

IN THE SUPREME COURT OF FLORIDA

THE STATE OF FLORIDA, and the
Taxpayers, Property Owners and
Citizens of The City of Daytona
Beach, including non-residents
owning property or subject to
taxation therein, et al.,

Defendant/Appellant,

vs.

THE CITY OF DAYTONA BEACH, FLORIDA,
a municipal corporation of the
State of Florida,

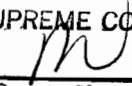
Plaintiff/Appellee.

FILED

SID J. WHITE

AUG 19 1985

CLERK, SUPREME COURT

By 
Chief Deputy Clerk

CASE NO. 67,318

ON APPEAL OF FINAL
JUDGMENT OF VALIDATION
OF CIRCUIT COURT
SEVENTH CIRCUIT

ANSWER BRIEF OF APPELLEE, THE CITY OF DAYTONA BEACH

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STATEMENT OF THE CASE AND OF THE FACTS

The City concurs with the statement of the case and of the facts presented by the State. It should be noted that all documents identified in that statement were introduced into evidence at the hearing in this cause.

The City supplements that statement with a summary of the hearing held in this cause on March 8, 1985. The City placed into evidence all the ordinances, resolutions, and notices required to implement a Redevelopment Trust Fund authorized by Section 163.387(1), Florida Statutes. Included were County of Volusia Resolution No. 81-115 (Appendix A) which delegated all Community Redevelopment powers pursuant to Chapter 163, Part III, Florida Statutes, to the City and City Ordinance No. 85-96 (Appendix B) which amended Ordinance No. 82-255 which created the Redevelopment Trust Fund.

The testimony of Honorable Samuel P. Bell, III, State Representative, District 28, was presented and two documents of legislative history, the House Committee Staff Report (Appendix C) and the Senate Committee Staff Report (Appendix D), were introduced into evidence. Representative Bell without objection by the State gave extensive testimony of the intent of the Legislature to include special districts within the taxing authorities required to contribute to the Redevelopment Trust Fund.

Ron Rees, Executive Director of the Halifax Hospital Medical Center, testified that the Board of his special district was appropriating monies to the City's Redevelopment Trust Fund by specific line item appropriation in the budget. Harold Hubka, Esquire, testified that, as counsel to the Halifax Hospital Board, he was of the opinion that the Hospital was a special district required to contribute to the Redevelopment Trust Fund. In response to a question from the State, he testified:

"The language of the enabling act I interpreted as broadening the purposes for which Halifax Hospital existed under its legislative mandate so that in fact it would no longer be in violation of the Florida Constitution by making payments or contributing to a purpose which was beyond the purposes for which it was specifically set up for." Appendix E, P. 20, l. 4-9

Arthur Diamond, the senior underwriter for the bond issue, then testified concerning the structure of the proposed indebtedness and affirmed that the pledged revenues would be sufficient to pay debt service. Gerald Langston, City Planning and Redevelopment Director, testified to the public purpose of the project.

An excerpt of the transcript of that hearing is contained in the State's Appendix and the remainder of the transcript appears as City Appendices E and F.

That part of the Circuit Court's order validating the bonds which is appealed by the State herein held:

"This Court has many reservations about tax increment financing and the use of revenues of special purpose taxing districts. Some of these were expressed by the dissenting justices in State v. Miami Beach Redevelopment, supra.

"Nevertheless, this Court is bound to follow the law as enunciated by the majority opinion in that case which holds that tax increment financing is constitutional."

"I do therefore hold that F.S. 163.387; F.S. 163.353, and the Chapter 84-539 amendment to Chapter 79-577 are constitutional." P. 8-9, Final Judgment, Case No. 85-116-CA-01-F (State's Appendix)

It is the position of the City that the Circuit Court was correct in finding the statutes constitutional and that special districts are required to contribute to the Redevelopment Trust Fund.

SUMMARY OF ARGUMENT

The Legislature has required special tax districts to make contributions to redevelopment trust funds established to rehabilitate slum and blighted areas. The 1984 amendments to Chapter 163, Part III, Florida Statutes, and the legislative history of their enactment evince a clear intention to make community redevelopment the responsibility of the special purpose local governments which tax and serve the areas to be benefited.

The tax increment financing method of funding redevelopment has been upheld by this Court. Neither Article VII, Section 9(a), Florida Constitution, nor a ruling of the 1st District Court of Appeal (prior to the 1984 amendments) prevents special districts from making contributions to the trust fund.

Article VII, Section 9(a), Florida Constitution, in fact grants the Legislature the power to establish special districts and prescribe the purposes for which they shall expend public monies. The Legislature's power over special districts is plenary, and the judiciary cannot substitute its judgment for the Legislature's determination of public purpose. There is no requirement that there be a benefit-tax nexus between the properties taxed within a special district and the area within the special district where expenditures are made.

Halifax Hospital special district does not object to making contributions to the trust fund. It recognizes the benefits accruing to the district from community redevelopment. It is specifically authorized by the Legislature to contribute to a trust fund.

The County Council, which is the governing body of three dependent districts contributing to the trust fund, by official act authorized the establishment of the trust fund. Enhancing the tax base of districts providing mosquito control, bus, and port and inlet systems, and reversing urban blight within their boundaries were benefits the Legislature and the districts' governing body intended the districts contribute to.

ARGUMENT

I. EACH SPECIAL DISTRICT IN FLORIDA HAS AS A LEGISLATIVELY MANDATED PURPOSE THE ENHANCING OF ITS TAX BASE AND THEREFORE EACH IS REQUIRED TO CONTRIBUTE TO A REDEVELOPMENT TRUST FUND IN ACCORDANCE WITH CONSTITUTIONAL AND STATUTORY LAW.

The State concedes that the Legislature intended to ascribe to special districts (excluding certain statutory exceptions not at issue in this cause) the purpose of enhancing their tax base through participation in community redevelopment programs by making annual appropriations to a redevelopment trust fund. This intention is set forth by Legislative findings:

"It is further found and declared that the preservation or enhancement of the tax base from which a taxing authority realizes tax revenues is essential to its existence and financial health; that the preservation and enhancement of such tax base is implicit in the purposes for which a taxing authority is established; that tax increment financing is an effective method of achieving such preservation and enhancement in areas in which such tax base is declining; that community redevelopment in such areas, when complete, will enhance such tax base and provide increased tax revenues to all affected taxing authorities, increasing their ability to accomplish their other respective purposes; and that the preservation and enhancement of the tax base in such areas through tax increment financing and the levying of taxes by such taxing authorities therefor and the appropriation of funds to a redevelopment trust fund bears a substantial relation to the purposes of such taxing authorities and is for their respective purposes and concerns. This subsection does not apply in any jurisdiction where the community redevelopment agency validated bonds as of April 30, 1984.

Section 163.335(4), Florida Statutes (Supp. 1984)

By Definition:

"'Public body' or 'taxing authority' means the state or any county, municipality, authority, special district as defined in Section 165.031(5), or other public body of the state, except a school district, library district, water management district created under Section 373.069, a special district which levies ad valorem taxes on taxable real property in more than one county, or a special district the sole available source of revenue of which is ad valorem taxes at the time an ordinance is adopted pursuant to Section 163.387..."

Section 163.340(2), Florida Statutes (Supp. 1984)

By declaration of powers:

"Power of taxing authority to tax or appropriate funds to a redevelopment trust fund in order to preserve and enhance the tax base of the authority.--Notwithstanding any other provision of general or special law, the purposes for which a taxing authority may levy taxes or appropriate funds to a redevelopment trust fund include the preservation and enhancement of the tax base of such taxing authority and the furthering of the purposes of such taxing authority as provided by law."

Section 163.353, Florida Statutes (Supp. 1984)

And by an imposition of duty:

"Except for the purpose of funding the trust fund pursuant to subsection (3), upon the adoption of an ordinance providing for funding of the redevelopment trust fund as herein provided, each taxing authority shall, by January 1 of each year, appropriate to such fund for so long as any indebtedness pledging increment revenues to the payment thereof is outstanding (but not to exceed 30 years) a sum which is no less than the increment as defined and determined in subsection (1) accruing to such taxing authority. If the community redevelopment plan is amended or modified pursuant to Section 163.361(1)(b), each such taxing authority shall make such annual appropriation for a period not to exceed 30 years after the date the governing body amends the plan. No taxing authority is exempt from the provisions of this section."(emphasis supplied)

Section 163.387(2)(a), Florida Statutes (Supp. 1984)

Representative Bell testified to the intent of the Legislature in enacting the above cited statutes:

"The intent of that legislation was to clarify that special district, taxing districts shall include or are to include as part of their purpose the preservation and enhancement of the tax base as is stated in 163.353. And I think that's further clarified, as I see it and as I recall it from the consideration of that legislation when there were some specific exemptions that were placed in the law that clarified specifically and dealt with the water management districts."

State Appendix, p. 6, l. 12-21

Representative Bell also testified that the staff reports entered into evidence are "professional objective assessments" used by legislative committees in drafting legislation, and constituted an excellent insight into the legislation. He said further:

"Q. But, this isn't the law? It's just their recommendation to the lawmakers?

A. Well, it's not the law but it is the best -- it's probably --

Other than a tape of a meeting where people are speaking, the staff recommendations are the best indication of what the basis was for a particular enactment. Usually when research on legislation is done and this kind of material is drawn out of the archives, that's probably the most concise evidence of what was the collective thinking of the committee."

State Appendix, p. 17, l. 1-18

The House Committee report stated in part:

"State ex rel. City of Gainesville v. St. John's Water Management District, 408 So.2d 1067 (Florida 1st DCA 1982), held that a water management district did not have to pay tax increments to a redevelopment trust fund because special district taxes may be levied only for their respective purposes under Section 9(a), Article VII of the State Constitution and no benefit to the district was demonstrated from such payments. The First District Court of Appeal did not construe Section 9(b) of Article VII of the State Constitution requiring that water management district taxes be used 'only for water

management purposes.' The Second District Court of Appeal has held similarly in a case involving Lakeland; however no opinion was issued in that case. Sections 1, 2 and 16 of this bill are designed to include special district taxes in some situations."

Appendix C, p. 4

The Senate Committee report noted similarly that all taxing authorities should be required to contribute to the trust fund. Otherwise the tax increment finance program would be thwarted (Appendix D, p. 13).

In spite of the clearly intentional enactments of the Florida Legislature, the State contends that special districts do not have as a purpose enhancement of their tax base and do not benefit from community redevelopment. State ex rel City of Gainesville v. St. John's River Water Management District, 408 So.2d 1067 (1 DCA Fla. 1982), is the only precedent upon which the State relies to urge a finding of the unconstitutionality of Sections 163.353 and 163.387(2)(a), Florida Statutes (1984 Suppl.).

Parenthetically, the concept enunciated by the 1st District Court of Appeal describing the relationship of ad valorem taxes to tax increment financing is erroneous:

"Petitioner has suggested that the Section 163.387, Florida Statutes, ad valorem tax increment appropriation is merely a measurement formula which does not require the levy or allocation of ad valorem taxes, and which may be financed by funds from other sources. We are not persuaded by this argument, which ignores the financial realities of the tax increment appropriation imposed by Section 163.387, and which attempts to accomplish indirectly that which may not constitutionally be done directly."

The 1st District is clearly at variance with the prior ruling of the Supreme Court wherein it was held that ad valorem taxes are not pledged to the trust fund and that contributions are made from general revenues of a taxing authority:

"The Agency argues, on the other hand, that proposed financing plan does not come within the referendum requirement because: the statute and the bond resolutions declare that there is no pledge of the county and city ad valorem taxing power; the statute provides that the bondholders' lien attaches only after the revenues are deposited in the trust fund; and the ad valorem tax is not necessarily deposited directly into the fund but is merely the measure of the contributions the county and city will make annually from its general operating revenues until the bonds have been paid. They are not required to be made from ad valorem tax revenues at all, the appellee argues, but may be derived from any available funds. The Agency contends in effect that where there is no direct pledge of ad valorem tax revenues, but merely a requirement of an annual appropriation from any available funds, the referendum provision of article VII, section 12 is not involved. We agree with this view, in explanation of which we turn to the precedents interpreting the constitutional provision and its predecessor." (emphasis supplied)

State v. Miami Beach Redevelopment Agency, 392 So.2d 875, 894 (Fla. 1981).

Nonetheless the State relies on the Gainesville case in asserting that Article VII, Section 9(a), Florida Constitution, prohibits the Legislature from making community redevelopment a purpose of a special district.

Initially, it should be noted that the State does not object to the Daytona Beach Downtown Development Authority, which is a special district created by the Legislature (Chapter 72-520, Laws of Florida) for redevelopment purposes, contributing to the Redevelopment Trust Fund. Thus it would seem that the State does not object in some instances with a special district having redevelopment as a purpose.

However, the real question is, "Does Article VII, Section 9(a), impose any limitation on legislative determination of the respective purposes of special districts?" The language of the Section does not include such limitation, but is in fact a grant of legislative authority. It places in the Legislature the responsibility not only to authorize special district taxation, but to prescribe the purposes for which the taxes are levied.

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

This Court has interpreted the provision as one of authorization. In an Article VII, Section 9, challenge to the use of a school district's property tax revenue for support of a junior college which was not part of the school district's system, it was held that no language in the Constitution prohibits the Legislature from enacting laws mandating the use of school funds for a local purpose of the Legislature's choosing. Board of Public Instruction v. State Treasurer, 231 So.2d 1 (Fla. 1970).

Later, when a county objected to being compelled to match State funds for mental health purposes, this Court once again held that there is no prohibition in the Constitution which restricts the Legislature from determining the purposes that a taxing authority's funds will be spent on.

"The judgment of a local governing body as to the necessity for such programs is not material when the legislature has declared that those programs are necessary and that a share of the costs should be locally funded."

Sandegren v. State ex rel Sarasota County Public Hospital Board 397 So. 2d 657, 659 (Fla. 1981).

Both these cases were cited by this Court when it affirmed the Fifth District Court of Appeal's rejection of a property owner's challenge to the Legislature authorizing the St. Johns River Water Management District to impose ad valorem taxes for local purposes:

"The court also held that the District is not levying unconstitutional state ad valorem taxes and that the District, as a 'special district' under the provisions of article VII, section 9(a), Florida Constitution, is authorized to levy ad valorem taxes for local purposes."

"The determinative question is whether the ad valorem tax receipts are used to further a local purpose."

St. Johns River Water Management District v. Deseret Ranches of Florida, 421 So. 2d 1067, 1068, 1070, Fla. 1982).

What is the extent of the legislative authority over special districts? This Court has said that the Legislature in creating special districts has:

"...plenary power to crystallize policies, opinions, ideas, and sentiments into statute law, limited only by constitutional prohibitions, and courts cannot substitute their judgment or will for the judgment of the Legislature, nor can the courts interfere with the legislative discretion, however erroneous it may be."

State v. Board of County Commissioners of Indian River County, 138 So. 625, 628 (Fla. 1931).

Later, the purpose of a special district for erosion control was attacked in a bond validation suit. The Circuit Court's decree was affirmed:

"This Court has frequently recognized the power of the legislature to create a special taxing district for public purposes. When thus created it can be invalidated only on showing of gross abuse of legislative authority. There is no such showing in this case... There was a legislative determination of the need for the improvement, that its benefits would accrue to all inhabitants and land owners of the District and would not be limited to those whose lands were adjacent to the improvement."

State v. Anna Maria Island Erosion Prevention District, 58 So. 2d 845, 846 (Fla. 1952)

And the benefits of the Redevelopment Program need not necessarily benefit each taxpayer of a special district. No better example of that is the fact that the taxes levied by Halifax Hospital are used for indigent care. This Court adopted a Third District Court of Appeal decision (which quoted the Circuit Court ruling) which emphatically rejected the benefits test the State urges in this cause:

"A tax is not an assessment of benefits. It is, as we have said, a means of distributing the burden of the cost of government. The only benefit to which the taxpayer is constitutionally entitled is that derived from his enjoyment of the privileges of living in an organized society, established and safeguarded by the devotion of taxes to public purposes. See *Cincinnati Soap Co. v. United States*, [301] U.S. [308], 81 L.Ed. (Adv. 707), 57 S.Ct. 764, supra. Any other view would preclude the levying of taxes except as they are used to compensate for the burden on those who pay them, and would involve the abandonment of the most fundamental principle of government that it exists primarily to provide for the common good. A corporation cannot object to the use of the taxes which it pays for the maintenance of schools because it has no children.

Thomas v. Gay, 169 U.S. 264, 280, 42 L.Ed. 740, 746, 18 S.Ct. 340. This Court has repudiated the suggestion, whenever made, that the Constitution requires the benefits derived from the expenditure of public moneys to be apportioned to the burdens of the taxpayer, or that he can resist the payment of the tax because it is not expended for purposes which are peculiarly beneficial to him. [301 U.S. at 521-523, 57 S.Ct. 868.]

'It is irrelevant to the permissible exercise of the power to tax that some pay the tax who have not occasioned its expenditure, or that in the course of the use of its proceeds for a public purpose the legislature has benefited individuals, who may or may not be related to those who are taxed.' [301 U.S. at 525, 57 S.Ct. 868]"

Dressel v. Dade County, 219 So.2d 716, 720 (3 DCA Fla. 1969), aff'd 226 So.2d 402 (Fla. 1969).

In a 1978 challenge to ad valorem tax levies by special districts in Brevard County, this Court found that those levies need not be predicated on a benefit - tax nexus, and that no proof of benefit to certain of the districts' taxpayers is necessary to uphold the validity of the tax. Tucker v. Underdown, 356 So.2d 251 (Fla. 1978).

The State and the trial court expressed concern with the potential implementation of redevelopment districts in other municipalities. Contrary to their fears, this will not result in a diminution in revenues to the taxing authorities. The calculation of the "rolled-back" ad valorem property tax rate specifically excludes redevelopment trust fund contributions from determination of the millage rate necessary to raise the same tax revenues as the previous year [Section 200.065(a), Florida Statutes (Supp. 1984)]. Thus no matter how many trust funds a taxing authority must contribute to, it will still receive the same property taxes

to accomplish its other purposes. The fact that multiple slum and blighted areas will be rejuvenated by the infusion of public moneys is a policy decision made by the Legislature and implemented by the locally elected governing bodies having jurisdiction over the areas.

Thus the City urges this Court to affirm the Circuit Court in holding that the Legislature established the enhancement of its tax base as a purpose for a special district and required them to contribute to a redevelopment trust fund in accordance with Article VII, Section 9(a), Florida Constitution, and Sections 163.353 and 163.387(2)(a), Florida Statutes (1984 Suppl.).

II. THE HALIFAX HOSPITAL MEDICAL CENTER AS AN
INDEPENDENT SPECIAL DISTRICT IS REQUIRED TO CONTRIBUTE TO THE
REDEVELOPMENT TRUST FUND.

Halifax Hospital Medical Center is an independent special
District pursuant to Chapter 79-577, Laws of Florida, as amended.
The 1984 Legislature enacted Chapter 84-539, Laws of Florida,
which provides:

"...the district shall have the power... to foster
community redevelopment within the district through
financial contribution with the community redevelopment
trust fund."

Section 3, Chapter 84-539, Laws of Florida.

When questioned by the City, Representative Bell testi-
fied without objection concerning the intent of that provision of
the amendment:

"Q. Were you a sponsor of that legislation?

A. Yes, I was. I was a sponsor along with all of the
other members of the Volusia County Legislative Delega-
tion including Senator Dunn, Representative Wetherell,
and Representative Brown.

This was a part of an amendment to the chapter of
the hospital district. There were other problems that
the hospital district needed clearing up, and this
legislation was included at that time.

Q. What was the intent of the delegation in sponsoring
that legislation?

A. The intent of the delegation in sponsoring the
legislation was to clarify what we believed already to
be the case and that was that the hospital district was
obligated to participate in the tax increment financing
under other existing statutes. We, however -- because
the question had been raised in order to clarify it in
this case, we added it to that special act."

State Appendix, p. 5, l. 11 - p. 6, l. 3.

And upon cross-examination by the State, he said:

"Q. Now, is that making it mandatory that they have to do that or is that saying that they can have the power to do it if they want to?

A. Well, as I said before, we believe that the law -- that the general law made it mandatory that the hospital district participate in the tax increment financing. However, there was some uncertainty, I think, on the part of some of the people at the hospital. So, we -- although we did not feel it was essential to give them that authority, we felt we should clarify it when we had the opportunity which was what we did.

Q. So, in other words, you're saying you were just giving them the power to do it if they chose to?

A. No. We believed that the general law mandated that a special district had to participate. In this special act we, I guess you might say, embellished that by clarifying it for them, that they would have that authority."

State Appendix, p. 9, l. 23 - p. 10, l. 14.

Combined with the provisions of Chapter 163, Part III, Florida Statutes (1984 Suppl.), the purpose of community redevelopment is legislatively authorized.

Beyond that, the Hospital district does not challenge its required contribution to and recognizes the benefits received from its participation in the redevelopment trust fund. The Court questioned the Hospital district's representative, Harold Hubka, on the anticipated benefits to it from the redevelopment program and he testified:

"Q. Is not the appropriation of funds received by Halifax Hospital and diverting it from its primary purpose of providing medical care within this district to the fostering of community development within any one or number of cities, will that not have some impact on the ad valorem taxation of the persons and agencies residing within the Halifax Hospital Medical District direct or indirect?

A. Indirect --

Do you want me to respond to that, Your Honor?

Q. Yes, sir.

A. Obviously, there is an impact to the extent that the tax increment funds are paid to the Redevelopment Trust Fund. On the other hand, I believe the Legislature has made a determination that the long-range impact of this type of funding is to allow an area to redevelop and, in fact, the area surrounding it to redevelop.

I would hope that the long-term impact of this would probably be beneficial to Halifax Hospital in two respects. One, the areas that are in the redevelopment areas -- I know that there are a good number of indigent type persons coming to Halifax Hospital for the benefit of services -- receiving services without paying for them. To the extent that area is able to pull itself up, bootstrap itself up through tax increment financing, the hospital has benefited in that regard. To the extent these surrounding areas increased in value so that we are able to generate more tax revenues without having to increase our millage, I believe the hospital would probably be benefited in that respect also."

Appendix E, p. 32, l. 7 - p. 33, l. 9.

This is consistent with the legislative pronouncement of the purposes of community redevelopment which include:

"It is hereby found and declared that there exist in counties and municipalities of the state slum and blighted areas which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests sound growth, retards the provision of housing accommodations, aggravates traffic problems, and substantially hampers the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its counties and municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities."

Section 163.355(1), Florida Statutes (Supp. 1984)

And that:

"...community redevelopment in such areas, when complete, will enhance such tax base and provide increased tax revenues to all affected taxing authorities, increasing their ability to accomplish their other respective purposes..."

Section 163.335(4), Florida Statutes (1984 Suppl.)

The State presented no evidence that the Hospital district and the Legislature's determination of the benefits of community redevelopment are not in fact true. The law and evidence confirms the Hospital district's authority and duty to contribute to the redevelopment trust fund. The Circuit Court correctly found Chapter 84-539, Laws of Florida, constitutional.

III. THE DEPENDENT DISTRICTS OF THE COUNTY OF VOLUSIA
ARE REQUIRED TO CONTRIBUTE TO THE REDEVELOPMENT TRUST FUND.

The East Volusia Mosquito Control District was created by Chapter 63-2016, Laws of Florida, and became a dependent district of the County of Volusia pursuant to Ordinance No. 72-21 (Appendix G). The East Volusia Transportation District was created as a dependent district by Ordinance No 73-14 (State's Appendix). The Ponce DeLeon Port Authority was created by Chapters 69-1705 and 70-969, Laws of Florida, and will be a dependent district as of October 1, 1985, pursuant to Ordinance No. 84-12 (Appendix H). Thus all future tax levies and appropriations to the redevelopment trust fund by these districts will be made by the County Council of the County of Volusia.

The State has no objection to the County (which levies ad valorem taxes county-wide) making appropriations to the redevelopment trust fund, but does find fault with dependent special districts (which levy taxes on a less than county-wide basis) contributing to the trust fund.

However, the County of Volusia and the elected representatives of its citizens have no reservations about contributing to the community redevelopment program. Section 163.410, Florida Statutes (1983), provides that the governing body of a county has the exclusive right to exercise the power of Chapter 163, Part III, Florida Statutes. Only with the affirmative approval of the County Council could the City establish a redevelopment trust fund that requires contributions be made by County dependent districts.

County Resolution No. 82-115 contains a complete delegation by the County to the City of community redevelopment powers including the power to establish a redevelopment trust fund (Appendix A).

It should be noted that Section 163.410, Florida Statutes (1983), provides a potential check regarding the State's concern about a future multiplicity of redevelopment trust funds, as it will take specific approval by the County Council (which is the governing body of the County and three dependent districts) to create each and every one of the funds.

The primary purposes of these special districts is instructive to the interrelationships of governmental functions and the interdependence of the economic health of an area. Mosquito control has as a primary function the prevention of airborne disease, and thus the center city dweller is just as at risk as a neighbor of a marsh. A public bus system serves primarily the poor, elderly, the young, and infirm, provides access to areas with inadequate street and parking systems, and conserves energy. A port and inlet system promotes commerce far beyond the docks and provides recreational opportunities for an entire system of waterways. Thus taxation of wide geographic areas support these functions. Also, there is specific reference to these purposes in the legislative findings supporting community redevelopment:

"It is hereby found and declared that there exist in counties and municipalities of the state slum and blighted areas which constitute a serious and growing menace, injurious to the public health, safety, morals, and welfare of the residents of the state; that the existence of such areas contributes substantially and increasingly to the spread of disease and crime, constitutes an economic and social liability imposing onerous burdens which decrease the tax base and reduce tax revenues, substantially impairs or arrests sound growth, retards the provision of housing accommodations, aggravates traffic problems, and substantially hampers the elimination of traffic hazards and the improvement of traffic facilities; and that the prevention and elimination of slums and blight is a matter of state policy and state concern in order that the state and its counties and municipalities shall not continue to be endangered by areas which are focal centers of disease, promote juvenile delinquency, and consume an excessive proportion of its revenues because of the extra services required for police, fire, accident, hospitalization, and other forms of public protection, services, and facilities."

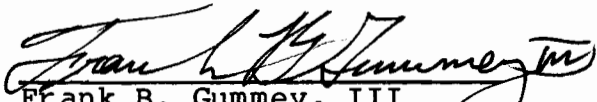
Section 163.335(1), Florida Statutes (Supp. 1984)

It is evident that it was the intent of the Legislature by enactment of Chapter 163, Part III, and the County Council by approving the establishment of the redevelopment trust fund that the mosquito control, bus, and port and inlet systems operated by County dependent districts have as a purpose community redevelopment, and that they provide for enhancement of their tax base by contributing to the redevelopment trust fund.

CONCLUSION


The Legislature, pursuant to its constitutional power, authorized and required the Halifax Hospital independent special district and three County dependent special districts to make contributions to the City's redevelopment trust fund. The trial court correctly upheld the validity of Sections 163.353 and 163.387(2)(a), Florida Statutes (Supp. 1984), and Chapter 84-539, Laws of Florida, and validated the bonds to be issued.

OFFICE OF THE CITY ATTORNEY
THE CITY OF DAYTONA BEACH

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CERTIFICATION OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing has been furnished by hand delivery to George Pappas, Esquire, Courthouse Annex, Daytona Beach, Florida, this 16th day of August, 1985.


Frank B. Gummey, III