# Regulatory Reform Subcommittee

**Thursday, February 3, 2022**
**2:00 PM – 4:00 PM**
**Webster Hall (212 Knott)**

# Meeting Packet

**Chris Sprowls**
**Speaker**

**Bob Rommel**
**Chair**

# The Florida House of Representatives

**Commerce Committee**

**Regulatory Reform Subcommittee**

**Chris Sprowls**
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# Meeting Agenda

Thursday, February 3, 2022
2:00 PM – 4:00 PM
Webster Hall (212 Knott)

I. Call to Order

II. Roll Call

III. Welcome and Opening Remarks

**IV. Consideration of the following bill(s):**

CS/HB 345 Liens and Bonds by Civil Justice & Property Rights Subcommittee, Overdorf

HB 715 Seating Requirements for Special Food Service Establishment Licenses by Tomkow

HB 719 Swim-up Bars by Smith, D.

HB 927 Downtown Crystal River Entertainment District, Citrus County by Hage

303 House Office Building, 402 South Monroe Street, Tallahassee, FL 32399-1300
Phone Numbers

CS/HB 943 Preemption of Local Government Wage Mandates by Local Administration & Veterans Affairs Subcommittee, Harding

HB 1107 City of Inverness, Citrus County by McClain

HB 1423 City of Edgewood, Orange County by Plasencia

HB 1431 City of Apopka, Orange County by Plasencia

HB 1433 Orange County by Plasencia

HB 1451 Malt Beverages by DiCeglie

HB 1497 City of Jacksonville, Duval County by Duggan

**Consideration of the following proposed committee substitute(s):**

PCS for HB 707 -- Home Kitchen Operations

PCS for HB 575 -- Vacation and Timeshare Plans

V. Closing Remarks

VI. Adjournment

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 345 Liens and Bonds
**SPONSOR(S):** Civil Justice & Property Rights Subcommittee, Overdorf
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Civil Justice & Property Rights Subcommittee | 17 Y, 0 N, As CS | Mawn | Jones |
| 2) Regulatory Reform Subcommittee | | Brackett | Anstead |
| 3) Judiciary Committee | | | |

## SUMMARY ANALYSIS

Persons who provide services, labor, or materials for improving, repairing, or maintaining real property (except public property) may place a construction lien on the property if they are not paid for their services in certain situations and they follow certain procedures set forth in ch. 713, F.S., Florida's construction lien law.

CS/HB 345:

- Modifies the notice of commencement, notice of termination, and notice of nonpayment forms.
- Allows licensed general or building contractors providing construction or program management services to claim construction liens for such services.
- Changes when a notice of termination must be recorded and served, and when such notice is effective.
- Modifies service requirements for documents required by the construction lien law.
- Authorizes a person intending to make a claim against a payment bond to serve the surety with a copy of the notice of nonpayment, instead of an original document.
- Specifies that the methods for discharging a lien may also be used to release a lien, in whole or in part, and modifies the requirements for recording a satisfaction or release of lien with the clerk's office.
- Modifies the amount of cash or bond necessary to deposit or file with the clerk's office to transfer a lien to a security and requirements related to the clerk's certificate of deposit or filing.
- Entitles the prevailing party in an action to enforce a lien transferred to a security to recover reasonable attorney fees.
- Specifies that the copy of the notice of contest of lien served by the clerk's office on a lienor must be a copy of the recorded notice.
- Authorizes a building permit applicant to provide the issuing authority with the clerk's office official records identifying information in lieu of a certified copy of the notice or a notarized statement of filing.
- Provides a method for computing time periods for recording a document or filing an action under the construction lien law and tolls such time periods in specified emergency circumstances.
- Removes the ability of a contractor working on a public project to file an alternative form of security in lieu of the payment bond typically required.
- Repeals s. 713.25, F.S., relating to the applicability of ch. 65-456, F.S.
- Modifies the definitions of "clerk's office" and "final furnishing" and defines "finance charge" and "specially fabricated materials."

The bill does not appear to have a fiscal impact on state or local governments.

The bill provides an effective date of July 1, 2022.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

Florida law ensures that people working on construction projects are paid for their work. Any person who provides services, labor, or materials for improving, repairing, or maintaining real property (except public property) may place a construction lien[1] on the property, provided the person complies with statutory procedures.[2] These procedures require the filing or serving of various documents, including a:

- Notice of Commencement;[3]
- Notice to Owner;[4]
- Claim of Lien;[5]
- Notice of Termination;[6]
- Waiver or Release of Lien;[7]
- Notice of Contest of Lien;[8]
- Contractor's Final Payment Affidavit;[9] and
- Demands of Written Statement of Account.[10]

To record a construction lien on real property, the lienor must record a claim of lien with the clerk's office in the county where the property is located and serve the owner with the claim of lien within 15 days of recording the lien.[11] If a claim of lien is not recorded, the lien is void to the extent that the failure to record the claim prejudices any person entitled to rely on service of the claim of lien.[12]

A person may file a claim of lien at any time during the progress of the work but may not file a claim of lien later than 90 days after the person's final furnishing of labor or materials.[13] A person may record a single claim of lien for multiple services or materials provided to different properties as long as such services or materials were provided under the same contract, the person is in privity with the owner, and the properties have the same owner.[14] However, a person may not record a single claim of lien for multiple services or materials if there is more than one contract, even if the contracts for services and materials are with the same owner.[15]

A construction lien extends to the right, title, and interest of the person who contracts for the improvement to the extent such right, title, and interest exists at the improvement's commencement or is acquired in the real property.[16] However, when a lessee makes an improvement under an agreement between the lessee and his or her lessor, the lien also extends to the lessor's interest unless:[17]

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[1] A lien is a claim against property that evidences a debt, obligation, or duty. Fla. Jur. 2d Liens § 37:1.
[2] Ch. 713, F.S.
[3] S. 713.13, F.S.
[4] To secure construction lien rights, a person working on a construction project who is not in direct contract ("privity") with the owner must serve a notice to owner in the statutory form provided; laborers are exempt from this requirement. The notice informs the owner that someone with whom he or she is not in privity is providing services or materials on the property and that such person expects the owner to ensure he or she is paid. The notice must be served no later than 45 days after the person begins furnishing services or materials and before the date the owner disburses the final payment after the contractor has furnished his or her final payment affidavit. After receiving a notice to owner, the owner must obtain a waiver or release of lien from the notice's sender before paying the contractor, unless a payment bond applies, or risk payments to the contractor constituting improper payments that leave the owner liable to the notice sender if the contractor does not pay such person. *Stocking Bldg. Supply of Florida, Inc. v. Soares Da Costa Construction Services, LLC*, 76 So. 3d 313 (Fla 3d DCA 2011); S. 713.06, F.S.
[5] S. 713.08, F.S.
[6] S. 713.132, F.S.
[7] S. 713.20, F.S.
[8] S. 713.22(2), F.S.
[9] S. 713.06(3), F.S.
[10] S. 713.16, F.S.
[11] S. 713.08, F.S.
[12] S. 713.08(4), F.S.
[13] S. 713.08(5), F.S.
[14] S. 713.09, F.S.
[15] *Id.*; *see also Lee v. All Florida Construction Co.*, 662 So. 2d 365, 366-67 (Fla. 5th DCA 1995).
[16] S. 713.10(1), F.S.
[17] *Id.*

- The lease is recorded in the official records of the county where the property is located before the recording of a notice of commencement for improvements to the property and the lease's terms expressly prohibit such liability;
- The lease's terms expressly prohibit such liability, and a notice advising that leases for the rental of premises on a property prohibit such liability has been recorded in the official records of the county in which the property is located before the recording of a notice of commencement for improvements to the premises and the notice includes specified information; or
- The lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park.[18]

If a lease expressly provides that the lessor's interest will not be subject to the construction liens relating to improvements made by the lessee, the lessee must notify the contractor making any such improvements of the provision, and the knowing and willful failure of the lessee to provide such notice renders the contract voidable at the contractor's option.[19]

**Notice of Commencement**

Background

Before construction begins, a private property owner or the owner's authorized agent must generally file a notice of commencement with the clerk's office[20] and post a copy of the notice on the property to be improved.[21] The notice of commencement determines the priority of construction liens, provides details needed to complete a notice to owner, establishes the date on which the statute of limitations begins to run, and protects owners from double payments.[22]

A notice of commencement must be substantially similar to the statutorily-authorized form and contain:
- Descriptions of the real property to be improved and the improvements;
- The name and address of the:
  - Owner, fee simple title holder (if not the owner),[23] contractor, and any person lending money for the project, along with a description of the owner's interest in the property;[24]
  - Surety[25] on a payment bond, if any, and the bond amount;
  - Persons, designated by the owner, upon whom notices may be served or who may receive a claim of lien;
- The notice's expiration date; and
- A warning in uppercase type that the notice must be recorded, and that payments made after the notice expires could be improper and lead to the owner paying twice.[26]

Further, a building permit applicant must generally file with the issuing authority, before the first inspection, either a certified copy of the recorded notice of commencement or a notarized statement that the notice was filed for recording, along with a copy of the notice.[27] If a certified copy of the notice of commencement is not filed with the issuing authority, the issuing authority may not perform or approve subsequent inspections until the applicant files the certified copy; however, the issuing

[18] S. 713.10(2)(b), F.S.
[19] S. 713.10(2)(a), F.S.
[20] "Clerk's office" means the office of the clerk of the circuit court of the county in which the real property is located. S. 713.01(4), F.S.
[21] A notice of commencement is not required for direct contracts for $2500 or less or for air conditioning or heating system repair or replacement for less than $7500. A notice of commencement is also not required for public construction projects because public property is not lienable. Ss. 713.01(26), 713.02(5), 713.13, and 713.135(1)(d), F.S.
[22] *Stocking Bldg. Supply,* So. 3d at 319; The Florida Senate Committee on Regulated Industries, *Review of the Florida Construction Lien Law*, November 2007, http://archive.flsenate.gov/data/Publications/2008/Senate/reports/interim_reports/pdf/2008-149ri.pdf (last visited Jan. 27, 2022); Fred Dudley, William A. Buzzett, & Deborah Kaveney Kearney, *Construction Lien Law Reform: The Equilibrium of Change*, 18 Fla. St. U. L. Rev., 278 (1991).
[23] Fee simple title is an interest in land that, being the broadest property interest allowed by law, endures until the current holder dies without heirs. Black's Law Dictionary (11th ed. 2019).
[24] A lessee may contract for improvements as an owner but must be listed as the owner in the notice of commencement. S. 713.13(1)(a)3., F.S.
[25] A surety guarantees the performance or obligations of a second party (the principal) to a third party (the obligee) under a three-party contract. National Association of Security Bond Providers, *What are Surety Bonds*, https://www.nasbp.org/getabond/about-surety#:~:text=A%20surety%20bond%20is%20a,third%20party%20(the%20obligee) (last visited Jan. 27, 2022).
[26] S. 713.13(1)(a)-(d), F.S.
[27] S. 713.135(1)(d), F.S.

authority is not liable in any civil action for failing to verify that the building permit applicant submitted a certified copy of the notice of commencement.[28]

Effect of Proposed Changes

CS/HB 345 modifies the statutorily-provided notice of commencement form to reflect that the person signing the notice may use an online notary.[29] Additionally, the bill:

- Authorizes a building permit applicant to submit the clerk's office[30] official records identifying information for the recorded notice of commencement, including the instrument number, to the issuing authority in lieu of a certified copy of the notice or notarized statement of filing.
- Provides that the building permit issuing authority is not liable in any civil action for failing to verify that the building permit applicant submitted one of the acceptable forms of proof that the applicant filed a notice of commencement.

**Payment Bonds**

Background

A payment bond is a type of surety bond that generally guarantees that all subcontractors, laborers, and material suppliers will be paid for their work on or materials contributed to a construction project.[31] It forms a three-part contract between the owner, the contractor, and the surety to ensure that liens are not filed on the property, serving as the security for payment in lieu of the typical right to claim a lien. The payment bond must be furnished in at least the amount of the original contract price before beginning the construction project, and a copy of the bond must be attached to the recorded notice of commencement.[32]

For a private project, contractors are not obligated to obtain a payment bond, but current law requires contractors to obtain a payment bond for public projects over $100,000.[33] However, in lieu of the payment bond, a contractor working on a public project may file with the state, county, city, or other political authority an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625, F.S., dealing with investments.[34]

Payment bonds may be unconditional or conditional. An unconditional payment bond obligates the surety to pay unpaid subcontractors, laborers, and material suppliers, regardless of whether the owner paid the contractor for the labor, services, or materials such persons provided. Thus, where an unconditional payment bond applies, the subject real property is exempt from constructions liens. In contrast, a conditional payment bond only obligates the surety to pay unpaid subcontractors, laborers, and material suppliers if the owner pays the contractor for the labor, services, or materials such persons provided; where the owner fails to pay the contractor, the unpaid subcontractors, laborers, and material suppliers must seek payment by claiming a lien on the subject property.[35] Thus, where a conditional payment bond applies, the subject real property is not necessarily exempt from constructions liens.

Before paying a subcontractor, laborer, or material supplier, a contractor may request that such person provide a waiver of right to claim against the payment bond. Such a waiver serves as a receipt

[28] S. 713.135(1)(d) and (3), F.S.
[29] In 2019, the Legislature authorized the use of online notaries. An online notary may perform an online notarization, regardless of the physical location of the principal at the time of the notarial act, if the notary: is physically located in Florida; and confirms that the principal desires for the notarial act to be performed by a Florida notary public under Florida law. Ch. 2019-71, Laws of Fla.; S. 117.265(3), F.S.
[30] The bill redefines "clerk's office" to mean the office of the clerk of the circuit court of the county, or another officer serving as the county recorder as provided by law, in which the real property is located.
[31] S. 713.23, F.S.
[32] S. 713.23(1)(a), F.S.
[33] S. 255.05(1)(d), F.S.
[34] S. 255.05(7), F.S.
[35] S. 713.245, F.S.

acknowledging payment for services performed or materials provided and waives the ability to seek payment from the surety.[36] Current law provides a statutory form for a waiver of right to claim against a payment bond and prohibits a contractor from requiring anyone to sign a waiver that is substantially different from the form.[37]

Effect of Proposed Changes

The bill deletes a provision authorizing a contractor working on a public project to file with the state, local government, or other political authority, an alternative form of security in lieu of the payment bond typically required for a public project.

**Transfer of Liens to Security**

Background

Any construction lien claimed may be transferred from the real property to a security by a person with an interest in the real property or the contract under which the lien is claimed by either depositing money or filing a bond with the clerk's office.[38] Cash deposited or a bond filed to transfer a lien must be in an amount equal to the amount demanded in the lien, plus interest thereon at the legal rate for three years, plus $1,000 or 25 percent of the demanded amount, whichever is greater.[39] Once such a deposit is made, the clerk must record a certificate showing the transfer of the lien from the real property to the security, and upon the recording of such certificate, the real property is released from the lien, which is transferred to the security.[40]

However, any person having an interest in such security or the property from which the lien was transferred may file a complaint in the circuit court of the county where such security is deposited, or file a motion in a pending action to enforce a lien, for an order to require additional security, the reduction of security, a change or substitution of securities, the payment of discharge thereof, or any other matter affecting the security.[41]

Effect of Proposed Changes

The bill increases the amount of the cash or bond required to be deposited or filed with the clerk's office to transfer a lien to a security. Specifically, the bill changes the amount required to the amount demanded in the lien, plus interest at the legal rate for three years, plus $5,000 or 25 percent of the amount demanded in the lien, whichever is greater. Further, the bill requires that the clerk include a copy of the deposit or bond used for the transfer with the certificate made and recorded to show the lien's transfer.

[36] Ss. 255.05(2), and 713.235, F.S.
[37] *Id.*
[38] S. 713.24(1), F.S.
[39] *Id.*
[40] *Id.*
[41] S. 713.24(3), F.S.

## Licensed General and Building Contractors

Background

Licensed construction contractors are either certified by or registered with the Construction Industry Licensing Board ("CILB") within the Department of Business and Professional Regulation ("DBPR"). "Certified contractors" are persons who pass the state competency examination and obtain a certificate of competency issued by DBPR.[42] Certified contractors can contract in any jurisdiction in the state without fulfilling the local jurisdiction's competency requirements.[43] "Registered contractors" are persons who have taken and passed a competency examination administered by a local government and who have then registered with DBPR.[44] Registered contractors can perform contracting only in the local jurisdiction where their license is issued.[45]

Contractors, whether certified or registered, may be general contractors or building contractors. A "general contractor" is a person who may contract for and perform any type of construction service unless the work must be subcontracted to a licensed subcontractor.[46] A "building contractor" is a person who may contract for and perform construction services for commercial and residential buildings not exceeding three stories in height, or for any size building if the construction does not affect the building's structural frame, unless such work must be subcontracted to a licensed subcontractor.[47]

Current law allows a local government to hire a construction manager[48] and program manager[49] for its construction projects, and allows the state to hire a construction manager for state construction projects.[50] A construction or program manager hired by a local government is not required to be a licensed contractor, engineer, or architect, but if such person is not licensed, he or she must hire a licensed professional to perform any job requiring a license.[51] However, a construction manager hired by the state must be a licensed general or building contractor.[52]

Though the construction lien law allows any person who provides services, labor, or materials for improving real property (except public property) to place a construction lien on the property,[53] it is unclear if construction or program managers may do so because they do not necessarily provide labor, services, or materials that improves real property.[54]

Further, the lien law provides that a contractor may file a lien for any money owed to him or her for labor, services, or materials[55] but defines a "contractor" as any person other than a materialman or laborer who contracts with an owner to improve the owner's real property.[56] The definition also includes a licensed architect or engineer who improve real property through a design-build contract[57] but does not include a licensed general or building contractor providing construction or program manager

[42] S. 489.105(8), F.S.
[43] *Id.*
[44] S. 489.105(10), F.S.
[45] S. 489.103, F.S.
[46] Ss. 489.105(3), and 489.113, F.S.
[47] *Id.*
[48] A construction manager is responsible for the overall management of a construction project. DBPR does not regulate construction managers. The Florida Bar, *Florida Construction Law Practice*, Chapter 4: Rights and Liabilities of Construction Managers (9th ed. 2018).
[49] A program manager is "responsible for schedule control, cost control, and coordination in providing or procuring planning, design, and construction services." DBPR does not regulate program managers. S. 255.103(3), F.S.
[50] S. 255.32(2), F.S.
[51] *Id.*
[52] S. 255.32(1), F.S.
[53] *See generally* ch. 713, F.S.
[54] Scott Wolfe, Jr., *Can Construction Managers File Mechanics Liens?*, https://www.levelset.com/blog/can-construction-managers-file-mechanics-liens/ (last visited Jan. 27, 2022).
[55] S. 713.05, F.S.
[56] S. 713.01(8), F.S.
[57] S. 713.01(8), F.S.

services.[58] Some courts have determined that persons serving as construction or program managers may not file construction liens, even where such persons are licensed contractors.[59]

Effect of Proposed Changes

The bill amends the construction lien law's definition of "contractor" to include any licensed general or building contractor who provides construction or program management services.[60] This guarantees to licensed general and building contractors providing such services the ability to claim construction liens if they are not paid for their work.

**Notice of Termination**

Background

An owner may terminate a notice of commencement before it expires by recording a notice of termination that includes:

- All the information in the notice of commencement;
- The notice of commencement's reference numbers from the official records of the clerk's office and effective date;
- The date the notice of commencement is terminated, which may not be earlier than 30 days after the notice of termination is recorded;
- A statement that all persons who worked on the property have been paid in full; and
- A statement that the owner has served a copy of the notice of termination to the contractor and every person in privity with the owner who timely served a notice to owner.[61]

An owner may record a notice of termination after:

- Completion of the construction project; or
- Work stops on the project and every person who worked on the property has been paid.[62]

If the owner serves a copy of the notice of termination on every person in privity with the owner and who served a notice to owner before the recording of the notice of termination, a notice of commencement terminates 30 days after the notice of termination is recorded or on the termination date stated in the notice, whichever is later.[63]

Effect of Proposed Changes

The bill:

- Requires an owner to serve a copy of the notice of termination on any lienor who timely serves a notice to owner after the notice of termination is recorded and to state in the notice of termination that he or she will do so.
- Deletes a provision allowing an owner to record a notice of termination after construction completion or when construction ceases before completion, requiring instead that such notice be recorded only after all lienors have been paid.
- Clarifies that the notice of termination must include the official records reference numbers and recording date affixed to the notice of commencement by the clerk's office.

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[58] *Id.*

[59] *See, e.g., O'Kon and Company, Inc. v. Riedel*, 540 So. 2d 836, 839-40 (Fla. 1st DCA 1988) ("Chapter 713, which provides for professionals offering services to file a lien for services, does not include 'project managers.'"); *see also, e.g., Medellin v. MLA Consulting, Inc.*, 69 So. 3d 372 (Fla. 5th DCA 2011) (A person cannot file a construction lien for home construction consulting services because it does not improve real property.); *See also* The Florida Bar *supra* note 51.

[60] The bill specifies that construction management services include scheduling and coordinating both preconstruction and construction phases for the successful, timely, and economical completion of the construction project. The bill also specifies that program management services include schedule control, cost control, and coordination in providing or procuring planning, design, and construction.

[61] S. 713.132(1), F.S.

[62] S. 713.132(3), F.S.

[63] S. 713.132(4), F.S.

The bill also requires that a notice of termination be served before recording on each lienor in privity with the owner and on each person who timely served a notice to owner before the recording of the notice of termination. The bill specifies that the notice of termination must be recorded in the official records of the county in which the improvement is located and, if properly served, the notice terminates the notice of commencement 30 days after the notice of termination is recorded.

However, a notice of commencement is not terminated as to any lienor not in privity with the owner who timely serves a notice to owner after the notice of termination is recorded until 30 days after such person is served with the notice of termination.

**Manner of Serving Documents**

Background

Documents authorized or required under the construction lien law, and notices to contractors for payment bonds for public construction projects, must be served by:

- Actual delivery to the person being served; if a partnership, to one partner; if a corporation, to an officer, director, managing agent, or business agent; or if a limited liability company, to a member or manager.
- Common carrier delivery service or by registered, Global Express Guaranteed, or certified mail, to the person being served with postage or shipping paid by the sender and with evidence of delivery; or
- Posting on the construction site if service cannot be performed by the other two methods.[64]

Service of a document by common carrier delivery service or by registered, Global Express Guaranteed, or certified mail is effective on the day the document is mailed, if it is:

- Sent to the last address shown in the notice of commencement or, in the absence of such a notice, to the last address shown in the building permit application or to the last known address of the person to be served; and
- Returned as being "refused," "moved, not forwardable," or "unclaimed," or is otherwise not delivered or deliverable through no fault of the person serving the item.[65]

However, for construction projects where there is a payment bond, a notice to contractor is effective on the date of mailing if:

- The notice is mailed by registered, Global Express Guaranteed, or certified mail, with postage prepaid, to the person to be served at the last address shown in the notice of commencement, the last address shown in the building permit application, or the last known address of the person being served;
- The notice is mailed within 40 days after the date the person first furnishes labor, services, or materials; and
- The person who served the notice maintains:
    - A registered or certified mail log that shows the mail number issued by the United States Postal Service ("USPS"), the name and address of the person served, and the date stamp of the USPS confirming the date of mailing; or
    - Electronic tracking records generated by the USPS containing the tracking number, the name and address of the person served, and verification of the date of receipt by the USPS.[66]

Current law also provides that service of a construction lien notice on one property owner or on one partner of a partnership that owns a property is deemed to provide notice to all owners or partners.[67]

Effect of Proposed Changes

[64] S. 713.18(1), F.S.
[65] S. 713.18(3), F.S.
[66] S. 713.18(2), F.S.
[67] S. 713.18, F.S.

The bill:

- Clarifies that "actual delivery" of a notice means "hand delivery."
- Provides that service by mail must be made to the person to be served.
- Clarifies that service of a notice sent through the mail is effective upon mailing or shipping.

Further, the bill modifies the requirement that, for service to be effective on the date of mailing, the person serving a notice to contractor where a payment bond applies must maintain electronic tracking records generated by the USPS, deleting the requirement that the records be electronic and specifying that they may be either generated or approved by the USPS. The bill also deletes the requirements that such tracking records contain the name and address of the person served.

**Notice to Contractor and Notice of Nonpayment**

Background

Under a payment bond, if the general contractor fails to pay a subcontractor, laborer, or material supplier, such person may seek payment directly from the surety. In order to receive protection under a payment bond for a project, a subcontractor or material supplier[68] not in privity with the contractor must serve the contractor with a written notice of intent to seek protection under the bond.[69] Such notice must be served no later than 45 days after the first furnishing of services or materials for the project.[70]

Additionally, a subcontractor, laborer, or material supplier not in privity with the contractor who has not received payment for furnishing labor, services, or materials must also serve a written notice of nonpayment on the contractor and the surety.[71] For a construction project on a public building or with the Department of Transportation, the claimant must serve the notice of nonpayment during the work's progress but:

- No earlier than 45 days after the first furnishing of labor, services, or materials; or
- No later than 90 days after the final furnishing of labor, services, or materials.[72]

For a private construction project, the claimant must serve the notice of nonpayment after beginning his or her work but no later than 90 days after the final furnishing of labor, services, or materials.[73] Practically speaking, this means that, for a private construction project, a notice of nonpayment can be served on the claimant's first day of work, before the claimant has billed for the work or a payment cycle has been completed.

Effect of Proposed Changes

The bill:

- Modifies a notice of nonpayment to reflect that the person signing the notice may use an online notary.
- Specifies that a lienor must still provide a notice of nonpayment to the general contractor to receive protection under a payment bond but requires such person to only provide a copy of the notice to the surety.

The bill also defines:

- "Final furnishing," with respect to specially fabricated materials, as the date that the last portion of the specially fabricated materials is delivered to the site of the improvement, or if any portion of the specially fabricated materials is not delivered to the site by no fault of the lienor, 90 days after the date the lienor completes the fabrication or 90 days before the expiration of the notice of commencement, whichever is earlier.

[68] Laborers are exempt from this requirement. Ss. 255.05(2)(a)2., 337.18(1)(c), and 713.23(1)(c), F.S.
[69] *Id*.
[70] Ss. 255.05(2)(a)2. and 713.23(1)(c), F.S.
[71] Ss. 255.05(2)(a)2. and 713.23(1)(d), F.S.
[72] Ss. 255.05(2)(a)2. and 337.18(1)(c), F.S.
[73] S. 713.23(1)(d), F.S.

- "Specially fabricated materials" to mean materials designed and fabricated for use in a particular improvement that are not generally suited for or readily adaptable for use in a like improvement.

Further, the bill provides that, for a construction project on a public building, if the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment if applicable, the claimant may serve the notice to contractor up to 45 days after the date he or she is served with a copy of the bond.

The bill also decreases the minimum timeframe for service of the notice of nonpayment after first furnishing for a construction project on a public building or with the Department of Transportation from 45 days to 30 days.

**Duration of Lien**

Background

An action to enforce a properly recorded construction lien must be brought within one year of recording or one year after the recording of an amended claim of lien showing a later final furnishing date, unless the owner of the subject property chooses to shorten the enforcement period by recording a notice of contest of lien in the clerk's office.[74] After a notice of contest of lien is filed, the clerk's office must serve a copy of the notice on the lienor at the address shown in the claim of lien, certify to such service and the date of service on the notice's face, and record the notice.[75] The lien of any lienor served with a notice of contest of lien who fails to sue to enforce the lien within 60 days of service of the notice is automatically extinguished.[76]

Effect of Proposed Changes

The bill specifies that the clerk's office must serve a recorded copy of the notice of contest of lien on the lienor, so that the notice would have to be recorded prior to service to be effective. However, the bill does not modify the requirement that the clerk's office certify to such service and the date of service on the notice's face and record the notice after service is completed.

**Discharge of Liens**

Background

A construction lien may be discharged by:
- Entering satisfaction of the lien on the margin of the lien document recorded with the clerk's office, if allowed by law;
- Filing satisfaction with the clerk's office;
- Failing to begin an action to enforce the lien within the statutorily-prescribed time frame;
- The circuit court of the county where the property is located issuing an order; or
- Recording in the clerk's office a court judgment or decree showing the action's final determination.[77]

Effect of Proposed Changes

The bill provides that the methods specified for discharging a lien may also be used to release a lien, in whole or in part. The bill also specifies that, if a satisfaction or release is filed with the clerk's office, the satisfaction or release must include the lienor's notarized signature and the official reference numbers and recording date associated with the subject lien.

**Attorney's Fees and Costs**

[74] S. 713.22(1) and (2), F.S.
[75] S. 713.22(2), F.S.
[76] *Id.*
[77] S. 713.21, F.S.

Background

The prevailing party in an action to enforce a lien or a claim against a payment bond is entitled to recover his or her reasonable attorney fees and costs.[78]

Effect of Proposed Changes

The bill provides that a prevailing party in an action to enforce a lien transferred to a security may recover his or her reasonable attorney fees in an amount to be determined by the court.

**Computation of Time**

Background

Florida's construction lien law establishes many timeframes for filing or serving notices and other documents but does not specify a method for computing such time periods. However, Florida courts have noted that "the uniform rule in computing time periods is that the first day of the period is excluded from the computation, and the last day is included."[79] Further, where a statute does not specify a method for computing time, Rule 2.514 of the Florida Rules of Judicial Administration applies, providing that, when a time period is stated in days or a longer temporal unit, the parties should:

- Begin counting from the next day that is not a Saturday, Sunday, or legal holiday;
- Count every day, including intermediate Saturdays, Sundays, and legal holidays; and
- Include the last day of the period, unless that day is a Saturday, Sunday, or legal holiday, or falls within any time period extended through an order of the chief justice, in which case the time period continues to run until the end of the next day that is not a Saturday, Sunday, or legal holiday and does not fall within any time period extended through an order of the chief justice.

Effect of Proposed Changes

The bill provides that, in computing any time period for recording a document of filing an action under the construction lien law, if the last day of the time period is a Saturday, Sunday, legal holiday, or any day observed as a holiday by the clerk's office, the time period is extended to the end of the next business day. The bill also provides that:

- If the clerk's office is closed during a state of emergency declared under ch. 252, F.S., all time periods for recording a document or filing an action under the construction lien law are tolled, resuming on the first business day after the declared state of emergency ends.
- A federal, state, or local governmental order closing or directing the closure of the clerk's office for any reason constitutes a state of emergency.
- A clerk's office is considered closed if it is not accepting documents for recording or filing by any means.

**Finance Charges**

Background

Chapter 713, F.S., does not define "finance charge," but uses the phrase "finance charges due under the lienor's contract" everywhere the phrase "finance charges" appears in the chapter. Thus, it can be inferred that the lienor's contract would define "finance charge" in the construction lien context.

Effect of Proposed Changes

[78] S. 713.29, F.S.
[79] *Site-Prep, Inc. v. Tai*, 472 So. 2d 766 (Fla. 5th DCA 1985), *citing McMillen v. Hamilton*, 48 So. 2d 162 (Fla. 1950).

The bill defines "finance charge" as the contractually specified additional amount to be paid by the obligor on any balance that remains unpaid by the due date set forth in the credit agreement or other contract.

**Applicability of Ch. 65-456, Laws of Florida**

Background

Section 713.25, F.S., provides that ch. 65-456, Laws of Florida, takes effect on July 1, 1965, but does not apply to any act required to be done within a time period which is running on that date or to existing projects where its operation would impair vested rights.

Effect of Proposed Changes

The bill repeals s. 713.25, F.S., as it is outdated and no longer applicable.

**Miscellaneous Provisions**

The bill makes technical, grammatical, and conforming changes.

The bill provides an effective date of July 1, 2022.

B. SECTION DIRECTORY:

**Section 1:** Amends s. 255.05, F.S., relating to bond of contractor constructing public buildings; form; action by claimants.
**Section 2:** Amends s. 337.18, F.S., relating to surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.
**Section 3:** Amends s. 713.01, F.S., relating to definitions.
**Section 4:** Creates s. 713.011, F.S., relating to computation of time.
**Section 5:** Amends s. 713.10, F.S. relating to extent of lien.
**Section 6:** Amends s. 713.13, F.S., relating to notice of commencement.
**Section 7:** Amends s. 713.132, F.S., relating to notice of termination.
**Section 8:** Amends s. 713.135, F.S., relating to notice of commencement and applicability of lien.
**Section 9:** Amends s. 713.18, F.S., relating to manner of serving notices and other instruments.
**Section 10:** Amends s. 713.21, F.S., relating to discharge of lien.
**Section 11:** Amends s. 713.22, F.S., relating to duration of lien.
**Section 12:** Amends s. 713.23, F.S., relating to payment bond.
**Section 13:** Amends s. 713.24, F.S., relating to transfer of liens to security.
**Section 14:** Repeals s. 713.25, F.S., relating to applicability of ch. 65-456.
**Section 15:** Amends s. 713.29, F.S., relating to attorney's fees.
**Section 16:** Amends s. 95.11, F.S., relating to limitations for actions other than for the recovery of real property.
**Section 17:** Provides an effective date of July 1, 2022.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None.

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may cause more subcontractors, laborers, and material suppliers to receive compensation for the labor, services, or materials they supply for construction projects, which may have a positive indeterminate impact on the private sector. However, the bill may have a negative indeterminate impact on the private sector by:

- Making it costlier to transfer a lien to a payment bond.
- Eliminating the option for a contractor working on a public project to provide an alternative form of security in lieu of a payment bond.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

Not applicable.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

On January 27, 2022, the Civil Justice and Property Rights Subcommittee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The strike-all:

- Modified the requirements for service of a notice to contractor if a payment bond is not recorded, specifying that the timeframe for such service is triggered if the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment if applicable.
- Decreased the minimum timeframe for serving a notice of nonpayment on a public project or a project with the DOT from 45 days to 30 days.
- Deleted a provision specifying that provisions for the waiver of or right to claim against a payment bond apply to all contracts under s. 337.18, F.S., relating to contracts with the DOT.
- Modified the definition of “final furnishing” and “finance charge.”
- Defined “specially fabricated materials.”

- Narrowed the scope of the provisions for computing any time period to only apply to time periods for recording a document or filing an action under the construction lien law, modified what is considered a state of emergency under this section, and specified when the clerk's office is considered closed.
- Deleted a provision authorizing a lienor to file a single claim of lien for multiple direct contracts under specified circumstances.
- Restored the notice of commencement form requirements to current law, with the exception of the new online notary provision.
- Modified the bond amount necessary to transfer a lien to a security from 50 percent of the amount demanded in the lien to $5,000 or 25 percent of the amount demanded, whichever is greater.
- Restored language relating to conditional payment bonds that the bill would have repealed.
- Made technical and conforming changes.

This analysis is drafted to the committee substitute as passed by the Civil Justice and Property Rights Subcommittee.

A bill to be entitled

An act relating to liens and bonds; amending s. 255.05, F.S.; revising when a notice of contest of claim against a payment bond and a notice of nonpayment must be served; requiring that a copy of a notice of nonpayment be served on the surety; revising the process for notarizing a notice of nonpayment; removing the authority for a contractor to file an alternative form of security rather than a bond; requiring service of documents to be made in a specified manner; conforming provisions to changes made by the act; making technical changes; amending s. 337.18, F.S.; revising when a notice of nonpayment may be served; requiring service of documents to be made in a specified manner; conforming provisions to changes made by the act; amending s. 713.01, F.S.; revising and providing definitions; creating s. 713.011, F.S.; providing for the computation of time for recording a document or filing an action when certain time periods fall on specified days or during a declared state of emergency; providing that certain orders constitute a state of emergency; specifying when a clerk's office is considered closed; amending s. 713.10, F.S.; revising the extent of certain liens; amending s. 713.13, F.S.; conforming a cross-

reference; revising the process for notarizing a notice of commencement; amending s. 713.132, F.S.; revising requirements for a notice of termination; revising when an owner may record a notice of termination; specifying when a notice of termination terminates the notice of commencement; amending s. 713.135, F.S.; providing a definition; providing applicability; making technical changes; providing that an issuing authority is not liable for failing to verify that specified information has been filed; amending s. 713.18, F.S.; requiring service of documents relating to construction bonds to be made in a specified manner; making technical changes; amending s. 713.21, F.S.; authorizing the full or partial release of a lien under specified conditions; amending s. 713.22, F.S.; revising the information required in the notice of contest of lien; amending s. 713.23, F.S.; requiring that a copy of a notice of nonpayment be served on the surety; revising the process for notarizing a notice of nonpayment under a payment bond; amending s. 713.24, F.S.; revising the amount required in addition to the deposit or bond that applies toward attorney fees and costs; requiring the clerk to make a copy of the deposit or bond used to transfer a lien to other security and mail it to the

lienor; repealing s. 713.25, F.S., relating to applicability of ch. 65-456; amending s. 713.29, F.S.; authorizing attorney fees in actions to enforce a lien that has been transferred to security; amending s. 95.11, F.S.; conforming a cross-reference; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsections (8) through (11) of section 255.05, Florida Statutes, are renumbered as subsections (7) through (10), respectively, paragraph (a) of subsection (2) and present subsections (6) and (7) are amended, and a new subsection (11) is added to that section, to read:

255.05 Bond of contractor constructing public buildings; form; action by claimants.—

(2)(a)1. If a claimant is no longer furnishing labor, services, or materials on a project, a contractor or the contractor's agent or attorney may elect to shorten the time within which an action to enforce any claim against a payment bond must be commenced by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM

AGAINST PAYMENT BOND

To: ...(Name and address of claimant)...

You are notified that the undersigned contests your notice of nonpayment, dated ....., ....., and served on the undersigned on ....., ....., and that the time within which you may file suit to enforce your claim is limited to 60 days after the date of service of this notice.

DATED on ....., .....

Signed: ...(Contractor or Attorney)...

The claim of a claimant upon whom such notice is served and who fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of such notice is extinguished automatically. The contractor or the contractor's attorney shall serve a copy of the notice of contest on ~~to~~ the claimant at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service on the face of the notice and record the notice.

2. A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 45 days after commencing to furnish labor, services, or materials for the prosecution of the work, serve the contractor

with a written notice that he or she intends to look to the bond for protection. If the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment, if applicable, as required by s. 255.05(1), then the claimant may serve the contractor with such written notice up to 45 days after the date that the claimant is served with a copy of the bond. A claimant who is not in privity with the contractor and who has not received payment for furnishing his or her labor, services, or materials shall serve a written notice of nonpayment on the contractor and a copy of the notice on the surety. The notice of nonpayment must ~~shall~~ be under oath and served during the progress of the work or thereafter but may not be served earlier than 30 ~~45~~ days after the first furnishing of labor, services, or materials by the claimant or later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement available for use. Any notice of nonpayment served by a claimant who is not in privity with the contractor which includes sums for retainage must specify the portion of the amount claimed for retainage. An action for the labor, services, or materials may not be instituted against the contractor or the surety unless the notice to the contractor and notice of nonpayment have been served, if required by this section. Notices required or

permitted under this section must be served in accordance with s. 713.18. A claimant may not waive in advance his or her right to bring an action under the bond against the surety. In any action brought to enforce a claim against a payment bond under this section, the prevailing party is entitled to recover a reasonable fee for the services of his or her attorney for trial and appeal or for arbitration, in an amount to be determined by the court or arbitrator, which fee must be taxed as part of the prevailing party's costs, as allowed in equitable actions. The time periods for service of a notice of nonpayment or for bringing an action against a contractor or a surety are ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the claimant and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A claimant who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the claimant has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration.

However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the claimant's claim against the bond. The notice of nonpayment under this subparagraph must include the following information, current as of the date of the notice, and must be in substantially the following form:

NOTICE OF NONPAYMENT

To: ...(name of contractor and address)...

...(name of surety and address)...

The undersigned claimant notifies you that:

1. Claimant has furnished ...(describe labor, services, or materials)... for the improvement of the real property identified as ...(property description).... The corresponding amount unpaid to date is $...., of which $.... is unpaid retainage.

2. Claimant has been paid to date the amount of $.... for previously furnishing ...(describe labor, services, or materials)... for this improvement.

3. Claimant expects to furnish ...(describe labor, services, or materials)... for this improvement in the future (if known), and the corresponding amount expected to become due is $.... (if known).

I declare that I have read the foregoing Notice of Nonpayment and that the facts stated in it are true to the best of my knowledge and belief.

DATED on ....., .....

...(signature and address of claimant)...

STATE OF FLORIDA
COUNTY OF .....

The foregoing instrument was sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or sworn to (or affirmed) by ☐ online notarization this .... day of ...., ...(year)..., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...
...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known ..... OR Produced Identification .....

Type of Identification Produced

(6) All payment bond forms used by a public owner and all payment bonds executed pursuant to this section by a surety shall make reference to this section by number, shall contain reference to the notice and time limitation provisions in subsections (2) and (9) ~~(10)~~, and shall comply with the requirements of paragraph (1)(a).

~~(7) In lieu of the bond required by this section, a contractor may file with the state, county, city, or other political authority an alternative form of security in the form of cash, a money order, a certified check, a cashier's check, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond required by this section. The determination of the value of an alternative form of security shall be made by the appropriate state, county, city, or other political subdivision.~~

(11) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.

Section 2. Paragraph (c) of subsection (1) of section 337.18, Florida Statutes, is amended, and subsection (6) is added to that section, to read:

337.18 Surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.—

(1)

(c) A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 90 days after commencing to furnish labor, materials, or supplies for the prosecution of the work, furnish the contractor with a notice that he or she intends to look to the bond for protection. A claimant who is not in privity with the contractor and who has not received payment for his or her labor, materials, or supplies shall deliver to the contractor and to the surety written notice of the performance of the labor or delivery of the materials or supplies and of the nonpayment. The notice of nonpayment may be served at any time during the progress of the work or thereafter but not before 30 ~~45~~ days after the first furnishing of labor, services, or materials, and not later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, not later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement available for use. An action by a claimant, except a laborer, who is not in privity with the contractor for the labor, materials, or supplies may not be instituted against the contractor or the surety unless both notices have been given.

Written notices required or permitted under this section must ~~may~~ be served in accordance with ~~any manner provided in~~ s. 713.18.

(6) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.

Section 3. Subsections (13) through (27) and subsections (28) and (29) of section 713.01, Florida Statutes, are renumbered as subsections (14) through (28) and subsections (30) and (31), respectively, subsections (4), (8), and (12) of that section are amended, and new subsections (13) and (29) are added to that section, to read:

713.01 Definitions.—As used in this part, the term:

(4) "Clerk's office" means the office of the clerk of the circuit court of the county, or another office serving as the county recorder as provided by law, in which the real property is located.

(8) "Contractor" means a person other than a materialman or laborer who enters into a contract with the owner of real property for improving it, or who takes over from a contractor as so defined the entire remaining work under such contract. The term "contractor" includes an architect, landscape architect, or engineer who improves real property pursuant to a design-build contract authorized by s. 489.103(16). The term also includes a licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), respectively, who

provides construction management services, which include scheduling and coordinating both preconstruction and construction phases for the successful, timely, and economical completion of the construction project or who provides program management services, which include schedule control, cost control, and coordination in providing or procuring planning, design, and construction.

(12) "Final furnishing" means the last date that the lienor furnishes labor, services, or materials. Such date may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of final completion, and does not include the correction of deficiencies in the lienor's previously performed work or materials supplied. With respect to rental equipment, the term means the date that the rental equipment was last on the ~~job~~ site of the improvement and available for use. With respect to specially fabricated materials, the term means the date that the last portion of the specially fabricated materials is delivered to the site of the improvement, or if any portion of the specially fabricated materials is not delivered to the site of the improvement by no fault of the lienor, the term means 90 days after the date the lienor completes the fabrication or 90 days before the expiration of the notice of commencement, whichever is earlier.

(13) "Finance charge" means a contractually specified

additional amount to be paid by the obligor on any balance that remains unpaid by the due date set forth in the credit agreement or other contract.

(29) "Specially fabricated materials" means materials designed and fabricated for use in a particular improvement that are not generally suited for or readily adaptable for use in a similar improvement.

Section 4. Section 713.011, Florida Statutes, is created to read:

713.011 Computation of time.—

(1) In computing any time period for recording a document or filing an action under this part, if the last day of the time period is a Saturday, Sunday, legal holiday, or any day observed as a holiday by the clerk's office, the time period is extended to the end of the next business day.

(2) During a state of emergency declared under chapter 252 in which the clerk's office is closed, the time periods for recording a document or filing an action under this part are tolled. Upon the expiration of the declared state of emergency, the number of days that were remaining for any such time period on the first day of the declared state of emergency shall commence on the first business day after the expiration of the declared state of emergency.

(3) For purposes of this section, a federal, state, or local governmental order closing or directing the closure of the

clerk's office for any reason constitutes a state of emergency and a clerk's office is considered closed if it is not accepting documents for recording or filing by any means.

Section 5. Paragraph (b) of subsection (2) of section 713.10, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

713.10 Extent of liens.—

(2)

(b) The interest of the lessor is not subject to liens for improvements made by the lessee when:

1. The lease, or a short form or a memorandum of the lease that contains the specific language in the lease prohibiting such liability, is recorded in the official records of the county where the premises are located before the recording of a notice of commencement for improvements to the premises and the terms of the lease expressly prohibit such liability; or

2. The terms of the lease expressly prohibit such liability, and a notice advising that leases for the rental of premises on a parcel of land prohibit such liability has been recorded in the official records of the county in which the parcel of land is located before the recording of a notice of commencement for improvements to the premises, and the notice includes the following:

a. The name of the lessor.

b. The legal description of the parcel of land to which

the notice applies.

c. The specific language contained in the various leases prohibiting such liability.

d. A statement that all or a majority of the leases entered into for premises on the parcel of land expressly prohibit such liability.

~~3. The lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.~~

A notice that is consistent with subparagraph 2. effectively prohibits liens for improvements made by a lessee even if other leases for premises on the parcel do not expressly prohibit liens or if provisions of each lease restricting the application of liens are not identical.

(4) The interest of the lessor is not subject to liens for improvements made by the lessee when the lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.

Section 6. Paragraphs (a) and (d) of subsection (1) of section 713.13, Florida Statutes, are amended to read:

713.13 Notice of commencement.—

(1)(a) Except for an improvement that is exempt under ~~pursuant to~~ s. 713.02(5), an owner or the owner's authorized agent before actually commencing to improve any real property, or recommencing completion of any improvement after default or

abandonment, whether or not a project has a payment bond complying with s. 713.23, shall record a notice of commencement in the clerk's office and ~~forthwith~~ post either a certified copy thereof or a notarized statement that the notice of commencement has been filed for recording along with a copy thereof. The notice of commencement shall contain all of the following information:

1. A description sufficient for identification of the real property to be improved. The description should include the legal description of the property and also should include the street address and tax folio number of the property if available or, if there is no street address available, such additional information as will describe the physical location of the real property to be improved.

2. A general description of the improvement.

3. The name and address of the owner, the owner's interest in the site of the improvement, and the name and address of the fee simple titleholder, if other than such owner. A lessee who contracts for the improvements is an owner as defined under s. 713.01 ~~s. 713.01(23)~~ and must be listed as the owner together with a statement that the ownership interest is a leasehold interest.

4. The name and address of the contractor.

5. The name and address of the surety on the payment bond under s. 713.23, if any, and the amount of such bond.

6. The name and address of any person making a loan for the construction of the improvements.

7. The name and address within the state of a person other than himself or herself who may be designated by the owner as the person upon whom notices or other documents may be served under this part; and service upon the person so designated constitutes service upon the owner.

(d) A notice of commencement must be in substantially the following form:

Permit No..... Tax Folio No.....

NOTICE OF COMMENCEMENT

State of....

County of....

The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement.

1. Description of property: ...(legal description of the property, and street address if available)....

2. General description of improvement:.....

3. Owner information or Lessee information if the Lessee contracted for the improvement:

a. Name and address:.....

b. Interest in property:.....

c. Name and address of fee simple titleholder (if different from Owner listed above):.....

4.a. Contractor: ...(name and address)....

b. Contractor's phone number:.....

5. Surety (if applicable, a copy of the payment bond is attached):

a. Name and address:.....

b. Phone number:.....

c. Amount of bond: $.....

6.a. Lender: ...(name and address)....

b. Lender's phone number:.....

7. Persons within the State of Florida designated by Owner upon whom notices or other documents may be served as provided by Section 713.13(1)(a)7., Florida Statutes:

a. Name and address:.....

b. Phone numbers of designated persons:.....

8.a. In addition to himself or herself, Owner designates ..... of ..... to receive a copy of the Lienor's Notice as provided in Section 713.13(1)(b), Florida Statutes.

b. Phone number of person or entity designated by owner:.....

9. Expiration date of notice of commencement (the expiration date will be 1 year <u>after</u> ~~from~~ the date of recording unless a different date is specified).....

WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

...(Signature of Owner or Lessee, or Owner's or Lessee's Authorized Officer/Director/Partner/Manager)...

...(Signatory's Title/Office)...

The foregoing instrument was acknowledged before me by means of ☐ physical presence or acknowledged before me by means of ☐ online notarization, this .... day of ...., ...(year)..., by ...(name of person)... as ...(type of authority, . . . e.g. officer, trustee, attorney in fact)... for ...(name of party on behalf of whom instrument was executed)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known .... OR Produced Identification ....

Type of Identification Produced.....

Section 7. Subsections (1), (3), and (4) of section 713.132, Florida Statutes, are amended to read:

713.132 Notice of termination.—

(1) An owner may terminate the period of effectiveness of a notice of commencement by executing, swearing to, and recording a notice of termination that contains all of the following:

(a) The same information as the notice of commencement.~~;~~

(b) The official records' ~~recording office document book and page~~ reference numbers and recording date affixed by the recording office on ~~of~~ the recorded notice of commencement.~~;~~

(c) A statement of the date as of which the notice of commencement is terminated, which date may not be earlier than 30 days after the notice of termination is recorded.~~;~~

(d) A statement specifying that the notice applies to all the real property subject to the notice of commencement or specifying the portion of such real property to which it applies.~~;~~

(e) A statement that all lienors have been paid in full.~~;~~ ~~and~~

(f) A statement that the owner has, before recording the notice of termination, served a copy of the notice of termination ~~on the contractor and~~ on each lienor who has a direct contract with the owner or who has timely served a notice to owner, and a statement that the owner will serve a copy of the notice of termination on each lienor who timely serves a notice to owner after the notice of termination has been recorded. The owner is not required to serve a copy of the notice of termination on any lienor who has executed a waiver and release of lien upon final payment in accordance with s. 713.20.

(3) An owner may ~~not~~ record a notice of termination at any time after ~~except after completion of construction, or after construction ceases before completion and~~ all lienors have been paid in full or pro rata in accordance with s. 713.06(4).

(4) If an owner or a contractor, by fraud or collusion, knowingly makes any fraudulent statement or affidavit in a notice of termination or any accompanying affidavit, the owner and the contractor, or either of them, ~~as the case may be,~~ is liable to any lienor who suffers damages as a result of the filing of the fraudulent notice of termination, ~~;~~ and any such lienor has a right of action for damages ~~occasioned thereby~~.

(5) ~~(4)~~ A notice of termination must be served before recording on each lienor who has a direct contract with the owner and on each lienor who has timely and properly served a

notice to owner in accordance with this part before the recording of the notice of termination. A notice of termination must be recorded in the official records of the county in which the improvement is located. If properly served before recording in accordance with this subsection, the notice of termination terminates the period of effectiveness of the notice of commencement 30 days after the notice of termination is recorded in the official records ~~is effective to terminate the notice of commencement at the later of 30 days after recording of the notice of termination~~ or a later ~~the~~ date stated in the notice of termination as the date on which the notice of commencement is terminated. However, if a lienor who began work under the notice of commencement before its termination lacks a direct contract with the owner and timely serves his or her notice to owner after the notice of termination has been recorded, the owner must serve a copy of the notice of termination upon such lienor, and the termination of the notice of commencement as to that lienor is effective 30 days after service of the notice of termination ~~if the notice of termination has been served pursuant to paragraph (1)(f) on the contractor and on each lienor who has a direct contract with the owner or who has served a notice to owner~~.

Section 8. Subsections (1) and (3) of section 713.135, Florida Statutes, are amended to read:

713.135 Notice of commencement and applicability of lien.—

(1) When a ~~any~~ person applies for a building permit, the authority issuing such permit shall:

(a) Print on the face of each permit card in no less than 14-point, capitalized, boldfaced type: "WARNING TO OWNER: YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT MAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT."

(b) Provide the applicant and the owner of the real property upon which improvements are to be constructed with a printed statement stating that the right, title, and interest of the person who has contracted for the improvement may be subject to attachment under the Construction Lien Law. The Department of Business and Professional Regulation shall furnish, for distribution, the statement described in this paragraph, and the statement must be a summary of the Construction Lien Law and must include an explanation of the provisions of the Construction Lien Law relating to the recording, and the posting of copies, of notices of commencement and a statement encouraging the owner to record a notice of commencement and post a copy of the notice of commencement in accordance with s. 713.13. The statement must also contain an explanation of the owner's rights if a lienor fails to furnish the owner with a

notice as provided in s. 713.06(2) and an explanation of the owner's rights as provided in s. 713.22. The authority that issues the building permit must obtain from the Department of Business and Professional Regulation the statement required by this paragraph and must mail, deliver by electronic mail or other electronic format or facsimile, or personally deliver that statement to the owner or, in a case in which the owner is required to personally appear to obtain the permit, provide that statement to any owner making improvements to real property consisting of a single or multiple family dwelling up to and including four units. However, the failure by the authorities to provide the summary does not subject the issuing authority to liability.

(c) In addition to providing the owner with the statement as required by paragraph (b), inform each applicant who is not the person whose right, title, and interest is subject to attachment that, as a condition to the issuance of a building permit, the applicant must promise in good faith that the statement will be delivered to the person whose property is subject to attachment.

(d) Furnish to the applicant two or more copies of a form of notice of commencement conforming with s. 713.13.

(e) Require ~~If the direct contract is greater than $2,500,~~ the applicant to ~~shall~~ file with the issuing authority before ~~prior to~~ the first inspection ~~either~~ a ~~certified~~ copy of the

~~recorded~~ notice of commencement if the direct contract is greater than $2,500. For purposes of this paragraph, the term "copy of the notice of commencement" means a certified copy of the recorded notice of commencement, ~~or~~ a notarized statement that the notice of commencement has been filed for recording~~,~~ along with a copy thereof, or the clerk's office official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk.

1. In the absence of the filing of a ~~certified~~ copy of the ~~recorded~~ notice of commencement, the issuing authority or a private provider performing inspection services may not perform or approve subsequent inspections until the applicant files by mail, facsimile, hand delivery, or any other means such ~~certified~~ copy with the issuing authority.

2. The ~~certified~~ copy of the notice of commencement must contain the name and address of the owner, the name and address of the contractor, and the location or address of the property being improved. The issuing authority shall verify that the name and address of the owner, the name of the contractor, and the location or address of the property being improved which is contained in the ~~certified~~ copy of the notice of commencement is consistent with the information in the building permit application.

3. The issuing authority shall provide the recording information on the ~~certified~~ copy of the ~~recorded~~ notice of commencement to any person upon request.

4. This subsection does not require the recording of a notice of commencement before ~~prior to~~ the issuance of a building permit. If a local government requires a separate permit or inspection for installation of temporary electrical service or other temporary utility service, land clearing, or other preliminary site work, such permits may be issued and such inspections may be conducted without providing the issuing authority with a ~~certified~~ copy of the ~~a recorded~~ notice of commencement ~~or a notarized statement regarding a recorded notice of commencement~~. ~~This subsection does not apply to a direct contract to repair or replace an existing heating or air-conditioning system in an amount less than $7,500.~~

(f) ~~(e)~~ Not require that a notice of commencement be recorded as a condition of the application for, or processing or issuance of, a building permit. However, this paragraph does not modify or waive the inspection requirements set forth in this subsection.

This subsection does not apply to a direct contract to repair or replace an existing heating or air-conditioning system in an amount less than $7,500.

(3) An issuing authority under subsection (1) is not

liable in any civil action for the failure to verify that a certified copy of the recorded notice of commencement, a notarized statement that the notice of commencement has been filed for recording along with a copy thereof, or the clerk's office official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk, has been filed in accordance with this section.

Section 9. Section 713.18, Florida Statutes, is amended to read:

713.18 Manner of serving documents ~~notices and other instruments~~.—

(1) Unless otherwise specifically provided by law, service of any document ~~notices, claims of lien, affidavits, assignments, and other instruments~~ permitted or required under this part, s. 255.05, or s. 337.18, or copies thereof when so permitted or required, ~~unless otherwise specifically provided in this part,~~ must be made by one of the following methods:

(a) By hand ~~actual~~ delivery to the person to be served; if a partnership, to one of the partners; if a corporation, to an officer, director, managing agent, or business agent; or, if a limited liability company, to a member or manager.

(b) By common carrier delivery service or by registered, Global Express Guaranteed, or certified mail to the person to be

served, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.

(c) By posting on the site of the improvement if service as provided by paragraph (a) or paragraph (b) cannot be accomplished.

(2) Notwithstanding subsection (1), service of a notice to owner or a preliminary notice to contractor under this part, s. 255.05, or s. 337.18~~, or s. 713.23~~ is effective as of the date of mailing and the requirements for service under this section have been satisfied if all of the following requirements have been met:

(a) The notice is mailed by registered, Global Express Guaranteed, or certified mail, with postage prepaid, to the person to be served and addressed as prescribed ~~at any of the addresses set forth~~ in subsection (3).~~;~~

(b) The notice is mailed within 40 days after the date the lienor first furnishes labor, services, or materials.~~; and~~

(c)1. The person who served the notice maintains a registered or certified mail log that shows the registered or certified mail number issued by the United States Postal Service, the name and address of the person served, and the date stamp of the United States Postal Service confirming the date of mailing; or

2. The person who served the notice maintains ~~electronic~~ tracking records approved or generated by the United States

Postal Service containing the postal tracking number~~, the name and address of the person served,~~ and verification of the date of receipt by the United States Postal Service.

(3)(a) Notwithstanding subsection (1), service of a document under ~~an instrument pursuant to~~ this section is effective on the date of mailing or shipping, and the requirements for service under this section have been satisfied, ~~the instrument~~ if the document ~~it~~:

1. Is sent to the last address shown in the notice of commencement or any amendment thereto or, in the absence of a notice of commencement, to the last address shown in the building permit application, or to the last known address of the person to be served.~~; and~~

2. Is returned as being "refused," "moved, not forwardable," or "unclaimed," or is otherwise not delivered or deliverable through no fault of the person serving the document ~~item~~.

(b) If the address shown in the notice of commencement or any amendment thereto ~~to the notice of commencement~~, or, in the absence of a notice of commencement, in the building permit application, is incomplete for purposes of mailing or delivery, the person serving the document ~~item~~ may complete the address and properly format it according to United States Postal Service addressing standards using information obtained from the property appraiser or another public record without affecting

the validity of service under this section.

(4) A document ~~notice~~ served by a lienor on one owner or one partner of a partnership owning the real property is deemed served on ~~notice to~~ all owners and partners.

Section 10. Section 713.21, Florida Statutes, is amended to read:

713.21 Discharge of lien.—A lien properly perfected under this chapter may be discharged, or released in whole or in part, by any of the following methods:

(1) By entering satisfaction of the lien upon the margin of the record thereof in the clerk's office when not otherwise prohibited by law. This satisfaction shall be signed by the lienor, the lienor's agent or attorney and attested by said clerk. Any person who executes a claim of lien has ~~shall have~~ authority to execute a satisfaction in the absence of actual notice of lack of authority to any person relying on the same.

(2) By the satisfaction or release of the lienor, duly acknowledged and recorded in the clerk's office. The satisfaction or release must include the lienor's notarized signature and set forth the official records' reference numbers and recording date affixed by the recording office on the subject lien. Any person who executes a claim of lien has ~~shall have~~ authority to execute a satisfaction or release in the absence of actual notice of lack of authority to any person relying on the same.

(3) By failure to begin an action to enforce the lien within the time prescribed in this part.

(4) By an order of the circuit court of the county where the property is located, as provided in this subsection. Upon filing a complaint therefor by any interested party the clerk shall issue a summons to the lienor to show cause within 20 days why his or her lien should not be enforced by action or vacated and canceled of record. Upon failure of the lienor to show cause why his or her lien should not be enforced or the lienor's failure to commence such action before the return date of the summons the court shall forthwith order cancellation of the lien.

(5) By recording in the clerk's office the original or a certified copy of a judgment or decree of a court of competent jurisdiction showing a final determination of the action.

Section 11. Subsection (2) of section 713.22, Florida Statutes, is amended to read:

713.22 Duration of lien.—

(2) An owner or the owner's attorney may elect to shorten the time prescribed in subsection (1) within which to commence an action to enforce any claim of lien or claim against a bond or other security under s. 713.23 or s. 713.24 by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF LIEN

To: ...(Name and address of lienor)...

You are notified that the undersigned contests the claim of lien filed by you on ...., ...(year)..., and recorded in .... Book ...., Page ...., of the public records of .... County, Florida, and that the time within which you may file suit to enforce your lien is limited to 60 days from the date of service of this notice. This .... day of ...., ...(year)....

Signed: ...(Owner or Attorney)...

The lien of any lienor upon whom such recorded notice is served and who fails to institute a suit to enforce his or her lien within 60 days after service of such recorded notice shall be extinguished automatically. The clerk shall serve, in accordance with s. 713.18, a copy of the recorded notice of contest to the lien claimant at the address shown in the claim of lien or most recent amendment thereto and shall certify to such service and the date of service on the face of the notice and record the notice.

Section 12. Paragraphs (d) and (e) of subsection (1) of section 713.23, Florida Statutes, are amended to read:

713.23 Payment bond.—

(1)

(d) In addition, a lienor who has not received payment for furnishing his or her labor, services, or materials must, as a condition precedent to recovery under the bond, serve a written notice of nonpayment on ~~to~~ the contractor and a copy of the notice on the surety. The notice must be under oath and served

during the progress of the work or thereafter, but may not be served later than 90 days after the final furnishing of labor, services, or materials by the lienor, or, with respect to rental equipment, later than 90 days after the date the rental equipment was on the ~~job~~ site of the improvement and available for use. A notice of nonpayment that includes sums for retainage must specify the portion of the amount claimed for retainage. The required notice satisfies this condition precedent with respect to the payment described in the notice of nonpayment, including unpaid finance charges due under the lienor's contract, and with respect to any other payments which become due to the lienor after the date of the notice of nonpayment. The time period for serving a notice of nonpayment is ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The failure of a lienor to receive retainage sums not in excess of 10 percent of the value of labor, services, or materials furnished by the lienor is not considered a nonpayment requiring the service of the notice provided under this paragraph. If the payment bond is not recorded before commencement of construction, the time period for the lienor to serve a notice of nonpayment may, at the option of the lienor, be calculated from the date specified in this section or the date the lienor

is served a copy of the bond. However, the limitation period for commencement of an action on the payment bond as established in paragraph (e) may not be expanded. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A lienor who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the lienor has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration. However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the lienor's claim against the bond. The notice under this paragraph must include the following information, current as of the date of the notice, and must be in substantially the following form:

NOTICE OF NONPAYMENT

To ...(name of contractor and address)...

...(name of surety and address)...

The undersigned lienor notifies you that:

1. The lienor has furnished ...(describe labor, services, or materials)... for the improvement of the real property identified as ...(property description).... The corresponding amount unpaid to date is $...., of which $.... is unpaid retainage.

2. The lienor has been paid to date the amount of $.... for previously furnishing ...(describe labor, services, or materials)... for this improvement.

3. The lienor expects to furnish ...(describe labor, services, or materials)... for this improvement in the future (if known), and the corresponding amount expected to become due is $.... (if known).

I declare that I have read the foregoing Notice of Nonpayment and that the facts stated in it are true to the best of my knowledge and belief.

DATED on ....., .....

...(signature and address of lienor)...

STATE OF FLORIDA
COUNTY OF.....

The foregoing instrument was sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or sworn to (or affirmed) by ☐ online notarization, this .... day of ...., ...(year)..., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known ..... OR Produced Identification .....

Type of Identification Produced

(e) An action for the labor, ~~or~~ materials, or supplies may not be instituted or prosecuted against the contractor or surety unless both notices have been given, if required by this section. An action may not be instituted or prosecuted against the contractor or against the surety on the bond under this section after 1 year from the performance of the labor or completion of delivery of the materials and supplies. The time period for bringing an action against the contractor or surety on the bond is ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor. The time period may not be measured by other standards, such as the issuance of a

certificate of occupancy or the issuance of a certificate of substantial completion. A contractor or the contractor's attorney may elect to shorten the time within which an action to enforce any claim against a payment bond provided under this section or s. 713.245 must be commenced at any time after a notice of nonpayment, if required, has been served for the claim by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM

AGAINST PAYMENT BOND

To: ...(Name and address of lienor)...

You are notified that the undersigned contests your notice of nonpayment, dated ...., ...., and served on the undersigned on ...., ...., and that the time within which you may file suit to enforce your claim is limited to 60 days <u>after</u> ~~from~~ the date of service of this notice.

DATED on ...., .....

Signed: ...(Contractor or Attorney)...

The claim of any lienor upon whom the notice is served and who fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of the notice shall be extinguished automatically. The contractor or the contractor's attorney shall serve a copy of the notice of contest to the lienor at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to

such service on the face of the notice and record the notice.

Section 13. Subsections (1) and (3) of section 713.24, Florida Statutes, are amended to read:

713.24 Transfer of liens to security.—

(1) Any lien claimed under this part may be transferred, by any person having an interest in the real property upon which the lien is imposed or the contract under which the lien is claimed, from such real property to other security by either:

(a) Depositing in the clerk's office a sum of money, or

(b) Filing in the clerk's office a bond executed as surety by a surety insurer licensed to do business in this state,

either to be in an amount equal to the amount demanded in such claim of lien, plus interest thereon at the legal rate for 3 years, plus $5,000 ~~$1,000~~ or 25 percent of the amount demanded in the claim of lien, whichever is greater, to apply on any attorney ~~attorney's~~ fees and court costs that may be taxed in any proceeding to enforce said lien. Such deposit or bond shall be conditioned to pay any judgment or decree which may be rendered for the satisfaction of the lien for which such claim of lien was recorded. Upon making such deposit or filing such bond, the clerk shall make and record a certificate which must include a copy of the deposit or bond used to transfer, showing the transfer of the lien from the real property to the security and shall mail a copy thereof together with a copy of the

deposit or bond used to transfer by registered or certified mail to the lienor named in the claim of lien so transferred, at the address stated therein. Upon filing the certificate of transfer, the real property shall thereupon be released from the lien claimed, and such lien shall be transferred to said security. In the absence of allegations of privity between the lienor and the owner, and subject to any order of the court increasing the amount required for the lien transfer deposit or bond, no other judgment or decree to pay money may be entered by the court against the owner. The clerk is ~~shall be~~ entitled to a service charge for making and serving the certificate, in the amount of up to $20, from which the clerk shall remit $5 to the Department of Revenue for deposit into the General Revenue Fund. If the transaction involves the transfer of multiple liens, an additional charge of up to $10 for each additional lien shall be charged, from which the clerk shall remit $2.50 to the Department of Revenue for deposit into the General Revenue Fund. For recording the certificate and approving the bond, the clerk shall receive her or his usual statutory service charges as prescribed in s. 28.24. Any number of liens may be transferred to one such security.

(3) Any party having an interest in such security or the property from which the lien was transferred may at any time, and any number of times, file a complaint in chancery in the circuit court of the county where such security is deposited, or

file a motion in a pending action to enforce a lien, for an order to require additional security, reduction of security, change or substitution of sureties, payment of discharge thereof, or any other matter affecting said security. If the court finds that the amount of the deposit or bond in excess of the amount claimed in the claim of lien is insufficient to pay the lienor's attorney ~~attorney's~~ fees and court costs incurred in the action to enforce the lien, the court must increase the amount of the cash deposit or lien transfer bond. Nothing in this section shall be construed to vest exclusive jurisdiction in the circuit courts over transfer bond claims for nonpayment of an amount within the monetary jurisdiction of the county courts.

Section 14. Section 713.25, Florida Statutes, is repealed.

Section 15. Section 713.29, Florida Statutes, is amended to read:

713.29 Attorney ~~Attorney's~~ fees.—In any action brought to enforce a lien, including a lien that has been transferred to security, or to enforce a claim against a bond under this part, the prevailing party is entitled to recover a reasonable fee for the services of her or his attorney for trial and appeal or for arbitration, in an amount to be determined by the court, which fee must be taxed as part of the prevailing party's costs, as allowed in equitable actions.

Section 16. Paragraph (b) of subsection (2) and paragraph

(e) of subsection (5) of section 95.11, Florida Statutes, are amended to read:

95.11 Limitations other than for the recovery of real property.—Actions other than for recovery of real property shall be commenced as follows:

(2) WITHIN FIVE YEARS.—

(b) A legal or equitable action on a contract, obligation, or liability founded on a written instrument, except for an action to enforce a claim against a payment bond, which shall be governed by the applicable provisions of paragraph (5)(e), s. 255.05(9) ~~s. 255.05(10)~~, s. 337.18(1), or s. 713.23(1)(e), and except for an action for a deficiency judgment governed by paragraph (5)(h).

(5) WITHIN ONE YEAR.—

(e) Except for actions governed by s. 255.05(9) ~~s. 255.05(10)~~, s. 337.18(1), or s. 713.23(1)(e), an action to enforce any claim against a payment bond on which the principal is a contractor, subcontractor, or sub-subcontractor as defined in s. 713.01, for private work as well as public work, from the last furnishing of labor, services, or materials or from the last furnishing of labor, services, or materials by the contractor if the contractor is the principal on a bond on the same construction project, whichever is later.

Section 17. This act shall take effect July 1, 2022.

**REGULATORY REFORM SUBCOMMITTEE**

**HB 345 by Rep. Overdorf**
**Liens and Bonds**

**AMENDMENT SUMMARY**
**February 3, 2022**

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**Amendment 1 by Rep. Overdorf (strike-all):**

The strike-all:

- Maintains current law regarding:
  - The timeframe for serving notice of nonpayment.
  - Contractors filing alternate forms of security.
- Clarifies that a clerk of court must serve a notice of contest of lien to all relevant parties after the clerk has recorded the notice.
- Clarifies that the time period to record or file a document under the construction lien law is tolled if the clerk's office is closed for a state of emergency.

The remaining parts of the bill are unchanged.

COMMITTEE/SUBCOMMITTEE ACTION

| | |
|---|---|
| ADOPTED | ___ (Y/N) |
| ADOPTED AS AMENDED | ___ (Y/N) |
| ADOPTED W/O OBJECTION | ___ (Y/N) |
| FAILED TO ADOPT | ___ (Y/N) |
| WITHDRAWN | ___ (Y/N) |
| OTHER | _____ |

Committee/Subcommittee hearing bill: Regulatory Reform Subcommittee

Representative Overdorf offered the following:

**Amendment (with title amendment)**

Remove everything after the enacting clause and insert:

Section 1. Subsections (8) through (11) of section 255.05, Florida Statutes, are renumbered as subsections (7) through (10), respectively, paragraph (a) of subsection (2) and present subsections (6) and (7) are amended, and a new subsection (11) is added to that section, to read:

255.05 Bond of contractor constructing public buildings; form; action by claimants.—

(2)(a)1. If a claimant is no longer furnishing labor, services, or materials on a project, a contractor or the

contractor's agent or attorney may elect to shorten the time within which an action to enforce any claim against a payment bond must be commenced by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM
AGAINST PAYMENT BOND

To: ...(Name and address of claimant)...

You are notified that the undersigned contests your notice of nonpayment, dated ....., ....., and served on the undersigned on ....., ....., and that the time within which you may file suit to enforce your claim is limited to 60 days after the date of service of this notice.

DATED on ....., .....

Signed: ...(Contractor or Attorney)...

The claim of a claimant upon whom such notice is served and who fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of such notice is extinguished automatically. The contractor or the contractor's attorney shall serve a copy of the notice of contest <u>on</u> ~~to~~ the

claimant at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service on the face of the notice and record the notice.

2. A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 45 days after commencing to furnish labor, services, or materials for the prosecution of the work, serve the contractor with a written notice that he or she intends to look to the bond for protection. If the payment bond is not recorded before the commencement of work or before the recommencement of work after a default or abandonment, if applicable, as required by s. 255.05(1), then the claimant may serve the contractor with such written notice up to 45 days after the date that the claimant is served with a copy of the bond. A claimant who is not in privity with the contractor and who has not received payment for furnishing his or her labor, services, or materials shall serve a written notice of nonpayment on the contractor and a copy of the notice on the surety. The notice of nonpayment must ~~shall~~ be under oath and served during the progress of the work or thereafter but may not be served earlier than 45 days after the first furnishing of labor, services, or materials by the claimant or later than 90 days after the final furnishing of the labor, services, or materials by the claimant or, with respect to rental equipment, later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement

available for use. Any notice of nonpayment served by a claimant who is not in privity with the contractor which includes sums for retainage must specify the portion of the amount claimed for retainage. An action for the labor, services, or materials may not be instituted against the contractor or the surety unless the notice to the contractor and notice of nonpayment have been served, if required by this section. Notices required or permitted under this section must be served in accordance with s. 713.18. A claimant may not waive in advance his or her right to bring an action under the bond against the surety. In any action brought to enforce a claim against a payment bond under this section, the prevailing party is entitled to recover a reasonable fee for the services of his or her attorney for trial and appeal or for arbitration, in an amount to be determined by the court or arbitrator, which fee must be taxed as part of the prevailing party's costs, as allowed in equitable actions. The time periods for service of a notice of nonpayment or for bringing an action against a contractor or a surety are ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the claimant and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an

otherwise valid bond claim. A claimant who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the claimant has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration. However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the claimant's claim against the bond. The notice of nonpayment under this subparagraph must include the following information, current as of the date of the notice, and must be in substantially the following form:

NOTICE OF NONPAYMENT

To: ...(name of contractor and address)...

...(name of surety and address)...

The undersigned claimant notifies you that:

1. Claimant has furnished ...(describe labor, services, or

materials)... for the improvement of the real property identified as ...(property description).... The corresponding amount unpaid to date is $...., of which $.... is unpaid retainage.

2. Claimant has been paid to date the amount of $.... for previously furnishing ...(describe labor, services, or materials)... for this improvement.

3. Claimant expects to furnish ...(describe labor, services, or materials)... for this improvement in the future (if known), and the corresponding amount expected to become due is $.... (if known).

I declare that I have read the foregoing Notice of Nonpayment and that the facts stated in it are true to the best of my knowledge and belief.

DATED on ....., .....

...(signature and address of claimant)...

STATE OF FLORIDA
COUNTY OF .....

The foregoing instrument was sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or sworn to

(or affirmed) by ☐ online notarization this .... day of ...., ...(year)..., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known ..... OR Produced Identification .....

Type of Identification Produced

(6) All payment bond forms used by a public owner and all payment bonds executed pursuant to this section by a surety shall make reference to this section by number, shall contain reference to the notice and time limitation provisions in subsections (2) and (9) ~~(10)~~, and shall comply with the requirements of paragraph (1)(a).

(7) In lieu of the bond required by this section, a contractor may file with the state, county, city, or other political authority an alternative form of security in the form of cash, a money order, a certified check, or a cashier's check~~, an irrevocable letter of credit, or a security of a type listed in part II of chapter 625~~. Any such alternative form of security shall be for the same purpose and be subject to the same conditions as those applicable to the bond required by this section. The determination of the value of an alternative form

of security shall be made by the appropriate state, county, city, or other political subdivision.

(11) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.

Section 2. Paragraph (c) of subsection (1) of section 337.18, Florida Statutes, is amended, and subsection (6) is added to that section, to read:

337.18 Surety bonds for construction or maintenance contracts; requirement with respect to contract award; bond requirements; defaults; damage assessments.—

(1)

(c) A claimant, except a laborer, who is not in privity with the contractor shall, before commencing or not later than 90 days after commencing to furnish labor, materials, or supplies for the prosecution of the work, furnish the contractor with a notice that he or she intends to look to the bond for protection. A claimant who is not in privity with the contractor and who has not received payment for his or her labor, materials, or supplies shall deliver to the contractor and to the surety written notice of the performance of the labor or delivery of the materials or supplies and of the nonpayment. The notice of nonpayment may be served at any time during the progress of the work or thereafter but not before 45 days after the first furnishing of labor, services, or materials, and not later than 90 days after the final furnishing of the labor,

services, or materials by the claimant or, with respect to rental equipment, not later than 90 days after the date that the rental equipment was last on the ~~job~~ site of the improvement available for use. An action by a claimant, except a laborer, who is not in privity with the contractor for the labor, materials, or supplies may not be instituted against the contractor or the surety unless both notices have been given. Written notices required or permitted under this section must ~~may~~ be served in accordance with ~~any manner provided in~~ s. 713.18.

(6) Unless otherwise provided in this section, service of any document must be made in accordance with s. 713.18.

Section 3. Subsections (13) through (27) and subsections (28) and (29) of section 713.01, Florida Statutes, are renumbered as subsections (14) through (28) and subsections (30) and (31), respectively, subsections (4), (8), and (12) of that section are amended, and new subsections (13) and (29) are added to that section, to read:

713.01 Definitions.—As used in this part, the term:

(4) "Clerk's office" means the office of the clerk of the circuit court of the county, or another office serving as the county recorder as provided by law, in which the real property is located.

(8) "Contractor" means a person other than a materialman or laborer who enters into a contract with the owner of real

property for improving it, or who takes over from a contractor as so defined the entire remaining work under such contract. The term "contractor" includes an architect, landscape architect, or engineer who improves real property pursuant to a design-build contract authorized by s. 489.103(16). The term also includes a licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), respectively, who provides construction management services, which include scheduling and coordinating both preconstruction and construction phases for the construction project or who provides program management services, which include schedule control, cost control, and coordination in providing or procuring planning, design, and construction.

(12) "Final furnishing" means the last date that the lienor furnishes labor, services, or materials. Such date may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of final completion, and does not include the correction of deficiencies in the lienor's previously performed work or materials supplied. With respect to rental equipment, the term means the date that the rental equipment was last on the ~~job~~ site of the improvement and available for use. With respect to specially fabricated materials, the term means the date that the last portion of the specially fabricated materials is delivered to the site of the improvement, or if any portion of the

specially fabricated materials is not delivered to the site of the improvement by no fault of the lienor, the term means 90 days after the date the lienor completes the fabrication or 90 days before the expiration of the notice of commencement, whichever is earlier.

(13) "Finance charge" means a contractually specified additional amount to be paid by the obligor on any balance that remains unpaid by the due date set forth in the credit agreement or other contract.

(29) "Specially fabricated materials" means materials designed and fabricated for use in a particular improvement that are not generally suited for or readily adaptable for use in a similar improvement.

Section 4. Section 713.011, Florida Statutes, is created to read:

713.011 Computation of time.—

(1) In computing any time period for recording a document or filing an action under this part, if the last day of the time period is a Saturday, Sunday, legal holiday, or any day observed as a holiday by the clerk's office, the time period is extended to the end of the next business day. In computing any other time period under this part, if the last day of the time period is a Saturday, Sunday, or legal holiday, the time period is extended to the end of the next business day.

(2) If closure of a clerk’s office is directed by a

federal, state, or local governmental order in response to a state of emergency declared under chapter 252, the time periods for recording a document or filing an action with that clerk's office under this part are tolled until the first business day after the clerk's office reopens. For purposes of this subsection, a clerk's office is considered open if it is recording or filing documents submitted electronically.

Section 5. Paragraph (b) of subsection (2) of section 713.10, Florida Statutes, is amended, and subsection (4) is added to that section, to read:

713.10 Extent of liens.—

(2)

(b) The interest of the lessor is not subject to liens for improvements made by the lessee when:

1. The lease, or a short form or a memorandum of the lease that contains the specific language in the lease prohibiting such liability, is recorded in the official records of the county where the premises are located before the recording of a notice of commencement for improvements to the premises and the terms of the lease expressly prohibit such liability; or

2. The terms of the lease expressly prohibit such liability, and a notice advising that leases for the rental of premises on a parcel of land prohibit such liability has been recorded in the official records of the county in which the parcel of land is located before the recording of a notice of

commencement for improvements to the premises, and the notice includes the following:

a. The name of the lessor.

b. The legal description of the parcel of land to which the notice applies.

c. The specific language contained in the various leases prohibiting such liability.

d. A statement that all or a majority of the leases entered into for premises on the parcel of land expressly prohibit such liability.

~~3. The lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.~~

A notice that is consistent with subparagraph 2. effectively prohibits liens for improvements made by a lessee even if other leases for premises on the parcel do not expressly prohibit liens or if provisions of each lease restricting the application of liens are not identical.

(4) The interest of the lessor is not subject to liens for improvements made by the lessee when the lessee is a mobile home owner who is leasing a mobile home lot in a mobile home park from the lessor.

Section 6. Paragraphs (a) and (d) of subsection (1) of section 713.13, Florida Statutes, are amended to read:

713.13 Notice of commencement.—

(1)(a) Except for an improvement that is exempt under ~~pursuant to~~ s. 713.02(5), an owner or the owner's authorized agent before actually commencing to improve any real property, or recommencing completion of any improvement after default or abandonment, whether or not a project has a payment bond complying with s. 713.23, shall record a notice of commencement in the clerk's office and ~~forthwith~~ post either a certified copy thereof or a notarized statement that the notice of commencement has been filed for recording along with a copy thereof. The notice of commencement shall contain all of the following information:

1. A description sufficient for identification of the real property to be improved. The description should include the legal description of the property and also should include the street address and tax folio number of the property if available or, if there is no street address available, such additional information as will describe the physical location of the real property to be improved.

2. A general description of the improvement.

3. The name and address of the owner, the owner's interest in the site of the improvement, and the name and address of the fee simple titleholder, if other than such owner. A lessee who contracts for the improvements is an owner as defined under s. 713.01 ~~s. 713.01(23)~~ and must be listed as the owner together with a statement that the ownership interest is a leasehold

interest.

4. The name and address of the contractor.

5. The name and address of the surety on the payment bond under s. 713.23, if any, and the amount of such bond.

6. The name and address of any person making a loan for the construction of the improvements.

7. The name and address within the state of a person other than himself or herself who may be designated by the owner as the person upon whom notices or other documents may be served under this part; and service upon the person so designated constitutes service upon the owner.

(d) A notice of commencement must be in substantially the following form:

Permit No..... Tax Folio No.....

NOTICE OF COMMENCEMENT

State of....

County of....

The undersigned hereby gives notice that improvement will be made to certain real property, and in accordance with Chapter 713, Florida Statutes, the following information is provided in this Notice of Commencement.

1. Description of property: ...(legal description of the property, and street address if available)....

2. General description of improvement:.....

3. Owner information or Lessee information if the Lessee contracted for the improvement:

a. Name and address:.....

b. Interest in property:.....

c. Name and address of fee simple titleholder (if different from Owner listed above):.....

4.a. Contractor: ...(name and address)....

b. Contractor's phone number:.....

5. Surety (if applicable, a copy of the payment bond is attached):

a. Name and address:.....

b. Phone number:.....

c. Amount of bond: $.....

6.a. Lender: ...(name and address)....

b. Lender's phone number:.....

7. Persons within the State of Florida designated by Owner upon whom notices or other documents may be served as provided by Section 713.13(1)(a)7., Florida Statutes:

a. Name and address:.....

b. Phone numbers of designated persons:.....

8.a. In addition to himself or herself, Owner designates ..... of ..... to receive a copy of the Lienor's Notice as provided in Section 713.13(1)(b), Florida Statutes.

b. Phone number of person or entity designated by

owner:.....

9. Expiration date of notice of commencement (the expiration date will be 1 year after ~~from~~ the date of recording unless a different date is specified).....

WARNING TO OWNER: ANY PAYMENTS MADE BY THE OWNER AFTER THE EXPIRATION OF THE NOTICE OF COMMENCEMENT ARE CONSIDERED IMPROPER PAYMENTS UNDER CHAPTER 713, PART I, SECTION 713.13, FLORIDA STATUTES, AND CAN RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE COMMENCING WORK OR RECORDING YOUR NOTICE OF COMMENCEMENT.

...(Signature of Owner or Lessee, or Owner's or Lessee's Authorized Officer/Director/Partner/Manager)...

...(Signatory's Title/Office)...

The foregoing instrument was acknowledged before me by means of ☐ physical presence or acknowledged before me by means of ☐ online notarization, this .... day of ...., ...(year)..., by ...(name of person)... as ...(type of authority, . . . e.g. officer, trustee, attorney in fact)... for ...(name of party on

behalf of whom instrument was executed)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known .... OR Produced Identification ....

Type of Identification Produced.....

Section 7. Subsections (1), (3), and (4) of section 713.132, Florida Statutes, are amended to read:

713.132 Notice of termination.—

(1) An owner may terminate the period of effectiveness of a notice of commencement by executing, swearing to, and recording a notice of termination that contains all of the following:

(a) The same information as the notice of commencement.~~;~~

(b) The official records' ~~recording office document book and page~~ reference numbers and recording date affixed by the recording office on ~~of~~ the recorded notice of commencement.~~;~~

(c) A statement of the date as of which the notice of commencement is terminated, which date may not be earlier than 30 days after the notice of termination is recorded.~~;~~

(d) A statement specifying that the notice applies to all the real property subject to the notice of commencement or

specifying the portion of such real property to which it applies.~~;~~

(e) A statement that all lienors have been paid in full.~~;~~ ~~and~~

(f) A statement that the owner has, before recording the notice of termination, served a copy of the notice of termination ~~on the contractor and~~ on each lienor who has a direct contract with the owner or who has timely served a notice to owner, and a statement that the owner will serve a copy of the notice of termination on each lienor who timely serves a notice to owner after the notice of termination has been recorded. The owner is not required to serve a copy of the notice of termination on any lienor who has executed a waiver and release of lien upon final payment in accordance with s. 713.20.

(3) An owner may ~~not~~ record a notice of termination at any time after ~~except after completion of construction, or after construction ceases before completion and~~ all lienors have been paid in full or pro rata in accordance with s. 713.06(4).

(4) If an owner or a contractor, by fraud or collusion, knowingly makes any fraudulent statement or affidavit in a notice of termination or any accompanying affidavit, the owner and the contractor, or either of them, ~~as the case may be,~~ is liable to any lienor who suffers damages as a result of the filing of the fraudulent notice of termination,~~;~~ and any such

lienor has a right of action for damages ~~occasioned thereby~~.

(5)~~(4)~~ A notice of termination must be served before recording on each lienor who has a direct contract with the owner and on each lienor who has timely and properly served a notice to owner in accordance with this part before the recording of the notice of termination. A notice of termination must be recorded in the official records of the county in which the improvement is located. If properly served before recording in accordance with this subsection, the notice of termination terminates the period of effectiveness of the notice of commencement 30 days after the notice of termination is recorded in the official records ~~is effective to terminate the notice of commencement at the later of 30 days after recording of the notice of termination~~ or a later ~~the~~ date stated in the notice of termination as the date on which the notice of commencement is terminated. However, if a lienor who began work under the notice of commencement before its termination lacks a direct contract with the owner and timely serves his or her notice to owner after the notice of termination has been recorded, the owner must serve a copy of the notice of termination upon such lienor, and the termination of the notice of commencement as to that lienor is effective 30 days after service of the notice of termination ~~if the notice of termination has been served pursuant to paragraph (1)(f) on the contractor and on each lienor who has a direct contract with the owner or who has~~

~~served a notice to owner~~.

Section 8. Subsections (1) and (3) of section 713.135, Florida Statutes, are amended to read:

713.135 Notice of commencement and applicability of lien.—

(1) When a ~~any~~ person applies for a building permit, the authority issuing such permit shall:

(a) Print on the face of each permit card in no less than 14-point, capitalized, boldfaced type: "WARNING TO OWNER: YOUR FAILURE TO RECORD A NOTICE OF COMMENCEMENT MAY RESULT IN YOUR PAYING TWICE FOR IMPROVEMENTS TO YOUR PROPERTY. A NOTICE OF COMMENCEMENT MUST BE RECORDED AND POSTED ON THE JOB SITE BEFORE THE FIRST INSPECTION. IF YOU INTEND TO OBTAIN FINANCING, CONSULT WITH YOUR LENDER OR AN ATTORNEY BEFORE RECORDING YOUR NOTICE OF COMMENCEMENT."

(b) Provide the applicant and the owner of the real property upon which improvements are to be constructed with a printed statement stating that the right, title, and interest of the person who has contracted for the improvement may be subject to attachment under the Construction Lien Law. The Department of Business and Professional Regulation shall furnish, for distribution, the statement described in this paragraph, and the statement must be a summary of the Construction Lien Law and must include an explanation of the provisions of the Construction Lien Law relating to the recording, and the posting of copies, of notices of commencement and a statement

encouraging the owner to record a notice of commencement and post a copy of the notice of commencement in accordance with s. 713.13. The statement must also contain an explanation of the owner's rights if a lienor fails to furnish the owner with a notice as provided in s. 713.06(2) and an explanation of the owner's rights as provided in s. 713.22. The authority that issues the building permit must obtain from the Department of Business and Professional Regulation the statement required by this paragraph and must mail, deliver by electronic mail or other electronic format or facsimile, or personally deliver that statement to the owner or, in a case in which the owner is required to personally appear to obtain the permit, provide that statement to any owner making improvements to real property consisting of a single or multiple family dwelling up to and including four units. However, the failure by the authorities to provide the summary does not subject the issuing authority to liability.

(c) In addition to providing the owner with the statement as required by paragraph (b), inform each applicant who is not the person whose right, title, and interest is subject to attachment that, as a condition to the issuance of a building permit, the applicant must promise in good faith that the statement will be delivered to the person whose property is subject to attachment.

(d) Furnish to the applicant two or more copies of a form

of notice of commencement conforming with s. 713.13.

(e) Require ~~If the direct contract is greater than $2,500,~~ the applicant to ~~shall~~ file with the issuing authority before ~~prior to~~ the first inspection ~~either~~ a ~~certified~~ copy of the ~~recorded~~ notice of commencement if the direct contract is greater than $2,500. For purposes of this paragraph, the term "copy of the notice of commencement" means a certified copy of the recorded notice of commencement, ~~or~~ a notarized statement that the notice of commencement has been filed for recording~~,~~ along with a copy thereof, or the clerk's office official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk.

1. In the absence of the filing of a ~~certified~~ copy of the ~~recorded~~ notice of commencement, the issuing authority or a private provider performing inspection services may not perform or approve subsequent inspections until the applicant files by mail, facsimile, hand delivery, or any other means such ~~certified~~ copy with the issuing authority.

2. The ~~certified~~ copy of the notice of commencement must contain the name and address of the owner, the name and address of the contractor, and the location or address of the property being improved. The issuing authority shall verify that the name and address of the owner, the name of the contractor, and the

location or address of the property being improved which is contained in the ~~certified~~ copy of the notice of commencement is consistent with the information in the building permit application.

3. The issuing authority shall provide the recording information on the ~~certified~~ copy of the ~~recorded~~ notice of commencement to any person upon request.

4. This subsection does not require the recording of a notice of commencement before ~~prior to~~ the issuance of a building permit. If a local government requires a separate permit or inspection for installation of temporary electrical service or other temporary utility service, land clearing, or other preliminary site work, such permits may be issued and such inspections may be conducted without providing the issuing authority with a ~~certified~~ copy of the ~~a recorded~~ notice of commencement ~~or a notarized statement regarding a recorded notice of commencement~~. ~~This subsection does not apply to a direct contract to repair or replace an existing heating or air-conditioning system in an amount less than $7,500.~~

(f)~~(e)~~ Not require that a notice of commencement be recorded as a condition of the application for, or processing or issuance of, a building permit. However, this paragraph does not modify or waive the inspection requirements set forth in this subsection.

This subsection does not apply to a direct contract to repair or replace an existing heating or air-conditioning system in an amount less than $7,500.

(3) An issuing authority under subsection (1) is not liable in any civil action for the failure to verify that a certified copy of the recorded notice of commencement, a notarized statement that the notice of commencement has been filed for recording along with a copy thereof, or the clerk's office official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk, has been filed in accordance with this section.

Section 9. Section 713.18, Florida Statutes, is amended to read:

713.18 Manner of serving documents ~~notices and other instruments~~.—

(1) Unless otherwise specifically provided by law, service of any document ~~notices, claims of lien, affidavits, assignments, and other instruments~~ permitted or required under this part, s. 255.05, or s. 337.18, or copies thereof when so permitted or required, ~~unless otherwise specifically provided in this part,~~ must be made by one of the following methods:

(a) By hand ~~actual~~ delivery to the person to be served; if a partnership, to one of the partners; if a corporation, to an

officer, director, managing agent, or business agent; or, if a limited liability company, to a member or manager.

(b) By common carrier delivery service or by registered, Global Express Guaranteed, or certified mail to the person to be served, with postage or shipping paid by the sender and with evidence of delivery, which may be in an electronic format.

(c) By posting on the site of the improvement if service as provided by paragraph (a) or paragraph (b) cannot be accomplished.

(2) Notwithstanding subsection (1), service of a notice to owner or a preliminary notice to contractor under this part, s. 255.05, or s. 337.18~~, or s. 713.23~~ is effective as of the date of mailing and the requirements for service under this section have been satisfied if all of the following requirements have been met:

(a) The notice is mailed by registered, Global Express Guaranteed, or certified mail, with postage prepaid, to the person to be served and addressed as prescribed ~~at any of the addresses set forth~~ in subsection (3).~~;~~

(b) The notice is mailed within 40 days after the date the lienor first furnishes labor, services, or materials.~~; and~~

(c)1. The person who served the notice maintains a registered or certified mail log that shows the registered or certified mail number issued by the United States Postal Service, the name and address of the person served, and the date

stamp of the United States Postal Service confirming the date of mailing; or

2. The person who served the notice maintains ~~electronic~~ tracking records approved or generated by the United States Postal Service containing the postal tracking number~~, the name and address of the person served,~~ and verification of the date of receipt by the United States Postal Service.

(3)(a) Notwithstanding subsection (1), service of a document under ~~an instrument pursuant to~~ this section is effective on the date of mailing or shipping, and the requirements for service under this section have been satisfied, ~~the instrument~~ if the document ~~it~~:

1. Is sent to the last address shown in the notice of commencement or any amendment thereto or, in the absence of a notice of commencement, to the last address shown in the building permit application, or to the last known address of the person to be served.~~; and~~

2. Is returned as being "refused," "moved, not forwardable," or "unclaimed," or is otherwise not delivered or deliverable through no fault of the person serving the document ~~item~~.

(b) If the address shown in the notice of commencement or any amendment thereto ~~to the notice of commencement~~, or, in the absence of a notice of commencement, in the building permit application, is incomplete for purposes of mailing or delivery,

the person serving the document ~~item~~ may complete the address and properly format it according to United States Postal Service addressing standards using information obtained from the property appraiser or another public record without affecting the validity of service under this section.

(4) A document ~~notice~~ served by a lienor on one owner or one partner of a partnership owning the real property is deemed served on ~~notice to~~ all owners and partners.

Section 10. Section 713.21, Florida Statutes, is amended to read:

713.21 Discharge of lien.—A lien properly perfected under this chapter may be discharged, or released in whole or in part, by any of the following methods:

(1) By entering satisfaction of the lien upon the margin of the record thereof in the clerk's office when not otherwise prohibited by law. This satisfaction shall be signed by the lienor, the lienor's agent or attorney and attested by said clerk. Any person who executes a claim of lien has ~~shall have~~ authority to execute a satisfaction in the absence of actual notice of lack of authority to any person relying on the same.

(2) By the satisfaction or release of the lienor, duly acknowledged and recorded in the clerk's office. The satisfaction or release must include the lienor's notarized signature and set forth the official records' reference numbers and recording date affixed by the recording office on the

subject lien. Any person who executes a claim of lien has ~~shall have~~ authority to execute a satisfaction or release in the absence of actual notice of lack of authority to any person relying on the same.

(3) By failure to begin an action to enforce the lien within the time prescribed in this part.

(4) By an order of the circuit court of the county where the property is located, as provided in this subsection. Upon filing a complaint therefor by any interested party the clerk shall issue a summons to the lienor to show cause within 20 days why his or her lien should not be enforced by action or vacated and canceled of record. Upon failure of the lienor to show cause why his or her lien should not be enforced or the lienor's failure to commence such action before the return date of the summons the court shall forthwith order cancellation of the lien.

(5) By recording in the clerk's office the original or a certified copy of a judgment or decree of a court of competent jurisdiction showing a final determination of the action.

Section 11. Subsection (2) of section 713.22, Florida Statutes, is amended to read:

713.22 Duration of lien.—

(2) An owner or the owner's attorney may elect to shorten the time prescribed in subsection (1) within which to commence an action to enforce any claim of lien or claim against a bond

or other security under s. 713.23 or s. 713.24 by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF LIEN

To: ...(Name and address of lienor)...

You are notified that the undersigned contests the claim of lien filed by you on ...., ...(year)..., and recorded in .... Book ...., Page ...., of the public records of .... County, Florida, and that the time within which you may file suit to enforce your lien is limited to 60 days from the date of service of this notice. This .... day of ...., ...(year)....

Signed: ...(Owner or Attorney)...

The lien of any lienor upon whom such notice is served and who fails to institute a suit to enforce his or her lien within 60 days after service of such notice shall be extinguished automatically. The clerk shall serve, in accordance with s. 713.18, a copy of the notice of contest to the lien claimant at the address shown in the claim of lien or most recent amendment thereto and shall certify to such service and the date of service on the face of the notice and record the notice. <u>After the clerk records the notice with the certificate of service, the clerk shall serve a copy of such notice to the lienor and to the owner or the owner’s attorney, in accordance with s. 713.18.</u>

Section 12. Paragraphs (d) and (e) of subsection (1) of section 713.23, Florida Statutes, are amended to read:

713.23 Payment bond.—

(1)

(d) In addition, a lienor who has not received payment for furnishing his or her labor, services, or materials must, as a condition precedent to recovery under the bond, serve a written notice of nonpayment on ~~to~~ the contractor and a copy of the notice on the surety. The notice must be under oath and served during the progress of the work or thereafter, but may not be served later than 90 days after the final furnishing of labor, services, or materials by the lienor, or, with respect to rental equipment, later than 90 days after the date the rental equipment was on the ~~job~~ site of the improvement and available for use. A notice of nonpayment that includes sums for retainage must specify the portion of the amount claimed for retainage. The required notice satisfies this condition precedent with respect to the payment described in the notice of nonpayment, including unpaid finance charges due under the lienor's contract, and with respect to any other payments which become due to the lienor after the date of the notice of nonpayment. The time period for serving a notice of nonpayment is ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor and may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. The failure of a lienor to receive retainage sums not in excess of 10 percent of the value of labor, services, or materials

furnished by the lienor is not considered a nonpayment requiring the service of the notice provided under this paragraph. If the payment bond is not recorded before commencement of construction, the time period for the lienor to serve a notice of nonpayment may, at the option of the lienor, be calculated from the date specified in this section or the date the lienor is served a copy of the bond. However, the limitation period for commencement of an action on the payment bond as established in paragraph (e) may not be expanded. The negligent inclusion or omission of any information in the notice of nonpayment that has not prejudiced the contractor or surety does not constitute a default that operates to defeat an otherwise valid bond claim. A lienor who serves a fraudulent notice of nonpayment forfeits his or her rights under the bond. A notice of nonpayment is fraudulent if the lienor has willfully exaggerated the amount unpaid, willfully included a claim for work not performed or materials not furnished for the subject improvement, or prepared the notice with such willful and gross negligence as to amount to a willful exaggeration. However, a minor mistake or error in a notice of nonpayment, or a good faith dispute as to the amount unpaid, does not constitute a willful exaggeration that operates to defeat an otherwise valid claim against the bond. The service of a fraudulent notice of nonpayment is a complete defense to the lienor's claim against the bond. The notice under this paragraph must include the following information, current as of

the date of the notice, and must be in substantially the following form:

NOTICE OF NONPAYMENT

To ...(name of contractor and address)...

...(name of surety and address)...

The undersigned lienor notifies you that:

1. The lienor has furnished ...(describe labor, services, or materials)... for the improvement of the real property identified as ...(property description).... The corresponding amount unpaid to date is $...., of which $.... is unpaid retainage.

2. The lienor has been paid to date the amount of $.... for previously furnishing ...(describe labor, services, or materials)... for this improvement.

3. The lienor expects to furnish ...(describe labor, services, or materials)... for this improvement in the future (if known), and the corresponding amount expected to become due is $.... (if known).

I declare that I have read the foregoing Notice of Nonpayment and that the facts stated in it are true to the best of my

knowledge and belief.

DATED on ....., .....

...(signature and address of lienor)...

STATE OF FLORIDA
COUNTY OF.....

The foregoing instrument was sworn to (or affirmed) and subscribed before me by means of ☐ physical presence or sworn to (or affirmed) by ☐ online notarization, this .... day of ...., ...(year)..., by ...(name of signatory)....

...(Signature of Notary Public - State of Florida)...

...(Print, Type, or Stamp Commissioned Name of Notary Public)...

Personally Known ..... OR Produced Identification .....

Type of Identification Produced

(e) An action for the labor, ~~or~~ materials, or supplies may not be instituted or prosecuted against the contractor or surety unless both notices have been given, if required by this section. An action may not be instituted or prosecuted against the contractor or against the surety on the bond under this

section after 1 year from the performance of the labor or completion of delivery of the materials and supplies. The time period for bringing an action against the contractor or surety on the bond is ~~shall be~~ measured from the last day of furnishing labor, services, or materials by the lienor. The time period may not be measured by other standards, such as the issuance of a certificate of occupancy or the issuance of a certificate of substantial completion. A contractor or the contractor's attorney may elect to shorten the time within which an action to enforce any claim against a payment bond provided under this section or s. 713.245 must be commenced at any time after a notice of nonpayment, if required, has been served for the claim by recording in the clerk's office a notice in substantially the following form:

NOTICE OF CONTEST OF CLAIM
AGAINST PAYMENT BOND

To: ...(Name and address of lienor)...

You are notified that the undersigned contests your notice of nonpayment, dated ...., ...., and served on the undersigned on ...., ...., and that the time within which you may file suit to enforce your claim is limited to 60 days after ~~from~~ the date of service of this notice.

DATED on ...., .....

Signed: ...(Contractor or Attorney)...

The claim of any lienor upon whom the notice is served and who

fails to institute a suit to enforce his or her claim against the payment bond within 60 days after service of the notice shall be extinguished automatically. The contractor or the contractor's attorney shall serve a copy of the notice of contest to the lienor at the address shown in the notice of nonpayment or most recent amendment thereto and shall certify to such service on the face of the notice and record the notice.

Section 13. Subsections (1) and (3) of section 713.24, Florida Statutes, are amended to read:

713.24 Transfer of liens to security.—

(1) Any lien claimed under this part may be transferred, by any person having an interest in the real property upon which the lien is imposed or the contract under which the lien is claimed, from such real property to other security by either:

(a) Depositing in the clerk's office a sum of money, or

(b) Filing in the clerk's office a bond executed as surety by a surety insurer licensed to do business in this state,

either to be in an amount equal to the amount demanded in such claim of lien, plus interest thereon at the legal rate for 3 years, plus $5,000 ~~$1,000~~ or 25 percent of the amount demanded in the claim of lien, whichever is greater, to apply on any attorney ~~attorney's~~ fees and court costs that may be taxed in any proceeding to enforce said lien. Such deposit or bond shall be conditioned to pay any judgment or decree which may be

rendered for the satisfaction of the lien for which such claim of lien was recorded. Upon making such deposit or filing such bond, the clerk shall make and record a certificate which must include a copy of the deposit or bond used to transfer, showing the transfer of the lien from the real property to the security and shall mail a copy thereof together with a copy of the deposit or bond used to transfer by registered or certified mail to the lienor named in the claim of lien so transferred, at the address stated therein. Upon filing the certificate of transfer, the real property shall thereupon be released from the lien claimed, and such lien shall be transferred to said security. In the absence of allegations of privity between the lienor and the owner, and subject to any order of the court increasing the amount required for the lien transfer deposit or bond, no other judgment or decree to pay money may be entered by the court against the owner. The clerk is ~~shall be~~ entitled to a service charge for making and serving the certificate, in the amount of up to $20, from which the clerk shall remit $5 to the Department of Revenue for deposit into the General Revenue Fund. If the transaction involves the transfer of multiple liens, an additional charge of up to $10 for each additional lien shall be charged, from which the clerk shall remit $2.50 to the Department of Revenue for deposit into the General Revenue Fund. For recording the certificate and approving the bond, the clerk shall receive her or his usual statutory service charges as

prescribed in s. 28.24. Any number of liens may be transferred to one such security.

(3) Any party having an interest in such security or the property from which the lien was transferred may at any time, and any number of times, file a complaint in chancery in the circuit court of the county where such security is deposited, or file a motion in a pending action to enforce a lien, for an order to require additional security, reduction of security, change or substitution of sureties, payment of discharge thereof, or any other matter affecting said security. If the court finds that the amount of the deposit or bond in excess of the amount claimed in the claim of lien is insufficient to pay the lienor's attorney ~~attorney's~~ fees and court costs incurred in the action to enforce the lien, the court must increase the amount of the cash deposit or lien transfer bond. Nothing in this section shall be construed to vest exclusive jurisdiction in the circuit courts over transfer bond claims for nonpayment of an amount within the monetary jurisdiction of the county courts.

Section 14. Section 713.25, Florida Statutes, is repealed.

Section 15. Section 713.29, Florida Statutes, is amended to read:

713.29 Attorney ~~Attorney's~~ fees.—In any action brought to enforce a lien, including a lien that has been transferred to security, or to enforce a claim against a bond under this part,

the prevailing party is entitled to recover a reasonable fee for the services of her or his attorney for trial and appeal or for arbitration, in an amount to be determined by the court, which fee must be taxed as part of the prevailing party's costs, as allowed in equitable actions.

Section 16. Paragraph (b) of subsection (2) and paragraph (e) of subsection (5) of section 95.11, Florida Statutes, are amended to read:

95.11 Limitations other than for the recovery of real property.—Actions other than for recovery of real property shall be commenced as follows:

(2) WITHIN FIVE YEARS.—

(b) A legal or equitable action on a contract, obligation, or liability founded on a written instrument, except for an action to enforce a claim against a payment bond, which shall be governed by the applicable provisions of paragraph (5)(e), s. 255.05(9) ~~s. 255.05(10)~~, s. 337.18(1), or s. 713.23(1)(e), and except for an action for a deficiency judgment governed by paragraph (5)(h).

(5) WITHIN ONE YEAR.—

(e) Except for actions governed by s. 255.05(9) ~~s. 255.05(10)~~, s. 337.18(1), or s. 713.23(1)(e), an action to enforce any claim against a payment bond on which the principal is a contractor, subcontractor, or sub-subcontractor as defined in s. 713.01, for private work as well as public work, from the

last furnishing of labor, services, or materials or from the last furnishing of labor, services, or materials by the contractor if the contractor is the principal on a bond on the same construction project, whichever is later.

Section 17. This act shall take effect July 1, 2022.

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**T I T L E A M E N D M E N T**

Remove everything before the enacting clause and insert: An act relating to liens and bonds; amending s. 255.05, F.S.; revising when a notice of contest of claim against a payment bond must be served; requiring that a copy of a notice of nonpayment be served on the surety; revising the process for notarizing a notice of nonpayment; removing the authority for a contractor to file certain alternative forms of security rather than a bond; requiring service of documents to be made in a specified manner; conforming provisions to changes made by the act; making technical changes; amending s. 337.18, F.S.; requiring service of documents to be made in a specified manner; conforming provisions to changes made by the act; amending s. 713.01, F.S.; revising and providing definitions; creating s. 713.011, F.S.; providing for the computation of time for recording a document or filing

an action when certain time periods fall on specified days or during a declared state of emergency; specifying when a clerk's office is considered open; amending s. 713.10, F.S.; revising the extent of certain liens; amending s. 713.13, F.S.; conforming a cross-reference; revising the process for notarizing a notice of commencement; amending s. 713.132, F.S.; revising requirements for a notice of termination; revising when an owner may record a notice of termination; specifying when a notice of termination terminates the notice of commencement; amending s. 713.135, F.S.; providing a definition; providing applicability; making technical changes; providing that an issuing authority is not liable for failing to verify that specified information has been filed; amending s. 713.18, F.S.; requiring service of documents relating to construction bonds to be made in a specified manner; making technical changes; amending s. 713.21, F.S.; authorizing the full or partial release of a lien under specified conditions; amending s. 713.22, F.S.; revising the information required in the notice of contest of lien; amending s. 713.23, F.S.; requiring that a copy of a notice of nonpayment be served on the surety; revising the process for notarizing a notice of nonpayment under a payment

bond; amending s. 713.24, F.S.; revising the amount required in addition to the deposit or bond that applies toward attorney fees and costs; requiring the clerk to make a copy of the deposit or bond used to transfer a lien to other security and mail it to the lienor; repealing s. 713.25, F.S., relating to applicability of ch. 65-456; amending s. 713.29, F.S.; authorizing attorney fees in actions to enforce a lien that has been transferred to security; amending s. 95.11, F.S.; conforming a cross-reference; providing an effective date.

# HB 715

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 715 Seating Requirements for Special Food Service Establishment Licenses
**SPONSOR(S):** Tomkow and others
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 924

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Regulatory Reform Subcommittee | | Wright | Anstead |
| 2) Commerce Committee | | | |

## SUMMARY ANALYSIS

In Florida, alcoholic beverages are regulated by the Beverage Law, which regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors. The Division of Alcoholic Beverages and Tobacco (division) in the Department of Business and Professional Regulation (DBPR) administers and enforces the Beverage Law.

Florida law limits, by county, the number of alcoholic beverage licenses that may be issued for the sale of distilled spirits, to one license per 7,500 residents within the county. These limited alcoholic beverage licenses are known as "quota" licenses.

A "special license" is an exception to the quota licensing scheme, which allows certain entities to serve liquor without a quota license. One such special license is a "special food service license" (SFS license), which applies to a food service establishment that has 2,500 square feet, is equipped to serve **150 persons** at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages.

The bill reduces the minimum service capacity to qualify for an SFS license to **100 persons**, from 150 persons.

The bill will have no fiscal impact on local governments and an indeterminate fiscal impact on state government.

The bill is effective upon becoming law.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

### Regulation of Alcoholic Beverages

In Florida, alcoholic beverages are regulated by the Beverage Law,[1] which regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors.[2] The Division of Alcoholic Beverages and Tobacco (division) in the Department of Business and Professional Regulation (DBPR) administers and enforces the Beverage Law.[3]

### Special Food Service License

Florida law limits, by county, the number of alcoholic beverage licenses that may be issued for the sale of distilled spirits, to one license per 7,500 residents within the county. These limited alcoholic beverage licenses are known as "quota" licenses. The quota license is the only alcoholic beverage license that is limited in number; all other types of alcoholic beverage licenses are available without limitation, if certain conditions are met.[4]

A "special license" is an exception to the quota licensing scheme, which allows certain entities to serve liquor without a quota license. One such special license is a "special food service license" (SFS license), which applies to a food service establishment that has 2,500 square feet, is equipped to serve **150 persons** at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages.[5]

SFS licensees must be audited by the division for compliance with the food and nonalcoholic beverage sales percentage requirements during the first 120-day operating period, and every one to four years thereafter, depending on beverage revenue. Failure by an SFS licensee to satisfy the requirements as to the percentages of food and nonalcoholic beverage sales results in revocation of the SFS license. An SFS licensee whose license is revoked is ineligible to have an interest in a subsequent application for a license for 120 days after the revocation.[6]

SFS licensees may sell or deliver alcoholic beverages in a sealed container for off-premises consumption, including liquor-based beverages prepared by the licensee and packaged in a container sealed by the licensee. Such licensees may not sell a bottle of distilled spirits sealed by a manufacturer. The sale or delivery of such beverages must be accompanied by the sale of food.[7]

### Effect of the Bill

The bill reduces the minimum service capacity to qualify for an SFS license to **100 persons**, from 150 persons.

B. SECTION DIRECTORY:

**Section 1:** Amends s. 561.20, F.S., revising requirements for a special restaurant license.
**Section 2:** Provides an effective date.

[1] S. 561.01(6), F.S., provides that the "The Beverage Law" means chs. 561, 562, 563, 564, 565, 567, and 568, F.S.
[2] *See* s. 561.14, F.S.
[3] S. 561.02, F.S.
[4] S. 561.20(1), F.S.
[5] S. 561.20(2)(a)4., F.S.
[6] *Id.*
[7] *Id.*

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The bill may allow more restaurants to obtain an SFS license, which would increase fees to the state.

2. Expenditures:

The bill may allow more restaurants to obtain an SFS license, which would require more regulatory actions, such as inspections and audits, by DBPR.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may allow more restaurants to obtain an SFS license, which may make it less expensive to own and operate a restaurant that sells alcoholic beverages and could lead to more restaurants opening. It could also increase beverage service options for consumers.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to seating requirements for special food service establishment licenses; amending s. 561.20, F.S.; revising the requirements for receiving a special food service establishment license; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraph (a) of subsection (2) of section 561.20, Florida Statutes, is amended to read:

561.20 Limitation upon number of licenses issued.—

(2)(a) The limitation of the number of licenses as provided in this section does not prohibit the issuance of a special license to:

1. Any bona fide hotel, motel, or motor court of not fewer than 80 guest rooms in any county having a population of less than 50,000 residents, and of not fewer than 100 guest rooms in any county having a population of 50,000 residents or greater; or any bona fide hotel or motel located in a historic structure~~,~~ as defined in s. 561.01(20)~~,~~ with fewer than 100 guest rooms which derives at least 51 percent of its gross revenue from the rental of hotel or motel rooms, which is licensed as a public lodging establishment by the Division of Hotels and Restaurants; provided, however, that a bona fide hotel or motel with no fewer



CODING: Words ~~stricken~~ are deletions; words underlined are additions.

than 10 and no more than 25 guest rooms which is a historic structure~~,~~ as defined in s. 561.01(20)~~,~~ in a municipality that on the effective date of this act has a population, according to the University of Florida's Bureau of Economic and Business Research Estimates of Population for 1998, of no fewer than 25,000 and no more than 35,000 residents and that is within a constitutionally chartered county may be issued a special license. This special license shall allow the sale and consumption of alcoholic beverages only on the licensed premises of the hotel or motel. In addition, the hotel or motel must derive at least 60 percent of its gross revenue from the rental of hotel or motel rooms and the sale of food and nonalcoholic beverages; provided that this subparagraph shall supersede local laws requiring a greater number of hotel rooms;

2. Any condominium accommodation of which no fewer than 100 condominium units are wholly rentable to transients and which is licensed under chapter 509, except that the license shall be issued only to the person or corporation that operates the hotel or motel operation and not to the association of condominium owners;

3. Any condominium accommodation of which no fewer than 50 condominium units are wholly rentable to transients, which is licensed under chapter 509, and which is located in any county having home rule under s. 10 or s. 11, Art. VIII of the State Constitution of 1885, as amended, and incorporated by reference

in s. 6(e), Art. VIII of the State Constitution, except that the license shall be issued only to the person or corporation that operates the hotel or motel operation and not to the association of condominium owners;

4. A food service establishment that has 2,500 square feet of service area, is equipped to serve meals to 100 ~~150~~ persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter. Subsequent audit timeframes must be based upon the audit percentage established by the most recent audit and conducted on a staggered scale as follows: level 1, 51 percent to 60 percent, every year; level 2, 61 percent to 75 percent, every 2 years; level 3, 76 percent to 90 percent, every 3 years; and level 4, 91 percent to 100 percent, every 4 years. A licensee under this subparagraph may sell or deliver alcoholic beverages in a sealed container for off-premises consumption if the sale or delivery is accompanied by the sale of food within the same order. Such authorized sale or delivery includes wine-based and liquor-based beverages prepared by the licensee or its employee and packaged in a container sealed by the licensee or its employee. This subparagraph may not be construed to authorize public food service establishments licensed under this subparagraph to sell a bottle of distilled spirits sealed by a manufacturer. Any sale

or delivery of malt beverages must comply with the container size, labeling, and filling requirements imposed under s. 563.06. Any delivery of an alcoholic beverage under this subparagraph must comply with s. 561.57. An alcoholic beverage drink prepared by the vendor and sold or delivered for consumption off the premises must be placed in a container securely sealed by the licensee or its employees with an unbroken seal that prevents the beverage from being immediately consumed before removal from the premises. Such alcoholic beverage also must be placed in a bag or other container that is secured in such a manner that it is visibly apparent if the container has been subsequently opened or tampered with, and a dated receipt for the alcoholic beverage and food must be provided by the licensee and attached to the bag or container. If transported in a motor vehicle, an alcoholic beverage that is not in a container sealed by the manufacturer must be placed in a locked compartment, a locked trunk, or the area behind the last upright seat of a motor vehicle. It is a violation of the prohibition in s. 562.11 to allow any person under the age of 21 to deliver alcoholic beverages on behalf of a vendor. The vendor or the agent or employee of the vendor must verify the age of the person making the delivery of the alcoholic beverage before allowing any person to take possession of an alcoholic beverage for the purpose of making a delivery on behalf of a vendor under this section. A food service establishment granted a special

license on or after January 1, 1958, pursuant to general or special law may not operate as a package store and may not sell intoxicating beverages under such license after the hours of serving or consumption of food have elapsed. Failure by a licensee to meet the required percentage of food and nonalcoholic beverage gross revenues during the covered operating period shall result in revocation of the license or denial of the pending license application. A licensee whose license is revoked or an applicant whose pending application is denied, or any person required to qualify on the special license application, is ineligible to have any interest in a subsequent application for such a license for a period of 120 days after the date of the final denial or revocation;

5. Any caterer, deriving at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages at each catered event, licensed by the Division of Hotels and Restaurants under chapter 509. This subparagraph does not apply to a culinary education program, as defined in s. 381.0072(2), which is licensed as a public food service establishment by the Division of Hotels and Restaurants and provides catering services. Notwithstanding any law to the contrary, a licensee under this subparagraph shall sell or serve alcoholic beverages only for consumption on the premises of a catered event at which the licensee is also providing prepared food, and shall prominently display its license at any catered

event at which the caterer is selling or serving alcoholic beverages. A licensee under this subparagraph shall purchase all alcoholic beverages it sells or serves at a catered event from a vendor licensed under s. 563.02(1), s. 564.02(1), or licensed under s. 565.02(1) subject to the limitation imposed in subsection (1), as appropriate. A licensee under this subparagraph may not store any alcoholic beverages to be sold or served at a catered event. Any alcoholic beverages purchased by a licensee under this subparagraph for a catered event that are not used at that event must remain with the customer; provided that if the vendor accepts unopened alcoholic beverages, the licensee may return such alcoholic beverages to the vendor for a credit or reimbursement. Regardless of the county or counties in which the licensee operates, a licensee under this subparagraph shall pay the annual state license tax set forth in s. 565.02(1)(b). A licensee under this subparagraph must maintain for a period of 3 years all records and receipts for each catered event, including all contracts, customers' names, event locations, event dates, food purchases and sales, alcoholic beverage purchases and sales, nonalcoholic beverage purchases and sales, and any other records required by the department by rule to demonstrate compliance with the requirements of this subparagraph. Notwithstanding any law to the contrary, any vendor licensed under s. 565.02(1) subject to the limitation imposed in subsection (1), may, without any additional licensure

under this subparagraph, serve or sell alcoholic beverages for consumption on the premises of a catered event at which prepared food is provided by a caterer licensed under chapter 509. If a licensee under this subparagraph also possesses any other license under the Beverage Law, the license issued under this subparagraph may not authorize the holder to conduct activities on the premises to which the other license or licenses apply that would otherwise be prohibited by the terms of that license or the Beverage Law. This section does not permit the licensee to conduct activities that are otherwise prohibited by the Beverage Law or local law. The Division of Alcoholic Beverages and Tobacco is hereby authorized to adopt rules to administer the license created in this subparagraph, to include rules governing licensure, recordkeeping, and enforcement. The first $300,000 in fees collected by the division each fiscal year pursuant to this subparagraph shall be deposited in the Department of Children and Families' Operations and Maintenance Trust Fund to be used only for alcohol and drug abuse education, treatment, and prevention programs. The remainder of the fees collected shall be deposited into the Hotel and Restaurant Trust Fund created pursuant to s. 509.072; or

6. A culinary education program as defined in s. 381.0072(2) which is licensed as a public food service establishment by the Division of Hotels and Restaurants.

a. This special license shall allow the sale and

consumption of alcoholic beverages on the licensed premises of the culinary education program. The culinary education program shall specify designated areas in the facility where the alcoholic beverages may be consumed at the time of application. Alcoholic beverages sold for consumption on the premises may be consumed only in areas designated under s. 561.01(11) and may not be removed from the designated area. Such license shall be applicable only in and for designated areas used by the culinary education program.

b. If the culinary education program provides catering services, this special license shall also allow the sale and consumption of alcoholic beverages on the premises of a catered event at which the licensee is also providing prepared food. A culinary education program that provides catering services is not required to derive at least 51 percent of its gross revenue from the sale of food and nonalcoholic beverages. Notwithstanding any law to the contrary, a licensee that provides catering services under this sub-subparagraph shall prominently display its beverage license at any catered event at which the caterer is selling or serving alcoholic beverages. Regardless of the county or counties in which the licensee operates, a licensee under this sub-subparagraph shall pay the annual state license tax set forth in s. 565.02(1)(b). A licensee under this sub-subparagraph must maintain for a period of 3 years all records required by the department by rule to

demonstrate compliance with the requirements of this sub-subparagraph.

c. If a licensee under this subparagraph also possesses any other license under the Beverage Law, the license issued under this subparagraph does not authorize the holder to conduct activities on the premises to which the other license or licenses apply that would otherwise be prohibited by the terms of that license or the Beverage Law. This subparagraph does not permit the licensee to conduct activities that are otherwise prohibited by the Beverage Law or local law. Any culinary education program that holds a license to sell alcoholic beverages shall comply with the age requirements set forth in ss. 562.11(4), 562.111(2), and 562.13.

d. The Division of Alcoholic Beverages and Tobacco may adopt rules to administer the license created in this subparagraph, to include rules governing licensure, recordkeeping, and enforcement.

e. A license issued pursuant to this subparagraph does not permit the licensee to sell alcoholic beverages by the package for off-premises consumption.

However, any license heretofore issued to any such hotel, motel, motor court, or restaurant or hereafter issued to any such hotel, motel, or motor court, including a condominium accommodation, under the general law may not be moved to a new

location, such license being valid only on the premises of such hotel, motel, motor court, or restaurant. Licenses issued to hotels, motels, motor courts, or restaurants under the general law and held by such hotels, motels, motor courts, or restaurants on May 24, 1947, shall be counted in the quota limitation contained in subsection (1). Any license issued for any hotel, motel, or motor court under this law shall be issued only to the owner of the hotel, motel, or motor court or, in the event the hotel, motel, or motor court is leased, to the lessee of the hotel, motel, or motor court; and the license shall remain in the name of the owner or lessee so long as the license is in existence. Any special license now in existence heretofore issued under this law cannot be renewed except in the name of the owner of the hotel, motel, motor court, or restaurant or, in the event the hotel, motel, motor court, or restaurant is leased, in the name of the lessee of the hotel, motel, motor court, or restaurant in which the license is located and must remain in the name of the owner or lessee so long as the license is in existence. Any license issued under this section shall be marked "Special," and nothing herein provided shall limit, restrict, or prevent the issuance of a special license for any restaurant or motel which shall hereafter meet the requirements of the law existing immediately before the effective date of this act, if construction of such restaurant has commenced before the effective date of this act and is completed within 30

days thereafter, or if an application is on file for such special license at the time this act takes effect; and any such licenses issued under this proviso may be annually renewed as now provided by law. Nothing herein prevents an application for transfer of a license to a bona fide purchaser of any hotel, motel, motor court, or restaurant by the purchaser of such facility or the transfer of such license pursuant to law.

Section 2. This act shall take effect upon becoming a law.

## REGULATORY REFORM SUBCOMMITTEE

## HB 715 by Rep. Tomkow
## Seating Requirements for Special Food Service Establishment Licenses

## AMENDMENT SUMMARY
## February 3, 2022

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**Amendment 1 by Rep. Tomkow (line 258):**

- Moves the effective date of the bill to May 1, 2022.

Amendment No. 1

COMMITTEE/SUBCOMMITTEE ACTION

| | |
|---|---|
| ADOPTED | ___ (Y/N) |
| ADOPTED AS AMENDED | ___ (Y/N) |
| ADOPTED W/O OBJECTION | ___ (Y/N) |
| FAILED TO ADOPT | ___ (Y/N) |
| WITHDRAWN | ___ (Y/N) |
| OTHER | _____ |

Committee/Subcommittee hearing bill: Regulatory Reform Subcommittee

Representative Tomkow offered the following:

**Amendment**

Remove line 258 and insert:

Section 2. This act shall take effect May 1, 2022.

# HB 719

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 719 Swim-up Bars
**SPONSOR(S):** Smith, D.
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1044

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Regulatory Reform Subcommittee | | Brackett | Anstead |
| 2) State Administration & Technology Appropriations Subcommittee | | | |
| 3) Commerce Committee | | | |

## SUMMARY ANALYSIS

The Department of Health (DOH) is responsible for the oversight and regulation of water quality and safety of public swimming pools in Florida. In order to operate or continue to operate a public swimming pool, it must have a valid **operating permit** from DOH. Currently, DOH **prohibits** food, beverages, and glass containers from being in a public swimming pool.

Public swimming pools include those pools located at public lodging establishments and theme parks.

The Florida Building Commission (Commission), located within the Department of Business and Professional Regulation, implements and adopts the Florida Building Code. The Florida Building Code is the statewide building code for all construction, including **swimming pools** in the state. Every local government must enforce the Florida Building Code and issue building permits. A local government may not issue a certificate of completion for a public swimming pool until DOH has issued an operating permit for the pool.

A swim-up bar is a version of a traditional bar that is located in a swimming pool. Swim-up bars do not require a person to leave a pool in order to get a beverage. Typically, swim-up bars have submerged barstools in the swimming pool and relatively shallow waters so patrons can sit or stand in the pool while they consume beverages.

Swim-up bars are allowed in private residences. However, swim-up bars are not allowed in public pools because food and beverages are not allowed in public swimming pools.

The bill provides that before January 1, 2023, the Commission must adopt within the Florida Building Code requirements and procedures for the approval of swim-up bars at commercial and public swimming pool locations. The Commission must work with swimming pool industry representatives to develop such requirements and procedures to "position this state as a national leader on design specifications, safety, operation, and public health relating to swim-up bars."

The bill does not appear to have a fiscal impact on local governments. The bill may have a fiscal impact on state government.

The bill takes effect upon becoming law.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Current Situation**

**Public Swimming Pools**

A public swimming pool means a watertight structure of concrete, masonry, or other approved materials which is located either indoors or outdoors, used for bathing or swimming by humans, and filled with a filtered and disinfected water supply, together with buildings, appurtenances, and equipment used in connection therewith.[1]

A public swimming pool includes "a conventional pool, spa-type pool, wading pool, special purpose pool, or water recreation attraction, to which admission may be gained with or without payment of a fee and includes, but is not limited to, pools operated by or serving camps, churches, cities, counties, day care centers, group home facilities for eight or more clients, health spas, institutions, **parks**, state agencies, schools, subdivisions, or the cooperative living-type projects of five or more living units, such as apartments, boardinghouses, **hotels**, mobile home parks, motels, recreational vehicle parks, and townhouses."[2]

Swimming pools in private residences that have less than five living units **are not** public swimming pools and are not subject to regulation by DOH.[3]

DOH is responsible for the oversight and regulation of water quality and safety of public swimming pools in Florida. In order to operate or continue operating a public swimming pool, an owner must have a valid **operating permit** from DOH.[4]

If DOH determines that the public swimming pool is, or may reasonably be expected to be, operated in compliance with state laws and rules, DOH will issue a permit. However, if it is determined that the pool is not in compliance with state laws and rules, the application for a permit will be denied.[5] DOH is authorized to establish a schedule of fees for plan approval and permitting.[6] Operating permits must be **renewed annually** and may be transferred from one name or owner to another.[7]

DOH may grant **variances** from any rule relating to the sanitation and safety standards for public swimming pools. DOH may also grant variances from the provisions of the Florida Building Code specifically pertaining to public swimming pools when requested by the pool owner or the pool owner's representative to relieve hardship. In order to receive a variance from the provisions of the Florida Building Code, it must be shown that the hardship was not caused intentionally by the action of the applicant, no reasonable alternative exists, and the health and safety of the pool patrons is not at risk.[8]

DOH may **suspend or revoke an operating permit, or impose an administrative fine** of up to $500 on any person or public body that fails to comply with the rules and regulations for public swimming pools. Each day that a violation continues may constitute as a separate violation.[9]

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[1] S. 514.011(2), F.S.
[2] *Id.*
[3] S. 514.011(3), F.S.
[4] S. 514.031(1), F.S.
[5] *Id.*
[6] S. 514.033, F.S.
[7] Ss. 514.031(2) - (4), F.S.
[8] S. 514.0115(9), F.S.
[9] S. 514.05, F.S.

DOH may also impose an administrative fine for any violations of the laws relating to the removal of sanitary nuisances such as garbage or human waste.[10]

Safety and Sanitation Features

All public pools must be equipped with the following safety features:[11]

- Safety drain outlet cover(s)/grate(s) and allowable secondary anti-entrapment devices;[12]
- A shepherd's hook securely attached to a one piece pole not less than 16 feet in length. Pools over 50 feet in length shall have a shepherd's hook on each of the longer sides of the pool;
- At least one 18 inch diameter lifesaving ring with sufficient rope attached to reach all parts of the pool from the pool deck. Pools over 50 feet in length shall have a lifesaving ring on each of the longer sides of the pool;
- Safety equipment shall be mounted in a conspicuous place and be readily available for use; and
- Lighting if the pool is used during nighttime.

Spa pools under 200 square feet of surface area, and interactive water features or wading pools with two feet or less of water depth are exempt from the requirement to have shepherd's hook and lifesaving ring requirement.[13]

If a human **fecal** accident occurs in a public swimming pool, the pool operator or owner must comply with all recommendations found in the Centers for Disease Control and Prevention's (CDC) "Fecal accident response recommendations for Aquatics Staff.[14] A pool operator or owner may also use an alternative emergency disinfection method developed by industry, by the application of new disinfection technology, or by the use of chemical disinfectants that are effective, safe and appropriate for public bathing facilities, and are approved by the CDC.[15]

The CDC recommends that if a person **vomits** more than just pool water, such as previously eaten food, aquatic staff should respond immediately to clean it up and may use the "Fecal accident response recommendations for Aquatics Staff" to disinfect potentially infectious vomit.[16]

Common Recreational Water Illnesses

According to the CDC, **recreational water illnesses** are diseases that people can get from swimming and playing in bodies of water, including swimming pools, hot tubs/spas, water playgrounds, or oceans, lakes, and rivers, if the water is contaminated with germs.[17]

A person can get recreational water illnesses if they swallow, have contact with, or breathe in mists or aerosols from water contaminated with germs. A person can also get them by having contact with chemicals that are in the water or that evaporate from the water and turn into gas in the air.[18]

Diarrhea is the most common recreational water illness. People who are already sick with diarrhea can spread it to others when they get in recreational water. People typically have about 0.14 grams of poop (similar to a few grains of sand) on their bodies at any given time. When a person who is sick with

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[10] *Id.*
[11] R. 64E-9.008(3) and (7), F.A.C.
[12] Federal law requires public pools and spas to have a drain cover and a secondary anti-entrapment device in order to avoid suction entrapment. 15 U.S.C. § 106.
[13] R. 64E-9.008(2), F.A.C.
[14] Dated February 15, 2008.
[15] R. 64E-9.004(11), F.A.C.
[16] Centers for Disease Control and Prevention, *Vomit and Blood in the Pool*, https://www.cdc.gov/healthywater/swimming/aquatics-professionals/vomit-blood-contamination.html (last visited Jan. 28, 2022).
[17] Centers for Disease Control and Prevention, *Recreational Water Illnesses*, https://www.cdc.gov/healthywater/swimming/swimmers/rwi.html (last visited Jan. 29, 2022).
[18] *Id.*

diarrhea gets in the water, that tiny amount of poop on their body can wash into the water around them and contaminate it with germs. If someone else swallows the contaminated water, they can become infected.[19]

Other recreational water illnesses—such as skin, ear, respiratory, eye, and other infections—can be caused by germs that naturally live in the water and soil. If the chemicals used to kill germs (chlorine or bromine) in pools, hot tubs, and water playgrounds are not kept at the right level, these germs can multiply and make swimmers sick.[20]

The most common symptoms caused by recreational water illnesses are diarrhea, skin rashes, ear pain, cough or congestion, and eye pain. From 2000 to 2014, almost **500 recreational water illness outbreaks** were reported to CDC. The most commonly reported illnesses were:[21]

- Acute gastrointestinal illness (such as diarrhea or vomiting).
- Skin illnesses (such as rash).
- Acute respiratory illness (such as cough or congestion).

Children, pregnant women, and people who have health problems or take medicines that lower their body's ability to fight germs and sickness—such as people whose immune systems are weakened because of cancer, an organ transplant, or HIV—are most at risk for recreational water illnesses.[22]

Disinfecting pools with chlorine or bromine and pH is the first defense against the germs that cause recreational water illnesses in pools, hot tubs/spas, and water playgrounds. At the recommended levels, chlorine or bromine can kill most germs in the water within minutes.[23]

However, one CDC study found that more than 10% of routine inspections of public pools, hot tubs/spas, and water playgrounds (for example, at **hotels/motels and waterparks**) led to immediate closure because of serious violations, such as improper chlorine or bromine levels.[24]

Lifeguards

A "lifeguard" is a person responsible for the safety of the users of a public swimming pool. **Lifeguards are not required** at a public pool unless the pool has a water slide plunge pool or the pool is a water activity pool with climbable structures.[25]

However, anyone working as a lifeguard at a public swimming pool must be certified in lifeguarding, first aid, and cardiopulmonary resuscitation by the American Red Cross, the Y.M.C.A., or other nationally recognized aquatic training programs.[26]

Food and Beverages

Food, beverages, glass containers, and animals are **prohibited** from being in a public swimming pool. Individuals with a disability and service animal trainers may be accompanied by a service animal, but the service animal is not allowed to enter the pool water or onto the drained area of an interactive water feature in order to prevent a direct threat to the health of pool patrons.[27]

[19] *Id.*
[20] *Id.*
[21] *Id.*
[22] *Id.*
[23] *Id.*
[24] *Id.*
[25] S. 514.071, F.S.; R. 64E-9.008, F.A.C.
[26] *Id.*
[27] R. 64E-9.004(4), F.A.C.

## The Florida Building Code and Florida Building Commission

In 1974, Florida adopted legislation requiring all local governments to adopt and enforce a minimum building code that would ensure that Florida's minimum standards were met. Local governments could choose from four separate model codes. The state's role was limited to adopting all or relevant parts of new editions of the four model codes. Local governments could amend and enforce their local codes, as they desired.[28]

In 1992, Hurricane Andrew demonstrated that Florida's system of local codes did not work. Hurricane Andrew easily destroyed those structures that were allegedly built according to the strongest code. The Governor eventually appointed a study commission to review the system of local codes and make recommendations for modernizing the system. The 1998 Legislature adopted the study commission's recommendations for a single state building code and enhanced the oversight role of the state over local code enforcement. The 2000 Legislature authorized implementation of the Florida Building Code (Building Code), and that first edition replaced all local codes on March 1, 2002.[29] The current edition of the Building Code is the seventh edition, which is referred to as the 2020 Florida Building Code.[30]

Part IV of ch. 553, F.S., is known as the "Florida Building Codes Act" (Act). The purpose and intent of the Act is to provide a mechanism for the uniform adoption, updating, interpretation, and enforcement of a single, unified state building code. The Building Code must be applied, administered, and enforced uniformly and consistently from jurisdiction to jurisdiction. [31]

The main purpose of the Building Code is to regulate new construction or proposed modifications to existing structures in order to give the occupants the highest level of safety and the least amount of defects.[32]

The Florida Building Commission

The Florida Building Commission (Commission) was statutorily created to implement the Building Code. The Commission, which is housed within the Department of Business and Professional Regulation (DBPR), is a 19-member technical body made up of design professionals, contractors, and government experts in various disciplines covered by the Building Code.[33]

The Commission reviews several International Codes published by the International Code Council, the National Electric Code, and other nationally adopted model codes to determine if the Building Code needs to be updated and adopts an updated Building Code every three years.[34]

The Commission has 11 Technical Advisory Committees (TAC) ranging from the building structural TAC to the **swimming pool TAC**.[35] TACs are made up of commission members and other parties who advise the commission on declaratory statements, proposed amendments, and any other areas of interest of the commission.[36]

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[28] The Florida Building Commission Report to the 2006 Legislature, *Florida Department of Community Affairs,* p. 4, http://www.floridabuilding.org/fbc/publications/2006_Legislature_Rpt_rev2.pdf (last visited Jan. 28, 2022).
[29] *Id.*; DBPR, *Building Code Information System*, https://floridabuilding.org/c/default.aspx# (last visited on Jan. 28, 2022).
[30] *Id.*
[31] *See* S. 553.72(1), F.S.
[32] Florida Building Commission, *Advanced Florida Building Code Principals*, http://www.floridabuilding.org/Upload/Courses_trp/421-2-MATERIAL-Adv%20FL%20Bldg%20Code%20-%20Course%20PDF%20version%207.0.pdf (last visited Jan. 28, 2022).
[33] Ss. 553.73, and 553.74, F.S.
[34] *Id.*
[35] Department of Business and Professional regulation, *Florida Building Code Online*, https://www.floridabuilding.org/c/c_commission.aspx (last visited Jan. 28, 2022).
[36] S. 553.73(3), F.S.; Rule 61G20-2.001, F.A.C.

Local Enforcement of the Florida Building Code

The Legislature has provided local governments with the power to inspect all buildings, structures, and facilities within their jurisdiction to protect the public's health, safety, and welfare.[37]

Every local government must enforce the Building Code and issue building permits.[38] It is unlawful for a person, firm, or corporation to construct, erect, alter, repair, secure, or demolish any building or structure, including swimming pools, without first obtaining a permit from the local government enforcing agency or from such persons as may, by resolution or regulation, be directed to issue such permit, upon the payment of reasonable fees as set forth in a schedule of fees adopted by the enforcing agency.[39]

A building permit is an official document or certificate issued by the local building official that authorizes performance of a specific activity.[40] A building official is a local government employee or a person contracted by a local government who supervises Building Code activities, including plan review, enforcement, and inspection to ensure work complies with the Building Code.[41]

A local government may not issue a building permit for a **public swimming pool** without proof that an operating permit from DOH has been applied for. A local government may not issue a certificate of completion or occupancy for a public swimming pool until DOH has issued an operating permit for the pool.[42]

**Swim-up Bars**

A swim-up bar is a version of a traditional bar that is located in a swimming pool. Swim-up bars do not require a person to leave a pool in order to get a beverage. Typically, swim-up bars have sub-merged barstools in the swimming pool and relatively shallow waters so patrons can sit or stand in the pool.[43]

Swim-up bars began in Las Vegas in the 1950s when swimming pools at hotels became popular. Hotels and casinos wanted to give patrons who preferred to spend their stay in the pool, the opportunity to play casino games and drink. Since then swim-up bars have been built in vacation spots throughout the world as well as in private residences.[44]

Currently, there is at least one swim up bar in Florida, which is located at the Island Resort at Fort Walton Beach, which was built in 1966.[45] However, swim-up bars are currently not allowed in public swimming pools without a variance from DOH because food and beverages are prohibited from being in public swimming pools.

Swim-up bars are allowed in private residences and, according to DBPR, the Building Code's construction standards are **sufficient** to construct swim-up bars in pools.[46] However, the Building Code prohibits food and beverages from being in a public swimming pool or on a pool deck near a public swimming pool.[47]

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[37] S. 553.72, F.S.
[38] Ss. 125.01(1)(bb), 125.56(1), and 553.80(1), F.S.
[39] *See* Ss. 125.56(4)(a) and 553.79(1), F.S.
[40] S. 202 of the Building Code (Building), Seventh Edition.
[41] S. 468.603(2), F.S.
[42] S. 553.79(13), F.S.
[43] Kylie Morrow, *Sandals Best Swim Up Bars & How It All Started*, Sandals Blog (Jun. 25, 2019) https://www.sandals.com/blog/story-behind-the-swim-up-bar/ (last visited Jan. 28, 2022).
[44] *Id.*; Sarah Hutchinson, *Swim-up Bar Ideas*, https://www.landscapingnetwork.com/swimming-pool/swim-up-bar.html (last visited Jan. 28, 2022).
[45] The Island Resort at Fort Walton Beach, *Our Story*, https://www.theislandfl.com/about-us.htm (last visited Jan. 28, 2022).
[46] Email from Conner Mann, Legislative Affairs Coordinator, Department of Business and Professional Regulation, Swim-up Bars (Jan. 28, 2022).
[47] S. 454 of the Building Code (Building), Seventh Edition.

The Building Code also requires public swimming pools to have a sign stating the rules and regulations for bathers including a statement that food and beverages are not allowed in the pool or on the wet pool deck.[48]

According to DBPR, the Building Code does not contain any operational or treatment requirements that specifically accommodate the potential for food and drinks to be served near a public swimming pool. If food and beverages were allowed in public swimming pools, there could be **potential changes to the Building Code** including requiring special water recirculation and treatment systems capable of removing spillage of food and drinks, special travel distances to the swimming pool sanitary facilities, and changes to required signage.[49]

**Effect of the Bill**

The bill provides that before January 1, 2023, the Commission must adopt within the Building Code requirements and procedures for the approval of swim-up bars at commercial and public swimming pool locations. The Commission must work with swimming pool industry representatives to develop such requirements and procedures to "position this state as a national leader on design specifications, safety, operation, and public health relating to swim-up bars."

B. SECTION DIRECTORY:

Section 1. Requires the Florida Building Commission to work with certain industry representatives to develop requirements and procedures for swim-up bars.

Section 2. Provides an effective date of upon becoming law.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

Unknown. The bill requires the Commission to adopt requirements and procedures for the approval of swim-up bars at commercial and public swimming pool locations. It is unknown if the Commission can accomplish this with existing resources, or if they will need additional resources.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may have a positive impact on the private sector by allowing public swimming pools to have swim-up bars, which may increase sales of food and beverages for establishments that have such bars. However, there is potential for an increase in recreational water illnesses because of a potential

[48] *Id.*
[49] Email from Conner Mann *supra* note 46.

increase in germs in public swimming pools from food or beverages or diarrhea or vomit caused by consuming food or beverages.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to DBPR, any changes to public swimming pool regulations that specifically relate to food and drinks being served in a public swimming pool need to be developed in close coordination with DOH because DOH has jurisdiction over the requirements for the operation of public swimming pools.[50]

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

[50] Email from Conner Mann *supra* note 46.

A bill to be entitled

An act relating to swim-up bars; requiring the Florida Building Commission to adopt requirements and procedures within the Florida Building Code for the approval of swim-up bars at commercial and public swimming pool locations; requiring the commission to work with swimming pool industry representatives when developing such requirements and procedures; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Before January 1, 2023, the Florida Building Commission shall adopt within the Florida Building Code requirements and procedures for the approval of swim-up bars at commercial and public swimming pool locations in this state. The commission shall work with swimming pool industry representatives to develop such requirements and procedures to position this state as a national leader on design specifications, safety, operation, and public health relating to swim-up bars.

Section 2. This act shall take effect upon becoming a law.



CODING: Words stricken are deletions; words underlined are additions.

**REGULATORY REFORM SUBCOMMITTEE**

**HB 719 by Rep. Smith, D.**
**Swim-up Bars**

**AMENDMENT SUMMARY**
**February 3, 2022**

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**Amendment 1 by Rep. Smith, D. (strike-all):**

The strike-all:

- Prohibits the Department of Health (DOH) and local governments from prohibiting swim-up bars located in hotels, theme parks, or entertainment complexes.
- Defines “swim-up bar.”
- Requires swim-up bars to be separated from other public pools that do not allow beverages or food.
- Prohibits glass items from being in a swim-up bar or the immediate area around the pool.
- Requires a lifeguard to be on duty when a swim-up bar is in use.
- Limits the water depth in swim-up bars to less than 5 feet.
- Requires swim-up bars to be in compliance with all relevant regulations for public pools.
- Gives DOH rulemaking authority to ensure that swim-up bars comply with the bill.
- Requires the Florida Building Commission to adopt provisions for swim-up bars in the Florida Building Code, related to water recirculation systems, pool deck obstructions, and pool signs.

COMMITTEE/SUBCOMMITTEE ACTION

| | |
|---|---|
| ADOPTED | ___ (Y/N) |
| ADOPTED AS AMENDED | ___ (Y/N) |
| ADOPTED W/O OBJECTION | ___ (Y/N) |
| FAILED TO ADOPT | ___ (Y/N) |
| WITHDRAWN | ___ (Y/N) |
| OTHER | _____ |

Committee/Subcommittee hearing bill: Regulatory Reform Subcommittee

Representative Smith, D. offered the following:

**Amendment (with title amendment)**

Remove everything after the enacting clause and insert:

Section 1. Subsection (10) is added to section 514.0115, Florida Statutes, to read:

514.0115 Exemptions from supervision or regulation; variances.—

(10)(a) As used in this subsection:

1. "Swim-up bar" means a public pool used for the consumption of food and beverages by people, that may include a permanent bar or counter from which food and beverages are served to people in the pool.

2. "Theme park or entertainment complex" has the same meaning as provided in s. 509.013(9).

2. "Transient public lodging establishment" has the same meaning as provided in s. 509.013(4)(a)1.

3. "Wet deck area" means the 4-foot-wide unobstructed pool deck area around the outside of the pool water perimeter, curb, ladders, handrails, planters, or lifeguard chairs.

(b) The department, county health departments, and local governments may not prohibit swim-up bars located in transient public lodging establishments or theme parks or entertainment complexes if all of the following apply:

1. The public pool is designated by the transient public lodging establishment or theme park or entertainment complex as a swim-up bar.

2. The transient public lodging establishment or theme park or entertainment complex provides notice to their patrons that food and beverages are being consumed in the swim-up bar.

3. The swim-up bar is separated from any other public pools that are not swim-up bars and do not allow the consumption of food and beverages.

4. Glass items are not allowed in the swim-up bar or on the pool's wet deck area.

5. A lifeguard is present when the swim-up bar is being used.

6. The swim-up bar has a water depth of less than 60 inches.

7. The swim-up bar is in compliance with this chapter and the rules adopted hereunder.

(c) The department may adopt rules to ensure compliance with this subsection.

Section 2. Subsection (8) is added to section 553.77, Florida Statutes, to read:

553.77 Specific powers of the commission.—

(8) By January 1, 2023, the Florida Building Commission must adopt into the Florida Building Code, pursuant to s. 553.73(8), provisions for swim-up bars as defined in s. 514.0115(10)(a), including at a minimum, signage requirements providing that food and beverages are permitted in the swim-up bar, an allowance for a wet deck obstruction related to a swim-up bar, and enhanced requirements for the swim-up bar's recirculation and treatment system above and beyond what is required of a typical public pool.

Section 3. This act shall take effect upon becoming law.

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**T I T L E A M E N D M E N T**

Remove everything before the enacting clause and insert:

An act relating to swim-up bars; amending s. 514.0115, F.S.; providing definitions; providing that swim-up

bars may not be prohibited in certain public pools in certain establishments; providing requirements for swim-up bars in certain establishments; providing rulemaking authority; amending s. 553.77, F.S.; requiring the Florida Building Commission to adopt within the Florida Building Code requirements for swim-up bars certain public pools by a specified date; providing an effective date.

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 927 Downtown Crystal River Entertainment District, Citrus County
**SPONSOR(S):** Hage
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 15 Y, 0 N | Darden | Miller |
| 2) Regulatory Reform Subcommittee | | Wright | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law places a limit on the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

The bill creates an exception to ch. 561, F.S., permitting businesses located within the Downtown Crystal River Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special license or modification of an existing license to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district, unless otherwise prohibited or limited in geographic area by the Crystal River City Council.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Background**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale within the state of alcoholic beverages. Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, s. 561.20, F.S., limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[1] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[2]

There are several exceptions to the quota license limitation, and businesses that meet the requirements set out in one of the exceptions pursuant to s. 561.20(2), F.S., may be issued a special license by DBPR that allows the business to serve any alcoholic beverages regardless of alcoholic content.

Pursuant to s. 561.01(11), F.S., alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[3] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[4] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of Proposed Changes**

The bill creates an exception to ch. 561, F.S., permitting businesses located within the Downtown Crystal River Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special license or modification of an existing license to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district, unless otherwise prohibited or limited in geographic area by the Crystal River City Council.

B. SECTION DIRECTORY:

Section 1: Creates the Downtown Crystal River Entertainment District in the City of Crystal River and provides a property description of the district.

Section 2: Creates an exception to general law, allowing businesses within the district authorized to sell alcoholic beverages for consumption on the licensed premises to sell alcoholic beverages for consumption off the licensed premises but still within the district.

Section 3: Provides an effective date of upon becoming a law.

[1] S. 561.20(1), F.S.
[2] S. 565.02, F.S.
[3] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[4] S. 561.01(11), F.S.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [x] No []

IF YES, WHEN? November 11, 2021.

WHERE? The *Citrus County Chronicle*, a daily newspaper of general circulation published in Citrus County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [x]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [x] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [x] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to the Downtown Crystal River Entertainment District, Citrus County; designating boundaries of an entertainment district within the downtown area of the city; authorizing the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation to issue special licenses or modify existing licenses for bona fide licensees operating within such entertainment district for the sale of certain alcoholic beverages for consumption off the premises; providing that special licenses or modifications of existing licenses are in addition to certain other authorized temporary permits; requiring the bona fide licensees to comply with all other statutory requirements; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. There is created a special zone within the City of Crystal River to be known as the "Downtown Crystal River Entertainment District," more particularly described as follows:

Commencing at the northeast corner of the intersection of US Hwy 19 and NW 1st Ave Crystal River, Florida;



CODING: Words stricken are deletions; words underlined are additions.

thence north along the eastern right of way of NW 1st Ave to the northwest corner of lot 26. Sylvan Glen Addition to Crystal River, PB 1 PG 26; thence east along the northern line of lot 26 to the northeast corner of lot 26; thence north along the western boundary of lots 18, 17, 16, 15, 14, and 13 Sylvan Glen Addition to Crystal River, PB 1 PG to the northwest corner of lot 13, Sylvan Glen Addition to Crystal River, PB 1 PG 26; thence east along the north boundary of lot 13 to the northeast corner of lot thence due east across North Citrus Ave to a point along the eastern right of way of North Citrus Ave and western boundary of a parcel further described in OR BK 1172 PG 527, Public Records of Citrus County; thence north along the eastern right of way line of Citrus Ave to the northwest corner of said parcel; thence east along the north boundary of said parcel to the northeast corner of said parcel; thence south along the east boundary of said parcel to the southeast corner of said parcel; thence east along the northern boundary of a parcel further described in OR BK 1132 PG 776, Public Records of Citrus County; to the northeast corner of a said parcel; thence south along the eastern boundary of said parcel to the southeast corner of said parcel; thence south along

the eastern boundary of a parcel further described in OR BK 3114 PG 1511, Public Records of Citrus County to the north Right of Way of US Hwy 19; thence due south across US Hwy 19 to the southern edge of pavement of US Hwy 19; thence east along the edge of pavement to the intersection of the eastern extension of the Right of Way of the crosstown trail as described in OR BK 555 PG 1789, Public Records of Citrus County; thence south along the eastern boundary of the right of way of the crosstown trail to the southwest corner of lot 32 of Boellerts Addition to Crystal River as described in Plat Book 1, Page 28 of the Public Records of Citrus County; thence southwesterly across the crosstown trail to the southeast corner of Lot 17 of Barcos Addition to Crystal River as described in Plat Book 2, Page 2 of the Public Records of Citrus County; thence west along the southern boundary of 17, 16, 15, 14, 13, 12, 11, 10, 9, 8, 7, 6, 5, 4, 3, 2, and 1 to the southwest corner of Lot 1 of Barcos Addition to Crystal River as described in Plat Book 2, Page 2 of the Public Records of Citrus County; thence south along the eastern boundary of the right of way of North Citrus Ave to the southeast corner of the intersection of Citrus Ave and NE 3rd street; thence westerly across Citrus Ave to the southwest corner of

the intersection of NW 3rd Street and Citrus Ave; thence west along the southern right of way of NW 3rd Street to the northwest (westernmost) corner of Lot 18 Springs on Kings Bay as described in Plat Book 15, Page 30 of the Public Records of Citrus County; thence generally westward and northward and meandering along the water's edge of Kings Bay, or the outer edge of the Kings Bay Riverwalk, whichever is more waterward, to the northeast corner of a parcel further described in OR BK 2834 PG 493, Public Records of Citrus County; thence west then north, then west along the northern boundary of said parcel to its intersection with the eastern boundary of right of way of NW 7th Avenue; thence north along the eastern boundary of the right of way of NW 7th Avenue to its intersection with the northern boundary of the right of way line of NW 6th Street; thence east to the southwest corner of the intersection of NW 6th St and US Hwy 19; thence north to the southern edge of pavement of US Hwy 19; thence easterly along the southern edge of pavement of US Hwy 19 its intersection with the northern extension of the east Right of Way of NW 1st Ave; thence north across US Hwy 19 to the point of beginning, all located within the City Limits of Crystal River, Florida.

Section 2. (1) Notwithstanding chapter 561, Florida Statutes, and any other provision of law, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation shall issue, for bona fide licensees operating validly licensed premises within the Downtown Crystal River Entertainment District, at all times and throughout the entirety of the entertainment district unless prohibited or limited in geographical area by the Crystal River City Council or its designee, a special license or modify an existing license to sell alcoholic beverages for consumption on the premises, in open containers, to be removed from the premises by patrons and consumed within the entertainment district.

(2) The special licenses or modifications of existing licenses authorized by this act are in addition to any other temporary permits authorized pursuant to chapter 561, Florida Statutes.

(3) The bona fide licensees shall comply with all other requirements of chapter 561, Florida Statutes, during the special allowances authorized by this act.

Section 3. This act shall take effect upon becoming a law.

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** CS/HB 943 Preemption of Local Government Wage Mandates
**SPONSOR(S):** Local Administration & Veterans Affairs Subcommittee, Harding
**TIED BILLS:** **IDEN./SIM. BILLS:** SB 1124

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 10 Y, 7 N, As CS | Leshko | Miller |
| 2) Regulatory Reform Subcommittee | | Wright | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

The Florida Constitution grants local governments broad home rule authority. However, some local government authority may be preempted by the state, preventing local governments from exercising authority in certain areas and requiring local ordinances be compliant with state statute or the state constitution. A local government enactment may be found inconsistent with state law if (1) the Legislature has preempted a particular subject area to the state or (2) the local regulation conflicts with a state statute.

In 2003, the Legislature preempted the establishment of minimum wage to the state. However, local governments retained some authority to establish a minimum wage other than a state or federal minimum wage or to provide employment benefits not otherwise required under state or federal law for a few categories of employees. The law also contains an exception for situations where compliance with the law would prevent a political subdivision from receiving federal funds. Additionally, political subdivisions are prohibited from requiring an employer to provide employment benefits not required by state or federal law.

The bill amends s. 218.077, F.S., addressing local variations in minimum wage mandates that impact economic stability and growth. The bill renames the section the "Wage Mandate Preemption Act." The bill provides new definitions, including the term "wage mandate" which is defined as "any requirement enacted by a political subdivision which requires an employer to pay any or all of its employees a wage rate not otherwise required under state or federal law."

The bill prohibits political subdivisions from enacting, maintaining, or enforcing any wage mandates in an amount greater than the state minimum wage rate, calculated pursuant to s. 24(c), art. X of the Florida Constitution, or the federal minimum wage rate, and provides that any wage mandates in conflict with the state or federal minimum wage are void.

The bill removes the definition for "employer contracting to provide goods or services for the political subdivision." The bill further removes the statutory exception allowing local governments to require a different minimum wage for employees, or the employees of a subcontractor, of an employer who contracts to remove goods or services of the local government.

The bill is not projected to have a fiscal impact.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Background**

Home Rule

The Florida Constitution grants local governments broad home rule authority. Specifically, non-charter county governments may exercise those powers of self-government that are provided by general law or special law.[1] Counties operating under a county charter have all powers of self-government not inconsistent with general law or special law approved by the electors.[2] Likewise, municipalities have governmental, corporate, and proprietary powers that enable them to conduct municipal government, perform municipal functions and provide services, and exercise any power for municipal purposes except when expressly prohibited by law.[3]

Preemption

State preemption precludes a local government from exercising authority in a particular area, and requires consistency with the state constitution or state statute. A local government enactment may be found inconsistent with state law if (1) the Legislature has preempted a particular subject area to the state or (2) the local regulation conflicts with a state statute.[4]

Florida law recognizes two types of preemption: express and implied. Express preemption requires a specific legislative statement; it cannot be implied or inferred.[5] Express preemption of a field by the Legislature must be accomplished by clear language stating that intent.[6]

Implied preemption is a legal doctrine that addresses situations in which the Legislature has not expressly preempted an area but, for all intents and purposes, the area is dominated by the state. Findings of implied preemption are for a very narrow class of areas in which the state has legislated pervasively.[7]

In cases determining the validity of ordinances enacted in the face of state preemption, such ordinances are found null and void.[8]

Local Wage Ordinances in Florida

In 2003, the Legislature preempted the establishment of minimum wages to the state.[9] However, a political subdivision[10] retains the authority to establish a minimum wage other than a state or federal minimum wage or to provide employment benefits not otherwise required under state or federal law for:

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[1] Art. VIII, s. 1(f), Fla. Const.
[2] Art. VIII, s. 1(g), Fla. Const.; *See also* s. 125.01, F.S.
[3] Art VIII, s. 2(b); *See also* s. 166.021(1), F.S.
[4] James R. Wolf and Sarah Harley Bolinder, *The Effectiveness of Home Rule: A Preemption and Conflict Analysis*, 83 Fla. B.J. 92 (June 2009), https://www.floridabar.org/the-florida-bar-journal/the-effectiveness-of-home-rule-a-preemption-and-conflict-analysis/ (last visited Jan. 18, 2022).
[5] *See City of Hollywood v. Mulligan*, 934 So. 2d 1238, 1243 (Fla. 2006); *Phantom of Clearwater, Inc. v. Pinellas County*, 894 So. 2d 1011, 1018 (Fla. 2d DCA 2005), approved in *Phantom of Brevard, Inc. v. Brevard County*, 3 So. 3d 309 (Fla. 2008).
[6] *Mulligan*, 934 So. 2d at 1243.
[7] Wolf and Bolinder, *supra*.
[8] *See, e.g., Nat'l Rifle Ass'n of Am., Inc. v. City of S. Miami,* 812 So.2d 504 (Fla. 3d DCA 2002).
[9] S. 218.077(2), F.S.
[10] Defined as a county, municipality, department, commission, district, board, or other public body, whether corporate or otherwise, created by or under state law. S. 218.077(1)(f), F.S.

- Its employees;
- The employees of an employer contracting to provide goods or services for the political subdivision, or the employees of a subcontractor of such an employer; or
- The employees of an employer receiving a direct tax abatement or subsidy from the political subdivision, as a condition of the direct tax abatement or subsidy.[11]

The law also provides an exception for domestic violence or sexual abuse ordinances, orders, rules, or policies adopted by a political subdivision.[12]

The law contains an exception for situations where compliance with the law would prevent a political subdivision from receiving federal funds. This allows compliance with the Davis-Bacon and related acts,[13] which direct the Department of Labor to determine fair wages for contractors and subcontractors working on public buildings and public works. Florida law only allows non-compliance with regard to local minimum wage alterations to the extent necessary to allow receipt of federal funds.[14]

Additionally, political subdivisions are prohibited from requiring an employer to provide employment benefits[15] not required by state or federal law.[16]

**Effect of Proposed Changes**

The bill amends s. 218.077, F.S., addressing local variations in minimum wage mandates that impact economic stability and growth. The bill renames the section the "Wage Mandate Preemption Act." The bill provides new definitions, including the term "wage mandate" which is defined as "any requirement enacted by a political subdivision which requires an employer to pay any or all of its employees a wage rate not otherwise required under state or federal law."

The bill prohibits political subdivisions from enacting, maintaining, or enforcing any wage mandates in an amount greater than the state minimum wage rate, calculated pursuant to s. 24(c), art. X of the Florida Constitution, or the federal minimum wage rate, and provides that any wage mandates in conflict with the state or federal minimum wage are void.

The bill removes the definition for "employer contracting to provide goods or services for the political subdivision." The bill removes the statutory exception allowing local governments to require a different minimum wage for employees, or the employees of a subcontractor, of an employer who contracts to remove goods or services of the local government.

B. SECTION DIRECTORY:

Section 1: Amends s. 218.077, F.S., providing new definitions and further preempting minimum wage ordinances and requirements for employment benefits.

Section 2: Provides an effective date of upon becoming law.

[11] S. 218.077(3)(a), F.S.
[12] S. 218.077(3)(b), F.S.
[13] *See, e.g.,* 40 U.S.C. 3141 *et seq.*
[14] S. 218.077(4), F.S.
[15] Defined as anything of value that an employee may receive from an employer in addition to wages and salary. The term includes, but is not limited to, health benefits; disability benefits; death benefits; group accidental death and dismemberment benefits; paid or unpaid days off for holidays, sick leave, vacation, and personal necessity; retirement benefits; and profit-sharing benefits. S. 218.077(1)(d), F.S.
[16] S. 218.077(2), F.S.; However, federally authorized and recognized tribal governments are not prohibited from requiring employment benefits for a person employed within a territory over which the tribe has jurisdiction. S. 218.077(5), F.S.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will no longer allow political subdivisions to establish a minimum wage other than a state or federal minimum wage or to require employment benefits not otherwise required under state or federal law from private employers that have contracts or subcontracts with a political subdivision. This change may lower operating costs for these private employers.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not Applicable. This bill does not appear to require counties or municipalities to spend funds or take action requiring the expenditures of funds; reduce the authority that counties or municipalities have to raise revenues in the aggregate; or reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill neither provides authority for nor requires rulemaking by executive branch agencies.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

On January 25, 2022, the Local Administration & Veterans Affairs Subcommittee adopted a strike-all amendment and reported the bill favorably as a committee substitute. The amendment amends rather than substantially rewrites S. 218.077, F.S. The amendment removes the statutory exception allowing local governments to require a different minimum wage for employees, or the employees of a subcontractor, of an employer who contracts to provide goods and services to the local government, while leaving the other

exceptions to state preemption currently in the statute intact. Additionally, the amendment removes the definition of "employer contracting to provide goods or services for the political subdivision" from the statute.

This analysis is drafted to the committee substitute as passed by the Local Administration & Veterans Affairs Subcommittee.

A bill to be entitled

An act relating to preemption of local government wage mandates; amending s. 218.077, F.S.; providing a short title; revising and providing definitions; prohibiting political subdivisions from enacting, maintaining, or enforcing, directly or indirectly, wage mandates in an amount greater than the state or federal minimum wage rate; specifying that certain wage mandates are void; providing for construction; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Section 218.077, Florida Statutes, is amended to read:

218.077 Wage Mandate Preemption Act ~~and employment benefits requirements by political subdivisions; restrictions~~.—

(1) This section may be cited as the "Wage Mandate Preemption Act."

(2)~~(1)~~ As used in this section, the term:

(a) "Employ" has the same meaning as established under the federal Fair Labor Standards Act and its implementing regulations.

(b)~~(a)~~ "Employee" means any natural person who is entitled under state or federal law to receive a state or federal minimum

wage.

(c) ~~(b)~~ "Employer" means any person who is required under state or federal law to pay a state or federal minimum wage to the person's employees.

~~(c) "Employer contracting to provide goods or services for the political subdivision" means a person contracting with the political subdivision to provide goods or services to, for the benefit of, or on behalf of, the political subdivision in exchange for valuable consideration, and includes a person leasing or subleasing real property owned by the political subdivision.~~

(d) "Employment benefits" means anything of value that an employee may receive from an employer in addition to wages and salary. The term includes, but is not limited to, health benefits; disability benefits; death benefits; group accidental death and dismemberment benefits; paid or unpaid days off for holidays, sick leave, vacation, and personal necessity; retirement benefits; and profit-sharing benefits.

(e) "Federal minimum wage" means a minimum wage required under federal law, including the federal Fair Labor Standards Act of 1938, as amended, 29 U.S.C. ss. 201 et seq.

(f) "Political subdivision" means a county, municipality, department, commission, district, board, or other public body, whether corporate or otherwise, created by or under state law.

(g) "Wage" means that compensation for employment to which

any state or federal minimum wage applies.

(h) "Wage mandate" means any requirement enacted by a political subdivision which requires an employer to pay any or all of its employees a wage rate not otherwise required under state or federal law.

(3) ~~(2)~~ Except as otherwise provided in subsection (4) ~~(3)~~, a political subdivision may not enact, maintain ~~establish, mandate~~, or enforce by charter, ordinance, purchase agreement, contract, regulation, rule, or resolution, either directly or indirectly, a wage mandate in an amount greater than the state minimum wage rate, calculated pursuant to s. 24, Art. X of the State Constitution, or the federal minimum wage rate. Any wage mandate that conflicts with this subsection is void. Additionally, a political subdivision may not ~~otherwise require an employer to pay a minimum wage, other than a state or federal minimum wage, to~~ apply a state or federal minimum wage to wages exempt from a state or federal minimum wage, or require an employer to provide employment benefits not otherwise required by state or federal law.

(4) ~~(3)~~ This section does not:

(a) Limit the authority of a political subdivision to enact, maintain, or enforce through a collective bargaining agreement or other means ~~establish~~ a minimum wage requirement other than a state or federal minimum wage or to provide employment benefits not otherwise required under state or

federal law:

1. For the employees of the political subdivision; or

~~2. For the employees of an employer contracting to provide goods or services for the political subdivision, or for the employees of a subcontractor of such an employer, under the terms of a contract with the political subdivision; or~~

2.~~3.~~ For the employees of an employer receiving a direct tax abatement or subsidy from the political subdivision, as a condition of the direct tax abatement or subsidy.

(b) Apply to a domestic violence or sexual abuse ordinance, order, rule, or policy adopted by a political subdivision.

(c) Limit, restrict, or expand a prevailing wage required under state law.

(5)~~(4)~~ If it is determined by the officer or agency responsible for distributing federal funds to a political subdivision that compliance with this act would prevent receipt of those federal funds, or would otherwise be inconsistent with federal requirements pertaining to such funds, then this act does not apply, but only to the extent necessary to allow receipt of the federal funds or to eliminate the inconsistency with such federal requirements.

(6)~~(5)~~ This section does not prohibit a federally authorized and recognized tribal government from requiring employment benefits for a person employed within a territory

over which the tribe has jurisdiction.

Section 2. This act shall take effect upon becoming a law.



CODING: Words ~~stricken~~ are deletions; words underlined are additions.

HB 1107

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1107 City of Inverness, Citrus County
**SPONSOR(S):** McClain
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 15 Y, 0 N | Leshko | Miller |
| 2) Regulatory Reform Subcommittee | | Wright | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law places a limit on the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

The bill creates an exception to ch. 561, F.S., permitting licensed vendors located within the Downtown Inverness Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special permit during special events approved or declared by the City of Inverness to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district. The special permit will only be valid for the duration of each special event approved by the city manager.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Background**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.[1] Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses that sell malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[2] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[3]

There are several exceptions to the quota license limitation,[4] and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content.

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[5] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[6] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of Proposed Changes**

The bill creates an exception to ch. 561, F.S., permitting licensed vendors located within the Downtown Inverness Entertainment District that are licensed to sell alcoholic beverages to patrons for consumption on the licensed premises to receive a special permit during special events approved or declared by the City of Inverness to allow for the sale of alcoholic beverages in open containers for consumption off the licensed premises but still within the entertainment district. The special permit will only be valid for the duration of each special event approved by the city manager.

B. SECTION DIRECTORY:

Section 1: Creates the Downtown Inverness Entertainment District in the City of Inverness and provides a property description of the district.

Section 2: Creates an exception to general law, allowing licensed vendors within the district authorized to sell alcoholic beverages for consumption on the licensed premises to sell alcoholic beverages for consumption off the licensed premises but still within the district during special events.

[1] S. 561.02, F.S.
[2] S. 561.20(1), F.S.
[3] S. 565.02, F.S.
[4] S. 561.20(2), F.S.
[5] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[6] S. 561.01(11), F.S.

Section 3: Provides that any special permit authorized under this act shall be granted in addition to any other temporary permits authorized pursuant to ch. 561, F.S.

Section 4: Requires that vendors comply with all other requirements of ch. 561, F.S., while operating pursuant to any special permit.

Section 5: Provides an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [x] No []

IF YES, WHEN? November 23, 2021

WHERE? The *Citrus County Chronicle*, a daily newspaper published at Crystal River, in Citrus County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [x]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [x] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [x] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to City of Inverness, Citrus County; creating a special zone; providing boundaries; providing an exception to general law; providing requirements for the issuance of a special permit for a bona fide licensed vendor operating within the described area for the sale of alcoholic beverages for consumption off the licensed premises and on public rights-of-way and public park property during city-approved special events; providing that special permits are in addition to certain other authorized temporary permits; requiring a bona fide licensed vendor to comply with all other statutory requirements; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. There is created a special zone in the City of Inverness to be known as the "Downtown Inverness Entertainment District," more particularly described as follows:

Commencing at the corner of the east right-of-way line of North Seminole Avenue and the south right-of-way line of West Dampier Street; thence east along the south right-of-way line of West Dampier Street to the



CODING: Words stricken are deletions; words underlined are additions.

east right-of-way line of North Pine Avenue; thence north for 250 feet along the east right-of-way line of North Pine Avenue; thence east for 375 feet to the center line of North Apopka Avenue; thence south to the south right-of way line of West Dampier Street; thence east to the east right-of-way line of North Apopka Avenue; thence south to the intersection of the east right-of-way line of North Apopka Avenue and the northeast right-of-way line of Courthouse Square; thence southeast along the northeast right of way line of Courthouse Square to the terminus of such right of way at its intersection with East Main Street; thence southwest to the east corner of "Courthouse Square," CITY OF INVERNESS, according to the plat thereof as recorded in Plat Book 1, Page 36, Public Records of Citrus County; thence northwest to the north corner of "Courthouse Square," CITY OF INVERNESS, according to the plat thereof as recorded in Plat Book 1, Page 36, Public Records of Citrus County; thence southwest to the west corner of "Courthouse Square," CITY OF INVERNESS, according to the plat thereof as recorded in Plat Book 1, Page 36, Public Records of Citrus County; thence southeast 103 feet along the southwest boundary of "Courthouse Square," CITY OF INVERNESS, according to the plat thereof as recorded in Plat Book

1, Page 36, Public Records of Citrus County; thence southwest to the northeast corner of Lot 23 Block 101; thence northwest to the intersection of the west right-of-way line of Courthouse Square and the south right-of-way line of West Main Street; thence west along the south right-of-way line of West Main Street to the west right-of-way line of North Pine Avenue; thence north for 260 feet along the west right-of-way line of North Pine Avenue; thence west for 331 feet to the east right of way line of North Seminole Avenue; thence north to the point of beginning.

Section 2. Notwithstanding the Beverage Law or any other provision of law, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation shall issue a permit to a bona fide licensed vendor operating a licensed premises in the Downtown Inverness Entertainment District described in section 1, during a special event approved or declared by the City of Inverness to temporarily sell alcoholic beverages in open containers for consumption on the premises or in open containers to be removed from the premises by patrons and consumed within the Downtown Inverness Entertainment District. The type and color of the open container may be identified in the resolution approved by the City of Inverness. Such permit is valid only for the duration of

each special event approved by the city manager.

Section 3. The special permit authorized by this act shall be granted in addition to any other temporary permits authorized pursuant to the Beverage Law.

Section 4. A bona fide licensed vendor shall comply with all other requirements of chapter 561, Florida Statutes, while conducting business pursuant to a special permit authorized by this act.

Section 5. This act shall take effect upon becoming a law.

# HB 1423

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1423 City of Edgewood, Orange County
**SPONSOR(S):** Plasencia
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 14 Y, 0 N | Mwakyanjala | Miller |
| 2) Regulatory Reform Subcommittee | | Thompson | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law limits the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses serving only malt beverages and wine.

The bill creates the Edgewood Restaurant Incentive Areas in the City of Edgewood. The bill creates an exception to the quota license limitation and requires DBPR to issue a special service license to a bona fide restaurant in the Edgewood Restaurant Incentive Areas that meets the following requirements: occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter.

The bill provides that failure of a licensee to meet the 51 percentage of food and nonalcoholic beverage gross revenue during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify for the license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial of revocation.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Present Situation**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.[1] Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses selling malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[2] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[3]

There are several exceptions to the quota license limitation,[4] and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.[5]

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[6] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[7] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of the Bill**

The bill creates the Edgewood Restaurant Incentive Areas in the City of Edgewood.

The bill requires DBPR to issue a special food service license to a bona fide restaurant in the Edgewood Restaurant Incentive Areas that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

The bill provides that failure of a licensee who is issued a special license to meet the 51 percentage of food and nonalcoholic beverage gross revenue requirement during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a

[1] S. 561.02, F.S.
[2] S. 561.20(1), F.S.
[3] S. 565.02, F.S.
[4] S. 561.20(2), F.S.
[5] S. 561.20(2)(a)4., F.S. *See* Rule 61A-3.0141, F.A.C.
[6] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[7] S. 561.01(11), F.S. *See* Rule 61A-5.0013, F.A.C.

licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify for the special license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial or revocation.

According to the Economic Impact Statement, the bill is revenue positive due to the increase in sales tax revenue and licensing revenue anticipated if such special licenses are granted under the exception.

B. SECTION DIRECTORY:

Section 1: Creates the Edgewood Restaurant Incentive Areas and provides a property description of the district.

Section 2: Creates an exception to general law, providing space, seating and minimum gross revenues requirements for special alcoholic beverage licenses for restaurants in the Edgewood Restaurant Incentive Areas.

Section 3: Provides an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? October 5, 2021.

WHERE? The *Orlando Sentinel*, a daily newspaper published in Orange County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to the City of Edgewood, Orange County; creating special zones in the City of Edgewood; providing boundaries; providing an exception to general law; providing space, seating, and minimum gross revenue requirements for special alcoholic beverage licenses for restaurants in described areas; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. There is hereby created special zones in the City of Edgewood, to be known as the Edgewood Restaurant Incentive Areas, more particularly described as follows:

Commence at the Northwest corner of the Southwest 1/4 of Section 12, Township 23 South, Range 29 East, Orange County, Florida, thence run East along the North line of the Southwest 1/4 of said Section 12, a distance of 42.47 feet to the East right of way line of Orange Avenue (State Road 527) for a POINT OF BEGINNING; thence continue East along said North line, to the Northeast corner of Oakwater Professional Park Condo Unit 4; thence run along the Eastern boundary of Units 4, 5 and 6 of the Oakwater Professional Park



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Condo; thence continue Southwesterly along the Southerly boundary of Oakwater Professional Park Condo Unit 6; to the Southwest corner of Unit 6 Oakwater Professional Park Condo, thence run S41°56'00"E to the normal high water line of Lake Jennie Jewel; thence Westerly, Southerly and Easterly along said normal high water line of Lake Jennie Jewel to a point of intersection with the East boundary of Lot 1, Waters Edge 26/1; thence run Southerly along the Easterly line of said Lot 1 to the North line of Lot 17 Randolphs Plat C/58; thence run 80.7 feet East to the Northeast corner of said Lot 17; thence South 300.59 feet to the Southeast corner of Lot 17 Randolphs Plat C/58; continue South across Gatlin Avenue to a point on the North boundary of the West 100 feet of the East 200 feet of the South 1/2 of Lot 17 Randolphs Plat C/58; run East to the Northeast corner of property described as follows: the West 100 feet of the East 200 feet of the South 1/2 of Lot 17 Randolphs Plat C/58; thence South 270 feet along the East line of the West 100 feet of the East 200 feet of the South 1/2 of Lot 17 Randolphs Plat C/58 to the North right-of-way line of Lake Gatlin Road; thence run West 362.1 feet along the North right-of-way line of Lake Gatlin Road; thence South across Lake Gatlin Road to a point on the

North line of Lot 31 of the Map of Gatlin with Hobbs' Subdivision, as per plat thereof recorded in Miscellaneous Book 4, Page 177; thence run Southeasterly along the Easterly boundary of said Lot 31 to the Northeast corner of the Edgewood Professional Center Condo Cb 12/146 Common Area; thence run Southerly along the Easterly line of the Edgewood Professional Center Condo Cb 12/146 Common Area to the Northeast corner of the property described as follows: Gatlin With Hobbs Sub Misc 4/177 Begin 269.75 feet West South 16 Degrees East 87.65 feet and Southeasterly 212.35 feet Southeasterly 12.46 feet South 12 Degrees East 117.54 Feet North 78 Degrees East 150 feet North 11 Degrees West 130 feet South 78 Degrees West 150 feet to POB; thence run along said property's eastern boundary to the Southeast corner of said property; thence North 77 Degrees East 50.01 feet; thence South 11 Degrees East 907.65 feet; thence North 78 Degrees East 19.1 feet; thence South 11 Degrees East 160.75 feet; thence South 78 degrees West 17.79 feet; thence South 11 Degrees East 130 feet; thence North 78 Degrees East 15.14 feet to the Northeast corner of Lot 1, HANSEL PLAZA 46/4; thence run Southeasterly along the Easterly boundary of Lots 1 and 2, HANSEL PLAZA 46/4 to the Northerly right-of-

way line of Harbor Island Road; thence Southerly across Harbor Island Road to the Northeast corner of Tract 2, HANSEL PRESCOTT PROPERTY Q/117; thence South 158.69 feet to the Southeast corner of said Tract 2; then East 17.7 feet along the South line of Lot 85, RIVER OAKS 1/147 to the Northeast corner of Lot 38A TROPICAL PINES J/11; thence run Southeasterly along the Easterly boundary of TROPICAL PINES J/11 lots 30-38A to the North right of way line of Lake Conway Drive; thence Southeasterly to the Northeast corner of the West ½ of Vacated Street on East side of TROPICAL PINES J/11 LOTS 20A THROUGH 29 PER ORD #298; thence run Southeasterly 230.7 feet along the Easterly side of said West ½ of vacated street; thence extend in the same direction 4.5 feet more or less to intersect with the northerly boundary of property described as follows: from the Southwest corner of Government Lot 3 run West 2 feet; North 161.50 feet; North 11 degrees West 39 feet; North 79 Degrees East 42.83 feet to intersection of East right-of way line of SR 527 and Northerly Right of way line of Mandalay Road, then continue North 79 Degrees East 200 feet for a POB; thence North 10 degrees West 127.75 feet; North 79 Degrees E 87.50 feet; South 10 Degrees East 127.14 feet; South 79 Degrees West 87.50 feet to POB in

Section 13-23-29; thence run South 79 Degrees West 24 feet; thence South 10 Degrees East 127.75 feet to the North right-of-way of Mandalay Road; thence South 79 Degrees West 200 feet to the East Right of Way line of Orange Avenue (SR 527); run Southeasterly along the East right-of-way line of said Orange Avenue (SR 527) to the Northwest corner of property described as follows: SUB OF HARNEY HOMESTEAD C/53 Begin 1238.3 feet North of Center of Section Run East 99 FT South 207 feet West 99 feet North 207 feet to POB (LESS ST RD R/W ON W & LESS FROM A PT 896.3 FT N OF CTR OF SEC RUN N 136.15 FT E 75.87 FT FOR POB E 73 FT N 11.64 FT W 74.02 FT S 11.08 FT TO POB & IN W M HANSEL SECOND REPLAT PB L/74 LOT 7); thence run Easterly 255 feet along the Northerly line of said described property to the Northeast corner of property described as HARNEY HOMESTEAD C/53 15 feet of Lot 1 lying East of Lots 3 thru 7 HANSEL W M 2ND REPLAT PB L PG 74 SEE OR BK 142 PAGE 522; thence run South to the Southeast corner of Lot 3 OF HANSEL REPLAT J/45,which is also the North right-of-way line of Hoffner Avenue; thence run West along the South lines of LOTS 1, 2, & 3 OF HANSEL REPLAT J/45 and Westerly extension to a point on the East Right-of-way line of Hansel Avenue; thence run Westerly to an intersection with the West Right-of-way

line of Hansel Avenue; thence South 50 Degrees West to an intersection with the Northerly right-of-way line of Hoffner Avenue; thence West along said Northerly right-of-way line to the East right-of-way line of Orange Avenue; thence run Northerly along said Orange Avenue right-of-way to the Southerly right-of-way line of Mary Jess Road; thence run West to the East line of the Florida Department of Transportation Railroad right-of-way; thence North along said railroad right of way to the South right-of-way line of Kelsey Street; thence East along the South Kelsey Street right-of-way extending East to the East line of Orange Avenue (SR 527) right-of-way; thence North along said East right of way line to the Point of Beginning.

Section 2. Notwithstanding s. 561.20(1), Florida Statutes, in the areas herein described as the Edgewood Restaurant Incentive Areas, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation shall issue a special alcoholic beverage license to a bona fide restaurant in the Edgewood Restaurant Incentive Areas described in section 1 that is licensed by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation, occupies at least 1,800 square feet of contiguous space used as a part of the food service establishment, is

equipped to serve meals to 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. Failure of any licensee issued this special license to meet the required percentage of food and nonalcoholic beverage gross revenues during the covered operating period shall result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, or an applicant whose pending application for a permanent license is denied, or any person required to qualify on the special alcoholic beverage license application, is ineligible to have any interest in a subsequent application for such license for a period of 120 days after the date of the final denial or revocation.

Section 3. This act shall take effect upon becoming a law.

# HB 1431

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1431 City of Apopka, Orange County
**SPONSOR(S):** Plasencia
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 14 Y, 0 N | Mwakyanjala | Miller |
| 2) Regulatory Reform Subcommittee | | Thompson | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law limits the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

Within the existing City of Apopka – Community Redevelopment Agency (CRA), the bill designates the City of Apopka – Community Redevelopment Agency District (CRA District). The bill creates an exception to the quota limitation and requires DBPR to issue a special food service license to a bona fide restaurant in the CRA District that meets the following requirements: occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter.

The bill provides that failure of a licensee to meet the 51 percentage of food and nonalcoholic beverage gross revenue during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify for the license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial of revocation.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Present Situation**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.[1] Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses selling malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[2] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[3]

There are several exceptions to the quota license limitation,[4] and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.[5]

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[6] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[7] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of the Bill**

Within the existing City of Apopka – Community Redevelopment Agency (CRA), the bill designates the City of Apopka – Community Redevelopment Agency District (CRA District).
The bill requires DBPR to issue a special food service license to a bona fide restaurant in the CRA District that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

The bill provides that failure of a licensee who is issued a special license to meet the 51 percentage of food and nonalcoholic beverage gross revenue requirement during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a

[1] S. 561.02, F.S.
[2] S. 561.20(1), F.S.
[3] S. 565.02, F.S.
[4] S. 561.20(2), F.S.
[5] S. 561.20(2)(a)4., F.S. *See* Rule 61A-3.0141, F.A.C.
[6] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[7] S. 561.01(11), F.S.

licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify for the special license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial or revocation.

According to the Economic Impact Statement, the bill is revenue positive due to the increase in sales tax revenue and licensing revenue anticipated if such special licenses are granted under the exception.

B. SECTION DIRECTORY:

Section 1: Designates the CRA District and provides a property description. Creates an exception to general law, providing space, seating and minimum gross revenues requirements for special alcoholic beverage licenses for restaurants in the CRA District.

Section 2: Provides an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? December 3, 2021.

WHERE? The *Apopka Chief*, a newspaper published at Apopka, Orange County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to City of Apopka, Orange County; providing an exception to general law; providing space, seating, and minimum gross revenue requirements for special alcoholic beverage licenses for restaurants in described areas; providing boundaries; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. (1) Notwithstanding s. 561.20(1), Florida Statutes, in the areas herein described as the City of Apopka - Community Redevelopment Agency (CRA) District, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation shall issue a special alcoholic beverage license to a bona fide restaurant in the City of Apopka - CRA District described land in subsection (2) that is licensed by the Division of Hotels and Restaurants of the Department of Business and Professional Regulation, occupies at least 1,800 square feet of contiguous space used as a part of the food service establishment, is equipped to serve meals to 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. Failure of any licensee



CODING: Words stricken are deletions; words underlined are additions.

issued this special license to meet the required percentage of food and nonalcoholic beverage gross revenue during the covered operating period shall result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, or an applicant whose pending application for a permanent license is denied, or any person required to qualify on the special alcoholic beverage license application, is ineligible to have any interest in a subsequent application for such license for a period of 120 days after the date of the final denial or revocation.

(2) For purposes of this act, the City of Apopka – CRA District means the area more particularly described as follows:

Beginning at the intersection of the Northerly Right-of-Way line of Tenth Street with the Easterly Right-of-Way line of Hawthorne Avenue; Run thence Northerly along said Easterly line to the Northerly Right-of-Way line of Ninth Street; Run thence Westerly at right angles from the Easterly line of Hawthorne Avenue to the Westerly Right-of-Way line of Hawthorne Avenue; Run thence Northerly along said Westerly line to the Southeast corner of lot 16, Block "B" of Bradshaw and Thompson's Addition to Apopka as recorded in Plat Book "B", page 25 of the Public Records of Orange County,

Florida; Run thence Easterly at right angles to the Easterly Right-of-Way line of Hawthorne Avenue; Run thence Northerly along said Easterly line to the Southerly Right-of-Way line of Oak Street; Run thence Easterly along said southerly line to the Easterly Right-of-Way line of Central Avenue; Run thence Northerly along said Easterly line to the Northwest corner of Lot 95 of Lakeside Homes as recorded in Plat Book "B", page 69 of the Public Records of Orange County, Florida; Run thence Easterly along the Northerly line of said Lot 95 and Lot 94 of said Plat and a projection Easterly thereof to the Easterly Right-of-Way line of Park Avenue; Run thence Southerly along said Easterly line to the Northerly Right-of-Way line of Oak Street; Run thence Easterly along said Northerly Line to the West line of the East 1/2 of the Northwest 1/4 of Section 10, Township 21 South, Range 28 East, Orange County, Florida; Run thence Southerly along said West line and the Easterly Right-of-Way line of Highland Avenue to the Northerly Right-of-Way line of Monroe Avenue; Run thence Easterly along said Northerly line to the East line of the West 1/2 of the Southeast 1/4 of Section 10; Run thence Southerly along said East line to the Northerly Right-of-Way line of State Road (S.R.) 436; Run thence Westerly

along said northerly line to the Northerly projection of the Westerly line of Lots 2 and 3 Block "B" of L.F. Tilden's Addition to Apopka City as recorded in Plat Book "A", page 140 of the Public Records of Orange County, Florida; Run thence Southerly along said Westerly line and a projection Northerly and Southerly thereof to the Southerly Right-of-Way line of Sixth Street; Run thence Westerly along said Southerly line to the Easterly Right-of-Way line of Alabama Street; Run thence Southerly and Easterly along said Easterly line to the Easterly Right-of-Way line of McGee Street; Run thence Southerly along said Easterly line to the Northerly Right-of-Way line of Tenth Street; Run thence Westerly along said Northerly line and a line 30.00 feet Northerly, measured at right angles, from the South Line of the North 1/2 of the Southwest 1/4 of Section 15, Township 21 South, Range 28 East, to the Westerly Right-of-Way line of Robinson Avenue; Run thence Southerly along said Westerly line to the Northerly Right-of-Way line of Eleventh Street; Run thence Westerly along said Northerly line to the Easterly Right-of-Way line of Park Avenue; Run Thence Southerly along said line to the Easterly projection of the Southerly line of lot 12 Block "J" of the Town of Apopka as recorded in Plat Book "A", page 109 of

the Public Records of Orange County, Florida; Run thence Westerly along said projection and the Southerly line of said Lot 12 to the Westerly line of Lot 12; Run thence Northerly along said Westerly line and the Westerly line of Lot 6 Block "J" and a projection Northerly thereof to the Northerly Right-of-Way line of Tenth Street; Run thence Westerly along said Northerly line to the Point of Beginning.

Containing 633 acres of land more or less.

Section 2. This act shall take effect upon becoming a law.

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1433 Orange County
**SPONSOR(S):** Plasencia
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 14 Y, 0 N | Mwakyanjala | Miller |
| 2) Regulatory Reform Subcommittee | | Thompson | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law limits the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses serving only malt beverages and wine.

The bill creates the SoDo District in Orange County. The bill creates an exception to the quota license limitation and requires DBPR to issue a special food service license to a bona fide restaurant in the SoDo District that meets the following requirements: occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter.

The bill provides that failure of a licensee to meet the 51 percentage of food and nonalcoholic beverage gross revenue during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify for the license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial of revocation.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Present Situation**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.[1] Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses selling malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[2] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[3] A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.[4]

There are several exceptions to the quota license limitation,[5] and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content.

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[6] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[7] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of the Bill**

The bill creates the "SoDo District" in Orange County and provides a legal description. The bill requires DBPR to issue a special food service license to a bona fide restaurant in the SoDo District that occupies at least 1,800 square feet of contiguous space, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. The bill includes a complete legal description of the area in which the exemption to the quota license will apply.

The bill provides that failure of a licensee who is issued a special license to meet the 51 percentage of food and nonalcoholic beverage gross revenue requirement during the covered operating period will result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose

[1] S. 561.02, F.S.
[2] S. 561.20(1), F.S.
[3] S. 565.02, F.S.
[4] S. 561.20(2)(a)4., F.S. *See* Rule 61A-3.0141, F.A.C.
[5] S. 561.20(2), F.S.
[6] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[7] S. 561.01(11), F.S.

pending application for a permanent license is denied, or any person required to qualify for the special license application is ineligible to have any interest in a subsequent license application for a period of 120 days after the date of the final denial or revocation.

According to the Economic Impact Statement, the bill is revenue positive due to the increase in sales tax revenue and licensing revenue anticipated if such special licenses are granted under the exception.

B. SECTION DIRECTORY:

Section 1: Creates the SoDo District in Orange County and provides a property description of the district.

Section 2: Creates an exception to general law, providing space, seating and minimum gross revenues requirements for special alcoholic beverage licenses for restaurants in the SoDo District.

Section 3: Provides an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? December 8, 2021.

WHERE? The *Orlando Sentinel*, a daily newspaper published in Orange County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to Orange County; creating a special zone in Orange County; providing boundaries; providing an exception to general law; providing space, seating, and minimum gross revenue requirements for special alcoholic beverage licenses for restaurants in described areas; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. There is created a special zone in Orange County, to be known as the "SoDo District," more particularly described as follows:

BEGINNING AT THE INTERSECTION OF NORTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD AND EAST RIGHT-OF-WAY LINE OF WARWICK PLACE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF WARWICK PLACE TO THE SOUTHWEST CORNER OF LOT 29, BLOCK H, CONWAY PARK, ACCORDING THE PLAT THEREOF AS RECORDED IN PLAT BOOK N, PAGE 41 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST TO THE SOUTHEAST CORNER OF LOT 14 OF SAID BLOCK H, CONWAY PARK, THENCE CONTINUE EAST ACROSS THE RIGHT-OF-WAY OF FRANCIS AVENUE TO THE SOUTHWEST CORNER OF LOT 24 OF BLOCK G, OF SAID CONWAY PARK; THENCE CONTINUE EAST

ALONG THE PROLONGATION OF THE SOUTH LINE OF SAID LOT 24, BLOCK G ACROSS THE RIGHT-OF-WAY OF S BUMBY AVENUE TO THE SOUTHWEST CORNER OF LOT 28, ORANGE VILLA, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK K, PAGE 21 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN ALONG THE SOUTH LINE OF SAID LOT 28 AND LOT 7 OF SAID ORANGE VILLA TO THE SOUTHEAST CORNER OF SAID LOT 7, THENCE RUN EASTERLY ACROSS THE RIGHT-OF-WAY OF RUSSELL AVENUE TO THE NORTHWEST CORNER OF LOT 6, BLOCK C, OF HANDSONHURST, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK K, PAGE 117 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 6-10 OF SAID BLOCK C, HANDSONHURST TO THE NORTHEAST CORNER OF SAID LOT 10, THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF CLARK STREET TO THE NORTHWEST CORNER OF LOT 6, BLOCK D, OF SAID HANDSONHURST; THENCE CONTINUE EAST ALONG THE NORTH LINE OF LOTS 6-10 OF SAID BLOCK D TO THE NORTHEAST CORNER OF SAID LOT 10, BLOCK D; THENCE CONTINUE EAST ACROSS THE RIGHT-OF-WAY OF WINN AVENUE TO THE NORTHWEST CORNER OF LOT 1, BLOCK A, CONWAY HOMESITES, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK L, PAGE 129 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE CONTINUE EAST ALONG THE NORTH LINE OF LOTS 1-3 OF SAID BLOCK A, CONWAY

HOMESITES TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE CONTINUE EAST ACROSS THE RIGHT-OF-WAY OF WISE AVENUE TO THE NORTHWEST CORNER OF LOT 1, BLOCK B OF SAID CONWAY HOMESITES, THENCE CONTINUE RUNNING EAST ALONG THE NORTH LINE OF LOTS 1 AND 2 TO THE NORTHEAST CORNER OF SAID LOT 2, BLOCK B; THENCE CONTINUE EAST ACROSS THE RIGHT-OF-WAY OF PRIMROSE DRIVE TO THE NORTHWEST CORNER OF LOT 5, OF SAID BLOCK B, CONWAY HOMESITES; THENCE CONTINUE RUNNING EAST ALONG THE NORTH LINE OF LOTS 5-6, OF SAID BLOCK B, TO THE NORTHEAST CORNER OF SAID LOT 6; THENCE CONTINUE RUNNING EAST ACROSS THE RIGHT-OF-WAY OF SCOTT AVENUE TO THE NORTHWEST CORNER OF LOT 1, BLOCK C, OF SAID CONWAY HOMESITES; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 1-3 OF SAID BLOCK C TO THE NORTHEAST CORNER OF SAID LOT 3, BLOCK C; THENCE RUN NORTH ALONG THE EAST LINE OF SAID BLOCK C TO THE NORTHWEST CORNER OF LOT 2, CURRY FORD CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 17, PAGE 79 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 2 TO THE NORTHEAST CORNER OF SAID LOT 2; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF EL PASO AVENUE TO THE EAST RIGHT-OF-WAY LINE OF SAID EL PASO AVENUE; THENCE RUN SOUTH ALONG THE SAID EAST RIGHT-OF-WAY LINE OF EL PASO

AVENUE TO THE NORTHWEST CORNER OF LOT 1, CAROL LAND, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 80, PAGE 60 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 1, CAROL LAND TO THE NORTHEAST CORNER OF SAID LOT 1; THENCE RUN NORTHEASTERLY TO THE SOUTHWEST CORNER OF LOT 17, BLOCK A, GRANT'S CONWAY SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK J, PAGE 21 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE SOUTH LINE OF LOTS17 AND 7 TO THE SOUTHEAST CORNER OF SAID LOT 7, BLOCK A; THENCE RUN EAST TO THE CENTERLINE OF S CRYSTAL LAKE DRIVE; THENCE RUN NORTH ALONG THE CENTERLINE OF SAID S CRYSTAL LAKE DRIVE TO THE INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 1, BLOCK A, DOVER SHORES COMMERCIAL CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK V, PAGE 80, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE WESTERLY EXTENSION OF SAID NORTH LINE OF LOT 1 AND ALONG THE NORTH LINE OF SAID LOT 1 TO THE INTERSECTION OF THE NORTH LINE OF SAID LOT 1 AND THE EAST RIGHT-OF-WAY LINE OF SHORES ALLEY; THENCE CONTINUE RUNNING EAST TO THE NORTHWEST CORNER OF LOT 2, BLOCK G, DOVER SHORES FIRST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK U, PAGE 37

OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE WEST LINE OF SAID LOT 2 TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 3 TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE RUN SOUTH ALONG THE EAST LINE OF LOT 3 TO THE SOUTHEAST CORNER OF SAID LOT 3 TO A POINT THAT IS 100 FEET NORTH MORE OR LESS FROM THE NORTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD; THENCE RUN EAST ALONG AND PARALLEL TO A POINT 100 FEET NORTH OF THE NORTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD TO THE EAST RIGHT-OF-WAY LINE OF EDMUNDSHIRE LANE, ALSO BEING THE WEST LINE OF LOT 2, DOVER SHORES AT CURRY FORD, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 49, PAGES 88-89 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; SAID POINT IS 100 FEET NORTH OF THE RIGHT-OF-WAY LINE OF CURRY FORD ROAD, THENCE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF EDMUNDSHIRE LANE TO THE NORTH LINE OF SAID LOT 2; THENCE RUN ALONG THE NORTH LINE OF LOT 2 TO THE INTERSECTION OF SOUTHWEST CORNER OF THE RIGHT-OF-WAY OF CORBETT LANE; THENCE RUN EASTERLY ALONG THE SOUTH LINE OF CORBETT LANE AND THE SOUTH RIGHT-OF-WAY LINE OF CORBETT PLACE TO THE CENTERLINE OF CONWAY ROAD; THENCE RUN SOUTH ALONG THE CENTERLINE OF CONWAY ROAD TO THE INTERSECTION WITH THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 1, BLOCK

B, LILAC TERRACE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK W, PAGE 30 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; SAID POINT IS 120 FEET NORTH OF THE NORTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD, THENCE RUN EAST 120 FEET NORTH OF AND PARALLEL TO THE NORTH RIGHT- OF-WAY LINE OF CURRY FORD ROAD TO THE INTERSECTION OF NORTHERLY EXTENSION OF THE EAST LINE OF LOT 1, IRIS SHOPPING CENTER, ACCORDING THE PLAT THEREOF AS RECORDED IN PLAT BOOK 14, PAGE 114 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG SAID NORTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 1 ACROSS CURRY FORD ROAD TO THE NORTHEAST CORNER OF SAID LOT 1; THENCE CONTINUE RUNNING SOUTH TO THE SOUTHEAST CORNER OF SAID LOT 1; THENCE RUN WEST TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 1 TO A POINT THAT IS 175 FEET SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD; THENCE RUN WEST 175 FEET SOUTH OF AND PARALLEL TO THE SOUTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD TO THE WEST RIGHT-OF-WAY LINE OF CONWAY ROAD; THENCE RUN WEST ACROSS THE RIGHT-OF-WAY LINE OF CONWAY ROAD TO THE SOUTHEAST CORNER OF LOT 5, BLOCK B, EDMUNDS SHIRE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK V, PAGE 148 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST

ALONG THE SOUTH LINE OF LOTS 4 AND EXTENDED TO THE SOUTHEAST CORNER OF LOT 1, BLOCK A OF SAID EDMUNDS SHIRE; THENCE RUN WEST TO THE SOUTHWEST CORNER OF SAID LOT 1, BLOCK A; ALSO BEING ON THE EAST LINE OF BLOCK A, ATLANTIC BANK PLACE; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID BLOCK A TO THE SOUTHEAST CORNER OF SAID BLOCK A; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID BLOCK A TO THE SOUTHWEST CORNER OF SAID BLOCK A; POINT ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF WATAUGA AVENUE, THENCE RUN SOUTH ALONG THE EAST RIGHT-OF-WAY LINE OF WATAUGA AVENUE TO THE INTERSECTION OF THE EASTERLY EXTENSION OF THE NORTH LINE OF BLOCK A, AGNES HEIGHTS FIRST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK X, PAGE 59 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF THE NORTH LINE AND ALONG SAID NORTH LINE OF BLOCK A TO THE INTERSECTION WITH THE CENTERLINE OF CONWAY GARDENS ROAD; THENCE RUN NORTH ALONG THE CENTERLINE OF CONWAY GARDENS ROAD TO THE INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1, BLOCK A, CROCKER HEIGHTS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK N, PAGE 58 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF SAID SOUTH LINE OF LOT 1 AND BEING 145

FEET SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD AND PARALLEL TO SAID RIGHT-OF-WAY LINE AND WESTERLY EXTENSION THEREOF TO THE EASTERLY RIGHT-OF-WAY LINE OF S CRYSTAL LAKE DRIVE; THENCE RUN SOUTH ALONG SAID EASTERLY RIGHT-OF-WAY LINE OF S CRYSTAL LAKE DRIVE TO THE INTERSECTION WITH THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1, CHIRA ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 17, PAGE 45; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 1 TO THE SOUTHEAST CORNER OF SAID LOT 1, CHIRA ADDITION; THENCE RUN WEST TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE RUN SOUTH TO THE SOUTHEAST CORNER OF LOT 2, WALGREENS @ CURRY FORD ROAD, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 46, PAGES 67 AND 68; THENCE RUN WEST ALONG THE SOUTH LINE OF LOTS 2 AND 1 OF SAID WALGREENS @ CURRY FORD TO THE SOUTHWEST CORNER OF SAID LOT 1; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 1 TO A POINT 180 FEET SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD; THENCE RUN WEST ALONG A LINE THAT IS 180 FEET SOUTH OF AND PARALLEL TO THE SOUTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD TO THE SOUTHWEST CORNER OF LOT 5, BLOCK A, CLOVERLAWN, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 87 OF THE PUBLIC RECORDS OF ORANGE COUNTY,

FLORIDA; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 5 TO THE NORTHWEST CORNER OF SAID LOT 5; THENCE RUN NORTHEASTERLY TO THE INTERSECTION OF NORTH RIGHT-OF-WAY LINE OF CURRY FORD ROAD AND EAST RIGHT-OF-WAY LINE OF WARWICK PLACE, SAID POINT ALSO BEING THE POINT OF BEGINNING.

AND

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF S DIVISION AVENUE AND THE CENTERLINE OF W GORE STREET, THENCE RUN EAST ALONG THE CENTERLINE OF W GORE STREET TO THE INTERSECTION WITH THE CENTERLINE OF MAIN LANE; THENCE RUN NORTH ALONG THE CENTERLINE OF MAIN LANE TO THE INTERSECTION WITH THE CENTERLINE OF S LUCERNE CIRCLE W; THENCE RUN EAST ALONG THE CENTERLINE OF S LUCERNE CIRCLE W TO THE INTERSECTION WITH THE CENTERLINE OF S ORANGE AVENUE; THENCE RUN NORTHEAST ALONG THE CENTERLINE S LUCERNE CIRCLE E, AND REFERENCED AS LUCERNE AVENUE, R.F. STARKEY'S ADDITION TO ORLANDO, ACCORDING THE PLAT THEREOF AS RECORDED IN PLAT BOOK A, PAGE 11 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; TO THE INTERSECTION OF THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 24, OF SAID R.F. STARKEY'S ADDITION TO ORLANDO; THENCE RUN SOUTH ALONG

THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 24, AND THE WEST LINE OF SAID LOT 24 TO THE SOUTHWEST CORNER OF SAID LOT 24, ALSO BEING THE NORTHWEST CORNER OF WOODRUFF STREET, AS SHOWN ON THE PLAT WOODRUFF'S ADDITION TO ORLANDO, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK F, PAGE 130 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE WEST RIGHT-OF-WAY LINE OF SAID WOODRUFF STREET TO THE INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF BAY STREET; THENCE RUN SOUTHEAST TO THE INTERSECTION OF THE CENTERLINE OF E GORE STREET WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 9, J.N. BRADSHAW'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK G, PAGE 8, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE WEST LINE OF LOTS 9-16, AND LOT 18, OF SAID J.N. BRADSHAW'S SUBDIVISION, TO THE SOUTHWEST CORNER OF SAID LOT 18; THENCE CONTINUE SOUTH TO THE CENTERLINE OF ANNIE STREET; THENCE RUN SOUTHWEST ALONG THE CENTERLINE OF ANNIE STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 3, BLOCK B, COPELAND TERRACE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK M, PAGE 62, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTHEAST ALONG THE NORTHERLY EXTENSION OF THE WEST

LINE OF SAID LOT 3, AND THE WEST LINE ITSELF TO THE SOUTHWEST CORNER OF SAID LOT 3; THENCE RUN SOUTHWEST ACROSS THE RIGHT-OF-WAY WAVERLY PLACE TO THE NORTHWEST CORNER OF LOT 4, BLOCK A, OF SAID COPELAND TERRACE; THENCE RUN SOUTHEAST ALONG THE WEST LINE OF SAID LOT 4 TO THE EDGE OF WATER OF LAKE COPELAND; THENCE RUN SOUTH ALONG THE WESTERLY EDGE OF LAKE COPELAND TO THE INTERSECTION WITH THE EASTERNMOST CORNER OF LOT 1, BLOCK A, COPELAND PARK, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK K, PAGE 46 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN ALONG THE SOUTHEASTERLY LINE OF SAID LOT 1, BLOCK A, TO THE SOUTHERNMOST CORNER OF SAID LOT 1, ALSO BEING ON THE NORTHERLY RIGHT-OF-WAY LINE OF E COPELAND DRIVE; THENCE RUN SOUTH TO THE NORTHERNMOST OF LOT 3, BLOCK B, OF SAID COPELAND PARK; THENCE RUN SOUTH TO THE SOUTHWEST CORNER OF LOT 11, OF SAID BLOCK B; THENCE RUN SOUTHEAST ACROSS THE RIGHT-OF-WAY OF FERNWOOD STREET TO THE NORTHEAST CORNER OF LOT 2, BLOCK C, OF SAID COPELAND PARK; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 2, BLOCK C, TO THE SOUTHEAST CORNER OF SAID LOT 2; THENCE RUN NORTHWEST ALONG THE SOUTH LINE OF SAID LOT 2 TO THE EASTERNMOST CORNER OF LOT 14, OF SAID BLOCK C; THENCE RUN SOUTH ALONG THE EAST LINE OF LOT 14 AND LOT 13, OF SAID BLOCK C, TO THE

SOUTHEAST CORNER OF SAID LOT 13; THENCE RUN SOUTHEAST ALONG THE NORTHEAST LINE OF LOT 12, OF SAID BLOCK C; THENCE RUN SOUTHEAST ACROSS THE RIGHT-OF-WAY OF WISTERIA AVENUE TO THE NORTHERNMOST CORNER OF LOT 1, BLOCK D, OF SAID COPELAND PARK; THENCE RUN SOUTHEAST TO THE EAST CORNER OF SAID LOT 1, BEING THE SOUTHERNMOST CORNER OF LOT 2, AND THE NORTHWEST CORNER OF LOT 15, ALL OF SAID BLOCK D; THENCE RUN SOUTH TO THE SOUTHEAST CORNER OF SAID LOT 1; THENCE RUN SOUTH ACROSS THE RIGHT-OF-WAY OF E MILLER STREET TO THE NORTHEAST CORNER OF LOT 1, J.C. HOWELL'S ADDITION TO ORLANDO, PLAT BOOK F, PAGE 104 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF LOTS 1-4 OF SAID J.C. HOWELL'S ADDITION TO ORLANDO, TO THE SOUTHEAST CORNER OF SAID LOT 4, ALSO BEING THE NORTHEAST CORNER OF LOT 1, PIZZA HUT NO. 26, ACCORDING TO THE PLAT THERE OF AS RECORDED IN PLAT BOOK 18, PAGE 96, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1, A DISTANCE OF 55 FEET; THENCE RUN WEST A ALONG THE PERIMETER OF SAID LOT 1, A DISTANCE OF 10 FEET; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1 A DISTANCE OF 64.50 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1; THENCE RUN SOUTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 1 TO THE

INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF E HOLLENBECK STREET; THENCE RUN SOUTH ACROSS THE RIGHT-OF-WAY OF E HOLLENBECK STREET TO THE NORTHEAST CORNER OF LOT 1, SOUTH ORANGE RETAIL, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 95, PAGE 14, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1 TO THE SOUTHEAST CORNER OF SAID LOT 1, SAID POINT ALSO BEING THE NORTHEAST CORNER OF LOT 15, BLOCK B, OF SAID JACOB A. HOLLENBECK'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK G, PAGE 12, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF LOTS 15-24, OF SAID BLOCK B, TO THE INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF E KALEY STREET; THENCE RUN SOUTH ACROSS THE RIGHT-OF-WAY OF E KALEY STREET TO THE NORTHEAST CORNER OF LOT 1, ORANGE & KALEY COMMERCIAL, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 36, PAGE 40, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1, A DISTANCE OF 53.80 FEET, THENCE RUN WEST 10 FEET TO THE EAST LINE OF SAID LOT 1; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1, A DISTANCE OF 71.20 FEET TO THE SOUTHEAST CORNER OF SAID LOT 1; THENCE RUN SOUTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID

LOT 1 TO THE INTERSECTION OF THE CENTERLINE OF E ESTHER STREET; THENCE RUN WEST ALONG THE CENTERLINE OF E ESTHER STREET TO THE INTERSECTION WITH THE CENTERLINE OF DIX ALLEY; THENCE RUN SOUTH ALONG THE CENTERLINE OF DIX ALLEY TO THE INTERSECTION OF THE CENTERLINE OF E HARDING STREET; THENCE RUN EAST ALONG THE CENTERLINE OF E HARDING STREET TO A POINT 130 FEET EAST OF THE EAST RIGHT-OF-WAY LINE OF S ORANGE AVENUE; THENCE RUN SOUTH ALONG A LINE 130 FEET EAST OF AND PARALLEL TO THE EAST RIGHT-OF-WAY LINE OF S ORANGE AVENUE TO THE INTERSECTION OF THE CENTERLINE OF E GRANT STREET; THENCE RUN EAST ALONG THE CENTERLINE OF E GRAN STREET TO THE INTERSECTION OF THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 1, BLOCK A, PAGE SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK J, PAGE 19, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 1, BLOCK A TO THE INTERSECTION WITH THE CENTERLINE OF E CRYSTAL LAKE STREET; THENCE RUN SOUTH TO THE NORTHEAST CORNER OF LOT 1, SHOPPES OF ORANGE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 79, PAGE 103, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1 AND THE SOUTHERLY EXTENSION THEREOF TO THE SOUTH LINE OF SAID

SHOPPES OF ORANGE; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID LOT 1 AND THE EASTERLY EXTENSION THEREOF, RUN TO THE INTERSECTION OF THE CENTERLINE OF CENTER AVENUE; THENCE RUN TO THE NORTHWEST CORNER OF LOT 13, BLOCK B, PICKETT TERRACE, ACCORDING THE PLAT THEREOF AS RECORDED IN PLAT BOOK N, PAGE 77, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 13-24, OF SAID BLOCK B, TO THE NORTHEAST CORNER OF SAID LOT 24; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF DELANEY AVENUE TO THE NORTHWEST CORNER OF LOT 51, DELANEY HIGHLANDS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK O, PAGE 114, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 51-53 OF SAID DELANEY HIGHLANDS TO THE NORTHEAST CORNER OF SAID LOT 53, ALSO BEING ON THE WEST LINE OF LOT 54, OF SAID DELANEY HIGHLANDS; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 54 TO THE NORTHWEST CORNER OF SAID LOT 54; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 54-67 OF SAID DELANEY HIGHLANDS TO THE NORTHEAST CORNER OF LOT 67 OF SAID DELANEY HIGHLANDS; THENCE RUN EAST ALONG THE EASTERLY EXTENSION OF THE NORTH LINE OF SAID LOT 67 TO THE INTERSECTION OF THE EAST LINE OF COPLEY SQUARE, A REPLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 77, PAGE 92 OF

THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID COPLEY SQUARE, A REPLAT TO THE INTERSECTION WITH THE NORTH RIGHT-OF-WAY LINE OF E MICHIGAN STREET; THENCE RUN EAST 250 FEET ALONG THE NORTH RIGHT-OF-WAY LINE OF E MICHIGAN STREET; THENCE RUN SOUTH 230 FEET; THENCE RUN WEST 247 FEET; THENCE RUN NORTH 135 FEET TO THE SOUTH RIGHT-OF-WAY LINE OF E MICHIGAN STREET; THENCE RUN WEST ALONG THE SOUTH RIGHT-OF-WAY LINE OF E MICHIGAN STREET TO THE INTERSECTION WITH THE EAST RIGHT-OF-WAY LINE OF S OSCEOLA AVENUE; THENCE RUN SOUTH ALONG THE EAST RIGHT-OF-WAY LINE OF S OSCEOLA AVENUE TO THE INTERSECTION WITH THE EAST RIGHT-OF-WAY LINE DELANEY AVENUE, SAID POINT ALONG BEING THE CENTERLINE OF E PINELOCH AVENUE; THENCE RUN WEST ALONG THE CENTERLINE OF E PINELOCH AVENUE TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 24, BLOCK A, FOREST PINES, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK O, PAGE 67 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF SAID LOT 24 AND THE EAST LINE OF SAID LOT 24 AND LOT 23, OF SAID BLOCK A, TO THE SOUTHEAST CORNER OF SAID LOT 23; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID LOT 23 TO THE SOUTHWEST CORNER OF SAID LOT 23; THENCE RUN NORTH ALONG THE WEST LINE OF LOTS

23-24 AND THE NORTHERLY EXTENSION THEREOF TO THE NORTH RIGHT-OF-WAY LINE OF E PINELOCH AVENUE; THENCE RUN WEST ALONG THE NORTH LINE OF E PINELOCH AVENUE TO A POINT 181 FEET EAST OF THE EAST RIGHT-OF-WAY LINE OF S ORANGE AVENUE; THENCE RUN SOUTH 181 FEET EAST OF AND PARALLEL TO THE EAST RIGHT-OF-WAY LINE OF S ORANGE AVENUE TO THE INTERSECTION OF THE NORTH RIGHT-OF-WAY LINE OF HIGHWAY PLACE; THENCE RUN WEST ALONG THE NORTH RIGHT-OF-WAY LINE OF HIGHWAY PLACE TO THE EAST RIGHT-OF-WAY LINE OF S ORANGE AVENUE; THENCE RUN SOUTH TO THE INTERSECTION OF THE EASTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF DRENNEN ROAD; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF THE NORTH RIGHT-OF-WAY LINE OF DRENNEN ROAD ACROSS ORANGE AVENUE AND ALONG SAID NORTH RIGHT-OF-WAY LINE OF DRENNEN ROAD TO THE EAST LINE OF THE WEST 30 FEET OF LOT 9, BLOCK B, SUDDATH INDUSTRIAL PROPERTIES, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK T, PAGE 133 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH ALONG THE EAST LINE OF THE WEST 30 FEET OF SAID LOT 9 AND THE EXTENSION THERE OF TO THE CENTERLINE OF W PINELOCH AVENUE; THENCE RUN WEST TO THE SOUTHERLY EXTENSION OF THE CENTERLINE OF TAYLOR AVENUE; THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE CENTERLINE OF TAYLOR AVENUE AND THE CENTERLINE OF

TAYLOR AVENUE TO A POINT 165 FEET SOUTH OF THE SOUTH RIGHT-OF-WAY LINE OF W MICHIGAN STREET; THENCE RUN WEST 165 FEET SOUTH OF AND PARALLEL TO THE SOUTH RIGHT-OF-WAY LINE OF W MICHIGAN STREET TO THE INTERSECTION OF THE EAST RIGHT-OF-WAY LINE OF LAKE HOLDEN TERRACE; THENCE RUN NORTH TO THE SOUTH RIGHT-OF-WAY LINE OF W MICHIGAN STREET; THENCE RUN WEST ALONG THE SOUTH RIGHT-OF-WAY LINE OF W MICHIGAN STREET TO THE INTERSECTION WITH THE EAST LINE OF LOT 6, BLOCK 55, ANGEBILT ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 79, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH TO A POINT ON THE SOUTH LINE OF LOT 1, BLOCK A, LAKE HOLDEN INDUSTRIAL PARK 1ST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAY BOOK Y, PAGE 15, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; SAID POINT BEING 161 FEET WEST OF THE SOUTHEAST CORNER OF SAID LOT 1; THENCE RUN NORTH 161 FEET WEST OF AND PARALLEL TO THE WEST RIGHT-OF-WAY LINE OF DIVISION AVENUE TO THE INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF COLUMBIA STREET; THENCE RUN EAST ALONG THE SOUTH RIGHT-OF-WAY LINE OF COLUMBIA STREET TO THE INTERSECTION WITH THE CENTERLINE OF S DIVISION AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF S DIVISION AVENUE TO THE INTERSECTION OF THE CENTERLINE OF W GORE

STREET; ALSO BEING THE POINT OF BEGINNING.

AND

BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF STATE ROAD 408 AND THE CENTERLINE OF N JOHN YOUNG PARKWAY, THENCE RUN NORTH ALONG THE CENTERLINE OF N JOHN YOUNG PARKWAY TO THE INTERSECTION OF A POINT 375 FEET NORTH OF THE CENTERLINE OF STATE ROAD 50, COLONIAL DRIVE, AND BEING THE SOUTH LINE OF SECTION 21, TOWNSHIP 22 SOUTH RANGE 29 EAST, THENCE RUN EAST 375 FEET NORTH OF AND PARALLEL TO THE CENTERLINE OF STATE ROAD 50, COLONIAL DRIVE, THENCE RUN EAST TO THE INTERSECTION OF THE CENTERLINE OF COUNTRY LANE; THENCE RUN SOUTH ALONG THE CENTERLINE OF COUNTRY LINE TO THE INTERSECTION OF THE WESTERLY EXTENSION OF THE NORTH LINE OF THE PLAT COLONIAL-TAMPA OFFICE CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 13, PAGE 14, IN THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID PLAT COLONIAL-TAMPA OFFICE CENTER AND THE EXTENSION THEREOF TO THE WEST RIGHT-OF-WAY LINE OF VALENCIA AVENUE, THENCE CONTINUE EAST ACROSS THE RIGHT-OF-WAY OF VALENCIA AVENUE TO THE EAST RIGHT-OF-WAY LINE OF VALENCIA AVENUE AND THE NORTHWEST CORNER OF LOT 1,

BLOCK 4, COUNTRY CLUB ESTATES REPLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK Q, PAGE 70 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 1-4, OF SAID BLOCK 4 AND THE EXTENSION THEREOF AND ALONG THE NORTH LINE OF LOT 1, BLOCK 2 OF SAID COUNTRY CLUB ESTATES REPLAT TO THE INTERSECTION WITH THE CENTERLINE OF RAMONA LANE; THENCE RUN NORTHEAST TO THE SOUTHWEST CORNER OF LOT 21, BLOCK 6, SPRING LAKE TERRACE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK N, PAGE 6, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE ALONG THE SOUTH LINE OF LOTS 21, 20, 19, 18, 17, 16, 15, 14, 13, 12, 11, 10, 9, AND 8, THENCE FROM THE SOUTHERNMOST EAST POINT OF SAID LOT 8 RUN SOUTHEASTERLY ALONG SOUTHWESTERN LINE OF LOTS 4, 3, AND 2 OF SAID BLOCK 6 TO THE SOUTHERNMOST POINT OF SAID LOT 2, THENCE RUN NORTHEASTERLY ALONG THE SOUTH LINE OF SAID LOT 2 AND THE EXTENSION THEREOF TO THE NORTHWEST CORNER OF LOT 1, I SAW, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 87, PAGE 90 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; SAID POINT ALSO BEING THE SOUTHWEST CORNER OF LOT 1, BLOCK 5, OF AFORESAID SPRING LAKE TERRACE; THENCE RUN EASTERLY ALONG THE SOUTH LINE OF LOTS 1-8 OF SAID BLOCK 5 TO THE SOUTHEAST CORNER OF SAID LOT 8; THENCE

RUN EAST ACROSS THE RIGHT-OF-WAY OF CLIFFORD DRIVE TO THE SOUTH LINE OF THE NORTH 20 FEET OF LOT 16, BLOCK 4 OF SAID SPRING LAKE TERRACE; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID NORTH 20 FEET OF LOT 16 AND THE EXTENSION THEREOF TO THE INTERSECTION OF THE CENTERLINE OF U.S. HIGHWAY 441, N ORANGE BLOSSOM TRAIL; THENCE RUN SOUTHEASTERLY TO THE NORTHWEST CORNER OF LOT 4, L.A. WILLIS' SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK J, PAGE 91 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 4 AND LOT 5, OF SAID L.A. WILLIS' SUBDIVISION TO THE NORTHEAST CORNER OF SAID LOT 5; THENCE CONTINUE RUNNING EAST TO THE CENTERLINE OF ELLWOOD AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF SAID ELLWOOD AVENUE TO THE INTERSECTION OF THE WESTERLY EXTENSION OF THE NORTH LINE OF LOT 51, ORANGE PARK, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK E, PAGE 31 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 51 TO THE NORTHEAST CORNER OF SAID LOT 51; THENCE RUN SOUTH ALONG THE EAST LINE OF LOT 51 AND 52 AND THE WEST LINE OF LOT 4 OF SAID ORANGE PARK TO THE SOUTHWEST CORNER OF SAID LOT 4; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID LOT 4, ORANGE PARK AND THE EASTERLY EXTENSION

THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF N WESTMORELAND DRIVE; THENCE RUN SOUTH ALONG THE CENTERLINE OF N WESTERMORELAND DRIVE PAST THE RIGHT-OF-WAY OF W AMELIA STREET AND TO THE INTERSECTION OF THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 43, BELTON LONG'S 2ND ADDITION TO ORLANDO, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 89 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; WITH THE CENTERLINE OF S WESTMORELAND DRIVE; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 43 TO THE SOUTHEAST CORNER OF SAID LOT 43; THENCE CONTINUE RUNNING WEST ALONG THE SOUTH LINE OF LOTS 43 AND 42 OF SAID BELTON LONG'S 2ND ADDITION TO ORLANDO TO THE SOUTHWEST CORNER OF SAID LOT 42; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 42 TO THE NORTHWEST CORNER OF SAID LOT 42, ALSO BEING THE SOUTHEAST CORNER OF LOT 27, OF SAID BELTON LONG'S 2ND ADDITION TO ORLANDO; THENCE RUN WEST ALONG THE SOUTH LINE OF LOT 27 AND THE EXTENSION THEREOF THE CENTERLINE OF CSX RAILROAD RIGHT-OF-WAY AS REFERENCED AS FC &P RR IN THE PLAN OF VAN M MORGAN'S ADDITION TO ORLANDO, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK C, PAGE 82 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTHEASTERLY ALONG SAID CENTERLINE OF RAILROAD RIGHT-OF-WAY TO THE

INTERSECTION OF THE CENTERLINE OF SAID RAILROAD RIGHT-OF-WAY TO THE CENTERLINE OF N WESTMORELAND DRIVE; THENCE RUN SOUTH ALONG THE CENTERLINE OF SAID N WESTMORELAND DRIVE TO THE INTERSECTION OF THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 1, BLOCK 1, VAN. M. MORGAN'S 2'D ADDITION TO ORLANDO., ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK D, PAGE 87; THENCE RUN WEST ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE AND THE SOUTH LINE OF SAID LOT 1 TO THE EAST LINE OF LOT 5, BLOCK1, OF SAID VAN. M. MORGAN'S 2'D ADDITION TO ORLANDO.; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 5 TO THE SOUTHEAST CORNER OF SAID LOT 5; THENCE RUN WEST ALONG THE SOUTH LINE OF LOTS 5-16, BLOCK 1 OF SAID VAN. M. MORGAN'S 2'D ADDITION TO ORLANDO. TO THE SOUTHWEST CORNER OF SAID LOT 16, BLOCK 1; THENCE RUN SOUTHWEST ACROSS THE RIGHT-OF-WAY OF BENSON AVENUE TO THE SOUTHEAST CORNER OF LOT 1, BELTON LONG'S 3RD ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 78 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE SOUTH LINE OF LOTS 1-4 OF SAID BELTON LONG'S 3RD ADDITION TO THE SOUTHWEST CORNER OF SAID LOT 4, ALSO BEING THE NORTHEAST CORNER OF LOT 14, OF SAID BELTON LONG'S 3RD ADDITION; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 14 AND THE EXTENSION

THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF W JEFFERSON STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W JEFFERSON STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 2, BLOCK 5, OF AFORESAID VAN. M. MORGAN'S 2'D ADDITION TO ORLANDO; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 2, BLOCK 5 TO THE NORTHWEST CORNER OF SAID LOT 2, BLOCK 5; THENCE RUN SOUTH TO THE SOUTHWEST CORNER OF SAID LOT 2, BLOCK 5; THENCE CONTINUE RUNNING SOUTH TO THE INTERSECTION OF THE CENTERLINE OF POLK STREET; THENCE RUN WEST ALONG THE CENTERLINE OF POLK STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 4, BLOCK 6, OF SAID VAN. M. MORGAN'S 2'D ADDITION TO ORLANDO.; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE AND THE EAST LINE THEREOF, OF SAID LOT 4, BLOCK 6 TO THE INTERSECTION OF THE CENTERLINE OF W WASHINGTON STREET; THENCE RUN EAST ALONG THE CENTERLINE OF W WASHINGTON STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF THE PLAT, J.E. MCNEIL SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 47 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID PLAT TO THE SOUTHEAST CORNER OF SAID PLAT; POINT ALSO

BEING THE NORTHEAST CORNER OF THE PLAT H.H. DICKSON'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK E, PAGE 80 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH TO THE SOUTHEAST CORNER OF SAID PLAT; THENCE CONTINUE SOUTH TO THE CENTERLINE OF W CENTRAL BOULEVARD; THENCE RUN EAST ALONG THE CENTERLINE OF W CENTRAL BOULEVARD TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF THE PLAT L.W. REED'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK K, PAGE 98 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF THE PLAT AND CONTINUING RUNNING ALONG THE EAST LINE OF THE PLAT ITSELF TO THE INTERSECTION WITH THE CENTERLINE OF W CHURCH STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W CHURCH STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 8, METZINGER & BEARDALL ADDITION TO ORLANDO, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 107, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 8 AND THE EAST LINE OF LOT 21 OF SAID METZINGER & BEARDALL ADDITION TO ORLANDO AND THE SOUTHERLY EXTENSION THEREOF THE EAST LINE OF SAID LOT

21 TO THE INTERSECTION WITH THE CENTERLINE OF W JACKSON STREET; THENCE RUN EAST ALONG THE CENTERLINE OF SAID W JACKSON STREET TO THE INTERSECTION WITH THE CENTERLINE OF CLEAR LAKE WAY; THENCE RUN SOUTHWESTERLY ALONG THE CENTERLINE OF CLEAR LAKE WAY TO THE INTERSECTION WITH THE CENTERLINE OF W SOUTH STREET; THENCE RUN EAST ALONG THE CENTERLINE OF W SOUTH STREET TO THE INTERSECTION WITH THE CENTERLINE WOODS AVENUE; THENCE RUN SOUTH ALONG THE CENTERLINE OF WOODS AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF W ANDERSON STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W ANDERSON STREET TO THE INTERSECTION WITH THE CENTERLINE OF EASY AVENUE; THENCE RUN SOUTH ALONG THE CENTERLINE OF EASY AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF CONLEY STREET; THENCE RUN WEST ALONG THE CENTERLINE OF CONLEY STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 11, BLOCK E, JAMES A. WOOD'S SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK B, PAGE 48, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE AND ALONG THE EAST LINE OF SAID LOT 11 AND THE EAST LINE OF LOT 14 OF SAID BLOCK E AND THE EXTENSION OF SAID EAST LINE TO THE INTERSECTION WITH THE CENTERLINE OF W CYPRESS STREET; THENCE RUN EAST ALONG

THE CENTERLINE OF W CYPRESS STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 10, BLOCK F, OF SAID JAMES A. WOOD'S SUBDIVISION; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 10 TO THE SOUTHEAST CORNER OF SAID LOT 10, BLOCK F, ALSO BEING THE NORTHEAST CORNER OF LOT 15, BLOCK F; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 16-24 OF SAID BLOCK F AND ALONG THE EXTENSION THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF WOODS AVENUE; THENCE RUN SOUTH ALONG THE CENTERLINE OF WOODS AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF W GORE STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W GORE STREET TO THE INTERSECTION WITH THE CENTERLINE OF U.S. HIGHWAY 441, SOUTH ORANGE BLOSSOM TRAIL; THENCE RUN SOUTH ALONG THE CENTERLINE OF U.S. HIGHWAY 441, SOUTH ORANGE BLOSSOM TRAIL TO THE INTERSECTION WITH THE CENTERLINE OF GRAND STREET; THENCE RUN WEST ALONG THE CENTERLINE OF GRAND STREET TO THE INTERSECTION WITH EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE; THENCE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE A DISTANCE OF 675 FEET, THENCE DEPARTING THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE, RUN WEST TO THE SOUTH EAST CORNER OF LOT 1, BARKER PARK, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 36, PAGES 38-39 OF

THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, SAID POINT BEING A RECOVERED AXLE AS DENOTED ON SAID PLAT; THENCE RUN WEST ALONG THE SOUTH LINE AND EXTENSION THEREOF TO THE WEST LINE OF THE NORTHER POINT OF SAID LOT 1, ALSO BEING THE EAST LINE OF LOT 12, BLOCK F, BUNCHE MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK U, PAGE 32 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH ALONG THE WESTERN PERIMETER OF THE PLAT OF SAID BARKER PARK TO THE INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF GORE STREET AS DENOTED ON SAID PLAT; THENCE RUN NORTHWEST TO THE SOUTHEAST CORNER OF LOT 15, BLOCK B OF SAID BUNCHE MANOR; THENCE RUN NORTH ALONG THE EAST LINE OF SAID LOT 15 TO THE NORTHEAST CORNER OF SAID LOT 15; THENCE RUN WEST ALONG THE NORTH LINE OF SAID LOT 15 TO THE NORTHWEST CORNER OF SAID LOT 15, ALSO BEING THE SOUTHWEST CORNER OF LOT 7 OF SAID BLOCK B; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 7 TO THE INTERSECTION WITH THE SOUTH RIGHT-OF-WAY LINE OF ORANGE CENTER BOULEVARD; THENCE RUN WEST ALONG THE SOUTH RIGHT-OF-WAY LINE OF ORANGE CENTER BOULEVARD TO THE INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE CENTERLINE OF S OHIO AVENUE LYING NORTH OF ORANGE CENTER BOULEVARD; THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE CENTERLINE OF S OHIO AVENUE TO THE

INTERSECTION WITH THE CENTERLINE OF JACOBS PLACE; THENCE RUN EAST ALONG THE CENTERLINE OF JACOBS PLACE TO THE INTERSECTION OF THE CENTERLINE OF S TEXAS AVENUE, ALSO BEING ; THENCE RUN NORTH ALONG THE CENTERLINE OF S TEXAS AVENUE AND THE EXTENSION THEREOF TO THE POINT WHERE IT INTERSECTS WITH THE WESTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF LONG STREET; THENCE RUN EAST ALONG THE WESTERLY EXTENSION OF THE SOUTH RIGHT-OF-WAY LINE OF LONG STREET AND THE SOUTH RIGHT-OF-WAY LINE THEREOF TO THE NORTHWEST CORNER OF LOT 1, WEST LAKE EARLY LEARNING CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 99, PAGE 75 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE WEST LINE OF SAID LOT 1, ALSO BEING ON THE NORTH LINE OF LOT 1, BLOCK A, TAMORANGE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 1, PAGE 19, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 1, BLOCK A, TO THE NORTHEAST CORNER OF SAID LOT 1, BLOCK A; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF S LAKELAND AVENUE TO THE SOUTHWEST CORNER OF LOT 7, BLOCK A, AVON HEIGHTS, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 125 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID

LOT 7 TO THE SOUTHEAST CORNER OF SAID LOT 7, BLOCK A; THENCE RUN NORTH ALONG THE EAST LINE OF LOTS 7-12 OF SAID BLOCK A AND THE EXTENSION THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF LONG STREET; THENCE RUN EAST ALONG THE CENTERLINE OF LONG STREET TO THE INTERSECTION WITH THE CENTERLINE OF S TAMPA AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF S TAMPA AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF STATE ROAD 408; THENCE RUN NORTHWESTERLY ALONG THE CENTERLINE OF STATE ROAD 408 TO THE INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WESTERNMOST LINE OF LOT 1, JUPITER LODGE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 50, PAGE 102 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE WESTERNMOST LINE OF SAID LOT 1, JUPITER LODGE, ALSO BEING ON THE EAST RIGHT-OF-WAY LINE OF S LAKELAND AVENUE; THENCE RUN NORTH TO THE SOUTHWEST CORNER OF LOT 29, BLOCK AA, FARRADALE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK K, PAGE 7 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID LOT 29 TO THE SOUTHEAST CORNER; THENCE RUN NORTH ALONG THE EAST LINE OF LOTS 29-32 OF SAID BLOCK AA TO THE NORTHERNMOST LINE OF SAID LOT 1, JUPITER LODGE; THENCE RUN EAST ALONG THE NORTHERNMOST LINE OF

SAID LOT 1 TO THE WEST RIGHT-OF-WAY LINE OF S TAMPA AVENUE; THENCE RUN NORTH ALONG THE WEST RIGHT-OF-WAY LINE OF S TAMPA AVENUE TO THE SOUTHEAST CORNER OF LOT 1, BLOCK 5, L.J. DOLLINS' SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK F, PAGE 102 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE SOUTH LINE OF LOTS 1-2 OF SAID BLOCK 5 TO THE SOUTHWEST CORNER OF SAID LOT 2; THENCE RUN NORTH ALONG THE WEST LINE OF SAID LOT 2 AND THE NORTHERLY EXTENSION THEREOF TO THE SOUTH RIGHT-OF-WAY LINE OF W PINE STREET; THE RUN WEST ALONG THE SOUTH RIGHT-OF-WAY LINE OF W PINE STREET TO THE WEST RIGHT-OF-WAY LINE OF S DOLLINS AVENUE; THENCE RUN SOUTH ALONG THE WEST RIGHT-OF-WAY LINE OF S DOLLINS AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF W JACKSON STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W JACKSON STREET TO THE INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE EAST LINE OF LOT 13, BLOCK 6, OF AFORESAID L.J. DOLLINS' SUBDIVISION; THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE EAST LINE OF SAID LOT 13 TO THE NORTHEAST CORNER OF SAID LOT 13; THENCE RUN WEST ALONG THE NORTH LINE OF LOTS 13, 12, 11, OF SAID BLOCK 6 AND THE EXTENSION THEREOF TO THE CENTERLINE OF STATE ROAD 408; THENCE RUN NORTHWESTERLY TO THE SOUTHEAST CORNER OF LOT 5, BLOCK 6, WESTFIELD,

ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK M, PAGE 80, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID BLOCK 6 TO THE SOUTHWEST CORNER OF LOT 1, OF SAID BLOCK 6, WESTFIELD; THENCE RUN WEST ACROSS THE RIGHT-OF-WAY OF S OHIO AVENUE TO THE SOUTHEAST CORNER OF LOT 18, BLOCK 5; THENCE RUN WEST ALONG THE SOUTH LINE OF LOTS 18 AND THE WESTERLY EXTENSION THEREOF TO THE INTERSECTION WITH THE EAST LINE OF LOT 1, INDUS OFFICE CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 30, PAGE 56, AS RECORDED IN THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 1 AND LOT 2 OF SAID INDUS OFFICE CENTER, ALSO BEING THE WEST RIGHT-OF-WAY LINE OF SUN COURT; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID LOT 2 AND THE WESTERLY EXTENSION THEREOF TO THE INTERSECTION OF THE CENTERLINE OF N JOHN YOUNG PARKWAY; THENCE RUN NORTH ALONG THE CENTERLINE OF N JOHN YOUNG PARKWAY TO THE INTERSECTION OF THE EASTERLY EXTENSION OF THE SOUTH LINE OF LOT 2, GUARDIAN CARE REPLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 93, PAGE 142, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN ALONG THE EASTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 2 TO THE SOUTHEAST CORNER OF SAID LOT 2; THENCE RUN WEST 100

FEET ALONG THE SOUTH LINE OF SAID LOT 2; THENCE RUN NORTH 100 FEET WEST OF AN PARALLEL TO THE EAST LINE OF SAID GUARDIAN CARE REPLAT TO THE INTERSECTION WITH THE SOUTH RIGHT OF WAY LINE OF W CHURCH STREET; THENCE RUN NORTH ACROSS THE RIGHT-OF-WAY OF W CHURCH STREET TO THE NORTH RIGHT-OF-WAY LINE OF W CHURCH STREET; THENCE RUN WEST ALONG THE NORTH RIGHT-OF-WAY LINE OF W CHURCH STREET A DISTANCE OF 130 FEET; THENCE RUN NORTH 170 FEET; THENCE RUN EAST 250 FEET TO THE WEST RIGHT-OF-WAY LINE OF N JOHN YOUNG PARKWAY; THENCE RUN SOUTHEASTERLY ACROSS THE RIGHT-OF-WAY OF N JOHN YOUNG PARKWAY TO THE SOUTHEAST CORNER OF LOT 1, BLOCK 4, AFORESAID WESTFIELD; THENCE RUN EAST ALONG THE SOUTH LINE OF LOTS 2-7, BLOCK 4 AND THE EASTERLY EXTENSION THEREOF TO THE SOUTHEAST CORNER OF LOT 8, BLOCK 3, OF SAID WESTFIELD; THENCE RUN NORTH ALONG THE EAST LINE OF SAID LOT 8, BLOCK 3 AND THE EXTENSION THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF W PINE STREET; THENCE RUN EAST ALONG THE CENTERLINE OF W PINE STREET TO THE INTERSECTION WITH THE CENTERLINE OF S TEXAS AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF S TEXAS AVENUE TO THE INTERSECTION OF THE CENTERLINE OF W CENTRAL BOULEVARD; THENCE RUN WEST ALONG THE CENTERLINE OF W CENTRAL BOULEVARD TO THE INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF LOT

24, WASHINGTON MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK L, PAGE 147, AS RECORDED IN THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 24 AND THE WEST LINE ITSELF TO THE NORTHWEST CORNER OF SAID LOT 24; THENCE RUN EAST ALONG THE NORTH LINE OF SAID LOT 24 AND LOTS 22 AND 22 OF SAID WASHINGTON MANOR TO THE NORTHEAST CORNER OF SAID LOT 22; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF BARLOW STREET TO THE SOUTHWEST CORNER OF LOT 18, OF SAID WASHINGTON MANOR, ALSO BEING THE EAST RIGHT-OF-WAY LINE OF BARLOW STREET; THENCE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF BARLOW STREET TO THE NORTHWEST CORNER OF LOT 11, OF SAID WASHINGTON MANOR; THENCE RUN WEST ACROSS THE RIGHT-OF-WAY OF BARLOW STREET TO THE NORTHEAST CORNER OF LOT 32, OF SAID WASHINGTON MANOR; THENCE RUN WEST ALONG THE NORTH LINE OF SAID LOT 32 TO THE NORTHWEST CORNER OF SAID LOT 32; SAID POINT ALSO BEING ON THE EAST LINE OF LOT 21, NICHOLAS WAGNER'S SUB-DIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK F, PAGE 60 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF LOTS 21-23, OF SAID NICHOLAS WAGNER'S SUB-DIVISION TO THE SOUTHEAST CORNER OF SAID LOT 23; THENCE RUN WEST ALONG THE SOUTH LINE

OF SAID LOT 23 TO THE SOUTHWEST CORNER OF SAID LOT 23; THENCE RUN SOUTH ALONG THE WEST RIGHT-OF-WAY LINE OF S OHIO STREET TO THE SOUTHWEST CORNER OF LOT 24 OF SAID WASHINGTON MANOR; THENCE RUN WEST ACROSS THE RIGHT-OF-WAY OF S OHIO STREET TO THE SOUTHEAST CORNER OF LOT 43, OF SAID NICHOLAS WAGNER'S SUB-DIVISION; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID LOT 43 TO THE SOUTHWEST CORNER OF SAID LOT 43, ALSO BEING ON THE WEST LINE OF THE PLAT; THENCE RUN NORTH ALONG THE WEST LINE OF THE SAID NICHOLAS WAGNER'S SUB-DIVISION TO THE SOUTHWEST CORNER OF LOT 34 OF SAID NICHOLAS WAGNER'S SUB-DIVISION; THENCE RUN WEST 170 FEET; THENCE RUN SOUTH TO THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 408; THENCE RUN WEST TO THE INTERSECTION OF THE CENTERLINE OF STATE ROAD 408 AND THE CENTERLINE OF N JOHN YOUNG PARKWAY, ALSO BEING THE POINT OF BEGINNING.
LESS THE FOLLOWING:
BEGINNING AT THE NORTHWEST CORNER OF LOT 19, BLOCK 7, SPRING LAKE TERRACE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK N, PAGE 6 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 19-25 OF SAID BLOCK 7, TO THE NORTHEAST CORNER OF SAID LOT 25; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 25 AND THE EXTENSION THEREOF TO THE CENTERLINE OF ARLINGTON STREET; THENCE

RUN EAST ALONG THE CENTERLINE OF ARLINGTON STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF THE EAST ½ OF LOT 11, BLOCK A, ARLINGTON TERRACE REPLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK R, PAGE 14 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE WEST LINE AND ALONG THE WEST LINE OF SAID EAST HALF OF LOT 11 TO THE SOUTH LINE OF SAID LOT 11; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID LOT 11 AND THE SOUTH LINE OF LOT 12, OF SAID BLOCK A TO THE SOUTHEAST CORNER OF SAID LOT 12; THENCE RUN EAST TO THE CENTERLINE OF SPRINGDALE ROAD; THENCE RUN SOUTH ALONG THE CENTERLINE OF SPRINGDALE ROAD TO THE INTERSECTION OF THE CENTERLINE OF W CONCORD STREET; THENCE RUN WEST ALONG THE CENTERLINE OF W CONCORD STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 12, BLOCK B, OF SAID ARLINGTON TERRACE REPLAT; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID LOT 12 TO THE SOUTHWEST CORNER OF SAID LOT 12, THENCE RUN EAST TO THE SOUTHEAST CORNER OF SAID LOT 12, SAID POINT IS ALSO ON THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 441, N ORANGE BLOSSOM TRAIL; THENCE RUN SOUTH ALONG THE WEST RIGHT-OF-WAY LINE OF U.S. HIGHWAY 441, N ORANGE BLOSSOM TRAIL TO THE NORTH LINE OF THE

SOUTHWEST ¼ OF THE NORTHEAST ¼ OF SECTION 27, 22 SOUTH, RANGE 29 EAST; THENCE RUN WEST ALONG THE NORTH LINE OF SAID SOUTHWEST ¼ OF THE NORTHEAST 1/4 TO THE EDGE OF WATER OF ROCK LAKE; THENCE RUN SOUTHERLY ALONG THE EDGE OF WATER OF ROCK LAKE TO THE NORTHEAST CORNER OF LOT 9, BLOCK A, KING GROVE SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK R, PAGE 40, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 9 TO THE SOUTHEAST CORNER OF SAID LOT 9; THENCE RUN SOUTH ACROSS THE RIGHT-OF-WAY OF W ROBINSON STREET TO THE NORTHEAST CORNER OF BLOCK B, SAID KING GROVE SUBDIVISION; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID BLOCK B TO THE NORTH THE NORTH RIGHT-OF-WAY LINE OF W WASHINGTON STREET; THENCE RUN WEST ALONG THE NORTH RIGHT-OF-WAY LINE OF W WASHINGTON STREET TO THE SOUTHEAST CORNER OF LOT 1, ORLANDO UNION RESCUE MISSION ON ROCK LAKE, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 76, PAGE 48, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH ALONG THE EAST LINE OF SAID LOT 1 TO THE EDGE OF WATER OF ROCK LAKE; THENCE RUN WESTERLY ALONG THE EDGE OF WATER OF ROCK LAKE TO THE NORTH LINE OF SAID LOT 1, ORLANDO RESCUE MISSION ON ROCK LAKE; THENCE RUN WEST ALONG THE NORTH LINE AND THE EXTENSION THEREOF TO THE

INTERSECTION OF THE CENTERLINE OF N TAMPA AVENUE; THENCE RUN SOUTH ALONG THE CENTERLINE OF N TAMPA AVENUE TO THE INTERSECTION WITH A POINT THAT IS 123 FEET NORTH OF THE NORTH RIGHT-OF-WAY LINE OF W WASHINGTON STREET; THENCE RUN WEST 123 FEET NORTH OF AN PARALLEL TO THE NORTH RIGHT-OF-WAY OF W WASHINGTON STREET TO THE EAST LINE OF HIBBS SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK P, PAGE 77, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID HIBBS SUBDIVISION TO THE SOUTHEAST CORNER OF LOT 6, OF SAID HIBBS SUBDIVISION; THENCE RUN WEST ALONG THE SOUTH LINE OF SAID LOT 6 TO THE SOUTHWEST CORNER OF SAID LOT 6; THENCE RUN NORTHWEST ACROSS THE RIGHT-OF-WAY OF N LAKELAND AVENUE TO THE SOUTHEAST CORNER OF LOT 7 OF SAID HIBBS SUBDIVISION; THENCE RUN ALONG THE NORTH LINE OF LOTS 7 AND 8 OF SAID HIBBS SUBDIVISION TO THE NORTHWEST CORNER OF SAID LOT 8; THENCE RUN SOUTH ALONG THE WEST LINE OF SAID LOT 8 TO THE NORTHEAST CORNER OF LOT 13 OF SAID HIBBS SUBDIVISION; THENCE RUN WEST ALONG THE NORTH LINE OF LOTS 13-21 OF SAID HIBBS SUBDIVISION TO THE NORTHWEST CORNER OF SAID LOT 21; THENCE RUN NORTH ALONG THE WEST LINE OF SAID HIBBS SUBDIVISION AND THE EXTENSION THERE OF TO THE INTERSECTION WITH THE CENTERLINE OF W ROBINSON STREET;

THENCE RUN WEST ALONG THE CENTERLINE OF W ROBINSON STREET TO THE INTERSECTION WITH THE SOUTHERLY EXTENSION OF THE WEST LINE OF THE PLAT TAMPA TERRACE FIRST ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK V, PAGE 7, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH ALONG THE SOUTHERLY EXTENSION OF THE WEST LINE OF SAID PLAT AND THE WEST LINE THEREOF TO THE NORTHWEST CORNER OF SAID PLAT TAMPA TERRACE FIRST ADDITION; THENCE RUN EAST ALONG THE NORTH LINE OF SAID TAMPA TERRACE AND THE EXTENSION THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF N TAMPA AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF N TAMPA AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF W AMELIA STREET; THENCE RUN WEST ALONG THE SOUTH LINE AND EXTENSION THEREOF WESTCHESTER MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK T, PAGE 62 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, A DISTANCE 1320 FEET; THENCE RUN NORTH ALONG THE EAST LINE OF JOHN YOUNG COMMERCE CENTER, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 17, PAGE 39 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA, A DISTANCE OF 530 FEET TO THE NORTHWEST CORNER OF LOT 4 OF SAID JOHN YOUNG COMMERCE CENTER; THENCE RUN WEST 186 FEET ALONG THE NORTH LINE OF SAID LOT 4; THENCE RUN NORTH 400

FEET TO THE INTERSECTION WITH THE WESTERLY EXTENSION OF THE NORTH LINE OF AFORESAID WESTCHESTER MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK T, PAGE 62; THENCE RUN EAST ALONG THE WESTERLY EXTENSION OF THE NORTH LINE OF SAID WESTCHESTER MANOR AND THE NORTH LINE ITSELF AND THE EASTERLY EXTENSION THEREOF TO THE INTERSECTION WITH THE CENTERLINE OF N TAMPA AVENUE; THENCE RUN NORTH ALONG THE CENTERLINE OF SAID N TAMPA AVENUE TO THE INTERSECTION OF THE WESTERLY EXTENSION OF THE SOUTH LINE OF LOT 18, BLOCK A, GURNEYS ADDITION TO SPRING LAKE MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK T, PAGE 34 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE WESTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 18, BLOCK A, AND THE SOUTH LINE THEREOF TO THE SOUTHEAST CORNER OF SAID LOT 18, BLOCK A; THENCE RUN NORTH ALONG THE EAST LINE OF SAID LOT 18, BLOCK A, TO THE INTERSECTION WITH THE SOUTH LINE OF LOT 2, OF SAID BLOCK A; THENCE RUN EAST ALONG THE SOUTH LINE OF LOTS 2-7, OF SAID BLOCK A, TO THE INTERSECTION WITH THE WEST LINE OF LOT 9, SAID BLOCK A; THENCE RUN SOUTH ALONG SAID WEST LINE TO THE SOUTHWEST CORNER OF SAID LOT 9; THENCE RUN EAST ALONG THE SOUTH LINE OF SAID LOT 9 TO THE SOUTHEAST CORNER OF SAID LOT 9; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY

OF VERN DRIVE TO THE NORTHWEST CORNER OF LOT 8, BLOCK A, SPRING LAKE MANOR, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK S, PAGE 11, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 8, 7, 6, AND 5 OF SAID BLOCK A, TO THE NORTHEAST CORNER OF SAID LOT 5, BLOCK A; THENCE RUN EAST ACROSS THE RIGHT-OF-WAY OF KITTREDGE DRIVE TO THE NORTHWEST CORNER OF LOT 6, BLOCK B, OAKDALE PARK SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK R, PAGE 6, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 6, 5, 4, AND 3, OF SAID BLOCK B, TO THE NORTHEAST CORNER OF SAID LOT 3; THENCE RUN SOUTHEAST ACROSS THE RIGHT-OF-WAY OF N RIO GRANDE AVENUE TO A POINT ON THE EAST RIGHT-OF-WAY LINE OF N RIO GRANDE AVENUE AND THE INTERSECTION WITH THE NORTH LINE OF THE SOUTH 75 FEET OF LOT 1, COUNTRY CLUB ESTATES REPLAT, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK Q, PAGE 70 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN EAST ALONG THE NORTH LINE OF SAID SOUTH 75 FEET OF LOT 1 TO THE WEST RIGHT-OF-WAY LINE OF RAMONA LANE; THENCE RUN NORTHEAST TO THE NORTHWEST CORNER OF LOT 19, BLOCK 7, AFORESAID SPRING LAKE TERRACE; SAID POINT ALSO BEING THE POINT OF BEGINNING.

ALSO LESS THE FOLLOWING:
LOTS 3-11, BLOCK A, LORNA DOONE PARK REPLAT, ACCORDING TO THE PLAT THERE OF AS RECORDED IN PLAT BOOK Q, PAGE 110, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA;
LOTS 1-15, BLOCK B, OF SAID LORNA DOONE PARK REPLAT;
LOTS 1-16, BLOCK C, OF SAID LORNA DOONE PARK REPLAT;
LOTS 17-24, BLOCK D, OF SAID LORNA DOONE PARK REPLAT
TOGETHER WITH THE RIGHT-OF-WAY OF HALBE AVENUE, WILBE AVENUE, JAMIL AVENUE LYING BETWEEN THE LOTS DEFINED HEREWITHIN OF SAID PLAT.
ALSO LESS THE FOLLOWING:
BEGINNING AT THE INTERSECTION OF THE CENTERLINE OF MONTE CARLO TRAIL AND THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE, THENCE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE AND THE WEST LINE OF BLOCK A, PANSY ADDITION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK H, PAGE 91, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; TO THE NORTH LINE OF THE SOUTH 20 FEET OF LOT 6, BLOCK A, OF SAID PANSY PARK; THENCE RUN EAST ALONG THE NORTH LINE OF THE SAID SOUTH 20 FEET OF LOT 6, BLOCK A TO THE EAST LINE OF SAID LOT 6, THENCE RUN NORTH ALONG THE EAST LINE OF SAID LOT 6 AND THE EXTENSION THEREOF A DISTANCE OF 60 FEET; THENCE RUN EAST TO THE INTERSECTION WITH THE EAST LINE OF BLOCK C, OF SAID

PANSY PARK; THENCE RUN SOUTH ALONG THE EAST LINE OF SAID BLOCK C, TO THE SOUTHEAST CORNER OF LOT 8, OF SAID BLOCK C, SAID POINT ALSO BEING THE NORTHWEST CORNER OF LOT 1, NOLEN'S ADDITION TO ORLANDO; THENCE RUN EAST ALONG THE NORTH LINE OF LOTS 1-6, OF SAID NOLEN'S ADDITION TO ORLANDO, TO THE NORTHEAST CORNER OF SAID LOT 6, THENCE RUN SOUTH ALONG THE EAST LINE OF SAID LOT 6 AND THE EXTENSION THEREOF TO THE CENTERLINE OF WINNIFRED STREET; THENCE RUN EAST ALONG THE CENTERLINE OF WINNIFRED STREET TO THE INTERSECTION WITH THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 17 OF SAID NOLEN'S ADDITION TO ORLANDO; THENCE RUN SOUTH ALONG THE NORTHERLY EXTENSION OF THE EAST LINE OF LOT 17 AND ALONG SAID EAST LINE AND THE SOUTHERLY EXTENSION THEREOF TO THE INTERSECTION OF THE CENTERLINE OF MONTE CARLO TRAIL; THENCE RUN WEST ALONG THE CENTERLINE OF MONTE CARLO TRAIL A DISTANCE OF 350 FEET; THENCE RUN SOUTH TO THE NORTH LINE OF LOT 1, GRAND STREET SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 101, PAGES 122-125, OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG THE NORTH LINE OF SAID LOT 1, ALSO REFERRED TO AS THE NORTH BOUNDARY LINE OF SAID OFFICIAL RECORD BOOK 1665, PAGE 253 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN NORTH

ALONG THE NORTHERLY JOG OF SAID LOT 1 AND REFERENCED ON PLAT AS EAST BOUNDARY LINE OF SAID OFFICIAL RECORD BOOK 1665, PAGE 253 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; TO THE SOUTHEAST CORNER OF LOT 3, OF AFORESAID PANSY PARK; THENCE RUN WEST ALONG THE SOUTH LINE OF LOT 3, 2, AND 1 OF SAID PANSY PARK; THENCE RUN SOUTH ALONG LOT 1, SAID GRAND STREET SUBDIVISION AND LABELED AS THE WEST BOUNDARY LINE PER SAID OFFICIAL RECORD BOOK 1665, PAGE 253, TO THE NORTH LINE OF LOT 1, 1225 SOUTH RIO GRANDE AVENUE, ACCORDING THE PLAT THEREOF AS RECORDED IN PLAT BOOK 27, PAGE 65 OF THE PUBLIC RECORDS OF ORANGE COUNTY, FLORIDA; THENCE RUN WEST ALONG SAID LINE OF LOT 1 TO THE INTERSECTION WITH THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE; THENCE RUN NORTH ALONG THE EAST RIGHT-OF-WAY LINE OF S RIO GRANDE AVENUE TO THE INTERSECTION WITH THE CENTERLINE OF MONTE CARLO TRAIL, ALSO BEING THE POINT OF BEGINNING.

Section 2. Notwithstanding s. 561.20(1), Florida Statutes, the Division of Alcoholic Beverages and Tobacco of the Department of Business and Professional Regulation shall issue a special alcoholic beverage license to a bona fide restaurant in the SoDo District described in section 1 that is licensed by the Division of Hotels and Restaurants of the Department of Business

and Professional Regulation, occupies at least 1,800 square feet of contiguous space used as a part of the food service establishment, is equipped to serve meals to at least 80 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 60-day operating period and each 12-month operating period thereafter. Failure of any licensee issued this special license to meet the required percentage of food and nonalcoholic beverage gross revenues during the covered operating period shall result in the revocation of the license or denial of the pending application for a permanent license of a licensee operating with a temporary license. A licensee whose license is revoked, an applicant whose pending application for a permanent license is denied, or any person required to qualify on the special alcoholic beverage license application is ineligible to have any interest in a subsequent application for such license for a period of 120 days after the date of the final denial or revocation.

Section 3. This act shall take effect upon becoming a law.

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** HB 1451 Malt Beverages
**SPONSOR(S):** DiCeglie
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Regulatory Reform Subcommittee | | Wright | Anstead |
| 2) Ways & Means Committee | | | |
| 3) Commerce Committee | | | |

## SUMMARY ANALYSIS

In Florida, alcoholic beverages are regulated by the Beverage Law, which regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors. The Division of Alcoholic Beverages and Tobacco (division) in the Department of Business and Professional Regulation (DBPR) administers and enforces the Beverage Law.

Exceptions to the three-tier regulatory system permit in-state wineries, breweries, and craft distilleries to be licensed as a vendor and sell directly to consumers under certain circumstances. Examples of exceptions include brewpubs and craft brewers, which may be both a vendor and a manufacturer, subject to certain requirements.

There are no regulations in the Beverage Law which directly address contract and alternating proprietorship brewing, but the federal regulatory agency, the Alcohol and Tobacco Tax and Trade Bureau, allows the practices under certain circumstances.

The bill:

- Provides a definition for "barrel," which means 31 gallons, and conforms related provisions in the Beverage Law.
- Allows brewpubs to sell their product for consumption on any licensed premises owned by the vendor, instead of being limited to the brewpub licensed premises or contiguous licensed premises.
- Converts the beverage measurement used to calculate excise taxes to 0.375 cents per ounce, from 6 cents per pint or fraction thereof. The measurement is equal, except that the current provision requires the tax on each fraction of a pint, which requires rounding up to a pint for excise tax payment purposes.
- Removes the requirement that alcohol manufacturers must file with the division a surety bond covering the amount of their estimated excise tax payment.
- Provides that only registrants for a brand or label sold to a distributor, not those kept in-house, must pay an annual registration fee of $30.
- Reduces the annual state license tax that each craft brewer engaged in the business of brewing less than 5,000 barrels of malt beverages pays to $500 for each plant or branch, like a brewpub.
- Provides guidelines for contract brewing and alternating proprietorship brewing.

The bill will have a negative fiscal impact on state government, and no impact on local governments.

The bill provides an effective date of July 1, 2022.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Beverage Law**

In Florida, alcoholic beverages are regulated by the Beverage Law,[1] which regulates the manufacture, distribution, and sale of wine, beer, and liquor by manufacturers, distributors, and vendors.[2] The Division of Alcoholic Beverages and Tobacco (division) in the Department of Business and Professional Regulation (DBPR) administers and enforces the Beverage Law.[3]

**Three-Tier System**

In the United States, the regulation of alcohol since the repeal of Prohibition has traditionally been based upon a "three-tier system." The system requires separation of the manufacture, distribution, and sale of alcoholic beverages. The manufacturer creates the beverages, and the distributor obtains the beverages from the manufacturer to deliver to the vendor. The vendor makes the ultimate sale to the consumer. A manufacturer, distributor, or exporter may not be licensed as a vendor to sell directly to consumers.

Generally, Florida has adopted the three-tier system. Only licensed vendors are permitted to sell alcoholic beverages directly to consumers at retail.[4] Licensed manufacturers, distributors, and registered exporters are prohibited from also being licensed as vendors.[5] Manufacturers are also generally prohibited from having an interest in a vendor and from distributing directly to a vendor.[6]

**Tied House Evil Prohibitions**

Certain relationships and interactions of manufacturers and distributors with vendors are regulated by the Beverage Law in order to prevent a manufacturer or distributor from having a financial interest, directly or indirectly, in the establishment or business of a licensed vendor, and to prevent a manufacturer or distributor from giving a vendor gifts, loans or property, or rebates.[7] Exceptions to the three-tier regulatory system permit in-state wineries,[8] breweries,[9] and craft distilleries to be licensed as a vendor and sell directly to consumers under certain circumstances.[10]

**Brewpub Exception**

An exception where an entity may obtain both a license as a manufacturer of malt beverages and a vendor's license for the sale of alcoholic beverages is often referred to as the Brewpub Exception. This exception was added to permit a vendor to be licensed as a manufacturer of malt beverages at a single location, with the following requirements:[11]

- The brewpub may not brew more than 10,000 kegs ("keg" means 15.5 gallons) of malt beverages on the premises per year;
- Malt beverages "so brewed" must be sold to consumers for consumption on the vendor's licensed premises or on contiguous licensed premises owned[12] by the vendor;
- Wine or liquor may be sold for on-premises consumption as authorized by its vendor's license;
- The brewpub must keep records and pay excise taxes for the malt beverages it sells or gives to consumers.

[1] S. 561.01(6), F.S., provides that the "The Beverage Law" means chs. 561, 562, 563, 564, 565, 567, and 568, F.S.
[2] *See* s. 561.14, F.S.
[3] S. 561.02, F.S.
[4] S. 561.14(3), F.S. However, *see* the exceptions provided in ss. 561.221 and 565.03, F.S.
[5] S. 561.22, F.S.
[6] Ss. 563.022(14) and 561.14(1), F.S.
[7] S. 561.42, F.S.
[8] *See* s. 561.221(1), F.S.
[9] *See* s. 561.221(2), F.S.
[10] *See* s. 565.03, F.S.
[11] S. 561.221(3), F.S.
[12] "Owned" is undefined.

**Craft Brewery Exception**
The division is authorized to issue a vendor's license to a manufacturer of malt beverages for the sale of alcoholic beverages on property consisting of a single complex that includes a brewery (craft brewery), which may be divided by no more than one public street or highway.[13]

A craft brewery with multiple manufacturing licenses may transfer malt beverages that it produces between its breweries.[14] Such transfers are limited to an amount equal to 100 percent of the yearly production of the receiving brewery.

All malt beverages and other alcoholic beverages that are not manufactured by the craft brewery must be obtained through a distributor, an importer, sales agent, or broker.

The division may not issue more than eight vendor's licenses to a manufacturer of malt beverages.[15]

**Excise Tax Reporting and Payment**
Manufacturers, distributors, and vendors of malt beverages containing 0.5 percent or more of alcohol by volume are required to report and pay an excise tax on malt beverages.[16] Manufacturers and distributors are required to compute and submit the applicable excise taxes on alcoholic beverages with the required report[17] to the division, on or before the 10th of each month, for all beverages sold during the previous calendar month.[18]

The payable excise tax is:[19]
- 48 cents per gallon on all such beverages in bulk or in kegs or barrels; and
- 6 cents on each pint **or fraction thereof** in the container when such beverages are sold in containers of less than 1 gallon.

**Surety Bonds**
Each manufacturer and distributor must file a surety bond with the division as surety for the payment of all taxes. The sum of the surety bond is based on the size of the manufacturer, the type of alcohol distributed, and the discretion of the division. The maximum bond amount is $25,000, and the minimum bond amount is $1,000.[20]

**Brand and Label Registration Fee**
No manufacturer, brewer, bottler, distributor, or importer of malt beverages may sell or offer for sale in Florida, or move or cause to be moved within or into Florida, any malt beverages, without:[21]
- qualifying to do business in the state and registering its name and the brands or labels under which the malt beverages are to be sold or moved; and
- furnishing any samples and information as to content, quality, and formula of such malt beverages as the division may require.

Each registrant must pay an annual registration fee of $30 for a brand or label.[22]

**Plant and Branch License Tax**
Each manufacturer engaged in the business of brewing only malt beverages must pay an annual state license tax of $3,000 for each plant or branch it operates. However, each manufacturer engaged in the business of brewing less than 10,000 kegs of malt beverages annually for consumption on the

[13] S. 561.221(2), F.S.
[14] S. 563.022(14)(d), F.S.
[15] S. 561.221(2)(e), F.S.
[16] S. 563.05, F.S.
[17] S. 561.55, F.S.,
[18] S. 561.50, F.S.
[19] S. 563.05, F.S.
[20] S. 561.37, F.S.
[21] S. 563.045(1), F.S.
[22] S. 563.045(2), F.S.

premises pursuant to the brewpub exception pays a smaller annual state license tax of $500 for each plant or branch.[23]

**Contract and Alternating Proprietorship Brewing**

There are no regulations in the Beverage Law which directly address contract and alternating proprietorship brewing, but the federal regulatory agency, the Alcohol and Tobacco Tax and Trade Bureau (TTB), allows the practices under certain circumstances.

Generally, alternating proprietorship brewing occurs when the proprietor of an existing brewery, the "host brewery," agrees to rent space and equipment to a "guest brewer." These arrangements generally allow existing breweries to use excess capacity and give new entrants to the beer business an opportunity to begin on a small scale, without investing in premises and equipment.[24]

Generally, contract brewing occurs when someone pays a brewing company, the "contract brewer," to brew the beer per a certain beer recipe. The TTB considers this arrangement to be an ordinary commercial business relationship.[25]

## Effect of the Bill

The bill defines **"barrel,"** which means 31 gallons. The bill conforms the manufacturing limit in the brewpub exception to the new definition, to 5,000 barrels, from 10,000 kegs.

The bill allows **brewpubs** to sell their product for consumption on any licensed premises owned by the vendor, instead of being limited to the brewpub licensed premises or contiguous licensed premises. Ownership is not defined.

The bill converts the beverage measurement used to calculate **excise taxes** to 0.375 cents per ounce, from 6 cents per pint or fraction thereof. The measurement is equal, and will end the practice of rounding up where there is a fraction of a pint.

The bill removes the requirement that alcohol manufacturers must file a **surety bond** with the division. Distributors will still need to file a surety bond with the division.

The bill provides that only **registrants for a brand or label sold to a distributor,** not those kept in-house, must pay an annual registration fee of $30. The bill also specifies that no other annual registration fee for a brand or label is authorized under the provision.

The bill changes the calculation used to determine the annual state license tax that each craft brewer engaged in the business of brewing must pay from less than 10,000 kegs, to less than 5,000 barrels of malt beverages, which allows such brewers to pay a **smaller annual state license tax** of $500 for each plant or branch, like a brewpub.

The bill provides guidelines for contract and alternating proprietorship brewing. The definitions for that section are:

- **"Alternating proprietorship brewing"** means an agreement between a guest brewer and host brewer wherein the guest brewer manufactures malt beverages on the host brewer's licensed premises.
- **"Contract brewer"** means a licensed manufacturer of malt beverages who brews malt beverages on its licensed premises for a contracting brewer.
- **"Contract brewing"** means an agreement wherein a contracting brewer pays a contract brewer to produce malt beverages.

[23] S. 563.02(2), F.S.
[24] U.S. Department of the Treasury, Alcohol and Tobacco Tax and Trade Bureau, *Brewery Alternating Proprietorships*, https://www.ttb.gov/beer/brewery-alternating-proprietorships (last visited Jan. 24, 2022).
[25] Gina McCreadie, *Contract Brewing v. Alternating Brewery Proprietorship: Which One is Right for You?*, New York State Brewer's Association (Oct. 21, 2015), https://newyorkcraftbeer.com/2015/10/contract-brewing-vs-alternating-brewery-proprietorship-which-one-is-right-for-you/ (last visited Jan. 24, 2022).

- **"Contracting brewer"** means a licensed manufacturer of malt beverages who contracts for the services of a contract brewer.
- **"Guest brewer"** means a licensed manufacturer of malt beverages who brews malt beverages at a host brewer's licensed premises.
- **"Host brewer"** means a licensed manufacturer of malt beverages who allows a guest brewer to brew malt beverages on the manufacturer's licensed premises.

The bill provides that the contract brewer:

- May enter into multiple contract brewing agreements for the purpose of manufacturing malt beverages.
- Must comply with all applicable federal and state laws, including labeling laws.
- Must pay all federal and state taxes on malt beverages upon removal of the malt beverages from its licensed premises.
- Retains title to malt beverages produced under a contract brewing agreement until such beverages are removed from its licensed premises.
- Must ensure that the contracting brewer's malt beverages remain separate and identifiable from all other malt beverages at all times.
- May transfer malt beverages to the contracting brewer in an amount up to the yearly production amount of the contracting brewer's facility.
- Must report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on its licensed premises under the contract brewing agreement.

The bill provides that the contracting brewer:

- May only engage in the manufacture of malt beverages on its duly licensed premises and on the licensed premises of a contract brewer as disclosed to the division.
- Must report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on the licensed premises of the contract brewer under the contract brewing agreement.

The bill provides that the contract brewer and contracting brewer:

- Must, before engaging in contract brewing, notify the division, on forms provided by the division, of their intent to operate as a contract brewer or contracting brewer and disclose the location of the licensed premises where brewing will occur.
- Must maintain all records required to be kept by manufacturers of malt beverages under the Beverage Law.
- Notwithstanding any other provision of the Beverage Law, must comply with applicable requirements for holders of multiple manufacturing licenses and alcoholic beverages manufactured by another manufacturer.

The bill requires the host brewer to report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on its licensed premises under the alternating proprietorship brewing agreement.

The bill requires the guest brewer to:

- Comply with all applicable federal and state laws, including labeling laws.
- Pay all federal and state taxes on malt beverages manufactured pursuant to this section upon removal of the malt beverages from the host brewer's licensed premises.
- Retain title to malt beverages manufactured under an alternating proprietorship brewing agreement.
- Report to the division by the 10th day of each month the volume of each label of malt beverages manufactured at each licensed premises under each alternating proprietorship brewing agreement.

The bill requires that, before engaging in alternating proprietorship brewing, the host brewer and guest brewer:

- Must each qualify as a brewer with the TTB.

- Must submit to the division, on forms provided by the division, information identifying:
  - The host brewer.
  - The guest brewer.
  - The location where the alternating proprietorship brewing will take place.
  - The location where any product brewed pursuant to the alternating proprietorship brewing agreement will be stored.
  - The amount of malt beverages to be produced under the alternating proprietorship brewing agreement.
  - The timeframe in which the guest brewer will be manufacturing malt beverages on the host brewer's licensed premises.
  - Proof of occupancy rights to the host brewer's licensed premises for the duration of the alternating proprietorship brewing agreement.
  - Any other information reasonably deemed necessary by the division to ensure the health, safety, and welfare of the public or to ensure that all applicable taxes on the malt beverages produced pursuant to an alternating proprietorship brewing agreement are remitted to the state.

The bill requires each entity engaged in contract brewing or alternating proprietorship brewing to maintain records, including:

- Any agreement authorizing the manufacturing and transfer of malt beverages.
- Records of the total volume, in gallons, manufactured as part of the agreement.
- Any other records required by the division to ensure compliance with the provisions of the Beverage Law.

The bill prohibits vendors licensed as a manufacturer pursuant to the brewpub exception from engaging in contract brewing or alternating proprietorship brewing.

The bill provides an effective date of July 1, 2022.

B. SECTION DIRECTORY:

**Section 1** Amends s. 561.01, F.S., adding a definition.
**Section 2** Amends s. 561.221, F.S., conforming measurements and revising requirements for licensed premises.
**Section 3** Amends s. 561.37, F.S., revising surety bond requirements.
**Section 4** Amends s. 563.042, F.S., authorizing contract and alternating proprietorship brewing.
**Section 5** Amends s. 563.045, F.S., revising requirements for brand and label fees.
**Section 6** Amends s. 563.05, F.S, revising excise taxes for malt beverages.
**Section 7** Amends s. 563.02, F.S., revising fees for malt beverage licenses.
**Section 8** Provides an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

The Revenue Estimating Conference (REC) estimates that the bill will cause a reduction to licensing fees to the division by $800,000 in FY 22-23, and $900,000 for each subsequent fiscal year through FY 26-27.[26]

[26] Office of Economic & Demographic Research, Revenue Estimating Conference, *01/28/2022 Revenue Impact Results*, p. 253, Impact0128.pdf (state.fl.us) (last visited Jan. 29, 2022).

The REC estimates that the bill will cause a reduction to excise taxes collected by the division by between $48.4 million and $58 million in FY 22-23, $58.5 million in FY 23-24, and $59.9 million for each subsequent fiscal year through FY 26-27.[27]

2. Expenditures:

The bill may cause an indeterminate increase in workload to the division for implementing new procedures and overseeing contract and alternating proprietor arrangements.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill may have a positive impact on craft brewers and brewpubs, who may pay less in fees and taxes to the division.

The bill will allow alternating proprietorship brewing and contract brewing, which may allow smaller brewers to expand their businesses without a manufacturing facility of their own.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. This bill does not appear to affect county or municipal governments.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

The bill provides the division with rulemaking authority to adopt rules related to excise taxes on malt beverages.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

[27] *Id.*

A bill to be entitled

An act relating to malt beverages; amending s. 561.01, F.S.; defining the term "barrel"; amending s. 561.221, F.S.; revising the unit of measurement used for certain licensing purposes; authorizing certain vendors to sell specified malt beverages on any licensed premises; amending s. 561.37, F.S.; removing the requirement that certain manufacturers pay a surety bond for taxes; creating s. 563.042, F.S.; providing definitions; authorizing certain manufacturers to enter into contract brewing and alternating proprietorship brewing agreements; providing responsibilities and requirements of parties under such agreements; prohibiting specified parties from participating in such agreements; authorizing the Division of Alcoholic Beverages and Tobacco to adopt rules; amending s. 563.045, F.S.; providing that the annual registration fee is required only if labels or brands are sold to a distributor; specifying that no other registration fee is authorized; amending s. 563.05, F.S.; revising the unit of measurement used for calculating excise taxes; amending s. 563.02, F.S.; revising the unit of measurement used for certain fee purposes; expanding the types of manufacturers that qualify to pay a lower license tax;



CODING: Words ~~stricken~~ are deletions; words underlined are additions.

providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (22) is added to section 561.01, Florida Statutes, to read:

561.01 Definitions.—As used in the Beverage Law:

(22) "Barrel" means a quantity of 31 gallons.

Section 2. Paragraph (a) of subsection (3) of section 561.221, Florida Statutes, is amended to read:

561.221 Licensing of manufacturers and distributors as vendors and of vendors as manufacturers; conditions and limitations.—

(3)(a) Notwithstanding other provisions of the Beverage Law, any vendor licensed in this state may be licensed as a manufacturer of malt beverages upon a finding by the division that:

1. The vendor will be engaged in brewing malt beverages at a single location and in an amount which will not exceed 5,000 barrels of beer ~~10,000 kegs~~ per year. ~~For purposes of this subsection, the term "keg" means 15.5 gallons.~~

2. The malt beverages so brewed will be sold to consumers for consumption on ~~the~~ any ~~vendor's~~ licensed premises ~~or on contiguous licensed premises~~ owned by the vendor.

Section 3. Section 561.37, Florida Statutes, is amended to

read:

561.37 Bond for payment of taxes.—Each ~~manufacturer and each~~ distributor shall file with the division a surety bond acceptable to the division in the sum of $25,000 as surety for the payment of all taxes, provided, however, that when in the discretion of the division the amount of business done by the ~~manufacturer or~~ distributor is of such volume that a bond of less than $25,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than $25,000, but in no event shall it accept a bond of less than $10,000, and it may at any time in its discretion require any bond in an amount less than $25,000 to be increased so as not to exceed $25,000; ~~provided, however, that the amount of bond required for a brewer shall be $20,000, except that where, in the discretion of the division, the amount of business done by the brewer is of such volume that a bond of less than $20,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than $20,000, but in no event shall it accept a bond of less than $10,000, and it may at any time in its discretion require any bond in an amount less than $20,000 to be increased so as not to exceed $20,000; provided further that the amount of the bond required for a wine or wine and cordial manufacturer shall be $5,000, except that, in the case of a manufacturer engaged solely in the experimental~~

~~manufacture of wines and cordials from Florida products, where in the discretion of the division the amount of business done by such manufacturer is of such volume that a bond of less than $5,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law, the division may accept a bond in a lesser sum than $5,000, but in no event shall it accept a bond of less than $1,000 and it may at any time in its discretion require a bond in an amount less than $5,000 to be increased so as not to exceed $5,000;~~ provided~~, further,~~ that the amount of bond required for a distributor who sells only beverages containing not more than 4.007 percent of alcohol by volume, in counties where the sale of intoxicating liquors, wines, and beers is prohibited, and to distributors who sell only beverages containing not more than 17.259 percent of alcohol by volume and wines regardless of alcoholic content, in counties where the sale of intoxicating liquors, wines, and beers is permitted, shall file with the division a surety bond acceptable to the division in the sum of $25,000, as surety for the payment of all taxes; provided, however, that where in the discretion of the division the amount of business done by such distributor is of such volume that a bond of less than $25,000 will be adequate to secure the payment of all taxes assessed or authorized by the Beverage Law the division may accept a bond in a less sum than $25,000 but in no event shall it accept a bond less than $1,000 and it may at any time in its discretion

require any bond in an amount less than $25,000 to be increased so as not to exceed $25,000; provided, further, that the amount of bond required for a distributor in a county having a population of 15,000 or less who procures a license by which his or her sales are restricted to distributors and vendors who have obtained licenses in the same county, shall be $5,000.

Section 4. Section 563.042, Florida Statutes, is created to read:

563.042 Contract and Alternating Proprietorship Brewing.—

(1) As used in this section the term:

(a) "Alternating proprietorship brewing" means an agreement between a guest brewer and host brewer wherein the guest brewer manufactures malt beverages on the host brewer's licensed premises.

(b) "Contract brewer" means a licensed manufacturer of malt beverages who brews malt beverages on its licensed premises for a contracting brewer.

(c) "Contract brewing" means an agreement wherein a contracting brewer pays a contract brewer to produce malt beverages.

(d) "Contracting brewer" means a licensed manufacturer of malt beverages who contracts for the services of a contract brewer.

(e) "Guest brewer" means a licensed manufacturer of malt beverages who brews malt beverages at a host brewer's licensed

premises.

(f) "Host brewer" means a licensed manufacturer of malt beverages who allows a guest brewer to brew malt beverages on the manufacturer's licensed premises.

(2) The contract brewer:

(a) May enter into multiple contract brewing agreements for the purpose of manufacturing malt beverages.

(b) Shall comply with all applicable federal and state laws, including labeling laws.

(c) Shall pay all federal and state taxes on malt beverages manufactured pursuant to this section upon removal of the malt beverages from its licensed premises.

(d) Retains title to malt beverages produced under a contract brewing agreement until such beverages are removed from its licensed premises.

(e) Shall ensure that the contracting brewer's malt beverages remain separate and identifiable from all other malt beverages at all times.

(f) Notwithstanding any other provision of the Beverage Law, may transfer malt beverages to the contracting brewer in an amount up to the yearly production amount of the contracting brewer's facility.

(g) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on its licensed premises under the contract brewing agreement.

(3) The contracting brewer:

(a) May only engage in the manufacture of malt beverages on its duly licensed premises and on the licensed premises of a contract brewer disclosed under paragraph (4)(a).

(b) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on the licensed premises of the contract brewer under the contract brewing agreement.

(4) The contract brewer and contracting brewer:

(a) Must, before engaging in contract brewing, notify the division, on forms provided by the division, of their intent to operate as a contract brewer or contracting brewer and disclose the location of the licensed premises where brewing will occur.

(b) Shall maintain all records required to be kept by manufacturers of malt beverages under the Beverage Law.

(c) Notwithstanding any other provision of the Beverage Law, shall comply with s. 561.221(2)(c).

(5) The host brewer shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on its licensed premises under the alternating proprietorship brewing agreement.

(6) The guest brewer:

(a) Shall comply with all applicable federal and state laws, including labeling laws.

(b) Shall pay all federal and state taxes on malt

beverages manufactured pursuant to this section upon removal of the malt beverages from the host brewer's licensed premises.

(c) Retains title to malt beverages manufactured under an alternating proprietorship brewing agreement.

(d) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured at each licensed premises under each alternating proprietorship brewing agreement.

(7) Before engaging in alternating proprietorship brewing, the host brewer and guest brewer:

(a) Must each qualify as a brewer with the Alcohol and Tobacco Tax and Trade Bureau under the U.S. Department of the Treasury.

(b) Shall submit to the division, on forms provided by the division, information identifying:

1. The host brewer.

2. The guest brewer.

3. The location where the alternating proprietorship brewing will take place.

4. The location where any product brewed pursuant to the alternating proprietorship brewing agreement will be stored.

5. The amount of malt beverages to be produced under the alternating proprietorship brewing agreement.

6. The timeframe in which the guest brewer will be manufacturing malt beverages on the host brewer's licensed

premises.

7. Proof of occupancy rights to the host brewer's licensed premises for the duration of the alternating proprietorship brewing agreement.

8. Any other information reasonably deemed necessary by the division to ensure the health, safety, and welfare of the public or to ensure that all applicable taxes on the malt beverages produced pursuant to an alternating proprietorship brewing agreement are remitted to the state.

(8) Each entity engaged in the activities described in this section shall maintain records including:

(a) Any agreement authorizing the manufacturing and transfer of malt beverages.

(b) Records of the total volume, in gallons, manufactured as part of the agreement.

(c) Any other records required by the Division to ensure compliance with the provisions of the Beverage Law.

(9) Manufacturers or vendors licensed pursuant to the s. 561.221(3)(a) may not engage in contract brewing or alternating proprietorship brewing.

Section 5. Subsection (2) of section 563.045, Florida Statutes, is amended to read:

563.045 Brands or labels to be registered; qualification to do business; fee; revocation.—

(2) The ~~each registrant shall pay an~~ annual registration

fee for a brand or label sold to a distributor is ~~of~~ $30 ~~for a brand or label~~. No other annual registration fee for a brand or label is authorized under this section. Any registration may be suspended or revoked in the same manner as a beverage license for any violation of the Beverage Law.

Section 6. Section 563.05, Florida Statutes, is amended to read:

563.05 Excise taxes on malt beverages.—As to malt beverages containing 0.5 percent or more of alcohol by volume, there shall be paid by all manufacturers, distributors, and vendors, as herein defined, a tax of 48 cents per gallon upon all such beverages in bulk or in kegs or barrels; and, when such beverages are sold in containers of less than 1 gallon, the tax will be 0.375 cents per ounce ~~6 cents on each pint or fraction thereof~~ in the container. However, the excise taxes required to be paid by this section upon malt beverages are not required to be paid upon such beverages when they are sold to post exchanges, ship service stores, and base exchanges located in military, naval, or air force reservations within this state.

(10) The division may adopt rules to implement this section.

Section 7. Subsection (2) of section 563.02, Florida Statutes, is amended to read:

563.02 License fees; vendors; manufacturers and distributors.—

(2) Each manufacturer engaged in the business of brewing only malt beverages shall pay an annual state license tax of $3,000 for each plant or branch he or she may operate. However, each manufacturer engaged in the business of brewing less than 5,000 barrels ~~10,000 kegs~~ of malt beverages annually for sale pursuant to s. 561.221(2) or consumption on the premises pursuant to s. 561.221(3) shall pay an annual state license tax of $500 for each plant or branch.

Section 8. This act shall take effect July 1, 2022.

**REGULATORY REFORM SUBCOMMITTEE**

**HB 1451 by Rep. DiCeglie**
**Malt Beverages**

**AMENDMENT SUMMARY**
**February 3, 2022**

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**Amendment 1 by Rep. DiCeglie (strike-all):**

The strike-all removes the provisions which:

- Allowed brewpubs to serve their malt beverages on any of their licensed premises,
- Reduced excise taxes in certain circumstances, and
- Reduced license fees for certain craft breweries.

COMMITTEE/SUBCOMMITTEE ACTION

| | |
|---|---|
| ADOPTED | ___ (Y/N) |
| ADOPTED AS AMENDED | ___ (Y/N) |
| ADOPTED W/O OBJECTION | ___ (Y/N) |
| FAILED TO ADOPT | ___ (Y/N) |
| WITHDRAWN | ___ (Y/N) |
| OTHER | _____ |

Committee/Subcommittee hearing bill: Regulatory Reform Subcommittee

Representative DiCeglie offered the following:

**Amendment (with title amendment)**

Remove everything after the enacting clause and insert:

Section 1. Subsection (22) is added to section 561.01, Florida Statutes, to read:

561.01 Definitions.—As used in the Beverage Law:

(22) "Barrel" means a quantity of 31 gallons.

Section 2. Paragraph (a) of subsection (3) of section 561.221, Florida Statutes, is amended to read:

561.221 Licensing of manufacturers and distributors as vendors and of vendors as manufacturers; conditions and limitations.—

(3)(a) Notwithstanding other provisions of the Beverage Law, any vendor licensed in this state may be licensed as a manufacturer of malt beverages upon a finding by the division that:

1. The vendor will be engaged in brewing malt beverages at a single location and in an amount which will not exceed 5,000 barrels of beer ~~10,000 kegs~~ per year. ~~For purposes of this subsection, the term "keg" means 15.5 gallons.~~

2. The malt beverages so brewed will be sold to consumers for consumption on the vendor's licensed premises or on contiguous licensed premises owned by the vendor.

Section 3. Section 563.042, Florida Statutes, is created to read:

563.042 Contract and Alternating Proprietorship Brewing.—

(1) As used in this section the term:

(a) "Alternating proprietorship brewing" means an agreement between a guest brewer and host brewer wherein the guest brewer manufactures malt beverages on the host brewer's licensed premises.

(b) "Contract brewer" means a licensed manufacturer of malt beverages who brews malt beverages on its licensed premises for a contracting brewer.

(c) "Contract brewing" means an agreement wherein a contracting brewer pays a contract brewer to produce malt beverages.

(d) "Contracting brewer" means a licensed manufacturer of malt beverages who contracts for the services of a contract brewer.

(e) "Guest brewer" means a licensed manufacturer of malt beverages who brews malt beverages at a host brewer's licensed premises.

(f) "Host brewer" means a licensed manufacturer of malt beverages who allows a guest brewer to brew malt beverages on the manufacturer's licensed premises.

(2) The contract brewer:

(a) May enter into multiple contract brewing agreements for the purpose of manufacturing malt beverages.

(b) Shall comply with all applicable federal and state laws, including labeling laws.

(c) Shall pay all federal and state taxes on malt beverages manufactured pursuant to this section upon removal of the malt beverages from its licensed premises.

(d) Retains title to malt beverages produced under a contract brewing agreement until such beverages are removed from its licensed premises.

(e) Shall ensure that the contracting brewer's malt beverages remain separate and identifiable from all other malt beverages at all times.

(f) Notwithstanding any other provision of the Beverage Law, may transfer malt beverages to the contracting brewer in an

amount up to the yearly production amount of the contracting brewer's facility.

(g) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on its licensed premises under the contract brewing agreement.

(3) The contracting brewer:

(a) May only engage in the manufacture of malt beverages on its duly licensed premises and on the licensed premises of a contract brewer disclosed under paragraph (4)(a).

(b) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured on the licensed premises of the contract brewer under the contract brewing agreement.

(4) The contract brewer and contracting brewer:

(a) Must, before engaging in contract brewing, notify the division, on forms provided by the division, of their intent to operate as a contract brewer or contracting brewer and disclose the location of the licensed premises where brewing will occur.

(b) Shall maintain all records required to be kept by manufacturers of malt beverages under the Beverage Law.

(c) Notwithstanding any other provision of the Beverage Law, shall comply with s. 561.221(2)(c).

(5) The host brewer shall report to the division by the 10th day of each month the volume of each label of malt

beverages manufactured on its licensed premises under the alternating proprietorship brewing agreement.

(6) The guest brewer:

(a) Shall comply with all applicable federal and state laws, including labeling laws.

(b) Shall pay all federal and state taxes on malt beverages manufactured pursuant to this section upon removal of the malt beverages from the host brewer's licensed premises.

(c) Retains title to malt beverages manufactured under an alternating proprietorship brewing agreement.

(d) Shall report to the division by the 10th day of each month the volume of each label of malt beverages manufactured at each licensed premises under each alternating proprietorship brewing agreement.

(7) Before engaging in alternating proprietorship brewing, the host brewer and guest brewer:

(a) Must each qualify as a brewer with the Alcohol and Tobacco Tax and Trade Bureau under the U.S. Department of the Treasury.

(b) Shall submit to the division, on forms provided by the division, information identifying:

1. The host brewer.

2. The guest brewer.

3. The location where the alternating proprietorship brewing will take place.

4. The location where any product brewed pursuant to the alternating proprietorship brewing agreement will be stored.

5. The amount of malt beverages to be produced under the alternating proprietorship brewing agreement.

6. The timeframe in which the guest brewer will be manufacturing malt beverages on the host brewer's licensed premises.

7. Proof of occupancy rights to the host brewer's licensed premises for the duration of the alternating proprietorship brewing agreement.

8. Any other information reasonably deemed necessary by the division to ensure the health, safety, and welfare of the public or to ensure that all applicable taxes on the malt beverages produced pursuant to an alternating proprietorship brewing agreement are remitted to the state.

(8) Each entity engaged in the activities described in this section shall maintain records including:

(a) Any agreement authorizing the manufacturing and transfer of malt beverages.

(b) Records of the total volume, in gallons, manufactured as part of the agreement.

(c) Any other records required by the Division to ensure compliance with the provisions of the Beverage Law.

(9) Manufacturers or vendors licensed pursuant to the s. 561.221(3)(a) may not engage in contract brewing or alternating proprietorship brewing.

Section 4. Subsection (2) of section 563.045, Florida Statutes, is amended to read:

563.045 Brands or labels to be registered; qualification to do business; fee; revocation.—

(2) The ~~each registrant shall pay an~~ annual registration fee for a brand or label sold to a distributor is ~~of~~ $30 ~~for a brand or label~~. No other annual registration fee for a brand or label is authorized under this section. Any registration may be suspended or revoked in the same manner as a beverage license for any violation of the Beverage Law.

Section 5. Subsection (2) of section 563.02, Florida Statutes, is amended to read:

563.02 License fees; vendors; manufacturers and distributors.—

(2) Each manufacturer engaged in the business of brewing only malt beverages shall pay an annual state license tax of $3,000 for each plant or branch he or she may operate. However, each manufacturer engaged in the business of brewing less than 5,000 barrels ~~10,000 kegs~~ of malt beverages annually for consumption on the premises pursuant to s. 561.221(3) shall pay an annual state license tax of $500 for each plant or branch.

Section 8. This act shall take effect July 1, 2022.

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**T I T L E A M E N D M E N T**

Remove everything before the enacting clause and insert:
An act relating to malt beverages; amending s. 561.01, F.S.; defining the term "barrel"; amending s. 561.221, F.S.; revising the unit of measurement used for certain licensing purposes; creating s. 563.042, F.S.; providing definitions; authorizing certain manufacturers to enter into contract brewing and alternating proprietorship brewing agreements; providing responsibilities and requirements of parties under such agreements; prohibiting specified parties from participating in such agreements; authorizing the Division of Alcoholic Beverages and Tobacco to adopt rules; amending s. 563.045, F.S.; providing that the annual registration fee is required only if labels or brands are sold to a distributor; specifying that no other registration fee is authorized; amending s. 563.02, F.S.; revising the unit of measurement used for certain fee purposes; providing an effective date.

# HOUSE OF REPRESENTATIVES LOCAL BILL STAFF ANALYSIS

**BILL #:** HB 1497 City of Jacksonville, Duval County
**SPONSOR(S):** Duggan
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| 1) Local Administration & Veterans Affairs Subcommittee | 16 Y, 0 N | Mwakyanjala | Miller |
| 2) Regulatory Reform Subcommittee | | Thompson | Anstead |
| 3) State Affairs Committee | | | |

## SUMMARY ANALYSIS

Florida's Beverage Law limits the number of "quota licenses" that the Department of Business and Professional Regulation (DBPR) may issue per county. A quota license allows a business to serve any alcoholic beverage regardless of alcoholic content, including liquor. DBPR is not limited by the Beverage Law on the number of licenses it may issue for businesses that serve only malt beverages and wine.

The bill creates and adds the Kings Avenue Commercial Corridor into the special zones created by special laws located in downtown Jacksonville. The bill creates an exception to the quota limitation and requires DBPR to issue a special food service license to a bona fide restaurant within Northside West, Northside East, and Kings Avenue Commercial Corridor in Jacksonville that meets the following requirements: occupies at least 1,000 square feet of contiguous space, is equipped to serve meals to at least 50 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages. Such licenses shall be subject to local zoning requirements and to any provision of the alcoholic beverage laws of the state and rules of the division not inconsistent within the bill.

**According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.**

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Present Situation**

Beverage Law

The Division of Alcoholic Beverages and Tobacco (Division) within the Department of Business and Professional Regulation (DBPR) is responsible for regulating the conduct, management, and operation of the manufacturing, packaging, distribution, and sale of alcoholic beverages within the state.[1] Chapters 561-565 and 567-568, F.S., comprise Florida's Beverage Law.

Under the Beverage Law, DBPR is not limited on the number of licenses it issues to businesses selling malt beverages or wine. However, statute limits the number of licenses that may be issued under s. 565.02(1)(a)-(f), F.S., to one license per 7,500 residents per county with a minimum of three licenses per county that has approved the sale of intoxicating liquors.[2] This license, often referred to as a "quota license," allows a business to sell any alcoholic beverage regardless of alcoholic content, including liquor or distilled spirits.[3]

There are several exceptions to the quota license limitation,[4] and businesses that meet the requirements set out in one of the exceptions may be issued a special license by DBPR allowing the business to serve any alcoholic beverages regardless of alcohol content. A food service establishment may qualify for an exemption if the building has at least 2,500 square feet of service area, is equipped to serve meals to 150 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages during the first 120-day operating period and the first 12-month operating period thereafter.[5]

Alcoholic beverages sold for consumption on premises must be consumed inside the licensed premises.[6] DBPR may approve a temporary expansion of the licensed premises to include a sidewalk or other outdoor area for special events.[7] The business must pay an application fee of $100, stipulate the timeframe for the special event, submit a sketch outlining the expanded premises, and submit written approval from the county or municipality.

**Effect of the Bill**

The bill amends ch. 87-471, Laws of Florida,[8] and creates and adds the Kings Avenue Commercial Corridor into the special zones located in downtown Jacksonville. The bill permits DBPR to issue a special food service license to a bona fide restaurant within Northside West, Northside East, and Kings Avenue Commercial Corridor in Jacksonville that occupies at least 1,000 square feet of contiguous space, is equipped to serve meals to at least 50 persons at one time, and derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages. The bill includes a complete legal description of the Kings Avenue Commercial Corridor and the area in which the exemption to the quota license will apply. Licenses issued by DBPR shall be subject to local zoning requirements and to any provision of the alcoholic beverage laws of the state and rules of the division not inconsistent within the bill.

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[1] S. 561.02, F.S.
[2] S. 561.20(1), F.S.
[3] S. 565.02, F.S.
[4] S. 561.20(2), F.S.
[5] S. 561.20(2)(a)4., F.S. *See* Rule 61A-3.0141, F.A.C.
[6] *See* s. 561.01(11), F.S. (defining "licensed premises" and requiring written approval from the county or municipality to include a sidewalk or any other outside area as part of the licensed premise).
[7] S. 561.01(11), F.S.
[8] As amended by chs. 2011-255, 2016-248, and 2017-213, Laws of Fla.

According to the Economic Impact Statement, the bill is revenue positive due to the increase in sales tax revenue and licensing revenue if such special licenses are granted under the exception.

B. SECTION DIRECTORY:

Section 1: Amends ch. 87-471, Laws of Fla., as amended, creating and adding the Kings Avenue Commercial Corridor to the special zones located in downtown Jacksonville; provides a property description. Creates an exception to general law, providing space, seating and minimum gross revenues requirements for special alcoholic beverage licenses for restaurants within Northside West, Northside East, and Kings Avenue Commercial Corridor in Jacksonville.

Section 2: Provides an effective date of upon becoming law.

## II. NOTICE/REFERENDUM AND OTHER REQUIREMENTS

A. NOTICE PUBLISHED? Yes [X] No []

IF YES, WHEN? November 10, 2021.

WHERE? The *Jacksonville Daily Record*, a weekly newspaper published in Duval County, Florida.

B. REFERENDUM(S) REQUIRED? Yes [] No [X]

IF YES, WHEN?

C. LOCAL BILL CERTIFICATION FILED? Yes [X] No []

D. ECONOMIC IMPACT STATEMENT FILED? Yes [X] No []

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

None.

B. RULE-MAKING AUTHORITY:

The bill does not provide rulemaking authority or require executive branch rulemaking.

C. DRAFTING ISSUES OR OTHER COMMENTS:

According to House Rule 5.5(b), a local bill providing an exemption from general law may not be placed on the Special Order Calendar for expedited consideration. Since this bill creates an exemption to general law, the provisions of House Rule 5.5(b) apply.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

None.

A bill to be entitled

An act relating to the City of Jacksonville, Duval County; amending ch. 87-471, Laws of Florida, as amended; creating a special zone in downtown Jacksonville; providing boundaries; providing an exception to general law; providing space, seating, and minimum gross revenue requirements for special alcoholic beverage licenses for public food service establishments in described areas; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Chapter 87-471, Laws of Florida, as amended by chapters 2011-255, 2016-248, and 2017-213, Laws of Florida, is amended to read:

Section 1. There are created special zones in downtown Jacksonville covering the following described areas~~,~~ known as Northside West, Northside East, Southbank, Riverside Avondale Urban Transition Area, ~~and~~ Riverside Avondale Commercial Character Areas, Murray Hill Commercial Area, Springfield Commercial Area, ~~and~~ San Marco Transportation Corridor, and Kings Avenue Commercial Corridor for the purposes of this act. The areas are described as:



CODING: Words ~~stricken~~ are deletions; words underlined are additions.

(1) The Northside West area is that part of the City of Jacksonville, Duval County, Florida described as:

Begin at the point of intersection of the West right-of-way line of Main Street, State Road No. 5, with the South right-of-way line of West Bay Street; thence, Westerly along said South right-of-way line of West Bay Street to a line being a Southerly prolongation of the West right-of-way line of Julia Street; thence Northerly along said line and said West right-of-way line of Julia Street to the South right-of-way line of Forsyth Street; thence Westerly along said South right-of-way line of Forsyth Street to the West right-of-way line of Pearl Street; thence Northerly along said West right-of-way line of Pearl Street to the North right-of-way line of State Street; thence Westerly and Northwesterly along said North right-of-way line of State Street to the Northwesterly right-of-way of Interstate 95 and State Road No. 9; thence Southwesterly along said Northwesterly and Westerly right-of-way line to an intersection with a line being a Westerly prolongation of the Northeasterly right-of-way line of that portion of Interstate 95 leading to and from the Fuller Warren Bridge over the St. Johns River; thence Southeasterly along said line and

Northeasterly right-of-way line to the center line of the St. Johns River; thence Northeasterly and Easterly along said center line to the West right-of-way line of the John T. Alsop (Main Street) Bridge; thence Northerly along said West right-of-way line of the John T. Alsop (Main Street) Bridge to the Point of Beginning.

(2) The Northside East area is that part of the City of Jacksonville, Duval County, Florida described as:

Begin on the west, Pearl Street extending from State on the north to Forsyth Street on the south and Julia Street from Forsyth on the north to Bay Street on the south, and Main Street beginning at Bay Street on the north and extending south to the St. Johns River. The northern boundary is State Street, beginning at Pearl Street, and extends eastward to Liberty Street at which point the boundary extends eastward along the Jacksonville Expressway to a point where the Jacksonville Expressway intersects with the Haines Street Expressway. Then north along the Haines Street Expressway to Marshall Street, and then eastward along Marshall Street to Talleyrand Avenue. North along Talleyrand Avenue to Fairway Street, and then eastward

along Fairway Street to the St. Johns River. The eastern and southern boundaries are the St. Johns River, beginning at Fairway Street and extending southward to a point beyond the Hart Bridge, then westward to Main Street at a point running north to Bay Street and then west along Bay Street to Julia Street, then north along Julia Street to Forsyth Street, then extending west to Pearl Street.

(3) The Southbank area is that part of the City of Jacksonville, Duval County, Florida described as:

Begin at the point of intersection of the North right-of-way line of Gulf Life Drive with the West right-of-way line of South Main Street, State Road No. 5; thence westerly along said North right-of-way line of Gulf Life Drive to the Northeasterly right-of-way line of that portion of the Jacksonville Expressway leading to and from the Acosta Bridge over the St. Johns River; thence Southeasterly along said Northeasterly right-of-way line to an intersection with a Northeasterly prolongation of a line lying 60 feet Southeasterly from, when measured at right angles to, the Southeasterly face of the Prudential Building; thence Southwesterly along said line and a

Southwesterly prolongation thereof to an intersection with the South right-of-way line of Prudential Drive; then Easterly along said South right-of-way line of Prudential Drive to an intersection with a Northeasterly prolongation of the Westerly edge of the Easternmost Baptist Medical Center driveway; thence Southwesterly along said line and Westerly edge of driveway and Southwesterly prolongation thereof to an intersection with the Northerly right-of-way line of Interstate 95, State Road No. 9; thence Easterly along said Northerly right-of-way line to a point of intersection with the Southwesterly edge of the Southbound roadway of South Main Street; thence Northeasterly along a line drawn straight from the last described point to the Northwesterly corner of Lot 18, Block 1, Bostwick's Subdivision of Block 46 in South Jacksonville, as shown on plat recorded in Plat Book 3, Page 68 of the Current Public Records of said County, said Northwest corner being located in the Northeasterly right-of-way line of the Northbound approach to said South Main Street from said Interstate 95; thence Southeasterly and Easterly along said Northeasterly right-of-way line and Northerly right-of-way line of Interstate 95 to an intersection with the Southeasterly right-of-way line of Vine

Street; thence Northeasterly along said Southeasterly right-of-way line of Vine Street to the Northeasterly line of that certain alley running Southeasterly through Block 17, Reeds Fourth Subdivision of South Jacksonville, as shown on plat recorded in Plat Book 1, Page 46 of the former public records of said County; thence Southeasterly along said Northeasterly alley line to an intersection with the Northwesterly right-of-way line of Alamo Street; thence Northeasterly along said Northwesterly right-of-way line of Alamo Street and a Northeasterly prolongation thereof to an intersection with the mean high water line of the St. Johns River; thence Northwesterly along said mean high water line to an intersection with a line being a Northerly prolongation of the West face of the Gulf Life Insurance Company's parking garage; thence Southerly along said line, said West garage face, and a Southerly prolongation thereof to an intersection with the North right-of-way line of Gulf Life Drive; thence Westerly along said North right-of-way line to the Northerly prolongation of the Easterly right-of-way line of Flagler Avenue; thence Northerly along said prolongation of the Easterly right-of-way line of Flagler Avenue to an intersection with a line being the Easterly prolongation of the

South face of the multistory Hilton Hotel building; thence Westerly along said line, the said South face of the Hilton Hotel to the Westerly right-of-way line of South Main Street; thence Southerly along said Westerly right-of-way line of South Main Street to the Point of Beginning.

(4) The Riverside Avondale Urban Transition Area is that part of the Riverside Avondale Historic District of the City of Jacksonville, Duval County, Florida described as:

The area bound by Margaret Street to the west, Dellwood Avenue and Interstate 95 to the north and northeast, and the St. Johns River to the east and south.

(5) The Riverside Avondale Commercial Character Areas are those parts of the Riverside/Avondale Historic District of the City of Jacksonville, Duval County, Florida described as:

Riverside Avondale Commercial Character Area #1: Lot 22, Arden, according to the plat thereof as recorded in Plat Book 5 Page 89 of the Current Public Records

of Duval County, Florida. Block 22, Lots 3, 4, 5, and 6 Block 16, Fishweir Park, according to the plat there of as recorded in Plat Book 3 Page 84 of the Current Public Records of Duval County, Florida. A part of the George Atkinson Grant, Section 58, Township 2 South, Range 26 East Duval County, Florida as recorded in Official Records: Book 10027 Page 872, Book 8723 Page 91, Book 14566 Page 1943, Book 8234 Page 171, Book 17088 Page 1988, Book 3153 Page 846, and Book 8558 Page 222

Riverside Avondale Commercial Character Area #2: Lots 10, 11, and 12 Block 104, Lots 7, 8, and 9 Block 121, Riverside Heights, according to the plat thereof as recorded in Plat Book 2 Page 61 of the Current Public Records of Duval County, Florida. Lots 1, 2, 3, and 4 of BJ Skinner's Subdivision of Block 3 of Diterich's Subdivision of part of the Hutchinson Grant according to the plat thereof as recorded in Plat Book 8 Page 14 of the Current Public Records of Duval County, Florida. Lots 7, 8 ,9, 10, 11, and 12 Block 2, Lots 6, 7, 8, 9, and 10 Block 1, St Johns Heights, according to the plat thereof as recorded in Plat Book 3 Page 22 of the Current Public Records of Duval County, Florida. Lots 1, 2, 3, 10, 11, and 12 Block 1

Diterich's Subdivision of Lot 4 of the Hutchinson Grant, Northwestern 65 feet of Lots 1 and 2, all of Lot 3 Diterich's Replat of Lot 1 Block 8, Edgewood, according to the plat thereof as recorded in Plat Book 2 Page 86 of the Current Public records of Duval County, Florida. Lots 130, 131, and 132, Avondale, according to the plat thereof as recorded in Plat Book 7 Page 31 of the Current Public Records of Duval County, Florida.

Riverside Avondale Commercial Character Area #3: Lot 1 (Except any portion taken by the City of Jacksonville for right of way purposes) Block A, North Riverside Heights, according to the plat thereof as recorded in Plat Book 2 Page 99 of the Current Public Records of Duval County, Florida. Lots 4 and 5 Block 13, Lots 1, 2, 3, 4, 5, the North 1/2 of a closed alley lying Southeasterly of said lots, and Lot 6 Block 14, Lots 1 and 2 Block 15, Lots 1, 36, 37, and 38 Block 16, St Johns Heights, according to the plat thereof as recorded in Plat Book 3 Page 22 of the Current Public Records of Duval County, Florida. Lots 7, 8, and 9 Block 49, Riverside Heights, according to the plat thereof as recorded in Plat Book 2 Page 61 of the Current Public Records of Duval County, Florida. A

portion of Eloise St closed and vacated by Ordinance No. BB-153 of the City of Jacksonville, Florida.

Riverside Avondale Commercial Character Area #4: Lots 2, 3, 6, and part of Lot 7 recorded in Official Record Book 9501 Page 290 Block 16. Lots 1, 4, 5, and part of Lot 8 recorded in Official Record Book 9501 Page 292 Block 17, Ingleside Park, according to the plat thereof as recorded in Plat Book 2 Page 77 of the current Public Records of Duval County, Florida. Lots 9, 10, 11, 12, 13, 14, and 15 Block 3. Lots 6, 7 (except part in right of way), 8, 9, 10, 11, 12, 13, 14, and 15 Block 6. Lots 1, 2, and 3 Block 7, Willow Brook Terrace, according to the plat thereof as recorded in Plat Book 8 Page 36 of the Current Public records of Duval County, Florida.

Riverside Avondale Commercial Character Area #5: Lot 7, Lots 8, 9, 10, and 11 (except parts in right of way) Block 18, Central Addition to Riverside, according to the plat thereof as recorded in Plat Book 6 Page 6 of the Current Public Records of Duval County, Florida. Part of Lot 7 recorded in Official Record Book 14809 Page 692, Lots 8, 9, and 10, Lot 11 and 12 (except parts in right of way), and Lot 13

Block 1. Lot 8 (except part in right of way), Lots 9, 10, 11, 12, 13, 14, 15, and part of Lots 16, 17, and 18 recorded in Official Record Book 15097 Page1955 Block 2, Riverside Extension, according to the plat thereof as recorded in Plat Book 6 Page 11 of the Current Public Records of Duval County, Florida. Part of Lot 6 recorded in Official Records Book 6934 Page 1451, Lots 7, 8, 9, and 10, Riverside Pines, according to the plat thereof as recorded in Plat Book 17 Page 13 of the Current Public Records of Duval County, Florida.

Riverside Avondale Commercial Character Area #6: Lots 7, 8, 9, 10, 11, and 12 of re-plat of Block 2, Lightbody's Subdivision, according to the plat thereof as recorded in Plat Book 6 Page 1 of the Current Public records of Duval County, Florida. Lots 1, 2, 3, and 4 Block 3, Lightbody's Subdivision, according to the plat thereof as recorded in Plat Book 3 Page 95 of the Current Public records of Duval County, Florida. Lots 12 and 13, Re-plat of Lots 12 & 13 Block 8 Riverside Annex, according to the plat thereof as recorded in Plat Book 9 Page 8 of the Current Public records of Duval County, Florida. Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, and 25, Shackelton's Subdivision

of Block 8 Riverside Annex, according to the plat thereof as recorded in Plat Book 2 Page 67 of the Current Public records of Duval County, Florida. Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, East 15FT Lot 10, West 35FT Lot 11 Block 5. Lots 1, 2, 3, 4, 5, and 6 Block 6, Riverside Annex, according to the plat thereof as recorded in Plat Book 1 Page 106 of the Current Public records of Duval County, Florida. Lots 1, 2, 3, 4, 5, 6, 7, 16, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, and 29, Duval Company's Re-plat of Block 7 Riverside Annex, according to the plat thereof as recorded in Plat Book 2 Page 90 of the Current Public records of Duval County, Florida. That fractional part of Park St located Southeasterly of lots 16 and 17 Duval Company's Re-plat of Block 7 Riverside Annex known as Parcel C recorded in Official Record Book 16195 Page 2011. Closed alley within Plat Book 2 Page 90 closed by City of Jacksonville Ordinance No. 82-314-147. Tracts D and E. Lots 1, 2, 3, 4, 5, and 6 Block 6. Lots 1, 2, 3, and 4 Block 7. Lots 1, 2, 3, 4, 5, 6, 7, and 8 Block 8. Lots 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, and closed alley recorded in Official Record Book 11597-1171 Block 9. Lots 18, 19, 20, 21, 22, and 23 Block 12. Lots 14 and part closed street lying South thereof, 15, 16, 17, 18, and 19

Block 13, New Riverside, according to the plat thereof as recorded in Plat Book 3 Page 54 of the Current Public records of Duval County, Florida. Lots 1, 2, and 3, Valz & Yerkes Subdivision, according to the plat thereof as recorded in Plat Book 7 Page 32 of the Current Public records of Duval County, Florida. Parcels of land being part of Government Lot 4 in Section 22, Township 2 South, Range 26 East, Duval County Florida as described in Deed Book 127 Page177, Deed Book 127 Page 178, Official record Book 754 Page176, Official Record Book 1140 Page 279, Official Record Book 2314 Page 133, and Official Record Book 4024 Page 200.

Riverside Avondale Commercial Character Area #7: Lot 6 Block 83, Riverside, according to the plat thereof as recorded in Plat Book 4 Page 6 of the Current Public records of Duval County, Florida. The West 60FT and the North 25FT of the East 10FT of Lot 7 and the North 25FT of the West 1/2 of Lot 6, Block 83, Riverside, according to the plat thereof as recorded in Plat Book 2 Page 24 of the Current Public records of Duval County, Florida. The East 50FT of the common area parcel of the John Gorrie Condominium described in Official record Book 15698 Page 444 of the Current

Public Records of Duval County, Florida.

Riverside Avondale Commercial Character Area #8: All of Lots 2 through 8, together with that portion of a 15FT alley (closed by ordinance 2002-393) lying Southerly of said lots 7 and 8. Lots 1, 2, 3, 4, 5, 6, 7, 20, 21, 22 and part of a closed alley lying southerly to Lots 6 and 7 and Easterly to Lots 6, 7, and 22 Block 9. Fractional Lot 1 Block 11. Lots 1, 2, 3, 4, 5 and closed alley lying Easterly of Lots 6 & 26 Block 12 (except any part in right of way), R I CO's addition to Riverside, according to the plat thereof as recorded in Plat Book 5 Page 47 of the Current Public Records of Duval County, Florida. Part of Lot 4, Riverside, according to the plat thereof as recorded in Plat Book 1 Page 109 of the Current Public Records of Duval County, Florida. West 1/2 Lot 5, fractional Lot 6, and the West 1/2 of Lot 7 Block 102, Riverside, according to the plat thereof as recorded in Plat Book 4 Page 6 of the Current Public Records of Duval County, Florida.

Riverside Avondale Commercial Character Area #9: Lots 1 through 10 Block 51. Lots 1, 2, 3, and part of Lot 4 recorded in Official Record Book 11528 Page 2345 Block

52, Riverside, according to the plat thereof as recorded in Plat Book 1 Page 109 of the Current Public Records of Duval County, Florida. A part of Oak Street North of Block 51, plat of Riverside, as recorded in Official record Book 9853 Page 1080 of the Public Records of Duval County, Florida.

(6) The Murray Hill Commercial Area includes the following properties in the City of Jacksonville, Duval County, Florida:

Lots 9, 11 and 12, RIVERSIDE GARDENS, according to the plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lots 13 and 14, Block 12, RIVERSIDE GARDENS, according to the plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lots 3, 4, 15, 16, 17 and 18, Block 12, RIVERSIDE GARDENS, according to the plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida; also that certain parcel abutting said lots on the north and being formerly part of Gilmore Street more particularly described in Deed Book 16304, Page

981, Public Records of Duval County, Florida; and A parcel of land being a part of Lots 5 and 6, Block 12, RIVERSIDE GARDENS, according to the plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida, together with a part of Gilmore Street as presently closed, said parcel being more particularly described in Deed Book 16304, Page 981, Public Records of Duval County, Florida.

Lot 19 and 20, Block 12, RIVERSIDE GARDENS, according to the plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows: commence at the intersection of the northerly line of Lenox Avenue with the westerly line of Edgewood Avenue; thence north 38 degrees, 44 minutes west, along said westerly line of Edgewood Avenue 150 feet to the point of beginning; thence continue north 38 degrees 44 minutes west, along said westerly line of Edgewood Avenue 41.3 feet; thence continue along said westerly line of Edgewood Avenue, north 32 degrees 58 minutes west 165.1 feet to the southerly line of the Jacksonville Expressway; thence

south 58 degrees 45 minutes 23 seconds west, along said southerly line of the Jacksonville Expressway 452.11 feet; thence south 9 degrees 00 minutes east, 193.7 feet; thence north 61 degrees 30 minutes east, 537.42 feet to the point of beginning.

Part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as follows: commence at the intersection of the Westerly line of Edgewood Avenue with the Northerly line of Lenox Avenue; thence South 61 degrees, 30 minutes West, along said Northerly line of Lenox Avenue, 272.5 feet to the point of beginning; thence continue along said Northerly line of Lenox Avenue, South 61 degrees, 30 minutes West, 281.33 feet, more or less, to the Northerly line of Dellwood Avenue; thence South 87 degrees, 44 minutes West, along said Northerly line of Dellwood Avenue, 59.16 feet; thence North 9 degrees, 00 minutes West, along the Easterly line of the lands shown on Plat Book 7, Page 4, of the Public Records of Duval County, Florida, 128.45 feet; thence North 61 degrees, 30 minutes East, 264.92 feet; thence South 38 degrees, 44 minutes East, 150 feet to the point of beginning.

Part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, described as follows: beginning at the northwest corner of Edgewood Avenue and Lenox Avenue and running westerly a distance of 150 feet along the northerly line of Lenox Avenue for a point of beginning, thence run northerly a distance of 150 feet parallel with Edgewood Avenue to a point; thence run westerly a distance of 80 feet parallel with Lenox Avenue; thence run southerly a distance of 150 feet parallel with Edgewood Avenue to the northerly line of Lenox Avenue, thence run easterly a distance of 80 feet along the northerly line of Lenox Avenue to the point of beginning.

Part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as: for a point of beginning, commence at the intersection of the southwest right-of-way line of Edgewood Avenue (a 100 foot right-of-way as now established) with the northwest right-of-way line of Lenox Avenue (a 60 foot right-of-way as now established) thence south 61 degrees 30 minutes 00 seconds west, along the Northwest right of way line of said Lenox Avenue, a distance of 150.00 feet; thence North 38 degrees 44 minutes 00 seconds west departing

said northwest right-of-way line, a distance of 150.00 feet; thence north 61 degrees 30 minutes 00 seconds east, parallel with said northwest right-of-way line, a distance of 150.00 feet to an intersection with the aforesaid southwest right-of-way of Edgewood Avenue; thence south 38 degrees 44 minutes 00 seconds east, along said southwest right-of-way line, a distance of 150.00 feet to the point of beginning.

The North 1/2 of Lot 8, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

The North 105 feet of Lot 7, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lot 6, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lots 1, 2, 3 and 4, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida,

except part in Official Records Volume 2425, Page 709.

Lot 8, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lot 7, except the North 105 feet thereof, Block 13, RIVERSIDE GARDENS, according to plat thereof as recorded in Plat Book 3, Page 67, Public Records of Duval County, Florida.

Lots 131, 132 and 133 of Block 79, Replat of Block 80 and part of Blocks 79, 81 and 82, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 67, Public Records of Duval County, Florida.

Section 20, Township 25, Range 26E, Lots 129 and 130, Block 79, Replat of Block 79, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 67, Public Records of Duval County, Florida, except part conveyed to Duval County in Deed Book 1255, Page 47 of said public records.

Lot 128, Block 79, Replat of Block 80 and part of Blocks 79, 81 and 82, MURRAY HILL HEIGHTS, according

to plat thereof as recorded in Plat Book 5, Pages 67, Public Records of Duval County, Florida.

Lots 168 and 169, Block 79, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 167, Block 79, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 165 and 166, Block 79, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 141, 163, 164, Block 79, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 161 and 162, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County,

Florida.

Lots 159 and 160, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 157 and 158, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 156, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 153, 154 and 155, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 164, Block 78, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida, except the portion described as: beginning at the most

Southerly corner of said Lot 164; thence Northerly along the Easterly line of said Lot 164, 24 feet; thence Northwesterly 50.07 feet to a point in the Southwesterly line of said Lot 164, said point being 50 feet as measured along the Southwesterly line of Lot 164, said point being 50 feet as measured along the Southwesterly line of said Lot 164 from the most Westerly corner thereof; thence Southeasterly along the Southwesterly line of said Lot 164, 64.55 feet to the point of beginning and further excepting those lands described in Official Records Book 14963, page 1973, Public Records of Duval County, Florida.

Lot 1, Block 70, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 9, except the Southwesterly 50 feet thereof, and the Northeast 16 feet of the Southwest 110 feet of Lots 10 and 11, and the Southeast 8 feet of the Northeast 34 feet of the Southwest 94 feet of Lot 10, all in Block 67, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 1-8, 12-22 and the Southwest 110 feet of Lots 9, 10 and 11, less and except that part described in Official Records Book 2497, Page 87, all of Block 67, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 1, Block 66, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 5, 6, 7, 8 and a portion of Lot 9, Block 66 as reflected in Deed Book 8169, Page 2307, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 2, Pages 87, Public Records of Duval County, Florida.

A portion of Lots 9, 10 and 11, Block 66, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 2, Pages 87, Public Records of Duval County, Florida, and being more particularly described as follows: begin at the intersection of the Northwesterly right-of-way line of Post Street (formerly Eighteenth Street, a 60 foot right-of-way as now established) with the Southwesterly right-of-way

line of Edgewood Avenue (a 100 foot right-of-way as now established); thence north 45 degrees 00 minutes, 00 seconds west, along said Southwesterly right-of-way line, 133.60 feet; thence south 45 degrees 10 minutes 52 seconds west, 85.00 feet to the Northwesterly prolongation of the Northeasterly boundary of those lands described and recorded in Official Records Volume 6952, Page 502 and Official Records Volume 5917, Page 755, all of said current Public Records; thence south 45 degrees, 00 minutes, 00 seconds east, along last said line and along said Northeasterly boundary of those lands described and recorded in said Official Records Volume 6952, Page 502 and said Official Records Volume 5917, Page 755, a distance of 133.89 feet to the aforesaid Northwesterly right-of-way line of Post Street, thence north 44 degrees, 58 minutes 57 seconds East, along last said line, 85 feet to the point of beginning.

The Southwesterly 75 feet of Lots 10 and 11, and the Southwesterly 75 feet of the Southeasterly 34.3 feet of Lot 9, all of Lots 12, 13, 14 and 15, except the Northwest 5 feet of the Southwest 135 feet, Block 66, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public

Records of Duval County, Florida.

All of Lots 1, 4 and the North 3 feet of Lot 2, Block 57, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The South 47 feet of Lot 2 and all of Lot 3, Block 57, MURRAY HILL HEIGHTS, a subdivision according to the plat thereof recorded at Plat Book 2, Page 87, Public Records of Duval County, Florida, and the Northwesterly 2 inches of Lot 5, Block 57, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 5, except part recorded in Deed 1328, Page 404, and Lot 6, Block 57, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 7, 8 and 9, Block 57, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 5 and 6, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in the Public Records of Duval County, FL, less the Southwesterly 20 feet of said lots conveyed to the City of Jacksonville. Also Lots 8 and 9, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in the Public Records of Duval County, Florida.

Lot 7, Block 56, MURRAY HILL HEIGHTS, excepting the southwesterly 20 feet thereof, recorded in Plat Book 2, Page 87 and Plat Book 5, Page 86 and 86A, Public Records of Duval County, Florida.

Lots 5 and 6, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in the Public Records of Duval County, FL, less the Southwesterly 20 feet of said lots conveyed to the City of Jacksonville. Also Lots 8 and 9, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in the Public Records of Duval County, Florida, less the part conveyed to the State of Florida as reflected in Deed Book 9840, Page 198, Public Records of Duval County, Florida.

The Northwest 35 feet of the Northeast 140 feet of Lot

1, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida; and

Lots 2 and 3, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida, except the Southwesterly 20 feet thereof as conveyed to the City of Jacksonville by Deed Book 1338, Page 493; and all of Lot 4, Block 56, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Page 86 and 86A, Public Records of Duval County, Florida, except the Soutwesterly 20 feet of said Lot 4 conveyed to the City of Jacksonville by deed recorded in Book 382, Page 109.

The Southeasterly 100 feet of the Northeasterly 140 feet of Lot 1, Block 56, MURRAY HILL HEIGHTS, according to the plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 14, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 12 and 13, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 9, 10 and 11, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 2, Page 87 and Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 9, 10 and 11, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 2, Page 87 and Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 5, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 4, Block 47, MURRAY HILL HEIGHTS, according to plat thereof recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northeasterly 90 feet of Lots 1, 2 and 3, Block

47, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Southwest 70 feet of Lots 1, 2 and 3, Block 47, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 5 and 6, Block 46, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86, Public Records of Duval County, Florida.

Lot 4, Block 46, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 3, Block 46, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 1 and 2, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 3, 4, 8, 9 and 10, Block 42, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 1, 2 and 6, except for the Northwest 1.3 feet of Lots 2 and 6, Block 42, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northwest 80 feet of Lot 1, Block 45, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Southeast 50 feet of Lot 8, Block 45, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northwest 110 feet of Lot 8, Block 45, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northwest 43 feet of the Southeast 83 feet of Lot 1, Block 44, and the Southeasterly 1/2 of the Southeasterly 1/2 of Lot 1, Block 44, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Northerly 77 feet of Lot 1, and the Southeasterly 493/4 feet of Lot 8, Block 44, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Southeast 60.25 feet of the northwest 110 feet of Lot 8, block 44, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northerly 50 feet of Lot 8, Block 44, less and except the Westerly 49 feet thereof, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Westerly 49 feet of the Northerly 50 feet of Lot

8, Block 44, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northwest half of Lot 3 and all of Lots 4 and 5, Block 40, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 6, 7 and 8, Block 40, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 88, Block 36, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida; and that certain triangular lot lying Westerly of Lot 88 in said Block and sometimes designated Lot "W", and being more particularly described as follows: begin at the intersection of the southerly right-of-way line of Post Street (as now established) with the Northerly right-of-way line of Cypress Street (a 60 foot right-of-way as now established); thence Easterly along said Northerly right-of-way line 101.12 feet to the

Westerly line of said Lot 88; thence through an interior angle to the right of 90°84'58" along said Westerly line, 97.93 feet to the aforesaid right-of-way line of Post Street; thence through an interior angle to the right of 45°52'30" along said right-of-way line, 140.87 feet to the point of beginning having a closing interior angle to the right of 44°02'32".

Lot 85, 86 and 87 except that part in Post Street, Block 36, REPLAT MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 15, 16, 17 and 18, Block 39, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 15, 16, 17 and 18, Block 39, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots S and T, JASMINE PLACE, according to the plat thereof as recorded in Plat Book 9, Page 45, Public

Records of Duval County, Florida.

Lot C, JASMINE PLACE, according to the plat thereof as recorded in Plat Book 9, Page 45, Public Records of Duval County, Florida.

Lot B, JASMINE PLACE, according to the plat thereof as recorded in Plat Book 9, Page 45, Public Records of Duval County, Florida.

Lot A, JASMINE PLACE, according to the plat thereof as recorded in Plat Book 9, Page 45, Public Records of Duval County, Florida.

The Southeasterly 125 feet of Lots 6 and 7, Block 39, and the Southwest 100 feet of Lot 8, Block 39, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 4 and 5, Block 39, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 31, Block 39, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northerly 20 feet of Lot 2, Block 39, and Lot 3, Block 39, REPLAT OF MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 1 and 2, Block 39, REPLAT OF MURRAY HILL HEIGHTS, except for the Northeasterly 20 feet of Lot 2, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 4, 5 and 6, Block 71, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 1, 2 and 3, Block 71, REPLAT OF MURRAY HILL HEIGHTS, except the Northerly 55.7 feet thereof, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County,

Florida.

The Southeast 25 feet of Lot 28 and all of Lots 29 and 30, Block 72, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

The Northeast 10 feet of Lots 20, 21 and 22 and all of Lots 23 to 27 and the Northwest 25 feet of Lot 28, Block 72, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 18 and 19, Block 77, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lot 17, Block 77, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Lots 13, 14 and 15, Block 77, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County,

Florida.

Lots 10, 11 and 12, Block 77, MURRAY HILL HEIGHTS, according to plat thereof as recorded in Plat Book 5, Pages 86 and 86A, Public Records of Duval County, Florida.

Part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, together with a part of McIver Street (a 20' +/- right-of-way), closed by City Ordinance 72-28-5, more particularly described as follows: commence at the intersection of the Northerly line of Lenox Avenue (a 60.0 foot right-of-way) with the Easterly line of Edgewood Avenue (as shown on D.O.T. right-of-way Map Section 72500-2601 dated February 26, 1960); Thence North 44 degrees 05 minutes 31 seconds West, 121.46 feet, along the Easterly line of said Edgewood Avenue; Thence North 54 degrees 33 minutes 26 seconds East, 49.02 feet, to the point of beginning; Thence continue North 54 degrees 33 minutes 26 seconds East, 120.0 feet; Thence South 35 degrees 26 minutes 34 seconds East, 92.80 feet; Thence South 31 degrees 27 minutes 13 seconds East, 71.87 feet, to the Northerly line of said Lenox Avenue, being in a curve concave to the Northwest and having a radius of

924.93 feet; Thence around and along said curve and the Northerly line of said Lenox Avenue, through a central angle of 07 degrees 07 minutes 43 seconds, an arc distance of 115.08 feet (chord bearing and distance of South 54 degrees 56 minutes 55 seconds West, 115.00 feet); Thence North 35 degrees 26 minutes 34 seconds West, 163.71 feet, to the point of beginning.

That certain tract or parcel of land being a part of Section 20, Township 2 South, Range 26 East, Duval County, Florida, being more particularly described as beginning at the intersection of the Easterly right of way of Edgewood Avenue and the Southerly limited access right of way line of Interstate Highway No. 10 (both as now established); thence South 32 degrees 58 minutes East, along said Easterly right of way line of Edgewood Avenue 155.79 feet; thence South 45 degrees 20 minutes 54 seconds East, continuing along said Easterly right of way line of Edgewood Avenue 81.85 feet; thence North 8 degrees 04 minutes 55 seconds West, 255.71 feet to a point in said southerly limited access right of way line of Interstate Highway No. 10; thence South 58 degrees 45 minutes 23 seconds West along said Southerly limited access right of way of

Interstate Highway No. 10, 125.21 feet to the Point of Beginning.

(7) The Springfield Commercial Area includes the following properties in the City of Jacksonville, Duval County, Florida:

The West 80 feet of Lots 3 and 4, Block 62, NEW SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida.

The West 80 feet of Lot 1, Block 61, NEW SPRINGFIELD, and the 5 foot strip adjoining the Western boundary of Lot 1, Block 61, NEW SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida.

The West 80 feet of Lot 1, together with the East one-half of the closed alley lying Westerly thereof, in Block 61, NEW SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida.

The West 80 feet of Lots 3 and 4, Block 61, NEW

SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida, together with the Easterly 241/2 feet of Lot 14, Block 7, according to plat recorded in Plat Book 2, Page 98, Public Records of Duval County, Florida, and the 141/2 feet next adjoining said Lot 14 on the East as more particularly described in Deed Book 1377, Page 3, Public Records of Duval County, Florida.

Lots 1 and 2, except the East 20 feet thereof, in Block 60, NEW SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida, and a portion of Block 12 of LINDSLEY'S SUBDIVISION, of Lot 3 of Section 1 in Township 2 South Range 26 East, according to plat thereof at Page 98, Plat Book 2, and land hereby conveyed being more particularly described as follows: Beginning at the intersection of the South line of West 18th Street and the West line of Main Street, as now existing; running thence Westerly along the South line of said West 18th Street 108 feet; running thence South parallel with the West line of Main Street 105 feet; running thence Easterly parallel with the South line of West 18th Street 108 feet to the West line of Main Street as now existing; running

thence Northerly along the said West line of Main Street 105 feet to the point of beginning.

All of Lots 3 and 4, Block 60, NEW SPRINGFIELD, according to the plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida. Also beginning at a point of the North line of 17th Street, said point being located 300 feet East of Northeast corner of Laura and 17th Street; thence Easterly along said North line of 17th Street for a distance of 27 feet 9 inches to the West line of said Lot 4, Block 60, NEW SPRINGFIELD; thence Northerly along the West line of said Lots 3 and 4, Block 60, NEW SPRINGFIELD, for a distance of 105 feet; thence Westerly on a line parallel to 17th Street for a distance of 27 feet 9 inches to a point that is 300 feet East of the East line of Laura Street; thence Southerly on a line parallel to Laura Street for a distance of 105 feet to a place of beginning, being a part of Block 12 of LINDSLEY'S SUBDIVISION of Lot 3, Section 1, Township 2 South, Range 26 East, according to plat recorded in Plat Book 2, Page 98 of the current public records of Duval County, Florida.

Lots 12, 13, and 14 of Block 13, Lindley's

Subdivision, as recorded in Plat Book 2, page 98, of the Public Records of Duval County, Florida, together with Lots 1, 2, 3, and 4, except the east 20 feet conveyed to City of Jacksonville, Block 59 of New Springfield Subdivision as recorded in Plat Book 3, page 12, of said Public Records, and Lots 17, 18, and 19 of Block 13, G. S. Young's Subdivision, recorded in Plat Book 5, page 23, said Public Records, and all of the 10 foot alley lying easterly of the southerly extension of the west line of said Lot 19, Block 13, of G.S. Young's Subdivision, as closed by Ordinance 2008-167-E and recorded in Official Records Book 14462, page 488, said Public Records, and together with a part of Section 1, Township 2 South, Range 26 East, Duval County, Florida, and being more particularly described as follows: For a Point of Beginning commence at a 5/8" rebar (Cap LB6110) at the northwest corner of said Lot 19, Block 13, G.S. Young's Subdivision; thence North 89 degrees 42 minutes 55 seconds East, along the south right of way line of Seventeenth Street West (a 50 foot right of way), a distance of 202.99 feet to a 1/2" iron pipe (Cap LB3672) on the current west right of way line of Main Street (U.S. Highway No. 17, a 100 foot right of way); thence South 01 degrees 45 minutes 05 seconds

East, along said west right of way line, a distance of 210.00 feet to an "X" cut on the north right of way line of Sixteenth Street West (a 50 foot right of way); thence South 89 degrees 42 minutes 55 seconds West, along said north right way line, a distance of 251.24 feet to a 5/8" rebar (Cap LB6110) on said west line of said Lot 12, Block 13, Lindley's Subdivision; thence North 01 degrees 45 minutes 05 seconds West, along the west line of said Lot 12, a distance of 100 feet to a 1/2" iron pipe (Cap LB3672) on the south line of the 10 foot alley in said Block 13; thence North 89 degrees 42 minutes 55 seconds East, along said south line of alley, a distance of 48.19 feet to a 1/2" iron pipe (Cap LB3672) at its intersection with a southerly projection of the west line of said Lot 19, Block 13, G. S. Young's Subdivision; thence North 01 degrees 45 minutes 05 seconds West, along said west line of Lot 19 and its southerly projection, a distance of 110.00 feet to the Point of Beginning.

Lots 1 and 2 and fractional part of Lot West thereof, Block 58, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida.

Lots 3 and 4 and the North 36/100 feet of Lot 5, excepting therefrom the East 20 feet of each Lot, and together with the unnumbered Lots lying West of and adjacent to said Lots 3, 4 and 5, Block 58, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida.

Part of Lot 6, Block 58, NEW SPRINGFIELD, and fractional lot to the West thereof, according to plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida, described as: beginning at the southeast corner of Lot 6, Block 58, NEW SPRINGFIELD, and run thence north along the west line of Main Street a distance of 25 feet to a point; run thence West along a line parallel to the north line of Lemain Court Road, a distance of 123 feet to the east line of Charlevoix Street, run thence Southwesterly along the east line of Charlevoix Street to the point of intersection of the east line of Charlevoix Street with the north line of Lemain Court Road; thence run east along the North line of Lemain Court Road, a distance of 124 feet to the point of beginning, less the easterly 20 feet thereof conveyed to the City of Jacksonville by Deed recorded in Deed

Book 327, Page 18, Public Records of Duval County, Florida.

Lots 1, 2 and 3 (except the East 20.0 feet thereof) and the unnumbered lots lying Westerly thereof, Block 57, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 3, Page 12, Public Records of Duval County, Florida, together with that part of Charlevoix Street lying Westerly of and adjacent to the above described lands and closed by Jacksonville City Ordinance S-77.

Part of the Flora A Clark property described in Deed Book AF, Page 735, former public records of Duval County, Florida, being a part of Lot 3, Section 1, Township 2 South, Range 26 East, and more particularly described as beginning at an iron monument at the intersection of the East line of Laura Street, and the North line of the right of way of St. Johns River Terminal Company, running thence Northerly along the east line of Laura Street 144.01 feet to an iron monument; thence running south 89 degrees, 14 minutes east 290.1 feet to an iron monument along the westerly line of the Old Panama Mill Road; running thence South 2 degrees, 31 minutes west along the Westerly boundary

of said Old Panama Mill Road 217 feet to an iron monument in the Northerly boundary line of said St. Johns River Terminal Company right of way; thence running Northwesterly along the northern boundary of said right of way to the point of beginning.

East 100 feet lying North of 12th Street, Block 14, 2-4 Springfield, Lot 6, Block 140, Warren, according to plat recorded in Plat Book AO, Page 240, Public Records of Duval County, Florida, as reflected in Deed Book 05765, Page 0558.

A part of Lots 2 and 3, Block 14, Warren's Subdivision, as recorded in Deed Book AO, Page 240 of the former public records of Duval County, Florida, being more particularly described as follows: For a point of beginning, commence at the intersection of the southerly right of way line of 12th Street as now established as a 60 foot right of way with the westerly right of way line of Main Street; thence South 01 degrees 35 minutes 30 seconds East, along said westerly right of way line, a distance of 106.00 feet; thence South 89 degrees 17 minutes 28 seconds West, a distance of 100.10 feet; thence North 01 degrees 33 minutes 46 seconds West, along the line

dividing the aforementioned Warren's Subdivision from Springfield as recorded in Plat Book 2, page 40, of said current public records, a distance of 106.00 feet to the aforementioned southerly right of way line of 12th Street; thence North 89 degrees 17 minutes 28 seconds East, along said southerly right of way line, a distance of 100.04 feet to the point of beginning according to survey prepared by Charles Bassett & Associates, Inc., dated August 7, 1981.

The East 100 feet of the South 1/2 of Block 14, Warren Subdivision, lying north of 11th Street and south of 12th Street, as recorded in Deed Book AO, Page 240, former Public Records of Duval County, Florida.

Part of Blocks 1 and 14, Warren, as recorded in Deed Book AO, Page 240, former Public Records of Duval County, Florida, and a part of the west 11th Street closed by Ordinance R 102 - Deed Book 276, Page 433, current Public Records of said county, more particularly described as: Begin at the intersection of the westerly line of Main Street (a 100 foot right of way) and the southerly line of West 11th (a 60 foot right of way) both as now established; thence southerly along the westerly line of said Main Street,

212.02 feet to the northerly line of Cottage Avenue as now established for a width of 60 feet; thence Westerly along the northerly line of said Cottage Avenue, 100; thence northerly 211.77 feet to a point in the southerly line of said West 11th Street that is 100 feet westerly of the point of beginning; thence easterly along the southerly line of said West 11th Street, 100 feet to the point of beginning; excepting the property described in Deed Book 903, Page 452, Public Records of Duval County, Florida.

The East 100' of the South 9.7' of Lot 2, Block 1 Warren and the East 100' of the North 89' Lot 3, Block 1 Warren, according to plat recorded in Plat Book AO, Page 240, Public Records of Duval County, Florida.

East 100 Feet of North 44.5 feet Lot 4, South 11 feet of East 100 feet Lot 3, Block 1, Warren, according to plat recorded in Plat Book AO, Page 240, Public Records of Duval County, Florida, as reflected in Deed Book 05699, Page 01926.

North 1/2 of the South 551/2 feet of the East 100 feet of Lot 4, Block 1, Warren, according to plat thereof recorded in Deed Book AO, Page 240, former Public

Records of Duval County, Florida.

South 1/2 of the South 551/2 feet of the East 100 feet of Lot 4, Block 1, Warren, according to plat thereof recorded in Deed Book AO, Page 240, former Public Records of Duval County, Florida.

Part of an unnumbered block sometimes referred to as Block 114, Springfield, according to the plat thereof recorded in Plat Book 2, Page 5, current public records of Duval County, Florida, described as: being at the intersection of Westerly line of Main Street and Northerly line of West 10th Street; thence North 5 degrees 17 minutes East 54.64 feet along the Westerly line of said Main Street to the North line of Hogan Donation; thence South 89 degrees 21 minutes West 102.4 feet along the North line of Hogan Donation to an iron in the Easterly line of Lot 7, Block 122, Springfield Northern Portion recorded in Plat Book 2, Page 40, thence South 1 degree 14 minutes West 44.16 feet along the Easterly line of said Lot 7 of the Northerly line of West 10th Street; thence South 84 degrees 44 minutes East, 98.73 feet, along West 10th Street to the point of beginning.

Lot 9 and the North 1/2 of Lot 10, Block 58, WEST SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Southern 1/2 of Lot 10, and Lot 11, Block 58, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 12 except the Southern 1/2, Block 58, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Southern 1/2 of Lot 12, Block 58, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lots 13 and 14, Block 58, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

The East 85 feet of the South 29 feet, 8 inches of Lot 13, and the East 85 feet of Lot 14, all in Block 50, SPRINGFIELD, according to plat thereof recorded in

Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The South 29 feet 8 inches of the West 40 feet of Lot 13 and the West 40 feet of Lot 14, Block 50, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 15, Block 50, EAST SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 16, Block 50, EAST SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

The East 1/2 of Lot 1, and the South 1/2 of Lot 2, Block 50, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

The West 1/2 of Lot 1, Block 50, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 4-5, Public Records of Duval County, Florida.

The East 1/2 of Lot 14 and the South 18 feet of the East 1/2 of Lot 13, Block 49, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

West 1/2 of Lot 14 and the South 18 feet of the West 1/2 of Lot 13, Block 49, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 15, Block 49, WEST SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida, except part recorded in Official Records 2537, Page 395.

East 1/2 of Lot 16, Block 49, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

West 1/2 of Lot 16, Block 49, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 1, Block 49, SPRINGFIELD, according to plat

thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 6 and North 1/2 Lot 5, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

West 1/2 of Lot 7, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

East 1/2 of Lot 7, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

East 60 feet of Lot 8, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

West 42 1/2 feet Lot 9, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 34.83 feet of the East 82.5 feet of Lot 9, Block 41, SPRINGFIELD, according to plat thereof recorded in

Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 34.83 feet of the East 82.5 feet of Lot 9, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Northeast 1/2 of Lot 10, Block 41, WEST SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 34.83 feet of Lot 10, Block 41, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 1/2 of Lot 5 and Lot 6, Block 42, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 9, Block 42, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 32 feet of Lot 10, Block 42, SPRINGFIELD,

according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 6, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 28 feet of Lot 5, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 9, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 10, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 11, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 12, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public

Records of Duval County, Florida.

Lot 13, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 14, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

East 41 feet of Lot 15 (except North 103 feet), Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

West 31 feet of Lot 15 except the North 103.3 feet, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 103 feet of Lot 15, Block 43, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 16, Block 43, SPRINGFIELD, according to plat

thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 9, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 1/2 of Lot 10, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 1/2 of Lot 10, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 1/2 of Lot 11, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 1/2 of Lot 11, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 12 and North 1/2 of Lot 13, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2,

Page 5, Public Records of Duval County, Florida.

South 1/2 of Lot 13, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

East 75 feet of Lot 14, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

West 35 feet of the East 92 feet of Lot 14, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

West 34 feet of Lot 14, Block 34, except 60.80 feet, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

South 60.80 feet of the West 17.33 feet of Lot 14, Block 34, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Northeast 1/4 of the Northeast 1/4 of Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 1/2 of Lots 7 and 8, and a strip off the West end of Lot 7, 10 feet by 105 feet, Block 27, SPRINGFIELD, Map Book 2, Page 878, Public Records of Duval County, Florida.

South 511/2 feet of the East 199 feet of the North 209 feet of Block 27, SPRINGFIELD, according to plat thereof as recorded in Deed Book Q, Page 878, former Public Records of Duval County, Florida.

Lot 12, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 14, together with the South 47.7 feet of Lot 13, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

Lot 1 and the South 5 feet of Lot 2, Hoyt's

subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

Lot 2, less the South 5 feet of Lot 2, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

North 34 feet of Lot 2, and South 34.5 feet of Lot 3, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

South 34.5 feet of Lot 3, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

North 5.5 feet of Lot 3 and all of Lot 4 of the Hoyt's subdivision of Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

Lot 9 and the South 4 feet of Lot 8, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

North 36 feet of Lot 8, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

North 36 feet of Lot 8 and all of Lot 7, and the South 2 feet of Lot 6, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

North 39 feet of Lot 6, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

Lot 5 and the North 39 feet of Lot 6, Hoyt's subdivision of Lots 15 and 16, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 7, Page 20, Public Records of Duval County, Florida.

Lot 7, Block 27, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 9, Block 18, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida, together with the East 1/2 of the closed alley adjoining said lots to the West, closed by Ordinance FF-261.

Lots 12, 13, 14, Block 18, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida, together with the East 1/2 of the closed alley adjoining said lots to the West, closed by Ordinance FF-261.

Lot 15, Block 18, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida, together with the South 1/2 of the closed alley closed by Ordinance FF-261 lying Northerly of and adjacent to the Northerly line of the lands described in O.R. Book 2456, Page 1083, Public Records of Duval County, Florida.

Lot 16, Block 18, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lots 7, 8 and 16, Block 18, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida, together with the North 1/2 and West 1/2 of the closed alley adjoining said Lot 7 to the South and 8 to the East, and the South 1/2 of the closed alley adjoining said Lot 16 to the North, all closed by Ordinance FF-261.

Lots 9 and 10, Block 11, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 39.66 feet of Lot 11, Block 11, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 30 feet of Lot 11, Block 11, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 36 feet of Lot 12, Block 11, SPRINGFIELD,

according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

South 33 feet, 8 inches of Lot 12, Block 11, SPRINGFIELD, according to plat thereof recorded in Deed Book Q, Page 878, former Public Records of Duval County, Florida; and Part of Lot 13, Block 11, SPRINGFIELD, according to the Springfield Company's plat of Hogan's Donation, Plat Book 1, Page 14, former Public Records of Duval County, Florida, described as: beginning at the Northeast corner of said Lot 13, on the Western line of Main Street; running thence Westerly along the North line of said Lot 13, 125 feet to an alley, being the Northwest corner of said lot, thence South on line parallel with Main Street 40 feet 7 inches; thence East on line parallel with the first mentioned line 42 feet; thence South on line parallel with Main Street, 9.3 feet; thence East on a line parallel with first line 83 feet to Main Street; thence North along West side of Main Street 50 feet more or less to point of beginning.

Part of Lot 13, recorded in Deed Book 697, Page 170, and West 50 feet of Lot 14, recorded in Deed Book 105, Page 153, Block 11, SPRINGFIELD, according to plat

thereof as recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida; and part of Lots 13 and 14, Block 11, SPRINGFIELD, beginning at the Southeast corner of said Lot 14, being the Northwest corner of Third and Main Streets, running thence Northerly along West line of Main Street, 89.45 feet to the North side of brick wall, thence Westerly along the Northerly side of said brick wall and parallel to Third Street 75 feet, thence Southerly parallel to Main Street 89.45 feet to the Northerly line of Third Street, thence Easterly along the Northerly line of Third Street, 75 feet to the point of beginning.

Lot 9, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 10, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 11, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 12, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

North 28 feet of Lot 13, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

South 41.66 feet of Lot 13, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 14, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lots 15 and 16, Block 3, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida, together with the South 1/2 of closed alley lying North of Lots 15 and 16, Block 3, SPRINGFIELD, closed by Ordinance 84-950-584.

All of Lots 8, 9, 10 and 11, together with that part of Lot 15 lying west of Lot 8 and North of the

Westerly projection of the Southerly line of Lot 8, together with the North 1/2 of the closed alley lying south of Lot 9 and all of the closed alley lying east of Lot 9, all within Block 2, SPRINGFIELD, recorded in Plat Book 1, Page 144, former public records of Duval County, Florida.

All of Lots 12, 13 and 16; part of that certain unnumbered lot sometimes referred to as Lot 15 lying Westerly and adjacent to said Lots 12 and 16; part of a 12 foot alley closed by Ordinance FF-350 lying Westerly of and adjacent to said unnumbered lot and Southerly of a Westerly projection of the Northerly line of said Lot 12; and that part of the South 1/2 of that certain 12 foot alley closed by Ordinance DD-130 lying Northerly of and adjacent to said Lot 13; all being part of Block 2, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lots 7 and 14, Block 2, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 5, Public Records of Duval County, Florida.

All of Block 137 of Hart's Map of Jacksonville bounded

North by Orange Street, East by Ocean Street, South by State Street and West by Main Street, excepting part of Lot 1, acquired by Duval County and Florida State Improvement Commission by Order of Taking recorded in Official Records Book 165, Page 465.

Lots 1, 2 and 3, Hart's Map of Jacksonville, Duval County, Florida.

The North 302/3 feet of the South 105 feet of the West 105 feet of Lot 4, Block 97, SPRINGFIELD, according to plat thereof as recorded in Plat Book 2, page 4, of the current public records of Duval County, Florida.

The West 52 feet of the East 104 feet of the South 1/2 of Lot 4, Block 97, SPRINGFIELD, according to plat thereof as recorded in Plat Book 2, page 4, of the current public records of Duval County, Florida.

Lot 1 and the South 2.83 feet of Lot 2, Block 111, EAST SPRINGFIELD, according to the plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

The Northerly 67.00 feet of Lot 2, Lot 3 and the South

1/2 of Lot 4, Block 111, EAST SPRINGFIELD, according to the plat thereof recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

The North 1/2 of Lot 4, Block 111, SPRINGFIELD, according to the plat thereof recorded at Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lots 5 and 6, Block 111, SPRINGFIELD, according to the plat thereof recorded at Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 8, Block 111, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Pages 4 and 5, Public Records of Duval County, Florida, together with the Northerly 1/2 of the closed alley lying southerly of and adjacent to said Lot 8 (said alley closed by Ordinance No. DD-429).

Lot 7, Block 111, SPRINGFIELD, according to plat thereof recorded in plat Book 2, page 4 of the current public records of Duval County, Florida.

Lots 1 and 2, Block 109, SPRINGFIELD, according to the plat thereof recorded at Plat Book 2, Page 4, Public

Records of Duval County, Florida, and a portion of the alley closed pursuant to Ordinance 96-86-31.

Lots 3, 4, 7, 8 and the West 60.00 feet of the North 35.00 feet of Lot 16, together with the following described part of the 12 foot alley closed by the City of Jacksonville, ordinance 96-86-31, recorded in Official Records Book 8301, Page 1128, Public Records of Duval County, Florida, the Easterly 6 feet of the 12 foot alley lying West of and adjacent to the North 139.34 feet of Lot 7; all of the 12 foot alley lying east of and adjacent to Lot 4 and the Northerly 48.99 feet of Lot 3; the Westerly 6 feet of the 12 foot alley lying Easterly of and adjacent to the South 28.68 feet of Lot 3; all of the 12 foot alley lying North of and adjacent to the West 60 feet of Lot 16; the Northerly 6 feet of the 12 foot alley lying South of and Adjacent to Lot 8 and the East 12 feet of Lot 7, All in Block 109, EAST SPRINGFIELD, as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lots 5 and 6, Block 109, SPRINGFIELD, according to plat thereof recorded in Deed Book AJ, Page 765, former Public Records of Duval County, Florida, and

Plat Book 2, Page 4, Public Records of Duval County, Florida, together with the West 1/2 of a closed alley by ordinance 96-86-31 recorded in Official Records Book 8301, Page 1128, Public Records of Duval County, Florida.

The East 36 feet of the South 110 feet of Lot 16, Block 109, SPRINGFIELD, County of Duval, State of Florida, as recorded in Plat Book 2 Page 4, of the current public records of Duval County, Florida.

Lots 1, 2, 15 and 16, Block 12, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida, together with that portion of that 12 foot alley adjacent to Lots 1, 2 and 16 as shown on the plat of Springfield and closed and abandoned by ordinance 2006-96-E recorded in Official Records Book 13138, Page 340, Public Records of Duval County, Florida.

Lot 3, Block 12, SPRINGFIELD, according to the plat thereof recorded at Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lots 4 and 5, Block 12, SPRINGFIELD, according to the

plat thereof recorded at Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 1 Block 17, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Page 4, of the Public Records of Duval County, Florida.

South 1/2 of Lot 2, Block 17, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

North 1/2 of Lot 2, Block 17, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

Part of Lot 4, Block 17, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida, more particularly described as: Beginning at a point on the Easterly side of Main Street 139.32 feet South of the Easterly line of 5th Street and running then Southerly along Main Street 69.99 feet to the Southerly line of said Lot 4; thence Easterly along the Southerly line of said Lot 4, 125.00 feet to an alley; thence Northerly along said alley 69.66 feet, to a point

139.32 feet South of the Southerly line of 5th Street; thence Westerly parallel with the Southerly line of 5th Street 125.00 feet to the place of beginning; together with Lot 3, Block 17, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

Lot 5, Block 17, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, page 5, of the current public records of Duval County, Florida.

Lot 6, Block 17, SPRINGFIELD, according to plat recorded in Plat Book 2, page 4 of the public records of Duval County, Florida.

Lot 1, J.C. Greeley's Subdivision of West 1/2 of Block 28, SPRINGFIELD, a subdivision according to the plat thereof recorded at Plat Book 1, Page 154, in the Public Records of Duval County, Florida.

Lots 2 and 3 (except the portion included in Official Records Book 15561, Page 1925), Block 28, SPRINGFIELD, according to plat recorded in Plat Book 2, page 4 of the public records of Duval County, Florida.

West 1/2 of Lot 7, Block 28, SPRINGFIELD, a part of the City of Jacksonville, according to plat recorded in Plat Book 2, page 4 of the public records of Duval County, Florida.

West 35 feet of the East 36 feet of Lot 7, Block 28, SPRINGFIELD, according to plat thereof as recorded in Plat Book 1, Page 154, Public Records of Duval County, Florida.

All of Lots 1, 2, 3, 7, 9, 10, 11, 14, 15 and 16, together with Lots 12 and 13, except that part recorded in Official Records Volume 3264, Page 142, together with that certain 12 foot alley (closed by ordinance GG-11) lying between said Lots 7 and 16 and the South 1/2 of said alley lying North and adjacent to said Lot 15; together with that certain 12 foot alley (closed by ordinance 71-709-303), lying between said Lots 13, 14 and 15, all within Block 33, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida, as more particularly described in Deed Book 17244, Page 1565.

Lots 4 and 5, Block 33, SPRINGFIELD, according to plat

recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

Lot 6, Block 33, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

Lot 8, Block 33, SPRINGFIELD, according to plat recorded in Plat Book 2, Page 4, of the current public records of Duval County, Florida.

All of Lots 1, 2, 3, 7, 9, 10, 11, 14, 15 and 16, together with Lots 12 and 13, except that part recorded in Official Records Volume 3264, Page 142, together with that certain 12 foot alley (closed by ordinance GG-11) lying between said Lots 7 and 16 and the South 1/2 of said alley lying North and adjacent to said Lot 15; together with that certain 12 foot alley (closed by ordinance 71-709-303) lying between said lots 13, 14 and 15, all within Block 33, SPRINGFIELD, as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida, as more particularly described in Deed Book 17244, Page 1565.

Part of Lots 12 and 13 as recorded in Official Records

Volume 3264, Page 142, Public Records of Duval County, Florida.

Lot 1, Block 44, SPRINGFIELD, according to plat thereof as recorded in Plat Book 1, Page 145, former Public Records of Duval County, Florida.

Lot 2, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

The South 1/2 of Lot 3, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

The South 1/2 of Lot 4, and the North 1/2 of Lot 3, Block 44 of SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

North 1/2 of Lot 4, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

South 49.69 feet of Lot 5, Block 44, SPRINGFIELD,

according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

North 20 feet of Lot 5 and all of Lot 6, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

Lots 7-16, including alley east of said lots, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

Lot 2 (except the south 34.67 feet), Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

South 34.67 feet of Lot 2, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

The West 45 feet of Lot 1, Block 45, EAST SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

West 38 feet, 5 inches of the East 80 feet of Lot 1, Block 45, EAST SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

East 41 feet, 7 inches of Lot 1, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

West 1/2 of Lot 16, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

Lot 15 and East 1/2 of Lot 16, Block 45 SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

Lots 9, 10 and 11, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

North 1/2 of Lot 12, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page

4, Public Records of Duval County, Florida.

The North 1/2 of Lot 13, Block 45, East SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

The South 1/2 of Lot 13, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

Lot 14, except the Easterly 71.28 feet thereof Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

The Easterly 71.28 of Lot 14, Block 45, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

NE 1/4 of the SW 1/4 of Section 24, Township 2 South, Range 23 East, lying North of Old Plank Road, recorded in OR Book 5218, Page 25, Duval County, Florida.

Lot 6 and the North 1/2 of Lot 5, Block 46, SPRINGFIELD, according to the plat thereof as recorded

in Plat Book 2, page 4, Public Records of Duval County, Florida.

East 1/2 of Lot 9, Block 46, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

West 89 feet of Lot 6, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

East 36 feet of Lot 6, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

Lot 7, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4-5, Public Records of Duval County, Florida.

West 341/2 feet of Lot 8, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

The East 37.5 feet of Lot 8, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book

2, page 4, Public Records of Duval County, Florida.

Lot 9 and the north 1/2 of Lot 10, Block 75, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 4, Public Records of Duval County, Florida.

North 1/2 of Lot 10, Block 75, of SPRINGFIELD, according to the map or plat as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lots 1, 2, SIMMON'S DIVISION of part of Block 74, SPRINGFIELD, according to the plat thereof, as recorded in deed Book 41, Pages 262, 263, and 264, former Public Records of Duval County, Florida.

Lots 3, SIMMON'S DIVISION of part of Block 74, SPRINGFIELD, according to the plat thereof, as recorded in deed Book 41, Pages 262, 263, and 264, of the former Public Records of Duval County, Florida.

East 100 feet of Lot 1, Block 71, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, page 46, Public Records of Duval County, Florida.

The West 25 feet of Lot 1, Block 71, SPRINGFIELD COMPANY'S REVISED plat of the Eastern portion of Hogan's Donation according to the plat thereof, as recorded in Plat Book 2, Page 46, Public Records of Duval County, Florida.

Lots 13 and 14, Block 70, SPRINGFIELD, according to the plat thereof recorded at Plat Book 2, Page 6, Public Records of Duval County, Florida.

South 78 feet of Lot 8, Block 70, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Page 46, Public Records of Duval County, Florida, together with the North 1/2 of closed alley lying South of and adjacent to said South 78 feet of Lot 8, Block 70, as closed, vacated and abandoned by Ordinance 76-162-85.

Lot 1 and the South 1/2 of Lot 2, Block 70, SPRINGFIELD, according to plat thereof recorded in Plat Book 2, page 46, Public Records of Duval County, Florida.

Lot 14, Block 54, SPRINGFIELD, according to map or plat thereof as recorded in Plat Book 2, page 46,

Public Records of Duval County, Florida.

The East 40 feet of Lot 1 and the East 40 feet of the South half of Lot 2, Block 54, SPRINGFIELD, according thereof recorded in Plat Book 2, page 46 of the Current Public Records of Duval County, Florida; and the West 85 feet of Lot 1 and the West 85 feet of the South 34.67 feet of Lot 2, Block 54, SPRINGFIELD, according thereof recorded in Plat Book 2, Page 46 of the current Public Records of Duval County, Florida.

North 46 feet and 10 inches of Lot 13, Block 53, SPRINGFIELD, according to the plat thereof, recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

Lot 15 and 16, Block 53, SPRINGFIELD, according to plat thereof as recorded in Plat Book 2, Pages 4-5, Public Records of Duval County, Florida.

The East 42 feet of Lot 1, Block 53, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The East 43 feet of the West 83 feed of Lot 1, Block

53, EAST SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

Lot 2, Block 44, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The South 35 feet 10 inches of Lot 2, Block 53, EAST SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The North 33 feet 10 inches of Lot 2, Block 53, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4- 5, Public Records of Duval County, Florida.

The South 1/2 of Lot 3, Block 53, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

North half of Lot 3 and the Westerly 32 feet of Lot 7, Block 53, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4, Public Records of

Duval County, Florida.

The Easterly 63 feet of Lot 14, FLORIDA FINANCE COMPANY'S Replat of the Southeasterly Quarter of Block 52, SPRINGFIELD, according the plat thereof recorded in Plat Book 1, page 154, former Public Records of Duval County, Florida.

The East 31.5 feet of the West 62 feet of Lot 14, FLORIDA FINANCE COMPANY'S SUBDIVISION of SE 1/4 of Block 52, SPRINGFIELD, according to the plat thereof recorded in Plat Book 1, Page 154, former Public Records of Duval County, Florida.

The West 30.5 feet of Lot 14, FLORIDA FINANCE COMPANY'S SUBDIVISION OF SE 1/4 of Block 52, SPRINGFIELD, according to the plat thereof recorded in Plat Book 1, Page 154, former Public Records of Duval County, Florida.

Lot 15, Block 52, SPRINGFIELD, according to plat thereof recorded in Plat Book 1, Page 154, of the former Public Records of Duval County, Florida. Also, South 60 feet of West 84 feet of Lot 2, Block 52, SPRINGFIELD, according to plat thereof recorded in

Deed Book Q, page 878, Public Records of Duval County, Florida.

The South 1/2 of Lot 13, Block 52, of SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The North 1/2 of Lot 13, Block 52, of SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The South 1/2 of Lot 12, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The North 1/2 of Lot 12, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

South 34 feet of the East 125 feet of the Northeast 1/4 of Block 52, SPRINGFIELD, according to the plat

thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

North 45 feet of South 79 feet of East 125 feet of Lot 2, Block 52, SPRINGFIELD, according to plat thereof, as recorded in Deed Book Q, Page 878, former Public Records of Duval County, Florida.

The North 40 feet of the South 119 feet of the East 125 feet of Lot 2, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Deed Book Q, Page 878, Public Records of Duval County, Florida.

The East 621/2 feet of the North 90 feet of the East 125 feet of tine Northeast 1/4 of Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The West 62.5 feet of the North 90 feet of the East 125 feet of Lot 2, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4, Public Records of Duval County, Florida.

North 149 feet of West 84 feet of Lot 2, Block 52,

SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The South 70 feet of the West 125 feet of Lot 4, Block 52, SPRINGFIELD, as per plat thereof, recorded in Deed Book Q, Page 878, former Public Records of Duval County, Florida, and in Plat Book 2, Page 5, Public Records of Duval County, Florida.

The Southwest 1/4 of Block 52, being sometimes referred to as Lot 4, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Deed Book Q, at Page 878, former Public Records of Duval County, Florida, excepting therefrom the South 70 feet of the West of the West 130 feet of said Southwest 1/4 (also known as Lot 4).

South 50 feet of North 150 feet of West 100 feet of Lot 1 and South 60 feet of Lot 2, Block 52, SPRINGFIELD, according to the plat thereof, as recorded in Plat Book 2, at Pages 4-5, Public Records of Duval County, Florida.

The West 101 feet of the North 100 feet of Lot 1,

Block 52, SPRINGFIELD, according to the plat thereof as recorded in Deed Book Q, pages 878 and 879, former Public Records of Duval County, Florida, and as recorded in Plat Book 2, at Pages 4-5, current Public Records of Duval County, Florida.

The East 39 feet of the North 149 feet of Lot 1, Block 52, EAST SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

A portion of Lot 1, Block 52 of SPRINGFIELD, according to the plat recorded in Deed Book Q, Pages 878 and 879 of the former Public Records of Duval County, Florida, described as follows: Beginning at a point 39 feet West of the Northeast corner of Lot 1, Block 52, SPRINGFIELD aforesaid, thence continue running West along the Southerly side of East 9th Street, 69 feet to a point; thence South and perpendicular to said 9th Street a distance 100 feet to a point; thence West and parallel to 9th Street a distance of 1 foot to a point; thence South 49 feet to a point; thence East and parallel to 9th Street a distance of 70 feet to a point; thence North and perpendicular to said 9th Street a distance of 149 feet to the point of

beginning.

Lot 1 and the South 36 feet, 8 inches of Lot 2, Block 57, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The North 33 feet of Lot 2, block 57, SPRINGFIELD, according to the plat thereof as recorded in Plat Book 2, Page 4-5, Public Records of Duval County, Florida.

The South 1/2 of Lot 3, Block 57, SPRINGFIELD, according to plat thereof as recorded in Plat Book 2, Page 4, Public Records of Duval County, Florida.

The North 1/2 of Lot 3 and all of Lots 4, 5, and 6, Block 57, SPRINGFIELD, according to plat thereof as recorded in Plat Book 2, Pages 4-5, Public Records of Duval County, Florida.

Lots 8 and 9, Block 48, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lots 10, 11 and 12, Block 48, NEW SPRINGFIELD,

according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lots 9, Block 37, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 10 and the South 20 feet of Lot 11, Block 37, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

North 30 feet of Lot 11 and the South 4 feet of Lot 12, Block 37, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

North 46 feet of Lot 12, Block 37, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 9, Block 34, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lots 10 and 11, Block 34, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 12, Block 34, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 9, Block 23, and part of closed alley received pursuant to ordinance 77-578-252, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 8, Block 23, and part of the closed alley received pursuant to ordinance 77-578-252, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 13, Block 23, and part of the closed alley received pursuant to ordinance 77-578-252, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lots 10, 11 and 12, Block 23, NEW SPRINGFIELD,

according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 9, Block 20, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 8, Block 20, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 13, Block 20, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lots 10, 11 and 12, Block 20, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida.

Lot 8, Block 9, NEW SPRINGFIELD, according to plat thereof recorded in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida, together with the East 1/2 of the vacated alley lying immediately West of the adjoining said Lot 8; and Lots 9 and 10, Block 9, NEW SPRINGFIELD, according to plat thereof recorded

in Plat Book 2, Pages 69-70, Public Records of Duval County, Florida, together with the West 1/2 of the vacated alley lying immediately east of the adjoining said Lots 9 and 10.

(8) The San Marco Transportation Corridor is that part of the San Marco Overlay of the City of Jacksonville, Duval County, Florida, described as:

Lot 1, Block 2, ALFORD PARK, according to the map thereof as recorded in Plat Book 16, Page 25, Public Records of Duval County, Florida.

Lot 2, Block 2, ALFORD PARK, according to the map thereof as recorded in Plat Book 16, Page 25, Public Records of Duval County, Florida.

Lots 1 and 2, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 4, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 3, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 6, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 5, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 8, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 7, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 10, Block 17, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 9, Block 17, FLETCHER PARK, according to plat

thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lots 1, 2, 3, 4, 5 and 6, Block 16, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 8, Block 16, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 7, Block 16, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lots 9 and 10, Block 16, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 1, Block 14, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 2, Block 14, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public

Records of Duval County, Florida, together with that portion of Thacker Avenue vacated by Ordinance No. 2006-831-E, as recorded in Official Records Book 13494, Page 144, Public Records of Duval County, Florida.

Lots 3 through 10, Block 14, and Lots 5, 6, 8, 9, 10, Block 15, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida, together with that portion of Thacker Avenue vacated by Ordinance No. 2006-831-E, as recorded in Official Records Book 13494, Page 144, Public Records of Duval County, Florida.

Lots 1 and 2, Block 15, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida, together with that portion of Thacker Avenue vacated by Ordinance No. 2006-831-E, as recorded in Official Records Book 13494, Page 144, Public Records of Duval County, Florida.

Lot 3, Block 15, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida, together with that

portion of Thacker Avenue vacated by Ordinance No. 2006-831-E, as recorded in Official Records Book 13494, Page 144, Public Records of Duval County, Florida.

Lots 4, Block 15, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lot 7, Block 15, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida, together with that portion of Thacker Avenue vacated by Ordinance No. 2006-831-E, as recorded in Official Records Book 13494, Page 144, Public Records of Duval County, Florida.

Lots 10, 11, Avondale Company's Replat of Block 10, SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 99, Public Records of Duval County, Florida.

A portion of Lot 9, Block 10, San Marco Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County,

Florida.

Lot 1, Block 10, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lot 2, Block 10, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lot 3 and 4 and north 15 feet of Lot 5, Block 10, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lot 5, Block 10, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lot 1, Block 11, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lot 2, Block 11, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of

Duval County, Florida.

Lot 3, Block 11, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lots 1 through 4, Block 12, FLETCHER PARK, according to plat thereof recorded in Book 7, Page 14, Public Records of Duval County, Florida.

Lots 1, 2 and a portion of Lot 3, Block 13, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida, and Lot 30, Block 11, SHADYSIDE, as recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida, as more particularly described in Deed recorded at Official Records Book 17206, Page 1384, Public Records of Duval County, Florida.

Lot 6 and the Westerly 4 feet of Lot 7, Block 11, SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64, Public Records of Duval County, Florida.

Lot 5, Block 11, SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64, Public Records of

Duval County, Florida.

Lots 2, 3 and 4, Block 11, SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64, Public Records of Duval County, Florida.

Lot 1, Block 11, Avondale Company's Replat of SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64 Public Records of Duval County, Florida.

Lots 10 and 11, Block 9, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 9, Block 9, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lots 6, 7 and 8, Block 9, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lots 5 and 6, Block 9, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 13, Block 7, Avondale Company's Replat of SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64 Public Records of Duval County, Florida.

A portion of Lot 11 and Lot 12, Block 7, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Easterly 26.0 feet of Lot 9, all of Lot 10 and the Westerly 25.35 feet of Lot 11, Block 7, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida, together with that part of San Marco Boulevard more particularly described as follows: Begin at the Northeast corner of Lot 10, Block 7, Avondale Company's Replat of Lots 7 to 11, Block 7 and all of Block 11, San Marco (Plat Book 11, Page 5) according to the plat recorded in Plat Book 15, Page 64, Public Records of Duval County, Florida; thence Northwesterly along the Northeasterly line of said Lot 10 a distance of 50 feet to the Northwesterly corner of said Lot 10; thence Northeasterly, perpendicular to last mentioned line, a distance of 9 feet; thence Southeasterly, parallel to and distant 9 feet from said Northeasterly

line of said Lot 10, a distance of 50 feet; thence Southwesterly a distance of 9 feet to the point of beginning.

Lots 8 and 9, Block 7, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 7, Block 7, Avondale Company's Replat of SAN MARCO, according to plat thereof recorded in Plat Book 15, Page 64 Public Records of Duval County, Florida.

Lot 15, Block 6, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 13, Lot 14 and Lot 15, and a portion of Lot 16, Block 5, RIVIERA, according to plat thereof recorded in Plat Book 7, Page 37, Public Records of Duval County, Florida.

Lot 1, Block 3, RIVIERA, according to plat thereof recorded in Plat Book 7, Page 37, Public Records of Duval County, Florida.

Lot 38, RIVIERA PLACE, according to plat thereof recorded in Plat Book 8, Page 35, Public Records of Duval County, Florida.

Lots 28 and 29, RIVIERA PLACE, according to plat thereof recorded in Plat Book 8, Page 35, Public Records of Duval County, Florida.

Lots 10, 11, 12, and 13, Replat of Block 7, SCHNEIDER'S Replat of Blocks 6 and 7, OKLAHOMA, according to plat thereof recorded in Plat Book 7, Page 22, Public Records of Duval County, Florida.

Lot 1 of a replat of Block 7, SCHNEIDER'S Replat of Blocks 6 and 7, OKLAHOMA, as recorded in Plat Book 7, pages 22 Public Records of Duval County, Florida.

Lot 2, Replat of Block 7, SCHNEIDER'S Replat of Blocks 6 and 7, OKLAHOMA, according to plat thereof recorded in Plat Book 7, Page 22, Public Records of Duval County, Florida.

Lot 17, Block C of CLARKES'S replat of Block 16, OKLAHOMA, according to the plat thereof as recorded in Plat Book 7, Page 32, Public Records of Duval County,

Florida.

Lot 18, Block C, CLARKE'S replat of Block 16, OKLAHOMA, according to the plat thereof, recorded in Plat Book 7, page 32, Public Records of Duval County, Florida.

Lot 2, Block C, CLARKE'S replat of Block 16, OKLAHOMA, according to plat thereof recorded in Plat Book 7, Page 32, Public Records of Duval County, Florida.

Lot 1, Block C, CLARKE'S replat of Block 16, OKLAHOMA, according to the map or plat thereof as recorded in Plat Book 7, page 32, Public Records of Duval County, Florida.

Lots 17 and 18, Block D, Clark's replat of Block 16, OKLAHOMA, according to plat thereof recorded in Plat Book 7, page 32 Public Records of Duval County, Florida.

The Easterly 76 feet of Lot 1, Block D, Clarke's replat of Block 16, OKLAHOMA, according to the plat thereof recorded in Plat Book 7, Page 32, Public Records of Duval County, Florida.

Lots 17 and 18, Block 4, PHILLIPS ADDITION TO PALM PARK, according to plat thereof as recorded in Plat Book 8 Page 11, of Public Records of Duval County, Florida.

Lot 5, Block 4, PHILLIPS ADDITION TO PALM PARK, according to plat thereof as recorded In Plat Book 8, page 11 Public Records of Duval County, Florida.

Lots 17 and 18 of Block 3, PHILLIPS ADDITION TO PALM PARK according to plat thereof recorded in Plat Book 8, page 11, Public Records of Duval County, Florida.

Lot 2 and the East 30 feet of Lot 3, Block 3, PHILLIPS ADDITION TO PALM PARK, according to plat there of as recorded in Plat Book 8, Page 11, Public Records of Duval County, Florida.

Lot 1, Block 3 of PHILLIPS ADDITION TO PALM PARK, according to the plat thereof as recorded in Plat Book 8, Page 11, Public Records of DUVAL County, Florida.

Lot 4, IDEAL INVESTMENT COMPANY'S replat of Block 23, OKLAHOMA SUBDIVISION, according to the plat thereof

recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

Lot 5, IDEAL INVESTMENT COMPANY'S replat of Block 23, OKLAHOMA SUBDIVISION, according to the plat thereof recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

Lot 6, IDEAL INVESTMENT COMPANY'S replat of Block 23, OKLAHOMA SUBDIVISION, according to the plat thereof recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

Lots 7 and 8, IDEAL INVESTMENT COMPANY'S replat of Block 23, OKLAHOMA SUBDIVISION, according to the plat thereof recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

Lot 9, IDEAL INVESTMENT COMPANY'S replat of Block 23, OKLAHOMA SUBDIVISION, according to the plat thereof recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

Lots 10 and 11, Ideal Investment Company's replat of Block 23, OKLAHOMA Subdivision, according to the plat

thereof recorded in Plat Book 7, Page 30, Public Records of Duval County, Florida.

A part of Lots 10 and 11, Block 15, OKLAHOMA, according to plat recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, particularly described as follows:

Beginning at a point on the Southerly side of Cedar Street, South Jacksonville, Florida, which point is 109 feet Easterly of the Northwest corner of said Lot 10; thence Easterly along the Southerly side of Cedar Street 50 feet to the Northeast corner of said Lot 10; thence Southerly and parallel with Forest Avenue, 100 feet; thence Westerly and parallel with Cedar Street 50 feet; thence Northerly and parallel with Forest Avenue, 100 feet to point of beginning.

South 20 feet of Lot 11 and the North 30 feet of Lot 12, Block 15, OKLAHOMA, according to the Plat thereof as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

South 30 feet of Lot 12 and the North 20 feet of Lot 13, Block 15, OKLAHOMA, according to the Plat thereof

as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 13, EXCEPT the Easterly 60 feet thereof and also, EXCEPTING the Northerly 20 feet thereof, and all of Lots 14, and 15, Block 15, OKLAHOMA, according to the Plat thereof as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 16, Block 15, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 18, Block 15, OKLAHOMA, as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lots 17 & 18, Block 15, OKLAHOMA, according to the plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

The West 105 feet of Lot 12, Block 6, SCHNEIDER'S REPLAT, according to the plat thereof recorded in Plat Book 4, page 37, Public Records of Duval County, Florida.

The East 441/4 feet of Lots 11 and 12, Block 6, SCHNEIDER'S REPLAT of Block 6 and 7, OKLAHOMA, according to the map or plat thereof, as recorded in Plat Book 4, Page 37, Public Records of Duval County, Florida.

West 105 feet of Lot 11, Block 6, SCHNEIDER'S REPLAT of Blocks 6 and 7 OKLAHOMA, according to the Plat thereof as recorded in Plat Book 4, Page 37, Public Records of DUVAL County, Florida.

Lot 10, Block 6, SCHNEIDER'S REPLAT of Blocks 6 and 7 OKLAHOMA, according to the Plat thereof as recorded in Plat Book 4, Page 37, Public Records of DUVAL County, Florida.

Lot 9, Block 6, SCHNEIDER'S REPLAT of Blocks 6 and 7, OKLAHOMA, according to plat thereof recorded in Plat Book 4, Page 37, Public Records of Duval County, Florida.

Lots 7 and 8, Block 6, SCHNEIDER'S REPLAT of Blocks 6 and 7, OKLAHOMA, according to plat thereof recorded in Plat Book 4, Page 37, Public Records of Duval County, Florida.

Lot 6, Block 6, SCHNEIDER'S REPLAT of Block 6 and 7 OKLAHOMA, as recorded in Plat Book 4, Page 37, Public Records of Duval County, Florida.

Lot 7, Block 2, RIVIERA, as recorded in Plat Book 7, Page 37, all as recorded in the Public Records of Duval County, Florida.

Lot 10 and the Easterly portion of Lot 11, in Block 5, RIVIERA, according to the plat recorded in Plat Book 7, Page 37, Public Records of Duval County, Florida.

Lots 1 through 18, Block 28, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, together with that certain 18' alley lying between the westerly line of Lots 1 through 9 and the easterly line of Lots 10 through 18, Block 28, OKLAHOMA, according to Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 1, Block Eleven 11, OKLAHOMA according to Plat thereof recorded in Plat Book 2, at Page 7, Public Records of Duval County, Florida.

North 1/2 of Lot 2, Block 11, OKLAHOMA, according to Plat thereof as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

South 1/2 of Lot 2, Block 11, OKLAHOMA, according to plat thereof as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 3 and the Northerly 6 inches, more or less, Lot 4, Block 11, OKLAHOMA, according to plat recorded in Plat Book 2, page 7 Public Records of Duval County, Florida.

The South 59.5 feet of Lot 4, Block 11, OKLAHOMA, according to plat thereof as recorded in Plat Book 2, page 7, Public Records of Duval County, Florida.

Lots 5 & 6, Block 11, OKLAHOMA, as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

The South 30 feet of Lot 6 and all of Lot 7, Block 11, of OKLAHOMA, according to plat thereof as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 9, Block 11, OKLAHOMA, as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 1, Block 2, OKLAHOMA, as recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Lot 1, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 2 and 3, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lot 4, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 5 and 6, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lot 7, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of

Duval County, Florida.

Lots 8, 9 and 10, Block 6, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

That part of those lands conveyed by Harley Wiles, as trustee for John A. Wiles and said John A. Wiles to Joseph E. Sallas and Marie H. Sallas, his wife, by deed dated May 30, 1921, recorded in deed book 211, page 195, Public records of Duval County, Florida, and that part of those lands conveyed by Villa Alexandria Homes Company to Joseph E. Sallas and Marie H. Sallas, his wife, by that deed dated October 25, 1934, recorded in deed book 680, page 471, Public records of Duval County, Florida, more particularly described as follows: beginning at a point on Landon Avenue, which point is on the south side of said Landon Avenue 153 feet westerly of the west side of Hendricks Avenue, thence southerly and parallel with said Hendricks Avenue 102.4 feet to the north line of San Marco Place, according to plat thereof recorded in plat book 15, page 22, Public records of Duval County, Florida, thence westerly along the north line of said San Marco Place, 50.82 feet, thence northerly along the line

parallel with Hendricks Avenue 101.75 feet to the southerly line of Landon Avenue, thence easterly along the southerly line of Landon Avenue 51 feet to the point of beginning. Said tract being the lot described in deed recorded in deed book 923, page 53, Public Records of Duval County, Florida.

Parcel D - part of the William Craig grant, section 46, township 2 south, range 26 east, described as the easterly half of that property conveyed to Joseph E. Sallas and Marie H. Sallas by Harley Wiles as trustee for John A. Wiles, by deed dated May 30, 1921 recorded in deed book 211, page 196 Public records of said county, said easterly half being more particularly described as follows, to wit: commencing at a point in the southerly line of Landon Avenue 102 feet westerly of the westerly line of Hendricks Avenue; thence southerly and parallel to Hendricks Avenue 103.88 feet to a point; thence westerly along the northerly line of San Marco Place according to plat recorded in plat book 15, page 22 of said public records, a distance of approximately 51 feet to the property heretofore conveyed by Joseph E. Sallas and Marie H. Sallas to Frank F. Roberts and Madeline Roberts, his wife; thence northerly and parallel to the westerly line of

said Hendricks Avenue, a distance of 102.4 feet to a point in the southerly line of Landon Avenue; thence easterly along the southerly line of Landon Avenue 51 feet to the point of beginning. Also any portion of that property described in deed from San Marco Place company to Joseph E. Sallas and Marie H. Sallas, dated December 25, 1941, recorded in deed book 923, page 55 lying between the side lines of the above described property, if extended in a southerly direction, to the north line of San Marco Place, not covered by the first description above.

Parcel E - that part of the tract of land recorded in deed book 112, page 196, shown on the plat of Shadyside in the William Craig grant, section 46, township 2, south, range 26 east, recorded in plat book 2, page 91 marked "john a. Wiles" public records of Duval County, Florida, described as follows: beginning near the northeast corner of said tract at the intersection of the westside of Hendricks Avenue and the southside of Landon Avenue as shown on said plat; running thence southerly along the western side of Hendricks Avenue one hundred twenty three feet (123) to a point; thence running westerly at right angles to Hendricks Avenue one hundred feet (100) to a

point; running thence northerly and parallel to Hendricks Avenue one hundred three and 88/100 feet (103.88′) to a point on the southside of Landon Avenue; running thence easterly along the southside of Landon Avenue one hundred two feet (102′) to the point of beginning.

Lot 13, SAN MARCO PLACE, according to plat thereof recorded in Plat Book 15, Page 22, Public Records of Duval County, Florida.

A portion of Lot 11, Block 10, San Marco Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County, Florida, also known as Unit 2000-2 and more particularly described in Deed recorded in Official Records Book 8922, Page 1974, Public Records of Duval County, Florida.

Lot 8 and a portion of Lot 9, Block 10, San Marco Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County, Florida, also described as Unit 2016.

A portion of Lot 9 and Lot 8, Block 10, San Marco

Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County, Florida.

Lots 5, 6 and 7, Block 10, San Marco Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County, Florida.

Lots 1, Block 21, FLETCHER PARK, according to the plat thereof recorded in Plat Book 7, page 14, of the current public record of Duval County, Florida.

The North 50 feet of the South 150 feet of Lot 3, Block 13, FLETCHER PARK, according to plat thereof recorded in Plat Book 7, Page 14, Public Records of Duval County, Florida.

Lots 16, 28, 29, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 26 and 27, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 26 and 27, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lot 25, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 23 and 24, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 20, 21, 22, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 4 and 18, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lot 5, Block 11, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lot 10 and parts of Lots 11 and 12, Block 5, SHADYSIDE, according plat thereof recorded in Plat Book 2, Page 91, of the current public record of Duval County, Florida, as more particularly described in Deed recorded at Official Records Book 11556, Page 873, Public Records of Duval County, Florida.

Lot 12 and 13, Block 5, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Lots 1, 2,3,16 and 17, Block 5, SHADYSIDE, according to plat thereof recorded in Plat Book 2, Page 91, Public Records of Duval County, Florida.

Fractional Block 1, OKLAHOMA, according to the plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, said Fractional part of said Block being bounded by North LaSalle Street, formerly Pine Street, East by Thacker Avenue, formerly Myrtle Avenue, West by Hendricks Avenue, and South by Block 5, according to the plat of SHADYSIDE, Plat Book 2, Page 91, Public Records of Duval County, Florida.

All of Block A, SAN MARCO, according to plat thereof

recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lots 1, 2, 3, 4, 12, 13 and 14, Block 10, San Marco Avondale Company's Replat of Block 10, SAN MARCO, according to Plat Book 15, Page 99, Public Records of Duval County, Florida.

Lot 13, Block 6, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 12, Block 6, SAN MARCO, according to plat thereof recorded in Plat Book 11, Page 5, Public Records of Duval County, Florida.

Lot 1 and the Northerly 30 feet of Lot 2, Block 20, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Southerly 30 feet of Lot 2 and fractional Lot 3, Block 20, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida.

Portion of Lots 3 and 4, Block 20, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, as more particularly described in Deed Book 5814, Page 867, Public Records of Duval County, Florida.

Lots 5, 6, 7, 8, Block 20, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, together with the westerly one-half of ally closed by Ordinance No. AA-307.

Lot 9, Block 20, OKLAHOMA, according to plat thereof recorded in Plat Book 2, Page 7, Public Records of Duval County, Florida, together with the westerly one-half of alley closed by Ordinance No. AA-307.

(9) The Kings Avenue Commercial Corridor is all lands fronting on Kings Avenue between Prudential Drive and Atlantic Boulevard.

Section 2. Notwithstanding s. 561.20(1), Florida Statutes, in the areas herein described as ~~Northside West, Northside East,~~ Southbank, Riverside Avondale Urban Transition Area, Riverside

Avondale Commercial Character Areas, Murray Hill Commercial Area, Springfield Commercial Area, and San Marco Transportation Corridor, the Division of Alcoholic Beverages and Tobacco of the Department of Business Regulation may issue a special alcoholic beverage license to any bona fide restaurant containing all necessary equipment and supplies for and serving full course meals regularly and having accommodations at all times for service of 100 or more patrons at tables and occupying not less than 1,800 square feet of floor space which derive no less than 51 percent of gross income per annum from the sale of food consumed on the premises; provided that such licenses shall be subject to local zoning requirements and to any provision of the alcoholic beverage laws of the state and rules of the division not inconsistent herewith.

Section 3. Notwithstanding s. 561.20(1), Florida Statutes, in the areas herein described as Northside West, Northside East, and Kings Avenue Commercial Corridor, the Division of Alcoholic Beverages and Tobacco of the Department of Business Regulation may issue a special alcoholic beverage license to any public food service establishment that is equipped to serve 50 or more persons at one time and occupying not less than 1,000 square feet of service area which derives at least 51 percent of its gross food and beverage revenue from the sale of food and nonalcoholic beverages; provided that such licenses shall be subject to local zoning requirements and to any provision of the

alcoholic beverage laws of the state and rules of the division not inconsistent herewith.

Section 2. This act shall take effect upon becoming a law.

# PCS for HB 575

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCS for HB 575 Vacation and Timeshare Plans
**SPONSOR(S):** Regulatory Reform Subcommittee
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| Orig. Comm.: Regulatory Reform Subcommittee | | Thompson | Anstead |

## SUMMARY ANALYSIS

A timeshare interest is a form of ownership of real and personal property where multiple parties hold the right to use a condominium unit or a cooperative unit, and each owner of a timeshare interest is allotted a period of time (typically one week) during which the owner has the exclusive right to use the property. The Florida Vacation Plan and Timesharing Act establishes requirements for the creation, sale, exchange, promotion, and operation of timeshare plans, including requirements for full and fair disclosure to purchasers and prospective purchasers. The Division of Florida Condominiums, Timeshares, and Mobile Homes of the Department of Business and Professional Regulation (DBPR) administers the Act.

The bill:

- Allows timeshare developers to electronically deliver certain documents.
- Eliminates certain requirements for the offering of incidental benefits in the sale of a timeshare plan.
- Allows a purchaser to assign or transfer incidental benefits without the approval of the provider.
- Revises the requirements for the cancellation of a timeshare plan by clarifying that the term “execution date” refers to the execution date of the contract.
- Extends the period for voiding a contract for which the closing occurred before the expiration of the required cancellation period from one year to five years. Under the bill, the period for voiding a contract for which a prohibited attempt has been made to obtain the waiver of the cancellation right remains one year.
- Expands the definition for the term “advertising material” to include any message, text, picture, video, or other content made available, delivered, or shared electronically through the Internet or any other Internet-based access.
- Exempts electronic advertising materials from required disclosures if such disclosures are given before a purchaser takes any affirmative action pursuant to a promotion.
- Revises the provisions for the resolution of owner disputes related to the allocation of the share of the net proceeds from the disposition of the timeshare property in a termination.
- Allows the board of administration or the members of an owners’ association to conduct board meetings or owners’ meetings electronically.
- Authorizes the managing entity of a timeshare plan and the board of an owners’ association to exercise specified emergency powers.
- Allows timeshare estates and timeshare licenses to be offered in a nonspecific multisite timeshare plan.
- Allows electronic delivery of required notices in the foreclosure of a mortgage interest or assessment lien.
- Revises certain foreclosure procedures.

The bill does not appear to have an impact on state or local government.

The effective date of the bill is upon becoming law.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Background**

### Florida Vacation Plan and Timesharing Act

A timeshare interest is a form of ownership of real and personal property.[1] In a timeshare, multiple parties hold the right to use a condominium unit or a cooperative unit. Each owner of a timeshare interest is allotted a period of time (typically one week) during which the owner has the exclusive right to use the property.

Chapter 721, F.S., the Florida Vacation Plan and Timesharing Act (Act), administered by the Division of Florida Condominiums, Timeshares, and Mobile Homes (Division) within the Department of Business and Professional Regulation (DBPR), establishes requirements for the creation, sale, exchange, promotion, and operation of timeshare plans, including requirements for full and fair disclosure to purchasers and prospective purchasers.[2] The Act applies to all timeshare plans consisting of more than seven timeshare periods over a period of at least three years when the accommodations and facilities are located or offered within this state.[3] The Act governs vacation plans and timesharing,[4] and multisite vacation and timeshare plans that are also known as vacation clubs.[5]

The term "timeshare plan" means any arrangement, plan, scheme, or similar device, other than an exchange program, whether by membership, agreement, tenancy in common, sale, lease, deed, rental agreement, license, or right-to-use agreement or by any other means, where a purchaser, for consideration, receives ownership rights in or a right to use accommodations and facilities, if any, for a period of time less than a full year during any given year, but not necessarily for consecutive years.[6] The term includes both personal property timeshare and real property timeshare plans.[7]

Each timeshare plan must have a managing entity that must be the developer, a separate manager or management firm, or an owners' association. The managing entity operates or maintains the timeshare plan.[8]

A timeshare unit is an accommodation of a timeshare plan which is divided into timeshare periods or a condominium unit in which timeshare estates have been created.[9]

A "timeshare estate" is a right to occupy a timeshare unit, coupled with a freehold estate or an estate for years with a future interest in a timeshare property or a specified portion thereof.[10] The term also includes an interest in a condominium unit, a cooperative unit, or a trust. Whether the term includes both direct and indirect interests in trusts is not specified. An example of an indirect interest in a trust is the interest of a trust beneficiary's spouse or other dependent.

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[1] *See* s. 721.05(36), F.S.
[2] S. 721.02(2) and (3), F.S.
[3] S. 721.03, F.S.
[4] Ch. 721, part I, F.S.
[5] Ch. 721, part II, F.S.
[6] S. 721.05(39), F.S.
[7] A "personal property timeshare plan," is a timeshare plan in which the accommodations are comprised of personal property that is not permanently affixed to real property. s. 721.05(39)(a) F.S. A "real property timeshare plan," is a timeshare plan in which the accommodations of the timeshare plan are comprised of or permanently affixed to real property. Section 721.05(39)(b), F.S.
[8] S. 721.13(1)(a), F.S. The duties of a managing entity are provided in s. 721.13(3), F.S.
[9] *See* ss. 721.05(41) and 718.103(26), F.S.
[10] S. 721.05(34), F.S.

A "timeshare license" is the right to occupy a timeshare unit, which right is not a personal property timeshare interest or a timeshare estate.[11] A "timeshare interest" is a timeshare estate, a personal property timeshare interest, or a timeshare license.[12]

**Exemptions from Condominium and Cooperative Associations**

A timeshare plan is subject to chs. 718 and 719, F.S., relating to condominium and cooperative associations, respectively. However, if the plan is compliant with the Act it is exempt from certain provisions of chs. 718 or 719, F.S., including provisions relating to sales or reservation deposits prior to closing, disclosures prior to sale, and conversions to condominiums or cooperatives.[13]

A declaration of condominium, which is the instrument that creates a condominium,[14] must provide, if timeshare estates will or may be created with respect to any unit in the condominium, a statement in conspicuous type declaring that timeshare estates will or may be created with respect to units in the condominium. The declaration of condominium must also define and describe in detail the degree, quantity, nature, and extent of the timeshare estates that will or may be created.[15]

Timeshare estates may not be created with respect to any condominium unit except pursuant to provisions in the declaration expressly permitting the creation of such estates.[16]

Current law relating to amending the declaration of condominium, prohibits, unless otherwise provided in the declaration as originally recorded, an amendment to the declaration to create timeshare estates in any unit of the condominium, unless the record owner of each unit of the condominium and the record owners of liens on each unit of the condominium join in the execution of the amendment.[17]

**Public Offering Statement**

Current law requires a developer to submit to the Division a public offering statement before any timeshare plan is offered for sale.[18] The Division must prescribe the form of the public offering statement and approve the public offering statement before it is delivered to prospective purchasers.[19]

The public offering statement must contain a statement in conspicuous type informing the purchaser of a timeshare plan of their statutory right to cancel their purchase contract before midnight of the 10th calendar day following the date the purchaser signed the purchase contract, the date on which the purchaser received the last of all documents required to be given pursuant to s. 721.07(2)(d)2., F.S., or 10 calendar days after the purchaser receives any required revisions, whichever is later.[20] The Developer is required to furnish each purchaser with the following:[21]

- A copy of the purchaser public offering statement text in the form approved by the Division for delivery to purchasers.
- Copies of the exhibits required to be filed with the Division.
- A receipt for timeshare plan documents and a list describing any exhibit to the filed public offering statement filed with the Division which is not delivered to the purchaser.
    - The Division is authorized to prescribe by rule the form of the receipt for timeshare plan documents and the description of exhibits list that must be furnished to the purchaser.
    - The description of documents list utilized by a developer must be filed with the Division for review as part of the filed public offering statement.

[11] S. 721.05(37), F.S.
[12] S. 721.05(36), F.S.
[13] *See* s. 721.03(3), F.S.
[14] S. 718.103(15), F.S.
[15] S. 718.104(4)(o), F.S.
[16] S. 718.1045, F.S.
[17] S. 718.110(8), F.S.
[18] S. 721.07, F.S.
[19] S. 721.07(6), F.S.
[20] *See also* s. 721.10, F.S., providing for a 10-day cancellation period.
[21] S. 721.07(6), F.S.

    - The developer must provide the managing entity with a copy of the approved filed public offering statement and any approved amendments to be maintained by the managing entity as part of the books and records of the timeshare plan.
- Any other exhibit which the developer includes as part of the purchaser public offering statement, provided that the developer first files the exhibit with the Division.
- An executed copy of any document which the purchaser signs.

**Incidental Benefits**

Current law permits the offering of specified incidental benefits to purchasers of timeshare interests under specified circumstances.[22] The term "incidental benefit" means:[23]

> …an accommodation, product, service, discount, or other benefit which is offered to a prospective purchaser of a timeshare plan or to a purchaser of a timeshare plan prior to the expiration of his or her initial 10-day voidability period pursuant to s. 721.10[, F.S.,]; which is not an exchange program as defined in [s. 721.05(16), F.S.]; and which complies with the provisions of s. 721.075[, F.S.] The term shall not include an offer of the use of the accommodations and facilities of the timeshare plan on a free or discounted one-time basis.

Examples of incidental benefits would be exchange rights, travel insurance, bonus weeks, referral awards, and golf and tennis packages.[24]

Incidental benefits are subject to required disclosures and restriction, including a limit on the aggregate represented value of all incidental benefits offered by a developer to a purchaser of not more than 15 percent of the purchase price paid by the purchaser for his or her timeshare interest. The incidental benefits must be filed with the Division for review in conjunction with the filing of a timeshare plan or in connection with a previously filed timeshare plan.[25]

In addition, each purchaser of a timeshare plan must execute a separate acknowledgment and disclosure statement with respect to all incidental benefits. The acknowledgment and disclosure statement must include certain information, including a statement that: [26]

- Explains the use of or participation in the incidental benefit by the prospective purchaser is completely voluntary, and that payment of any fee or other cost associated with the incidental benefit is required only upon such use or participation;
- Indicates the source of the services, points, or other products that constitute the incidental benefit; and
- Explains that the incidental benefit is not assignable or otherwise transferable by the prospective purchaser or purchaser.

The acknowledgement and disclosure statement must be filed with the division prior to use.[27]

The developer must promptly notify the division upon learning of the unavailability of any incidental benefit.[28]

**Cancellations**

Current law provides for the cancellation of a timeshare plan contract by the purchaser based on whichever of the following timeframes occurs later:[29]

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[22] S. 721.075, F.S.
[23] S. 721.05(19), F.S.
[24] *See* https://www.lawinsider.com/dictionary/incidental-benefit#:~:text=Incidental%20benefit%20means%20an%20accommodation,voidability%20period%20pursuant%20to%20s. (last visited Jan. 23, 2022).
[25] Section 721.075(2), F.S.
[26] *Id.*
[27] *Id.*
[28] S. 721.075(3)(a), F.S.

- Before midnight of the 10th calendar day following the date of the execution;
- The date on which the purchaser received the last of all documents required to be given pursuant to s. 721.07(2)(d)2., F.S.; or
- Ten calendar days after the purchaser received any required revisions.[30]

It is unlawful to attempt to obtain a waiver of the cancellation right of the timeshare purchaser, or to hold the closing prior to the expiration of the cancellation period. Such closing is voidable at the option of the purchaser for a period of one year after the expiration of the cancellation period.

**Advertising Materials**

Current law provides for the regulation of advertising materials used in connection with the sale of a timeshare plan.[31] The term "advertising material" includes a variety of materials and advertising methods, including promotional brochures, pamphlets, and radio and television advertisements.[32]

All written advertising material, including any lodging certificate, gift award, premium, discount, or display booth, must provide a disclosure in conspicuous type in substantially the following form:[33]

> This advertising material is being used for the purpose of soliciting sales of timeshare interests; or This advertising material is being used for the purpose of soliciting sales of a vacation (or vacation membership or vacation ownership) plan.

The Division may approve the use of an alternate disclosure. This conspicuous disclosure must be provided before the purchaser is required to take any affirmative action pursuant to the promotion.[34]

**Termination of Timeshare Plans**

Current law provides for termination of timeshare plans upon the vote or written consent of 60 percent of all the voting interests in the timeshare plan.[35]

After termination of a timeshare plan, the board of administration of the owners' association (board) serves as the termination trustee. In that fiduciary capacity, the board may bring a partition action on behalf of the tenants in common in each former timeshare property, or may sell the former timeshare property in any manner and to any person approved by a majority of all the tenants in common. The termination trustee also has all other powers reasonably necessary to accomplish the partition or sale, including the power to maintain the property while the partition action or sale is pending, and must adopt reasonable procedures to implement the partition or sale and comply with these requirements.[36]

All reasonable expenses incurred by the termination trustee relating to the performance of the trustee's duties, including reasonable fees of attorneys and other professionals, must be paid by the tenants in common, in proportion to their ownership interests.[37]

The termination trustee may adopt reasonable procedures to implement the partition or sale of the former timeshare property and comply with the requirements of s. 721.125, F.S., for the termination of a timeshare plan.[38]

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[29] S. 721.10, F.S.
[30] S. 721.07(2)(d), F.S.
[31] S. 721.11, F.S.
[32] *See* s. 721.11(2), F.S.
[33] S. 721.11(5)(a), F.S.
[34] *Id*.
[35] S. 721.125, F.S.
[36] S. 721.125(3)(a)1., F.S.
[37] S. 721.125(3)(a)2., F.S.
[38] S. 721.125(3)(a)3., F.S.

The timeshare plan termination provisions apply to timeshare plans that have been in existence for at least 25 years as of the effective date of the termination vote or consent required by s. 721.125(1), F.S.[39]

**Management of a Timeshare Plan**

Current law requires the developer to provide a managing entity for each timeshare plan. The managing entity may be the developer, a separate manager or management company, or an owners' association.[40]

**Managing Entity Emergency Powers**

Sections 718.1265, 719.128, and 720.316, F.S., provide for the exercise of emergency powers by the boards of condominium, cooperative, and homeowners' associations, respectively, in response to injury and to an anticipated declared state of emergency. The emergency powers for these association boards include provisions for the conduct meetings and elections, in whole or in part, by telephone, real-time videoconferencing, or similar real-time electronic or video communication, and for the giving of meeting notices by electronic transmission.

The Act does not provide a comparable emergency authority for the managing entity of a timeshare plan.

**Vacation Club Definitions**

The term "nonspecific multisite timeshare plan" is defined to mean:[41]

> A multisite timeshare plan with respect to which a purchaser receives a right to use all of the accommodations and facilities, if any, of the multisite timeshare plan through the reservation system, but no specific right to use any particular accommodations and facilities for the remaining term of the multisite timeshare plan in the event that the reservation system is terminated for any reason prior to the expiration of the term of the multisite timeshare plan.

The term "timeshare estate" is defined to mean:[42]

> A right to occupy a timeshare unit, coupled with a freehold estate or an estate for years with a future interest in a timeshare property or a specified portion thereof, or coupled with an ownership interest in a condominium unit, an ownership interest in a cooperative unit, or a direct or indirect beneficial interest in certain trusts, provided that the trust does not contain any personal property timeshare interests. A timeshare estate is a parcel of real property.

The term "timeshare license" is defined to mean a right to occupy a timeshare unit, which right is not a personal property timeshare interest[43] or a timeshare estate.[44]

Current law providing for the offering of timeshare estates in a "specific multisite plan"[45] requires a specific multisite plan to contain or provide for all of the following matters: [46]

- The purchaser will receive a timeshare estate as defined in s. 721.05, F.S., in one of the component sites of the specific multisite timeshare plan. The use rights in the other component

[39] S. 721.125(4), F.S.
[40] S. 721.13, F.S.
[41] S. 721.52(5), F.S.
[42] S. 721.05(34), F.S.
[43] S. 721.05(28), F.S.
[44] S. 721.05(37), F.S.
[45] S. 721.52(7), F.S., defining the term "specific multisite plan."
[46] S. 721.57(2), F.S.

sites of the multisite timeshare plan shall be made available to the purchaser through the reservation system pursuant to the timeshare instrument.

- In the event that the reservation system is terminated or otherwise becomes unavailable for any reason prior to the expiration of the term of the specific multisite timeshare plan:
    - The purchaser will be able to continue to use the accommodations and facilities of the component site in which she or he has been conveyed a timeshare estate in the manner described in the timeshare instrument for that component site for the remaining term of the timeshare estate; and
    - Any use rights in that component site which had previously been made available through the reservation system to purchasers of the specific multisite timeshare plan who were not offered a timeshare estate at that component site will terminate when the reservation system is terminated or otherwise becomes unavailable for any reason.

Any offering that does not comply with these requirements is deemed to be an offering of a timeshare license.[47]

The term "timeshare estate," is defined, in part, as a parcel of real property under the laws of this state.[48] The use rights to the real property, i.e., a timeshare estate, continue in the event the reservation system is terminated or otherwise becomes unavailable for any reason prior to the expiration of the term of the specific multisite timeshare plan.[49]

**Multisite Timeshare Plan Public Offering Statement**

Current law requires a public offering statement for a multisite timeshare plan to contain certain information and disclosures.[50] The public offering statement must contain a description of each component site, which description may be disclosed in a written, graphic, tabular, or other form approved by the Division. In addition, the description of each component site must include certain information, including each type of accommodation in terms of the number of bedrooms, bathrooms, sleeping capacity, and whether or not the accommodation contains a full kitchen. For purposes of this description, a full kitchen means a kitchen having a minimum of a dishwasher, range, sink, oven, and refrigerator.[51]

Specified documents must be included as exhibits to the filed public offering statement, if applicable, including an estimated budget for the timeshare plan and purchaser's expenses as required by the jurisdiction in which the component site is located.[52]

**Foreclosures**

Current law provides specific guidelines for the foreclosure of liens on timeshare interests.[53]

The term "permitted delivery service" is defined to mean "any nationally recognized common carrier delivery service, international airmail service that allows for return receipt service, or a service recognized by an international jurisdiction as the equivalent of certified, registered mail for that jurisdiction."[54]

The service of process for a foreclosure proceeding for assessment liens may be made on any person whether the person is located inside or outside this state, by certified mail, registered mail, permitted

[47] S. 721.57(1), F.S.
[48] S. 721.05(34), F.S.
[49] S. 721.57(2)(b)2., F.S.
[50] S. 721.55, F.S.
[51] S. 721.55(4)(l), F.S.
[52] S. 721.55(7), F.S.
[53] Ss. 721.80 through 721.86, F.S.
[54] S. 721.82(11), F.S.

delivery service, return receipt requested, addressed to the person to be served at the notice address, or on the person's registered agent duly appointed under s. 721.84, F.S., at the registered office.[55]

The foreclosure process for assessment liens permits the obligor to object to the lienholder's use of the trustee foreclosure procedure for a specific default any time before the sale of the timeshare interest.[56]

The foreclosure trustee must send the obligor a written notice of default and intent to foreclose the assessment lien to the notice address of the obligor by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid.[57]

Current law also provides comparable provisions for the trustee foreclosure of mortgage liens.[58]

**Effect of the Bill**

**Public Offering Statement**

The bill allows a developer to provide each purchaser of the timeshare plan with the approved public offering statement electronically instead of in a fully executed paper copy. Electronic delivery of the public offering statement may be done through a website or other Internet-based access, if the developer discloses to the purchaser the system requirements necessary to view the approved public offering statement and advises the purchaser to not select an alternative method of receiving the approved public offering statement unless he or she is able to review the approved public offering statement before the expiration of the 10-day cancellation period.

The bill allows the documents that must be furnished to each purchaser of a timeshare plan to be furnished electronically through a website or other Internet-based access.

**Incidental Benefits**

The bill allows a purchaser to assign or transfer an incidental benefit without the approval of the provider of the incidental benefit.

The bill removes:

- Certain requirements for the offering of incidental benefits in the sale of a timeshare plan.
- The limitation on the aggregate represented value of all incidental benefits.
- The requirement that incidental benefits be filed with the Division for review.
- The requirement for an acknowledgement and disclosure statement indicating the source of the services, points, or other products that constitute the incidental benefit.
- The requirements that the developer promptly notify the division upon learning of the unavailability of any incidental benefit.

**Cancellations**

The bill clarifies the meaning of the term "execution date" to refer to the execution date of the "contract."

The bill extends the period for voiding a contract for which the closing occurred before the expiration of the cancellation period from one year to five years. Under the bill, the period for voiding a contract for which an attempt has been made to obtain the waiver of the cancellation right remains one year.

**Advertising Materials**

[55] S. 721.85, F.S.
[56] S. 721.855(3), F.S.
[57] S. 721.855(5), F.S.
[58] S. 721.856, F.S.

The bill expands the definition for the term "advertising material" to include any message, text, picture, video, or other content made available, delivered, or shared electronically through the Internet or any other Internet-based access. The bill exempts such electronic advertising materials from the disclosure under s. 721.11(5), F.S., if such disclosures are given before a purchaser takes any affirmative action pursuant to a promotion.

**Termination of Timeshare Plans**

The bill revises provisions related to the termination of timeshare plans.

The bill clarifies that the board of administration of the owners' association is required to serve as termination trustee for the purposes of implementing the termination of the timeshare plan, unless another person is appointed as the termination trustee during the termination or by the court. The termination trustee acts in a fiduciary capacity to the owners of timeshare interests in a timeshare plan. The termination trustee also has all other powers necessary to comply with the requirements of this subsection.

The bill provides that, if an owner disputes the allocated share of the net proceeds from the disposition of the timeshare property, the trustee may file an interpleader action in circuit court and deposit the disputed funds into the court registry, at which time the timeshare property and the proceeds distributed pursuant to a disposition of the timeshare property are free of all claims and liens of the parties to the interpleader action.

The bill applies the termination procedures to all a timeshare plans in the state in existence on or after July 1, 2022, provided that the timeshare plan has been in existence for at least 25 years as of the effective date of the termination of the timeshare plan.

**Management of Timeshare Plan**

The bill prohibits a managing entity from sending notices that are required to be sent to the owner of a timeshare interest pursuant to chs. 718, 719, or 721, F.S., to the address of the owner's timeshare unit or timeshare plan.

The bill allows the board of administration or the members of an owners' association to conduct board meetings or owners' meetings electronically.

**Managing Entity Emergency Powers**

The bill authorizes the managing entity of a timeshare plan and the board of an owners' association to exercise emergency powers in response to an actual or anticipated emergency, as defined in s. 252.34(4), F.S., including, but not limited to a state of emergency declared by the Governor for the location of the timeshare accommodations or facilities of the timeshare plan. The authorized emergency powers include:

- Cancelling and rescheduling any board of administration and owners' meeting;
- Naming assistant officers who shall have the same powers as executive officers of the association with the same authority as the officers they are assisting;
- Temporarily relocating the managing entity's principal office or designate alternative principal offices;
- Entering into agreements with local government for assistance;
- Implementing an emergency plan that may include, but is not limited to, shutting down or off elevators; electricity; water, sewer, or security systems; or air conditioners;
- Determining that all or any portion of the timeshare property is unavailable for entry, use, or occupancy by the owners or the owners' family members, tenants, guests, agents, invitees, exchangers, or other occupants of the timeshare property to protect the health, safety, or welfare of such persons or to protect the accommodations or facilities of the timeshare plan;
- Requiring the evacuation of the timeshare property and providing notice of such evacuation to any owner or other occupant located on the timeshare property. If any owner or other occupant

fails or refuses to evacuate the timeshare property after the managing entity has required evacuation and provided notice, the managing entity is immune from liability or injury to persons or property arising from such failure or refusal;

- Determining if all or a portion of the timeshare property, including recreational and other accommodations or facilities, may be safely used, inhabited, or occupied, and whether all or a portion of such property needs to be closed for a period of time. However, such determination is not conclusive as to any determination of habitability pursuant to the timeshare instrument;
- Mitigate further damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including, but not limited to, mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the timeshare property;
- Levying a special assessment without a vote of the owners even if such authority does not specifically appear in the timeshare instrument;
- Borrowing money and pledging association assets without a vote of the unit owners;
- Issuing emergency rules regarding the operation of the reservations systems, and modifying or suspending rights to use the timeshare property and the one-to-one right to use requirement;
- Transferring funds in any deferred maintenance or capital expenditure reserve account to any operating account without the consent of a majority of the purchasers of the timeshare plan; and
- Taking any other actions reasonably necessary to protect the health, safety, and welfare of the owners and the owners' family members, tenants, guests, agents, invitees, exchangers, and other occupants or to protect the timeshare property.

**Multisite Timeshare Plan Public Offering Statement**

The bill allows the description of each component site, which may be disclosed in a written, graphic, tabular, or other form approved by the Division, that each filed public offering statement for a multisite timeshare plan must contain, to be provided to the purchaser electronically, including, but not limited to, through a website or other Internet-based access.

The bill provides that a developer is not required to file a separate public offering statement for any component site located within or outside the state in order to include the component site in the multistate timeshare plan.

**Foreclosures**

The bill revises the definition for the term "permitted delivery service" to mean delivery to an e-mail address, if provided by the obligor, with evidence that the lienholder received the e-mail. The revised definition also provides that permitted delivery service is only authorized for obligors who reside outside the United States.

The bill revises the laws relating to the foreclosure of assessment liens and the foreclosure of mortgage liens to provide identical service and notice requirements for the trustee's foreclosure of a mortgage interest or assessment lien.

The bill requires the obligor to object to the lienholder's use of the trustee foreclosure procedure for a specific default within 30 days after receipt of the notice of default and intent to foreclose required under s. 721.855(5), F.S., or s. 721.856(5), if applicable.

The bill amends the statutory notices that must be included in the notice of default and intent to foreclose to require a 30-day response period.

The bill also requires the obligor to object to the lienholder's use of the trustee foreclosure procedure for a specific default within 30 days of after receipt of the notice of default and intent to foreclose.

The bill removes the provisions specifying that service of the foreclosure trustee's notice of default and intent to foreclose is not perfected if the trustee cannot, in good faith, ascertain the person who signed the receipt because all or a portion of the obligor's or person's name is not on the signed receipt or

because the trustee cannot otherwise determine that the obligor or junior interest holder signed the receipt.

The bill allows, if applicable, service of the foreclosure trustee's copy of the notice of sale by "permitted delivery service," as redefined by the bill.

The bill removes the provisions that exempt a trustee from violations if the trustee incorrectly ascertains that the obligor signed the return receipt for delivery of the notice of default and intent to foreclose if the trustee made a good faith effort to properly ascertain that the obligor signed the return receipt as required.

The bill provides that mediation, a settlement conference, or any other effort to resolve a foreclosure is not required once a default in a judicial foreclosure of an assessment lien or mortgage lien has been issued.

B. SECTION DIRECTORY:

Section 1: Amends s. 721.07, F.S., relating to public offering statement.

Section 2: Amends s. 72.075, F.S., relating to incidental benefits.

Section 3: Amends s. 721.10, F.S., relating to cancellation.

Section 4: Amends s. 721.11, F.S., relating to advertising materials; oral statements.

Section 5: Amends s. 721.125, F.S., relating to termination of timeshare plans.

Section 6: Amends s. 721.13, F.S., relating to management.

Section 7: Amends s. 721.131, F.S., relating to managing entity emergency powers.

Section 8: Amends s. 721.55, F.S., relating to multisite timeshare plan public offering statement.

Section 9: Amends s. 721.551, F.S., relating to delivery of multisite timeshare plan purchaser public offering statement.

Section 10: Amends s. 721.82, F.S., relating to definitions.

Section 11: Amends s. 721.855, F.S., relating to procedure for the trustee foreclosure of assessment liens.

Section 12: Amends s. 721.856, F.S., relating to procedure for the trustee foreclosure of mortgage liens.

Section 13: Amends s. 721.86, F.S., relating to miscellaneous provisions.

Section 14: Amends s. 721.09, F.S., relating to reservation agreements; escrows.

Section 15: Reenacting s. 721.111, F.S., relating to prize and gift promotional offers.

Section 16: Providing an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   None

2. Expenditures:

   None.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

None.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

   Not Applicable. This bill does not appear to affect county or municipal governments.

2. Other:

   None.

B. RULE-MAKING AUTHORITY:

The bill authorizes the Division of Florida Condominiums, Timeshares, and Mobile Homes to prescribe by rule a specified form on which a purchaser must select the manner in which he or she wants the approved purchaser public offering statement delivered.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to vacation and timeshare plans; amending s. 721.07, F.S.; authorizing developers to provide purchasers with the option to receive all or a portion of the approved public offering statement and other information electronically under certain circumstances; authorizing the Division of Florida Condominiums, Timeshares, and Mobile Homes to prescribe by rule a specified form; requiring purchasers to select the manner in which they want the approved purchaser public offering statement delivered; providing requirements for such form; making technical changes; amending s. 721.075, F.S.; removing a limitation on the aggregate represented value of all incidental benefits; prohibiting the transfer or assignment of an incidental benefit without the approval of the benefit's provider; revising the acknowledgment a purchaser must sign relating to incidental benefits; removing the requirement that a developer notify the division upon learning that an incidental benefit is unavailable; requiring a substituted incidental benefit to be made available, rather than delivered, to a purchaser within a specified time; making technical changes; amending s. 721.10, F.S.; prohibiting any attempt to



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obtain a waiver of the cancellation right of the purchaser; providing that a closing is voidable under certain circumstances; making technical changes; amending s. 721.11, F.S.; revising the definition of the term "advertising material"; conforming cross-references and making technical changes; amending s. 721.125, F.S.; providing that the board of administration of the owners' association serves as the termination trustee for purposes of implementing the termination of a timeshare plan; providing an exception; requiring the termination trustee to act in a fiduciary capacity; providing powers of the termination trustee; requiring certain unpaid amounts to be set off against the net proceeds from the disposition of the timeshare property; authorizing the termination trustee to file an interpleader action in certain circumstances and deposit the disputed funds into the court registry; revising applicability; making technical changes; amending s. 721.13, F.S.; prohibiting a managing entity from sending certain notices to the address of an owner's timeshare unit or timeshare plan; authorizing certain meetings to be conducted electronically; creating s. 721.131, F.S.; authorizing a managing entity to take certain actions before, during, or after an actual or anticipated

emergency in certain circumstances and for certain purposes; amending s. 721.55, F.S.; authorizing component site information to be provided to purchasers electronically; providing that a developer is not required to file a separate public offering statement for certain component sites; making technical changes; amending s. 721.551, F.S.; conforming a cross-reference and making technical changes; amending s. 721.82, F.S.; revising the definition of the term "permitted delivery service"; amending ss. 721.855 and 721.856, F.S.; revising an obligor's rights to object to the trustee foreclosure procedure; revising when certain notices are considered perfected upon a trustee; revising delivery methods for a certificate of sale; making technical changes; conforming provisions to changes made by the act; amending s. 721.86, F.S.; providing that certain efforts to resolve a foreclosure are not required under certain circumstances; reenacting ss. 721.09(1)(d) and 721.111(6), F.S., relating to reservation agreements and escrows and prize and gift promotional offers, respectively, to incorporate the amendments made by the act; providing an effective date.



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Be It Enacted by the Legislature of the State of Florida:

Section 1. Subsection (6) of section 721.07, Florida Statutes, is amended to read:

721.07 Public offering statement.—Prior to offering any timeshare plan, the developer must submit a filed public offering statement to the division for approval as prescribed by s. 721.03, s. 721.55, or this section. Until the division approves such filing, any contract regarding the sale of that timeshare plan is subject to cancellation by the purchaser pursuant to s. 721.10.

(6)(a) A developer may provide each purchaser with the option to receive all or any portion of the approved public offering statement electronically, including, but not limited to, through a website or other Internet-based access, if the developer discloses to the purchaser the system requirements necessary to view the approved public offering statement.

(b) The division is authorized to prescribe by rule the form of the approved purchaser public offering statement that must be furnished by the developer to each purchaser and the form on which a purchaser must select the manner in which he or she wants the approved purchaser public offering statement delivered. The form of the purchaser public offering statement must provide fair, meaningful, and effective disclosure of all aspects of the timeshare plan. The purchaser manner of delivery



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form must disclose the system requirements necessary to view the approved public offering statement electronically and advise the purchaser to not select an alternative method of receiving the approved public offering statement unless he or she is able to review the approved public offering statement before the expiration of the 10-day cancellation period under s. 721.10.

(c) For timeshare plans filed under ~~pursuant to~~ this part, the developer shall furnish each purchaser with the following, which may be provided electronically, including, but not limited to, through a website or other Internet-based access:

1. ~~(a)~~ A copy of the purchaser public offering statement and a copy of the purchaser manner of delivery form ~~text in the form~~ approved by the division for delivery to purchasers.

2. ~~(b)~~ Copies of the exhibits required to be filed with the division under ~~pursuant to~~ subparagraphs (5)(ff)1., 2., 4., 5., 8., and 20.

3. ~~(c)~~ A receipt for timeshare plan documents and a list describing any exhibit to the ~~filed~~ public offering statement filed with the division which is not delivered to the purchaser. The division is authorized to prescribe by rule the form of the receipt for timeshare plan documents and the description of exhibits list that must be furnished to the purchaser. The description of documents list utilized by a developer must ~~shall~~ be filed with the division for review as part of the filed public offering statement under ~~pursuant to~~ this section. The



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developer is ~~shall be~~ required to provide the managing entity with a copy of the approved filed public offering statement and any approved amendments thereto to be maintained by the managing entity as part of the books and records of the timeshare plan under ~~pursuant to~~ s. 721.13(3)(d).

4.~~(d)~~ Any other exhibit that ~~which~~ the developer includes as part of the purchaser public offering statement, provided that the developer first files the exhibit with the division.

5.~~(e)~~ An executed copy of any document that ~~which~~ the purchaser signs.

6.~~(f)~~ ~~Each purchaser shall receive~~ A fully executed ~~paper~~ copy of the purchase contract.

Section 2. Section 721.075, Florida Statutes, is amended to read:

721.075 Incidental benefits.—Incidental benefits may ~~shall~~ be offered only as provided in this section.

(1) Accommodations, facilities, products, services, discounts, or other benefits which satisfy the requirements of this subsection are ~~shall be~~ subject to ~~the provisions of~~ this section and exempt from the other provisions of this chapter which would otherwise apply to such accommodations or facilities if and only if:

(a) The use of or participation in the incidental benefit by the prospective purchaser is completely voluntary, and payment of any fee or other cost associated with the incidental



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benefit is required only upon such use or participation.

(b) The ~~No~~ costs of acquisition, operation, maintenance, or repair of the incidental benefit may not be ~~are~~ passed on to purchasers of the timeshare plan as common expenses of the timeshare plan or as common expenses of a component site of a multisite timeshare plan.

(c) The continued availability of the incidental benefit is not necessary in order for any accommodation or facility of the timeshare plan to be available for use by purchasers of the timeshare plan in a manner consistent in all material respects with the manner portrayed by any promotional material, advertising, or purchaser public offering statement.

(d) The continued availability to purchasers of timeshare plan accommodations on no greater than a one-to-one use right to use night requirement ratio is not dependent upon continued availability of the incidental benefit.

(e) The incidental benefit will continue to be available in the manner represented to prospective purchasers for up to 3 years ~~or less~~ after the first date that the timeshare plan is available for use by the purchaser. Nothing herein prevents ~~shall prevent~~ the renewal or extension of the availability of an incidental benefit.

~~(f) The aggregate represented value of all incidental benefits offered by a developer to a purchaser may not exceed 15 percent of the purchase price paid by the purchaser for his or~~



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~~her timeshare interest.~~

(f)~~(g)~~ The incidental benefit is filed with the division for review in conjunction with the filing of a timeshare plan or in connection with a previously filed timeshare plan.

(2) Each purchaser shall execute a separate acknowledgment and disclosure statement with respect to all incidental benefits, which statement must ~~shall~~ include the following information:

(a) A fair description of the incidental benefit, including, but not limited to, any user fees or costs associated therewith and any restrictions upon use or availability.

(b) A statement that use of or participation in the incidental benefit by the prospective purchaser is completely voluntary, and that payment of any fee or other cost associated with the incidental benefit is required only upon such use or participation.

(c) A statement that the incidental benefit is not assignable or otherwise transferable by the prospective purchaser or purchaser without the approval of the provider of the incidental benefit.

(d) The following disclosure in conspicuous type immediately above the space for the purchaser's signature:

The incidental benefit[s] described in this statement is [are] offered to prospective purchasers of the timeshare plan



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[or other permitted reference under ~~pursuant to~~ s. 721.11(5)(a)]. This [These] benefit[s] is [are] available for your use for [some period up to 3 years ~~or less~~] after the first date that the timeshare plan is available for your use. The availability of the incidental benefit[s] may or may not be renewed or extended. You should not purchase an interest in the timeshare plan in reliance upon the continued availability or renewal or extension of this [these] benefit[s].

~~(c) A statement indicating the source of the services, points, or other products that constitute the incidental benefit.~~

The acknowledgment and disclosure statement for any incidental benefit shall be filed with the division before ~~prior to~~ use. Each purchaser must ~~shall~~ receive a copy of his or her executed acknowledgment and disclosure statement as a document required to be provided to him or her under ~~pursuant to~~ s. 721.10(1)(b).

(3)(a) In the event that an incidental benefit becomes unavailable to purchasers in the manner represented by the developer in the acknowledgment and disclosure statement, the developer shall pay the purchaser the greater of twice the verifiable retail value or twice the represented value of the unavailable incidental benefit in cash within 30 days after ~~of~~ the date that the unavailability of the incidental benefit was made known to the developer, unless the developer has reserved a

substitution right under ~~pursuant to~~ paragraph (b) and timely makes the substitution as required by paragraph (b). ~~The developer shall promptly notify the division upon learning of the unavailability of any incidental benefit.~~

(b) If an incidental benefit becomes unavailable as a result of events beyond the control of the developer, the developer may reserve the right to substitute a replacement incidental benefit of a type, quality, value, and term reasonably similar to the unavailable incidental benefit. If the developer reserves the right to substitute, the acknowledgment and disclosure statement required under ~~pursuant to~~ paragraph (2)(a) must ~~shall~~ contain the following conspicuous disclosure:

In the event any incidental benefit described in this statement becomes unavailable as a result of events beyond the control of the developer, the developer reserves the right to substitute a replacement incidental benefit of a type, quality, value, and term reasonably similar to the unavailable incidental benefit.

The substituted incidental benefit must ~~shall~~ be made available ~~delivered~~ to the purchaser within 30 days after the date that the unavailability of the incidental benefit was made known to the developer.

(4) All purchaser remedies under ~~pursuant to~~ s. 721.21 are



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~~shall be~~ available for any violation of ~~the provisions of~~ this section.

Section 3. Subsections (2) and (3) of section 721.10, Florida Statutes, are renumbered as subsections (3) and (4), respectively, and subsection (1) of that section is amended to read:

721.10 Cancellation.—

(1) A purchaser has the right to cancel the contract until midnight on ~~of~~ the 10th calendar day after the later of ~~following whichever of the following days occurs later~~:

(a) The execution date of the contract; or

(b) The day on which the purchaser received the last of all documents required to be provided to him or her, including the notice required by s. 721.07(2)(d)2., if applicable.

(2) This right of cancellation may not be waived by any purchaser or by any other person on behalf of the purchaser, and any attempt to obtain a waiver of the cancellation right of the purchaser is unlawful. If a purchaser waives, knowingly or unknowingly, his or her right of cancellation and a closing occurs, such closing is voidable at the option of the purchaser for up to 1 year after the date that would have been the expiration of the cancellation period under subsection (1). Furthermore, a ~~no~~ closing may not occur until the cancellation period of the ~~timeshare~~ purchaser has expired, and if a closing occurs before the expiration of the cancellation period, ~~. Any~~



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~~attempt to obtain a waiver of the cancellation right of the timeshare purchaser, or to hold a closing prior to the expiration of the cancellation period, is unlawful and~~ such closing is voidable at the option of the purchaser for up to 5 years after such closing ~~a period of 1 year after the expiration of the cancellation period~~. However, nothing in this section precludes the execution of documents in advance of closing for delivery after expiration of the cancellation period.

Section 4. Paragraphs (b) and (e) of subsection (6) of section 721.11, Florida Statutes, are amended, and paragraph (i) is added to subsection (2) of that section, to read:

721.11 Advertising materials; oral statements.—

(2) The term "advertising material" includes:

(i) Any message, text, picture, video, or other content made available, delivered, or shared electronically through the Internet or any other Internet-based access. However, advertising material under this paragraph does not need to contain the disclosures required under subsection (5) as long as such disclosures are provided to the purchaser before the purchaser takes any affirmative action pursuant to a promotion.

(6) Failure to provide cancellation rights or disclosures as required by this subsection in connection with the sale of a regulated short-term product constitutes misrepresentation in accordance with paragraph (4)(a). Any agreement relating to the sale of a regulated short-term product must be regulated as

advertising material and is subject to the following:

(b) A purchaser of a regulated short-term product has the right to cancel the agreement until midnight of the 10th calendar day after ~~following~~ the execution date of the agreement. The right of cancellation may not be waived by the prospective purchaser or by any other person on behalf of the prospective purchaser. Notice of cancellation must be given in the same manner prescribed for giving notice of cancellation under s. 721.10(3) ~~s. 721.10(2)~~. If the prospective purchaser gives a valid notice of cancellation or is otherwise entitled to cancel the sale, the funds or other property received from or on behalf of the prospective purchaser, or the proceeds thereof, must be returned to the prospective purchaser. Such refund must be made in the same manner prescribed for refunds under s. 721.10.

(e) If the seller provides the purchaser with the right to cancel the purchase of a regulated short-term product at any time up to 7 days before ~~prior to~~ the purchaser's reserved use of the accommodations, but in no event less than 10 days, and if the seller refunds the total amount of all payments made by the purchaser reduced by the proportion of any benefits the purchaser has actually received before ~~prior to~~ the effective date of the cancellation, the specific value of which has been agreed to between the purchaser and the seller, the short-term product offer is ~~shall be~~ exempt from the requirements of



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paragraphs (b), (c), and (d). An agreement relating to the sale of the regulated short-term product made pursuant to this paragraph must contain a statement setting forth the cancellation and refund rights of the prospective purchaser in a manner that is consistent with this section and s. 721.10, including a description of the length of the cancellation right, a statement that the purchaser's intent to cancel must be in writing and sent to the seller at a specified address, a statement that the notice of cancellation is effective upon the date sent, and a statement that any attempt to waive the cancellation right is unlawful. The right of cancellation provided to the purchaser under ~~pursuant to~~ this paragraph may not be waived by the prospective purchaser or by any other person on behalf of the prospective purchaser. Notice of cancellation must be given in the same manner prescribed for giving notice of cancellation under s. 721.10(3) ~~pursuant to s. 721.10(2)~~. If the prospective purchaser gives a valid notice of cancellation, or is otherwise entitled to cancel the sale, the funds or other property received from or on behalf of the prospective purchaser, or the proceeds thereof, shall be returned to the prospective purchaser. Such refund shall be made in the manner prescribed for refunds under s. 721.10.

Section 5. Section 721.125, Florida Statutes, is amended to read:

721.125 Termination of timeshare plans.—



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(1) Unless the timeshare instrument provides otherwise, the vote or written consent, or both, of 60 percent of all voting interests in a timeshare plan may terminate the term of the timeshare plan at any time. If a timeshare plan is terminated under ~~pursuant to~~ this section, the termination has immediate effect pursuant to applicable law and the timeshare instrument as if the effective date of the termination were the original date of termination.

(2) The board of administration of the owners' association shall serve as termination trustee for the purposes of implementing the termination of a timeshare plan, unless another person is appointed as the termination trustee during the termination of the timeshare plan under subsection (1) or by the court. The termination trustee acts in a fiduciary capacity to the owners of timeshare interests in a timeshare plan. The termination trustee has all other powers necessary to comply with the requirements of this section.

(3) If a termination vote or the written consent under ~~pursuant to~~ subsection (1) is proposed for a component site of a multisite timeshare plan located in the ~~this~~ state, the proposed termination is effective only if the person authorized to make additions or substitutions of accommodations and facilities pursuant to the timeshare instrument also approves the termination.

(4)(a) ~~(3)(a)~~ If the timeshare property is managed by an



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owners' association that is separate from any underlying condominium, cooperative, or homeowners' association, the termination of a timeshare plan does not change the corporate status of the owners' association. The owners' association may continue ~~continues~~ to exist only for the purposes of concluding its affairs, prosecuting and defending actions by or against it, collecting and discharging obligations, disposing of and conveying its property, collecting and dividing its assets, and otherwise complying with this subsection.

~~1. After termination of a timeshare plan, the board of administration of the owners' association shall serve as the termination trustee, and in such fiduciary capacity may bring an action in partition on behalf of the tenants in common in each former timeshare property or sell the former timeshare property in any manner and to any person who is approved by a majority of all such tenants in common. The termination trustee also has all other powers reasonably necessary to effect the partition or sale of the former timeshare property, including the power to maintain the property during the pendency of any partition action or sale.~~

~~2. All reasonable expenses incurred by the termination trustee relating to the performance of its duties pursuant to this subsection, including the reasonable fees of attorneys and other professionals, must be paid by the tenants in common of the former timeshare property subject to partition or sale,~~



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~~proportionate to their respective ownership interests.~~

~~3. The termination trustee shall adopt reasonable procedures to implement the partition or sale of the former timeshare property and comply with the requirements of this subsection.~~

(b) If a timeshare plan is terminated in a timeshare condominium or timeshare cooperative and the underlying condominium or cooperative is not simultaneously terminated, a majority of the tenants in common in each former timeshare unit present and voting in person or by proxy at a meeting of such tenants in common conducted by the termination trustee, or conducted by the board of administration of the condominium or cooperative association, if such association managed the former timeshare property, shall designate a voting representative for the unit and file a voting certificate with the condominium or cooperative association. The voting representative may vote on all matters at meetings of the condominium or cooperative association, including termination of the condominium or cooperative.

(c) After termination of a timeshare plan, the termination trustee may bring an action in partition on behalf of the tenants in common in each former timeshare property or sell the former timeshare property in any manner and to any person who is approved by a majority of all such tenants in common or the voting representative, as applicable. The termination trustee



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has all other powers reasonably necessary to effect the partition or sale of the former timeshare property, including the power to maintain the property during the pendency of any partition action or sale.

(d) All reasonable expenses incurred by the termination trustee relating to the performance of his or her duties under this subsection, including reasonable attorney fees or fees for other professionals, must be paid by the tenants in common of the former timeshare property subject to partition or sale, proportionate to their respective ownership interests.

(e) The timeshare trustee shall adopt reasonable procedures to implement the partition or sale of the former timeshare property and to comply with the requirements of this subsection.

(f) Any unpaid assessments, taxes, late fees, interest, fines, charges, or other amounts due and owing to the managing entity by an owner of a timeshare interest must be set off against, and reduce the share of, the net proceeds from the disposition of the timeshare property that are allocated to such owner.

(g) If an owner of a timeshare interest or any other person claiming an interest in such owner's allocated share of the net proceeds from the disposition of the timeshare property disputes the distribution of such proceeds, the termination trustee may file an interpleader action in circuit court and



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deposit the disputed funds into the court registry, at which time the timeshare property and the proceeds distributed pursuant to a disposition of the timeshare property are free of all claims and liens of the parties to the interpleader action.

(5) ~~(4)~~ This section applies ~~only~~ to all ~~a~~ timeshare plans in the state that exist on or after July 1, 2022, provided that the timeshare plan has existed ~~that has been in existence~~ for at least 25 years as of the effective date of the termination of the timeshare plan ~~vote or consent required by subsection (1)~~.

Section 6. Subsection (14) is added to section 721.13, Florida Statutes, to read:

721.13 Management.—

(14) Notwithstanding any provision of chapter 718 or chapter 719 to the contrary:

(a) A managing entity may not send notices that are required to be delivered to an owner of a timeshare interest pursuant to chapter 718, chapter 719, or this chapter to the address of the owner's timeshare unit or the address of the owner's timeshare plan.

(b) The board of administration or the members of an owners' association may conduct board meetings or owners' meetings electronically and without the need for the meeting to be held at a physical location.

Section 7. Section 721.131, Florida Statutes, is created to read:

721.131 Managing entity emergency powers.—

(1) Notwithstanding any provision to the contrary in chapter 718, chapter 719, or the timeshare instrument, to the extent allowed by law and consistent with s. 617.0830, a managing entity, including a board of administration for an owners' association, in response to an actual or anticipated emergency, as defined in s. 252.34(4), including, but not limited to, a state of emergency declared by the Governor pursuant to s. 252.36, in the locale in which the accommodations or facilities of a timeshare plan are located, may exercise the following powers:

(a) Cancel and reschedule any board of administration meetings or owners' meetings.

(b) Name as assistant officers persons who are not directors of the owners' association. Assistant officers have the same authority as the executive officers to whom they are assisting during the state of emergency to accommodate the incapacity or unavailability of any officer of the owners' association.

(c) Temporarily relocate the managing entity's principal office or designate alternative principal offices.

(d) Enter into agreements with counties and municipalities to assist them with emergency matters.

(e) Implement an emergency plan that may include, but is not limited to, shutting down or off elevators; electricity;

water, sewer, or security systems; or air conditioners.

(f) Determine that all or any portion of the timeshare property is unavailable for entry, use, or occupancy by the owners or the owners' family members, tenants, guests, agents, invitees, exchangers, or other occupants of the timeshare property to protect the health, safety, or welfare of such persons or to protect the accommodations or facilities of the timeshare plan.

(g) Require the evacuation of the timeshare property and provide notice of such evacuation to any owner or other occupant located on the timeshare property. If any owner or other occupant fails or refuses to evacuate the timeshare property after the managing entity has required evacuation and provided notice, the managing entity is immune from liability or injury to persons or property arising from such failure or refusal.

(h) Determine whether all or a portion of the timeshare property, including recreational and other accommodations or facilities, may be safely used, inhabited, or occupied, and whether all or a portion of such property needs to be closed for a period of time. However, such determination is not conclusive as to any determination of habitability pursuant to the timeshare instrument.

(i) Mitigate further damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including, but not limited to, mold or

mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the timeshare property.

(j) Regardless of any provision to the contrary and even if such authority does not specifically appear in the timeshare instrument, levy special assessments without a vote of the owners.

(k) Without a vote of the owners, borrow money and pledge managing entity assets as collateral to fund emergency actions or repairs and carry out the duties of the managing entity when operating funds are insufficient. This paragraph does not limit the general authority of the managing entity to borrow money, subject to such restrictions as are contained in the timeshare instrument.

(l) Issue emergency rules and regulations, or temporarily modify existing rules and regulations, regarding the operation of the timeshare plan reservation system as required under ss. 721.13(3)(g) and 721.13(12)(a) or the multisite timeshare plan reservation system as required under s. 721.56(6). This authority includes issuing or modifying emergency rules and regulations to add, modify, or suspend use rights to address the loss of or restricted use of purchasers' timeshare interests as a result of the emergency or to comply with federal, state, or local orders. For this limited purpose, enforcement of the one-to-one use right to use night requirement ratio as defined in s.

721.05(25) may be suspended, and any subsequent imbalance with respect to the one-to-one use right to use night requirement ratio that results because of the implementation of an emergency rule or regulation is not a violation of this chapter.

(m) Notwithstanding s. 721.13(3)(c)2., transfer funds in any deferred maintenance or capital expenditure reserve account to any operating account without the consent of a majority of the purchasers of the timeshare plan.

(n) Take any other actions as reasonably necessary to protect the health, safety, and welfare of the owners and the owners' family members, tenants, guests, agents, invitees, exchangers, and other occupants or the timeshare property.

(2) The special powers authorized under subsection (1) may be exercised before, during, or after the actual or anticipated emergency but are limited to the time and scope reasonably necessary to:

(a) Protect the health, safety, and welfare of the owners and the owners' family members, tenants, guests, agents, invitees, exchangers, and other occupants.

(b) Protect the timeshare property.

(c) Mitigate or avoid harm, injury, or damage to persons or property.

(d) Take emergency actions or make emergency repairs.

Section 8. Paragraph (l) of subsection (4) and paragraph (l) of subsection (7) of section 721.55, Florida Statutes, are



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amended to read:

721.55 Multisite timeshare plan public offering statement.—Each filed public offering statement for a multisite timeshare plan shall contain the information required by this section and shall comply with the provisions of s. 721.07, except as otherwise provided therein. The division is authorized to provide by rule the method by which a developer must provide such information to the division. Each multisite timeshare plan filed public offering statement shall contain the following information and disclosures:

(4) A text, which shall include, where applicable, the information and disclosures set forth in paragraphs (a)-(l).

(l) A description of each component site, which description may be disclosed in a written, graphic, tabular, or other form approved by the division or provided to the purchaser electronically, including, but not limited to, through a website or other Internet-based access. The description of each component site must ~~shall~~ include all of the following information:

1. The name and address of each component site.

2. The number of accommodations, timeshare interests, and timeshare periods, expressed in periods of 7-day use availability, committed to the multisite timeshare plan and available for use by purchasers.

3. Each type of accommodation in terms of the number of

bedrooms, bathrooms, sleeping capacity, and whether or not the accommodation contains a full kitchen. As used in ~~For purposes of~~ this subparagraph ~~description~~, the term "full kitchen" means ~~a full kitchen shall mean~~ a kitchen with at least ~~having a minimum of~~ a dishwasher, range, sink, oven, and refrigerator.

4. A description of facilities available for use by the purchaser at each component site, including the following:

a. The intended use of the facility, if not apparent from the description.

b. Any user fees associated with a purchaser's use of the facility.

5. A cross-reference to the location in the public offering statement of the description of any priority reservation features which may affect a purchaser's ability to obtain a reservation in the component site.

(7) The following documents shall be included as exhibits to the filed public offering statement, if applicable:

(l)1. If the multisite timeshare plan contains any component sites located in the ~~this~~ state, the information required by s. 721.07(5) pertaining to each such component site, unless exempt under ~~pursuant to~~ s. 721.03.

2. If the purchaser will receive an interest in a specific multisite timeshare plan component site located outside of the ~~this~~ state but which is offered in the ~~this~~ state, the information required by s. 721.07(5) pertaining to that



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component site.~~, provided,~~ However, for purposes of this paragraph, ~~that the provisions of~~ s. 721.07(5)(t) ~~shall~~ only requires ~~require~~ disclosure of information related to the estimated budget for the timeshare plan and purchaser's expenses as required by the jurisdiction in which the component site is located.

A developer is not required to file a separate public offering statement for any component site located within or outside the state in order to include the component site in the multisite timeshare plan.

Section 9. Paragraph (c) of subsection (2) of section 721.551, Florida Statutes, is amended to read:

721.551 Delivery of multisite timeshare plan purchaser public offering statement.—

(2) The developer shall furnish each purchaser with the following:

(c) If the purchaser will receive an interest in a specific multisite timeshare plan component site located in the ~~this~~ state, the developer must ~~shall~~ also furnish the purchaser with the information required to be delivered under s. 721.07(6)(c)1. and 2. ~~pursuant to s. 721.07(6)(a) and (b)~~ for that component site.

Section 10. Subsection (11) of section 721.82, Florida Statutes, is amended to read:



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721.82 Definitions.—As used in this part, the term:

(11) "Permitted delivery service" means delivery to an e-mail address, if provided by the obligor, with evidence that the lienholder received the e-mail. Permitted delivery service is only authorized for obligors who reside outside the United States ~~any nationally recognized common carrier delivery service, international airmail service that allows for return receipt service, or a service recognized by an international jurisdiction as the equivalent of certified, registered mail for that jurisdiction~~.

Section 11. Paragraph (a) of subsection (3), paragraphs (a) and (b) of subsection (5), paragraph (b) of subsection (6), paragraph (f) of subsection (7), and paragraph (b) of subsection (14) of section 721.855, Florida Statutes, are amended to read:

721.855 Procedure for the trustee foreclosure of assessment liens.—The provisions of this section establish a trustee foreclosure procedure for assessment liens.

(3) OBLIGOR'S RIGHTS.—

(a) The obligor may object to the lienholder's use of the trustee foreclosure procedure for a specific default within 30 days after receipt of the notice required under subsection (5) ~~any time before the sale of the timeshare interest under subsection (7)~~ by delivering a written objection to the trustee using the objection form provided for in subsection (5). If the trustee receives the written objection from the obligor, the



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trustee may not proceed with the trustee foreclosure procedure as to the default specified in the notice of default and intent to foreclose under subsection (5), and the lienholder may proceed thereafter only with a judicial foreclosure action as to that specified default.

(5) NOTICE OF DEFAULT AND INTENT TO FORECLOSE.—

(a) In any foreclosure proceeding under this section, the trustee is required to notify the obligor of the proceeding by sending the obligor a written notice of default and intent to foreclose to the notice address of the obligor by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid, as follows:

1. The notice of default and intent to foreclose must ~~shall~~ identify the obligor, the notice address of the obligor, the legal description of the timeshare interest, the nature of the default, the amounts secured by the lien, and a per diem amount to account for further accrual of the amounts secured by the lien and must ~~shall~~ state the method by which the obligor may cure the default, including the period of time after the date of the notice of default and intent to foreclose within which the obligor may cure the default.

2. The notice of default and intent to foreclose must ~~shall~~ include an objection form with which the obligor can object to the use of the trustee foreclosure procedure by



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signing and returning the objection form to the trustee. The objection form must ~~shall~~ identify the obligor, the notice address of the obligor, the timeshare interest, and the return address of the trustee and must ~~shall~~ state: "The undersigned obligor exercises the obligor's right to object to the use of the trustee foreclosure procedure contained in section 721.855, Florida Statutes."

3. The notice of default and intent to foreclose must ~~shall~~ also contain a statement in substantially the following form:

If you fail to cure the default as set forth in this notice or take other appropriate action with regard to this foreclosure matter, you risk losing ownership of your timeshare interest through the trustee foreclosure procedure established in section 721.855, Florida Statutes. You may ~~choose to~~ sign and send to the trustee, within 30 days after receipt of this notice, the enclosed objection form, exercising your right to object to the use of the trustee foreclosure procedure. Upon the trustee's receipt of your signed objection form, the foreclosure of the lien with respect to the default specified in this notice is ~~shall be~~ subject to the judicial foreclosure procedure only. You have the right to cure your default in the manner set forth in this notice at any time before the trustee's sale of your timeshare interest. If you do not object to the use of the trustee foreclosure procedure, you will not be subject to a

deficiency judgment even if the proceeds from the sale of your timeshare interest are insufficient to offset the amounts secured by the lien.

4. The trustee must ~~shall~~ also mail a copy of the notice of default and intent to foreclose, without the objection form, to the notice address of any junior interestholder by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid.

5. Notice under this paragraph is considered perfected upon the trustee receiving the return receipt ~~bearing the signature of the obligor or junior interestholder, as applicable,~~ within 30 calendar days after the trustee sent the notice under this paragraph. Notice under this paragraph is not perfected if:

a. The notice is returned as undeliverable within 30 calendar days after the trustee sent the notice;

~~b. The trustee cannot, in good faith, ascertain that the obligor or junior interestholder, as applicable, is the person who signed the receipt because all or a portion of the obligor's or junior interestholder's name is not on the signed receipt or because the trustee cannot otherwise determine that the obligor or junior interestholder signed the receipt;~~ or

b.~~c.~~ The receipt ~~from the obligor or junior interestholder, as applicable,~~ is returned or refused within 30 calendar days after the trustee sent the notice.



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(b) If the notice required by paragraph (a) is returned as undeliverable within 30 calendar days after the trustee sent the notice, the trustee must ~~shall~~ perform a diligent search and inquiry to obtain a different address for the obligor or junior interestholder. For purposes of this paragraph, any address known and used by the lienholder for sending regular mailings or other communications from the lienholder to the obligor or junior interestholder, as applicable, must ~~shall~~ be included with other addresses produced from the diligent search and inquiry, if any.

1. If the trustee's diligent search and inquiry produces an address different from the notice address, the trustee must ~~shall~~ mail a copy of the notice by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid, to the new address. Notice under this subparagraph is considered perfected upon the trustee receiving the return receipt ~~bearing the signature of the obligor or junior interestholder, as applicable,~~ within 30 calendar days after the trustee sent the notice under this subparagraph. Notice under this subparagraph is not perfected if the receipt ~~from the obligor or junior interestholder, as applicable,~~ is refused or~~,~~ returned~~, or the trustee cannot, in good faith, ascertain that the obligor or junior interestholder, as applicable, is the person who signed the receipt because all or a portion of the obligor's or junior interestholder's name is~~



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~~not on the signed receipt or because the trustee cannot otherwise determine that the obligor or junior interestholder signed the receipt~~. If the trustee does not perfect notice under this subparagraph, the trustee must ~~shall~~ perfect service in the manner set forth in paragraph (c).

2. If the trustee's diligent search and inquiry does not locate a different address for the obligor or junior interestholder, as applicable, the trustee may perfect notice against that person under paragraph (c).

(6) NOTICE OF SALE.—

(b) The trustee must ~~shall~~ send a copy of the notice of sale within 3 business days after the date it is submitted for recording, by ~~first-class mail or~~ permitted delivery service, if applicable, and first-class mail, postage prepaid, to the notice addresses of the obligor and any junior interestholder.

(7) MANNER OF SALE.—

(f) On the date of the sale and upon receipt of the cash or certified funds due from the highest bidder, the trustee shall issue to the highest bidder a certificate of sale stating that a foreclosure conforming to the requirements of this section has occurred, including the time, location, and date of the sale; ~~,~~ that the timeshare interest was sold; ~~,~~ the amounts secured by the lien; ~~,~~ and the amount of the highest bid. A copy of the certificate of sale must ~~shall~~ be mailed by certified mail or ~~,~~ registered mail, ~~or permitted delivery service,~~ return



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receipt requested, or by permitted delivery service, if applicable, and first-class mail, postage prepaid, to all persons entitled to receive a notice of sale under subsection (6).

(14) ACTIONS FOR FAILURE TO FOLLOW THE TRUSTEE FORECLOSURE PROCEDURE.—

(b) Any trustee who intentionally violates ~~the provisions of~~ this section concerning the trustee foreclosure procedure commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. ~~A trustee who incorrectly ascertains that the obligor signed the return receipt as required in subsection (5) does not violate this section if the trustee made a good faith effort to properly ascertain that the obligor signed the return receipt in accordance with subsection (5).~~

Section 12. Paragraph (a) of subsection (3), paragraphs (a) and (b) of subsection (5), paragraph (b) of subsection (6), paragraph (f) of subsection (7), and paragraph (b) of subsection (13) of section 721.856, Florida Statutes, are amended to read:

721.856 Procedure for the trustee foreclosure of mortgage liens.—The provisions of this section establish a trustee foreclosure procedure for mortgage liens.

(3) OBLIGOR'S RIGHTS.—

(a) The obligor may object to the lienholder's use of the trustee foreclosure procedure for a specific default within 30



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days after receipt of the notice required under subsection (5) ~~any time before the sale of the timeshare interest under subsection (7)~~ by delivering a written objection to the trustee using the objection form provided for in subsection (5). If the trustee receives the written objection from the obligor, the trustee may not proceed with the trustee foreclosure procedure as to the default specified in the notice of default and intent to foreclose under subsection (5), and the lienholder may proceed thereafter only with a judicial foreclosure action as to that specified default.

(5) NOTICE OF DEFAULT AND INTENT TO FORECLOSE.—

(a) In any foreclosure proceeding under this section, the trustee is required to notify the obligor of the proceeding by sending the obligor a written notice of default and intent to foreclose to the notice address of the obligor by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid, as follows:

1. The notice of default and intent to foreclose must ~~shall~~ identify the obligor, the notice address of the obligor, the legal description of the timeshare interest, the nature of the default, the amounts secured by the lien, and a per diem amount to account for further accrual of the amounts secured by the lien and must ~~shall~~ state the method by which the obligor may cure the default, including the period of time after the



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date of the notice of default and intent to foreclose within which the obligor may cure the default.

2. The notice of default and intent to foreclose must ~~shall~~ include an objection form with which the obligor can object to the use of the trustee foreclosure procedure by signing and returning the objection form to the trustee. The objection form must ~~shall~~ identify the obligor, the notice address of the obligor, the timeshare interest, and the return address of the trustee and must shall state: "The undersigned obligor exercises the obligor's right to object to the use of the trustee foreclosure procedure contained in section 721.856, Florida Statutes."

3. The notice of default and intent to foreclose must ~~shall~~ also contain a statement in substantially the following form:

If you fail to cure the default as set forth in this notice or take other appropriate action with regard to this foreclosure matter, you risk losing ownership of your timeshare interest through the trustee foreclosure procedure established in section 721.856, Florida Statutes. You may ~~choose to~~ sign and send to the trustee, within 30 days after receipt of this notice, the enclosed objection form, exercising your right to object to the use of the trustee foreclosure procedure. Upon the trustee's receipt of your signed objection form, the foreclosure of the lien with respect to the default specified in this notice is



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~~shall be~~ subject to the judicial foreclosure procedure only. You have the right to cure your default in the manner set forth in this notice at any time before the trustee's sale of your timeshare interest. If you do not object to the use of the trustee foreclosure procedure, you will not be subject to a deficiency judgment even if the proceeds from the sale of your timeshare interest are insufficient to offset the amounts secured by the lien.

4. The trustee must ~~shall~~ also mail a copy of the notice of default and intent to foreclose, without the objection form, to the notice address of any junior interestholder by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid.

5. Notice under this paragraph is considered perfected upon the trustee receiving the return receipt ~~bearing the signature of the obligor or junior interestholder, as applicable,~~ within 30 calendar days after the trustee sent the notice under this paragraph. Notice under this paragraph is not perfected if:

a. The notice is returned as undeliverable within 30 calendar days after the trustee sent the notice;

~~b. The trustee cannot, in good faith, ascertain from the receipt that the obligor or junior interestholder, as applicable, is the person who signed the receipt because all or a portion of the obligor's or junior interestholder's name is~~



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~~not on the signed receipt or the trustee cannot otherwise determine that the obligor or junior interestholder signed the receipt;~~ or

b.~~c.~~ The receipt ~~from the obligor or junior interestholder, as applicable,~~ is returned or refused within 30 calendar days after the trustee sent the notice.

(b) If the notice required by paragraph (a) is returned as undeliverable within 30 calendar days after the trustee sent the notice, the trustee must ~~shall~~ perform a diligent search and inquiry to obtain a different address for the obligor or junior interestholder. For purposes of this paragraph, any address known and used by the lienholder for sending regular mailings or other communications from the lienholder to the obligor or junior interestholder, as applicable, must ~~shall~~ be included with other addresses produced from the diligent search and inquiry, if any.

1. If the trustee's diligent search and inquiry produces an address different from the notice address, the trustee must ~~shall~~ mail a copy of the notice by certified mail, registered mail, or permitted delivery service, return receipt requested, and by first-class mail, postage prepaid, to the new address. Notice under this subparagraph is considered perfected upon the trustee receiving the return receipt ~~bearing the signature of the obligor or junior interestholder, as applicable,~~ within 30 calendar days after the trustee sent the notice under this



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subparagraph. Notice under this subparagraph is not perfected if the receipt ~~from the obligor or junior interestholder~~ is refused or~~,~~ returned~~, or the trustee cannot, in good faith, ascertain that the obligor or junior interestholder, as applicable, is the person who signed the receipt because all or a portion of the obligor's or junior interestholder's name is not on the signed receipt or because the trustee cannot otherwise determine that the obligor or junior interestholder signed the receipt~~. If the trustee does not perfect notice under this subparagraph, the trustee must ~~shall~~ perfect service in the manner set forth in paragraph (c).

2. If the trustee's diligent search and inquiry does not locate a different address for the obligor or junior interestholder, as applicable, the trustee may perfect notice against that person under paragraph (c).

(6) NOTICE OF SALE.—

(b) The trustee must ~~shall~~ send a copy of the notice of sale within 3 business days after the date it is submitted for recording, by ~~first-class mail or~~ permitted delivery service, if applicable, and first-class mail, postage prepaid, to the notice addresses of the obligor and any junior interestholder.

(7) MANNER OF SALE.—

(f) On the date of the sale and upon receipt of the cash or certified funds due from the highest bidder, the trustee shall issue to the highest bidder a certificate of sale stating



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that a foreclosure conforming to the requirements of this section has occurred, including the time, location, and date of the sale; ~~,~~ that the timeshare interest was sold; ~~,~~ the amounts secured by the lien; ~~,~~ and the amount of the highest bid. A copy of the certificate of sale must ~~shall~~ be mailed by certified mail or ~~,~~ registered mail, ~~or permitted delivery service,~~ return receipt requested, or by permitted delivery service, if applicable, and first class mail, postage prepaid, to all persons entitled to receive a notice of sale under subsection (6).

(13) ACTIONS FOR FAILURE TO FOLLOW THE TRUSTEE FORECLOSURE PROCEDURE.—

(b) Any trustee who intentionally violates ~~the provisions of~~ this section concerning the trustee foreclosure procedure commits a felony of the third degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084. ~~A trustee who incorrectly ascertains that the obligor signed the return receipt as required in subsection (5) does not violate this section if the trustee made a good faith effort to properly ascertain that it is the obligor who signed the return receipt in accordance with subsection (5).~~

Section 13. Subsection (5) is added to section 721.86, Florida Statutes, to read:

721.86 Miscellaneous provisions.—

(5) Mediation, a settlement conference, or any other



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effort to resolve a foreclosure is not required once a default in a judicial foreclosure of an assessment lien or mortgage lien has been issued.

Section 14. For the purpose of incorporating the amendment made by this act to section 721.11, Florida Statutes, in a reference thereto, paragraph (d) of subsection (1) of section 721.09, Florida Statutes, is reenacted to read:

721.09 Reservation agreements; escrows.—

(1)

(d) A seller who has filed a reservation agreement and an escrow agreement under this section may advertise the reservation agreement program if the advertising material meets the following requirements:

1. The seller complies with the provisions of s. 721.11 with respect to such advertising material.

2. The advertising material is limited to a general description of the proposed timeshare plan, including, but not limited to, a general description of the type, number, and size of accommodations and facilities and the name of the proposed timeshare plan.

3. The advertising material contains a statement that the advertising material is being distributed in connection with an approved reservation agreement filing only and that the seller cannot offer an interest in the timeshare plan for sale until a filed public offering statement has been filed with the division

under this chapter.

Section 15. For the purpose of incorporating the amendment made by this act to section 721.11, Florida Statutes, in a reference thereto, subsection (6) of section 721.111, Florida Statutes, is reenacted to read:

721.111 Prize and gift promotional offers.—

(6) All advertising material to be distributed in connection with a prize and gift promotional offer shall contain, in addition to the information required pursuant to the provisions of s. 721.11, the following disclosures:

(a) A description of the prize, gift, or other item that the prospective purchaser will actually receive, including, if the price is in excess of $50, the manufacturer's suggested retail price or, if none is available, the verifiable retail value. If the value is $50 or less, the description shall contain a statement of such.

(b) All rules, terms, requirements, and preconditions which must be fulfilled or met before a prospective purchaser may claim any prize, gift, or other item involved in the prize and gift promotional plan, including whether the prospective purchaser is required to attend a sales presentation in order to receive the prize, gift, or other item.

(c) The date upon which the offer expires.

(d) If the number of prizes, gifts, or other items to be awarded is limited, a statement of the number of items that will



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be awarded.

(e) The method by which prizes, gifts, or other items are to be awarded.

Section 16. This act shall take effect upon becoming a law.



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# PCS for HB 707

# HOUSE OF REPRESENTATIVES STAFF ANALYSIS

**BILL #:** PCS for HB 707 Home Kitchen Operations
**SPONSOR(S):** Regulatory Reform Subcommittee
**TIED BILLS:** **IDEN./SIM. BILLS:**

| REFERENCE | ACTION | ANALYST | STAFF DIRECTOR or BUDGET/POLICY CHIEF |
|---|---|---|---|
| Orig. Comm.: Regulatory Reform Subcommittee | | Thompson | Anstead |

## SUMMARY ANALYSIS

Currently, Florida does not allow people to sell home cooked meals, similar to meals served in a restaurant, from their private residence to the public. Florida only allows people to sell certain cottage foods prepared at a private residence to the public if ingredients are used that are not perishable. Home kitchen operations, where a person prepares, serves and sells meals made in their residence to the public, have historically been prohibited because such food or meals are considered "Potentially Hazardous Food/Time/Temperature Control for Safety" (PHF/TCS) foods, that require time/temperature control to limit pathogenic microorganism growth or toxin formation. A few states have enacted home kitchen operation laws that allow home cooked meals to be sold to the public, but that limit the number of meals that can be served, the types of ingredients allowed to be used, the amount of revenue that can be earned, and how certain foods can be prepared.

The bill:

- Allows "home kitchen operations" in a private residence under certain conditions.
- Provides an exception for "home kitchen operations" from food permitting requirements.
- Allows home kitchen operators to store, handle, prepare, and package food that does not include raw milk, raw milk products, raw oysters, or raw shellfish.
- Limits home kitchen operations annual gross sales to $250,000.
- Limits food preparation and service to 10 individual meals per day.
- Requires food to be prepared, cooked, and served on the same calendar day.
- Authorizes sales via the Internet or in person, and delivery in person directly to the consumer, to a specific event venue, or to the consumer by the home kitchen operation or a third party delivery service.
- Prohibits sales and deliveries of home kitchen products at wholesale or retail.
- Specifies labeling requirements.
- Preempts the regulation of home kitchen operations to the State.
- Requires DACS to investigate complaints and makes refusal to permit entry and inspection grounds for disciplinary action.
- Authorizes immediate closures by DACS if it determines that the continued operation of a food establishment presents an immediate danger to the public health, safety, and welfare.
- Authorizes DACS to impose a Class II administrative fine not to exceed $5,000.

The bill may have in indeterminate fiscal impact on state and local government and positive fiscal impact on the private sector.

The bill provides an effective date of July 1, 2022.

## FULL ANALYSIS

## I. SUBSTANTIVE ANALYSIS

A. EFFECT OF PROPOSED CHANGES:

**Background**

**Food Safety Regulation**

In Florida, three agencies share responsibilities for ensuring that safe, and wholesome food is provided to the public. Those agencies include the Department of Agriculture and Consumer Services (DACS), the Department of Business and Professional Regulations (DBPR) and the Department of Health (DOH):[1]

- DACS permits and inspects grocery stores, food processing plants, food storage, and distribution points.
- DBPR licenses and inspects restaurants, mobile food vehicles, and caterers.
- DOH oversees food service establishments located in institutional settings (such as schools, assisted living facilities, detention facilities, adult day cares), civic and fraternal organizations, bars and lounges that don't prepare foods, and theaters that limit their food service to items customarily served at theaters (such as beverages, pop corn, hot dogs and nachos).[2]

**DACS**

The Division of Food Safety within DACS is responsible for the administration and enforcement of the Florida Food Safety Act.[3] The act is intended to:

- Safeguard the public health and promote the public welfare by protecting the consuming public from injury from intrastate commerce in food.
- Provide legislation conforming with the Federal Food, Drug, and Cosmetic Act, the Agriculture Marketing Act of 1946, and Federal Trade Commission Act, to the extent that it expressly prohibits the false advertisement of food; and
- Promote uniformity of state and federal laws and their administration and enforcement throughout the United States and in the states.[4]

To open a food establishment in Florida, an applicant must obtain a food establishment permit from DACS. DACS issues three different types of food establishment permits, including retail, wholesale/manufactured, and medical marijuana treatment center edibles.[5]

**DACS regulated establishments include** supermarkets and grocery stores, convenience stores, coffee shops, bakeries, retail meat markets, seafood markets, juice and smoothie bars, bottled water plants, ice and water vending machines, all food processing plants, food warehouses, food salvage stores, and certain mobile food units selling only prepackaged foods or non-potentially hazardous food items.[6]

Food establishments are **inspected** and food products are sampled routinely for consumer safety.[7] DACS also conducts United States Department of Agriculture (USDA) Country of Origin Labeling (COOL) audits and Food and Drug Administration (FDA) contract inspections for manufactured food establishments.

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[1] Florida Department of Health, *Hygiene Codes and Standards*, https://www.floridahealth.gov/environmental-health/food-safety-and-sanitation/food-manager-code-standards.html (last visited Jan. 29, 2022).
[2] *Id*.
[3] See ch. 500, F.S.
[4] S. 500.02, F.S.
[5] Florida Department of Agriculture and Consumer Services, *Food Establishments*, https://www.fdacs.gov/Business-Services/Food/Food-Establishments (last visited Jan. 29, 2022).
[6] S. 500.03(1)(p)(q)and(r), F.S.
[7] S. 500.147, F.S.

DACS is authorized to impose suspensions and administrative fines against any retail food store, food establishment, or cottage food operation that that are in violation of the act.[8]

DACS is required to post a prominent closed-for-operation sign on any food establishment that has had its permit suspended or revoked, and a sign on any establishment judicially or administratively determined to be operating without a permit.

DACS is authorized to determine that a food establishment regulated under the Food Safety Act requires immediate closure when the food establishment fails to comply with the Food Safety Act and presents an imminent threat to the public health, safety, and welfare. Upon such a determination, DACS is authorized to issue an immediate final order to close a food establishment as follows:

- The Division director or designee must determine that the continued operation of a food establishment presents an immediate danger to the public health, safety, and welfare.
- Upon such determination, DACS must issue an immediate final order directing the owner or operator of the food establishment to cease operation and close the food establishment.
    - DACS is required to serve the order upon the owner, operator, or agent thereof of the food establishment.
    - DACS is authorized to attach a closed-for-operation sign to the food establishment while the order remains in place.
- DACS is required to inspect the food establishment within 24 hours after the issuance of the order. Upon a determination that the food establishment has met the applicable requirements to resume operations, DACS must serve a release upon the owner, operator, or agent thereof of the food establishment.
- A food establishment ordered by DACS to cease operation and close must remain closed until released by DACS or by a judicial order to reopen.
- It is a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083, F.S., for a person to deface or remove a closed-for-operation sign placed on a food establishment by DACS or for the owner or operator of a food establishment to resist closure of the establishment by DACS, and DACS may impose administrative sanctions for violations of this provision.

**Cottage Food Products**

DACS regulates cottage food operators who are allowed to prepare and sell certain foods at home. This authority is limited to foods that **do not easily spoil or are considered shelf-stable foods**. These foods do not require time and temperature controls. "Cottage food products" are defined as food that is not potentially hazardous and which are sold in accordance with cottage food operating requirements.[9] Like many other states, DACS adopts the U.S. Food & Drug Administration (FDA) food code.[10] The food code/DACS rule defines "Potentially Hazardous Food/Time/Temperature Control for Safety Food" (PHF/TCS) as food that requires time/temperature control for safety (TCS) to limit pathogenic microorganism growth or toxin formation.[11]

DACS has published guidance defining foods that are, and those that are not, considered cottage food products. These examples include the following:[12]

Permitted Cottage Foods:

- Loaf breads, rolls, and biscuits;
- Cakes, pastries, and cookies;

[8] S. 500.121, F.S.
[9] S. 500.03(1)(k), F.S.
[10] U.S. Food & Drug Administration, *2017 Food Code*, https://www.fda.gov/media/110822/download (last visited Feb. 21, 2021).
[11] R. 5K-4.0010(9), F.A.C.
[12] DACS Division of Food Safety, *Cottage Food Operations*, https://www.fdacs.gov/Business-Services/Food/Food-Establishments/Cottage-Foods (last visited Feb. 19, 2021). The United States Food and Drug Administration (FDA) model food code includes a definition for such foods; DACS formed a definition that is similar. FDA Food Code §1-201.10 (2017).

- Candies and confections;
- Honey;
- Jams, jellies, and preserves;
- Fruit pies and dried fruits;
- Dry herbs, seasonings, and mixtures;
- Homemade pasta;
- Cereals, trail mixes, and granola;
- Coated or uncoated nuts;
- Vinegar and flavored vinegars; and
- Popcorn and popcorn balls.

Prohibited Cottage Foods:

- Fresh or dried meat or meat products including jerky;
- Canned fruits and vegetables, chutneys, vegetable butters and jellies, flavored oils, hummus, garlic dip, salsas, etc.;
- Fish or shellfish products;
- Canned pickled products such as corn relish, pickles, and sauerkraut;
- Raw seed sprouts;
- Bakery goods which require any type of refrigeration, such as cream, custard, or meringue pies and cakes or pastries with cream cheese icings or fillings;
- Milk and dairy products including hard, soft, and cottage cheeses and yogurt;
- Cut fresh fruits and/or vegetables;
- Juices made from fresh fruits or vegetables;
- Ice and/or ice products;
- Barbeque sauces, ketchups, and/or mustards; and
- Focaccia-style breads with vegetables and/or cheeses.

**Cottage Food Operating Requirements**

In Florida, a "cottage food operation" is defined as a natural person or an entity that produces or packages cottage food products at the residence of the natural person or at the residence of a natural person who has an ownership interest in the entity and sells such products in accordance with the cottage food operating requirements.[13]

Cottage food operators are exempt from food and building permitting requirements.[14]

A cottage food operation must comply with the following requirements in order to operate:[15]

- Sales Limit: Annual gross sales of cottage foods may not exceed $250,000;[16]
- Internet Sales: A cottage food operation may sell, offer for sale, and accept payment for cottage food products over the Internet or by mail order.
- Delivery: Such products may be delivered in person directly to the consumer, to a specific event venue, or by United States Postal Service or commercial mail delivery service.
- Wholesale Sales: A cottage food operation may not sell, offer for sale, or deliver cottage food products at wholesale..
- Labeling: Cottage foods must be sold prepackaged with a label affixed containing the following information:
    - Name and address of the cottage food operation;
    - Name of the cottage food;
    - Ingredients of the cottage food, in descending order of predominance by weight;
    - Net weight or net volume of the cottage food;

[13] S. 500.03(1)(j), F.S.
[14] *See* s. 500.12, F.S.
[15] S. 500.80(1)-(6), F.S.
[16] S. 500.80(1)(b), F.S. This includes all sales of products from any location, regardless of the types of products sold or number of persons involved in any operation. Documentation of sales must be available to DACS for verification.

    - Allergen information as specified by federal labeling requirements;
    - If any nutritional claim is made, appropriate nutritional information as specified by federal labeling requirements; and
    - A statement printed in at least 10-point font and in a color that provides clear contrast to the background of the label which reads "Made in a cottage food operation that is not subject to Florida's food safety regulations;"[17]
- Storage: Only cottage foods that are stored on the premises of the cottage food operation may be sold;
- State and Federal: A cottage food operation must comply with applicable state or federal tax laws, rules, regulations, or certificates;
- Local Government: The regulation of cottage food operations is preempted to the state. A local law, ordinance, or regulation may not prohibit a cottage food operation or regulate the preparation, processing, storage, or sale of cottage food products by a cottage food operation; however, a cottage food operation must comply with the conditions for the operation of a home-based business.

DACS may enter and inspect the premises of a cottage food operation to determine compliance with the cottage food operations requirements only upon receipt of a complaint, which alleges that a cottage food operation has violated any of the cottage food operating requirements. If a cottage food operation refuses to permit DACS to enter the premises or to conduct the inspection, he or she is subject to disciplinary action.[18]

**DBPR**

The Division of Hotels and Restaurants within DBPR is the state agency charged with enforcing the provisions of part I of ch. 509, F.S., and all other applicable laws relating to the inspection and regulation of public food service establishments for the purpose of protecting the public health, safety, and welfare of Florida citizens.[19]

The Division licenses and inspects **public food service establishments defined to mean any building, vehicle, place, or structure, or any room or division in a building, vehicle, place, or structure where food is prepared, served, or sold for immediate consumption on or in the vicinity of the premises, called for or taken out by customers, or prepared prior to being delivered to another location for consumption**.[20]

Each person who plans to open a public food service establishment is required to apply for and receive a license from the Division prior to the commencement of operation. Applicants are required to complete the following:[21]

- **Food service plan review**. This requirement is applicable to new restaurants, remodeled restaurants, re-opened restaurants that have been closed for at least one year and restaurants that have been converted from another use. The plan must be submitted to the Division for approval.
- **Application forms**. Applicants must complete the appropriate application forms. If the restaurant will be serving alcohol, applicants will need to apply for a liquor license.
- **License fees**. Applicants must pay a license fee based on the type of food service operation and the number of seats.

The Division has the **right of entry and access** to public food service establishments at any reasonable time.[22]

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[17] Cottage food products must be labeled in accordance with the requirements as outlined in s. 500.80(3), F.S., and U.S. Code of Federal Regulations Title 21, Part 101.
[18] S. 500.08(7)(a)-(b), F.S.
[19] Ch. 509, F.S.
[20] S. 509.013(5)(a), F.S.; The term also includes a culinary education program, as defined in s. 381.0072(2), F.S., which offers, prepares, serves, or sells food to the general public, regardless of whether it is inspected by another state agency for compliance with sanitation standards.
[21] *See* ch. 509, F.S.

The Division is required to adopt and enforce **sanitation rules** to ensure the protection of the public from food-borne illness in those establishments it licenses. These rules must provide the standards and requirements for obtaining, storing, preparing, processing, serving, or displaying food in public food service establishments, approving public food service establishment facility plans, conducting necessary public food service establishment inspections for compliance with sanitation regulations, cooperating and coordinating with DOH in epidemiological investigations, and initiating enforcement actions, and for other such responsibilities deemed necessary by the Division.[23]

The Division must **report annually** to the Governor and Legislature the total number of active public lodging and public food service licenses in the state, the total number of inspections conducted by the Division, the number of violations of each sanitary standard, and any recommendations for improved inspection procedures. The Division must also keep an accurate account of all expenses arising out of the performance of its duties and all fees collected.[24]

The regulation of public food service establishments, including, but not limited to, sanitation standards, inspections, training and testing of personnel, and matters related to the nutritional content and marketing of foods offered in such establishments, is **preempted to the state**. This does not preempt the authority of a local government or local enforcement district to conduct inspections for compliance with the Florida Building Code and the Florida Fire Prevention Code.[25]

According to DBPR, **employee health** is one of the most important measures for the prevention of foodborne illness. People who work in food service establishments are required to report certain foodborne illnesses, symptoms of foodborne illness, and exposure to foodborne illness to their employer. Depending upon the illness and/or symptom, the manager may be required to exclude (not allow to work in the food establishment in any capacity) or restrict (limit duties) the employee. In addition, the manager may be required to notify the Department of Health.[26]

The "Big 5" **foodborne illnesses** identified by DBPR that food service employees and managers should be aware of are Salmonella Typhi, Shigella, Shiga-toxin producing E. coli, Hepatitis A, and Norovirus. Food service workers who experience vomiting or diarrhea caused by an infectious condition cannot work while they are ill and may not return to work until they have not had any symptoms for at least 24 hours.[27]

The Division is required, upon proper finding, to immediately issue an order to close a licensed public food service establishments in the instance of a severe and immediate public health or safety or welfare threat.[28]

At least one **certified manager** is required for every public food service establishment. A certified food manager must be present when four or more people are engaged in food activities (storing, handling, preparing or serving food). Each manager has 30 days from date of hire to become properly certified and must recertify every three years.[29]

The law requires **training** on foodborne disease prevention and professional hygienic practices for all food service employees who are responsible for the storage, preparation, display or service of food. The training must include personal cleanliness (e.g., handwashing), types and causes of foodborne illness, identification of time/temperature control for safety foods, techniques to prevent cross

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[22] S. 509.032(2)(b), F.S.
[23] S. 509.032(2)(d), F.S.
[24] S. 509.032(5), F.S.
[25] S. 509.032(7), F.S.
[26] Division of Hotels and Restaurants, Safe Restaurant Operations, http://www.myfloridalicense.com/dbpr/HR/forms/documents/SafeRestaurantOperations.pdf (last visited Ja. 29, 2022).
[27] *Id*.
[28] S. 509.035, F.S.
[29] S. 509.039, F.S.

contamination, and how to control or eliminate harmful bacteria. Employees must receive training within 60 days of hire and be retrained every three years.[30]

Any establishment that offers **raw or undercooked animal foods** must provide a **consumer advisory**. The advisory may be in the form of brochures, menu advisories, table tents, placards or other effective written means. Common foods offered raw or undercooked which require a consumer advisory include hamburgers, steak, sashimi and eggs. Typical advisory language is a statement such as "Consuming raw or undercooked meats, poultry, seafood or eggs may increase your risk of foodborne illness, especially if you have certain medical conditions."[31] When raw or undercooked animal foods are used as ingredients in other foods (e.g., sushi, raw eggs in Caesar salad or homemade meringue) it must also be made clear to the consumer that the menu items contain raw or undercooked animal foods.[32] Any establishment that offers raw or undercooked oysters must provide a consumer advisory. This advisory may also be in the form of brochures, menu advisories, table tents, placards or other effective written means.[33]

### DOH

DOH is responsible for licensure and regulation of food service establishments that include institutions, schools, civic or fraternal organizations, bars and lounges, and theaters that serve traditional theater foods (such as soft drinks, popcorn, hot dogs, etc.), and locations that participate in the USDA Afterschool Meal Program. The Department of Health also addresses temporary food events, mobile food units, and vending machines that operate at or through any of these facilities. County Health Departments inspect and issue food certificates to these facilities. Unless exempted, these food operations need to comply with food manager certification requirements.[34]

DOH is authorized to advise and consult with the Agency for Health Care Administration (AHCA), DBPR, DACS, and the Department of Children and Families (DCF) concerning procedures related to the storage, preparation, serving, or display of food at any building, structure, or facility not expressly included in this section that is inspected, licensed, or regulated by those agencies.[35]

DOH is required to inspect and regulate food service establishments as under its jurisdiction, for the purpose of safeguarding the public's health, safety, and welfare. The department is required to inspect each food service establishment as often as necessary to ensure compliance with applicable laws and rules and has the right of entry and access to these food service establishments at any reasonable time.[36]

DOH is authorized to investigate complaints and reports involving health care practitioners regulated by DOH. Enforcement actions which may be taken against health care practitioners are administrative in nature, including, but not limited to reprimands, fines, restrictions of practice, remedial education, administrative costs, probation, license suspensions or license revocations.[37]

## Recent Trends

### Home Kitchen Laws

[30] S. 509.049, F.S.
[31] Ch. 3-603.11, U.S. Food & Drug Administration, 2017 Food Code.
[32] *Id*.
[33] R. 61C-4.010(8), F.A.C.
[34] Florida Department of Health, *Hygiene Codes and Standards*, https://www.floridahealth.gov/environmental-health/food-safety-and-sanitation/food-manager-code-standards.html (last visited Jan. 29, 2022).
[35] S. 381.0072(3)(a), F.S.
[36] S. 381.0072(3)(c)and(d), F.S.
[37] S. 381.0072(6)and(7), F.S.

Cottage foods laws have expanded rapidly in the past five years. Since 2015, 25 states and Washington, D.C. have either created new cottage food programs or significantly expanded their existing laws.[38]

Recently, a few states have enacted laws authorizing "microenterprise home kitchen" operations, which legalize the sale of home cooked meals that contain **meat**. Although these laws let home chefs sell an even broader array of dishes than under food freedom laws or cottage food laws, most **require inspections and permits**.[39]

A microenterprise home kitchen operation is a food facility that is operated by a resident from their private home kitchen. Once permitted, a resident can store, handle, prepare, and serve food to the public, as allowed by State law, similar to a restaurant. State law does place limits on the number of meals that can be served, revenue that can be earned, and on how certain foods can be prepared, among other requirements.[40] Approximately six states allow some form of microenterprise home kitchen operation. These states include California, Montana, Utah, Wyoming, Oklahoma and North Dakota.

California[41] gives a **city or county "full discretion"** to authorize microenterprise home kitchens in their jurisdiction. Under the regulations, until a county or a city authorizes these types of operations, a microenterprise home kitchen will not be able to be issued a health permit to operate.[42] As of September 2021, permits are available in seven local jurisdictions.[43]

Utah[44] requires a **permit and annual inspection** from the local health department. Participants must inform consumers that regulations for home kitchens are different than for commercial restaurants. The law allows residents to sell home-cooked meals containing meat. Customers may pick up their orders in person, but they may not consume the food on site. In-person deliveries are also permitted.

Montana allows people to sell **almost all kinds of foods and meals**, with the exception of certain meats, directly to consumers.[45]

## Effect of the Bill

The bill allows home kitchen operations in a private residence operated by the resident under certain conditions, and provides an exception for "home kitchen operations" from food permitting requirements in ch. 500, F.S., the Florida Food Safety Act.

The bill defines a "home kitchen operation" as a natural person or an entity that stores, handles, prepares home kitchen products at the residence of the natural person or at the residence of a natural person who has an ownership interest in the entity and sells such products in accordance with s. 500.82, F.S.

The bill specifies that a home kitchen operation is not:

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[38] Institute for Justice, Recent State Reforms for Homemade Food Businesses, https://ij.org/legislative-advocacy/state-reforms-for-cottage-food-and-food-freedom-laws/ (last visited Jan. 29, 2022).
[39] *Id*.
[40] San Mateo County Health, MICROENTERPRISE HOME KITCHEN OPERATIONS (MEHKO), https://www.smchealth.org/node/4020 (last visited Jan. 29, 2022).
[41] Cal. Retail Food Code s. 113825 (2019).
[42] California Department of Public Health, Food and Drug Branch, Microenterprise Home Kitchen Operations (MEHKO), https://www.cdph.ca.gov/Programs/CEH/DFDCS/Pages/FDBPrograms/FoodSafetyProgram/MicroenterpriseHomeKitchenOperations.aspx?TSPD_101_R0=087ed344cfab20008aef9ae56ec32a41e3f2177082ed491bab83bb9a4bf591621469e2a3c6764f4e088646e6f6143000cae5963a2cdac4e8f70bbe66f000b7d9bc633c74b7350dedde334b0f787f0a894f2aa8acb6560497b9ae68db9301e778 (last visited Jan. 29, 2022).
[43] Institute for Justice, Recent State Reforms for Homemade Food Businesses, https://ij.org/legislative-advocacy/state-reforms-for-cottage-food-and-food-freedom-laws/ (last visited Jan. 29, 2022).
[44] Utah Code Ann. S. 631-1-226 (2021).
[45] The Washington Post, *Selling home-cooked food is getting easier, thanks to pandemic-fueled deregulation*, https://www.washingtonpost.com/food/2021/10/13/cottage-food-sales-legal/ (last visited Feb. 1, 2022).

- A public food service establishment as defined in s. 509.013, F.S.
- A catering operation licensed under ch. 509, F.S.
- A cottage food operation, as defined in s. 500.03, F.S.

The bill defines "home kitchen product" as food that is:
- Stored, handled, prepared, and packaged by a home kitchen operation.
- **Not raw milk, raw milk products, raw oysters, or raw shellfish.**

The bill requires home kitchen operations to comply with the applicable requirements of the Florida Food Safety Act; however, the bill provides that home kitchen operations are **exempt from the permitting requirements** of s. 500.12, F.S., of the Florida Food Safety Act, if the home kitchen operation is in compliance with the home kitchen operation requirements, and:
- Has annual gross sales of home kitchen products that **do not exceed $250,000**.
- Food preparation and service is limited to no more than **10 individual meals per day**, or the approximate equivalent of meal components when sold separately.
- Food is prepared, cooked, and **served on the same calendar day**.
- Processes home kitchen food products in compliance with state and federal regulations and s. 500.80, F.S., relating to cottage food operations.

The bill requires home kitchen **annual gross sales** to include all sales of home kitchen products at any location, regardless of the types of products sold or the number of persons involved in the operation. A home kitchen operation must provide DACS, upon request, with **written documentation** to verify the operation's annual gross sales, and **DACS is granted access** to such records within 24 hours of the request.

The bill authorizes home kitchen operations to sell, offer for sale, and accept payment for home kitchen products over the Internet or in person. Such products may be delivered in person directly to the consumer, to a specific event venue, or to the consumer by the home kitchen operation or a third party delivery service.

The bill prohibits home kitchen operations from not selling, offering for sale, or delivering home kitchen products to any wholesaler or retailer.

The bill requires all home kitchen operation owners and employees to successfully **complete a food safety certificate training program** that complies with U.S. FDSA Food Safety Modernization Act. The course, at a minimum, must include information and training on cross-contamination, temperature control, and personal hygiene.

The bill requires home kitchen operations to:
- Take steps to **avoid any potential contamination** to:
    - Food.
    - Equipment.
    - Utensils.
    - Unwrapped single-service and single-use articles.
- Prevent an individual from entering the food preparation area while food is being prepared if the individual is known to be suffering from:
    - Symptoms associated with acute gastrointestinal illness; or
    - A communicable disease that is transmissible through food.
- Ensure a hand washing station supplied with warm water, soap, and disposable hand towels is conveniently located in food preparation, food dispensing, and warewashing areas.
- Ensure that the kitchen sink is fully operational and has hot and cold water and a sanitizing agent, and that dishes are sanitized between each use.
- Ensure that ready-to-eat home kitchen food products are protected from contamination during storage, preparation, handling, transport, and display.
- Ensure that home kitchen food products are maintained at proper holding temperatures.
    - Ensure that utensils and equipment used in the home kitchen operation:

    - Retain their characteristic qualities under normal use conditions.
    - Are properly sanitized after each use.
    - Are maintained in a sanitary manner between uses.
- Ensure that kitchen equipment is cleaned and sanitized between uses.
- Ensure that gases, odors, steam, heat, grease, vapors, and smoke are able to escape the kitchen.
- Ensure that temperature measuring devices or holding equipment for the time or temperature control of food is properly used for hot and cold holding of home kitchen food products during storage, serving, and cooling.
- Ensure that home kitchen food product preparation and service is discontinued if there is a disruption of potable water service.

The bill specifies that home kitchen operations may only sell home kitchen products which are affixed with a label that contains the following information:

- The name and address of the home kitchen operation.
- The name of the home kitchen product.
- The ingredients of the home kitchen product, in descending order of predominance by weight.
- The net weight or net volume of the home kitchen product.
- Allergen information as specified by federal labeling requirements.
- If any nutritional claim is made, appropriate nutritional information as specified by federal labeling requirements.
- The following statement printed in at least 10-point type in a color that provides a clear contrast to the background of the label: "**Made in a home kitchen operation that is not subject to Florida's food safety regulations**."

The bill clarifies that it does not:

- Exempt a home kitchen operation from any state or federal tax law, rule, regulation, or certificate that applies to all home kitchen operations.
- Prevent DACS or a local health department from enforcing an order to cease and desist operation of a home kitchen if the department or the local health department has a valid reason to suspect that the home kitchen operation is the source of an adulterated food or of an outbreak of illness caused by contaminated food.
- Apply to a person operating under a food permit issued pursuant to s. 500.12, F.S.

The bill **preempts the regulation** of home kitchen operations to the state. A local law, ordinance, or regulation may not prohibit a home kitchen operation or regulate the preparation, processing, storage, or sale of home kitchen products by a home kitchen operation; however, a home kitchen operation must comply with the conditions for the operation of a home-based business under s. 559.955, F.S.

The bill requires DACS to **investigate any complaint** which alleges that a home kitchen operation has violated an applicable provision or rule.

The bill provides that upon receipt of a complaint, a DACS authorized officer or employee is required to enter and **inspect the premises** of a home kitchen operation to determine compliance with the Florida Food Safety Act and DACS rules, as applicable. A home kitchen operation's refusal to permit such entry to the premises or to conduct the inspection is grounds for disciplinary action pursuant to s. 500.121, F.S., under the Florida Food Safety Act.

The bill provides that a home kitchen operation is subject to s. 500.121(7), F.S., which authorizes immediate closure by DACS if the operation fails to comply with the Florida Food Safety Act and presents an **imminent threat to the public health, safety, and welfare**. DACS is:

- Authorized to accept inspection results from other state and local building officials and other regulatory agencies as justification for such action.
- Required, upon such a determination, to issue an immediate final order to close a food establishment as follows:

- If the Division director or designee determines that the continued operation of a food establishment presents an immediate danger to the public health, safety, and welfare.
- Upon such determination, is required to issue an immediate final order directing the owner or operator of the food establishment to cease operation and close the food establishment. DACS must serve the order upon the owner, operator, or agent thereof of the food establishment, and may attach a closed-for-operation sign to the food establishment while the order remains in place.
- DACS is required to inspect the food establishment within 24 hours after the issuance of the order. Upon a determination that the food establishment has met the applicable requirements to resume operations, DASCS is required to serve a release upon the owner, operator, or agent thereof of the food establishment.
- A food establishment ordered by DACS to cease operation and close must remain closed until released by DACS or by a judicial order to reopen.
- It is a second degree misdemeanor, punishable as provided in s. 775.082, F.S., or s. 775.083, F.S., for a person to deface or remove a closed-for-operation sign placed on a food establishment by DACS or for the owner or operator of a food establishment to resist closure of the establishment by DACS.
- DACS may impose administrative sanctions for violations.

The bill authorizes DACS to impose a Class II **administrative fine** pursuant to s. 570.971, F.S., against a home kitchen operation, that violates the Florida Food Safety Act. For each violation in the Class II category, a fine not to exceed $5,000 may be imposed.

B. SECTION DIRECTORY:

**Section 1:** Amends s. 500.03, F.S., relating to definitions.

**Section 2:** Creates s. 500.82, F.S., relating to home kitchen operations.

**Section 3:** Amends s. 500.121, F.S., relating to disciplinary procedures.

**Section 4:** Provides an effective date.

## II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

   Indeterminate. Depending on the number of complaints received, DACS could see an increase in the issuance of fines.

2. Expenditures:

   Indeterminate. Depending on the number of complaints received, DACS could have more cases to investigate.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

   None.

2. Expenditures:

   None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will allow for the expansion and growth of small businesses in Florida and will allow more people to work from home in their chosen profession.

D. FISCAL COMMENTS:

None.

## III. COMMENTS

A. CONSTITUTIONAL ISSUES:

1. Applicability of Municipality/County Mandates Provision:

Not applicable. The bill does not appear to require counties or municipalities to take an action requiring the expenditure of funds, reduce the authority that counties or municipalities have to raise revenue in the aggregate, nor reduce the percentage of state tax shared with counties or municipalities.

2. Other:

None.

B. RULE-MAKING AUTHORITY:

None.

C. DRAFTING ISSUES OR OTHER COMMENTS:

None.

## IV. AMENDMENTS/ COMMITTEE SUBSTITUTE CHANGES

A bill to be entitled

An act relating to home kitchen operations; amending s. 500.03, F.S.; providing definitions; creating s. 500.82; exempting home kitchen operations from food permitting requirements; providing requirements for home kitchen operations; providing requirements for the sale of home kitchen products; providing construction and applicability; preempting the regulation of home kitchen operations to the state; authorizing the Department of Agriculture and Consumer Services to investigate complaints, conduct inspections, and impose disciplinary actions; providing that home kitchen operations are suject to certain disciplinary procedures; amending s. 500.121, F.S.; providing disciplinary procedures for home kitchen operations; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Paragraphs (s) through (cc) of subsection (1) of section 500.03, Florida Statutes, are redesignated as paragraphs (u) through (ee), respectively, paragraph (r) of subsection (1) is amended, and new paragraphs (s) and (t) are added to subsection (1) of that section, to read:

500.03 Definitions; construction; applicability.—

(1) For the purpose of this chapter, the term:



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(r) "Food service establishment" means any place where food is prepared and intended for individual portion service, and includes the site at which individual portions are provided. The term includes any such place regardless of whether consumption is on or off the premises and regardless of whether there is a charge for the food. The term includes delicatessens that offer prepared food in individual service portions. The term does not include schools, institutions, fraternal organizations, private homes where food is prepared or served for individual family consumption, retail food stores, the location of food vending machines, cottage food operations, home kitchen operations, and supply vehicles, nor does the term include a research and development test kitchen limited to the use of employees and which is not open to the general public.

(s) "Home kitchen operation" means a natural person or an entity that stores, handles, prepares home kitchen products at the residence of the natural person or at the residence of a natural person who has an ownership interest in the entity and sells such products in accordance with s. 500.82. A home kitchen operation is not:

1. A public food service establishment as defined in s. 509.013.

2. A catering operation licensed under ch. 509.

3. A cottage food operation, as defined in s. 500.03.

(t) "Home kitchen product" means food that is:

1. Stored, handled, prepared, and packaged by a home

kitchen operation.

2. Not raw milk, raw milk products, raw oysters, or raw shellfish.

Section 2. Section 500.82, Florida Statutes, is created to read:

500.82 Home kitchen operations.—

(1)(a) A home kitchen operation must comply with the applicable requirements of this chapter but is exempt from the permitting requirements of s. 500.12 if the home kitchen operation complies with this section and:

1. Has annual gross sales of home kitchen products that do not exceed $250,000.

2. Limits preparation and service of home kitchen food products to no more than 10 individual meals per day or the approximate equivalent of meal components when sold separately.

3. Prepares, cooks, and serves home kitchen food products on the same calendar day.

4. Processes home kitchen food products in compliance with state and federal regulations and s. 500.80.

(b) For purposes of this subsection, a home kitchen's annual gross sales include all sales of home kitchen products at any location, regardless of the types of products sold or the number of persons involved in the operation. A home kitchen operation must provide the department, upon request, with written documentation to verify the operation's annual gross sales, and the department shall be granted access to such

records within 24 hours of the request.

(2) A home kitchen operation may sell, offer for sale, and accept payment for home kitchen products over the Internet or in person. Such products may be delivered in person directly to the consumer, to a specific event venue, or to the consumer by the home kitchen operation or a third party delivery service. A home kitchen operation may not sell, offer for sale, or deliver home kitchen products to any wholesaler or retailer.

(3) All home kitchen operation owners and employees must successfully complete a food safety certificate training program that complies with the United States Food and Drug Administration's Food Safety Modernization Act. The course, at a minimum, must include information and training on cross-contamination, temperature control, and personal hygiene.

(4) A home kitchen operation must:

(a) Take steps to avoid any potential contamination to:

1. Food.

2. Equipment.

3. Utensils.

4. Unwrapped single-service and single-use articles.

(b) Prevent an individual from entering the food preparation area while food is being prepared if the individual is known to be suffering from:

1. Symptoms associated with acute gastrointestinal illness; or

2. A communicable disease that is transmissible through

food.

(c) Ensure a hand washing station supplied with warm water, soap, and disposable hand towels is conveniently located in food preparation, food dispensing, and warewashing areas.

(d) Ensure that the kitchen sink is fully operational and has hot and cold water and a sanitizing agent, and that dishes are sanitized between each use.

(e) Ensure that ready-to-eat home kitchen food products are protected from contamination during storage, preparation, handling, transport, and display.

(f) Ensure that home kitchen food products are maintained at proper holding temperatures.

(g) Ensure that utensils and equipment used in the home kitchen operation:

1. Retain their characteristic qualities under normal use conditions.

2. Are properly sanitized after each use.

3. Are maintained in a sanitary manner between uses.

(h) Ensure that kitchen equipment is cleaned and sanitized between uses.

(i) Ensure that gases, odors, steam, heat, grease, vapors, and smoke are able to escape the kitchen.

(j) Ensure that temperature measuring devices or holding equipment for the time or temperature control of food is properly used for hot and cold holding of home kitchen food products during storage, serving, and cooling.

(k) Ensure that home kitchen food product preparation and service is discontinued if there is a disruption of potable water service.

(6) A home kitchen operation may only sell home kitchen products which are affixed with a label that contains the following information:

(a) The name and address of the home kitchen operation.

(b) The name of the home kitchen product.

(c) The ingredients of the home kitchen product, in descending order of predominance by weight.

(d) The net weight or net volume of the home kitchen product.

(e) Allergen information as specified by federal labeling requirements.

(f) If any nutritional claim is made, appropriate nutritional information as specified by federal labeling requirements.

(g) The following statement printed in at least 10-point type in a color that provides a clear contrast to the background of the label: "Made in a home kitchen operation that is not subject to Florida's food safety regulations."

(7) This section does not:

(a) Exempt a home kitchen operation from any state or federal tax law, rule, regulation, or certificate that applies to all home kitchen operations.

(b) Prevent the department or a local health department

from enforcing an order to cease and desist operation of a home kitchen if the department or the local health department has a valid reason to suspect that the home kitchen operation is the source of an adulterated food or of an outbreak of illness caused by contaminated food.

(c) Apply to a person operating under a food permit issued pursuant to s. 500.12.

(8) The regulation of home kitchen operations is preempted to the state. A local law, ordinance, or regulation may not prohibit a home kitchen operation or regulate the preparation, processing, storage, or sale of home kitchen products by a home kitchen operation; however, a home kitchen operation must comply with the conditions for the operation of a home-based business under s. 559.955.

(9)(a) The department must investigate any complaint which alleges that a home kitchen operation has violated an applicable provision of this chapter or rule adopted under this chapter.

(b) Upon receipt of a complaint, the department's authorized officer or employee must enter and inspect the premises of a home kitchen operation to determine compliance with this chapter and department rules, as applicable. A home kitchen operation's refusal to permit the department's authorized officer or employee entry to the premises or to conduct the inspection is grounds for disciplinary action pursuant to s. 500.121.

(10) A home kitchen operation is subject to the



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disciplinary procedures under s. 500.121(7).

Section 3. Subsection (1) of section 500.121, Florida Statutes, is amended to read:

500.121 Disciplinary procedures.—

(1) In addition to the suspension procedures provided in s. 500.12, if applicable, the department may impose an administrative fine in the Class II category pursuant to s. 570.971 against any retail food store, food establishment, home kitchen operation, or cottage food operation that violates this chapter, which fine, when imposed and paid, shall be deposited by the department into the General Inspection Trust Fund. The department may revoke or suspend the permit of any such retail food store or food establishment if it is satisfied that the retail food store or food establishment has:

(a) Violated this chapter.

(b) Violated or aided or abetted in the violation of any law of this state governing or applicable to retail food stores or food establishments or any lawful rules of the department.

(c) Knowingly committed, or been a party to, any material fraud, misrepresentation, conspiracy, collusion, trick, scheme, or device whereby another person, lawfully relying upon the word, representation, or conduct of a retail food store or food establishment, acts to her or his injury or damage.

(d) Committed any act or conduct of the same or different character than that enumerated which constitutes fraudulent or dishonest dealing.

Section 4. This act shall take effect July 1, 2022.



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