.

208. Cardwell, *supra* note 92, at 17 (citations omitted).

209. *Id.*; I.R.C. § 149(d) (1987).

the Community Redevelopment Act and the special acts creating downtown development authorities to enter into development agreements with private developers.

X. CONCLUSION

Florida primarily uses traditional and intermediate approaches to public/private partnerships. The direct ownership approach is utilized through equity investments in black business investment corporations by the Black Business Investment Board and with the Community Development Corporation Support and Assistant Program. Importantly, under Florida's approach, businesses outside redevelopment areas are not discriminated against as they benefit from public/private partnerships due to increased tax bases and diversification of the economy.

Public/private partnerships are vital to continued redevelopment in Florida. To be successful, public/private partnerships require specific goals, simplicity and local participation. One of the lessons learned from the enterprise zone program is the need to focus on specific areas or specific goals, as the Main Street program and the Black Business Investment Board have done. Even downtown development authorities and community redevelopment agencies concentrate on specific "redevelopment areas." Furthermore, in each of these programs simplicity is essential as private incentives will not be effective if the qualifying requirements are too complex. This point was recognized in the enterprise zone legislation and corrective amendments have been enacted.

Local participation is also a key factor in redevelopment programs. Local governments, business and community leaders need to work together to assess the needs of the community, to determine and to prioritize specific goals and to rally community support for projects. Grassroot commitment is needed particularly in light of the tax reform restrictions on many partnership tools. The focus now will be on more partnership agreements with private developers, redevelopment planning, deregulation and technical assistance programs.