

By the Committee on Community Affairs and Representatives
Bradley, Fasano and Greene

1 A bill to be entitled
2 An act relating to affordable housing; amending
3 s. 290.0301, F.S.; changing the title of the
4 "Community Development Corporation Support and
5 Assistance Program Act" to the "Invest in
6 Neighborhood Vitality and Economies Act";
7 advancing the date of the repeal of the act to
8 June 30, 2007; amending s. 290.0311, F.S.;
9 revising language with respect to legislative
10 findings; providing reference to
11 community-based development organizations;
12 amending s. 290.032, F.S.; revising language
13 with respect to policy and purpose; amending s.
14 290.033, F.S.; providing definitions; amending
15 s. 290.035, F.S.; revising language with
16 respect to eligibility for assistance; amending
17 s. 290.036, F.S.; providing for the
18 community-based development organization
19 support program; providing for core and project
20 administrative grants and procedures; amending
21 s. 290.0365, F.S.; providing for a
22 community-based development training and
23 technical assistance program; amending s.
24 290.037, F.S.; providing for a community
25 development project implementation loan
26 program; amending s. 290.038, F.S.; revising
27 language with respect to the authority and
28 duties of the Department of Community Affairs;
29 amending s. 290.039, F.S.; revising language
30 with respect to reporting requirements;
31 amending s. 290.0395, F.S.; providing for

1 program performance review and evaluation;
2 creating s. 290.055, F.S.; creating the
3 Rebuilding Urban Neighborhoods Initiative;
4 repealing s. 290.034, F.S., relating to funding
5 and use of the Operating Trust Fund; amending
6 ss. 189.427, 252.82, and 943.25 to conform to
7 this act; providing an effective date.

8

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

10

11 Section 1. Section 290.0301, Florida Statutes, is
12 amended to read:

13 290.0301 Short title.--Sections 290.0311 through
14 290.0395 shall be known and may be cited as the "Invest in
15 Neighborhood Vitality and Economies Act ~~Community Development~~
16 ~~Corporation Support and Assistance Program Act.~~" This section
17 shall stand repealed on June 30, 2007 ~~1998~~.

18 Section 2. Subsections (5), (10), and (11) of section
19 290.0311, Florida Statutes, are amended to read:

20 290.0311 Legislative findings.--The Legislature finds
21 that:

22 (5) This deterioration contributes to the decline of
23 neighborhoods in both rural and urban ~~and surrounding~~ areas,
24 causes a reduction of the value of property comprising the tax
25 base of local communities, and eventually requires the
26 expenditure of disproportionate amounts of public funds for
27 health, social services, and police protection to prevent the
28 development of slums and the social and economic disruption
29 found in slum communities.

30 (10) A viable means of eliminating or reducing these
31 deteriorating economic conditions and encouraging local

1 resident participation and support is to provide support
2 assistance and resource investment to community-based
3 ~~community~~ development organizations ~~corporations~~. The
4 Legislature also finds that community-based development
5 organizations can contribute to the creation of jobs in
6 response to federal welfare reform and state WAGES legislation
7 and economic development activities related to urban and rural
8 economic initiatives.

9 (11) This section shall stand repealed on June 30,
10 2007 ~~1998~~.

11 Section 3. Section 290.032, Florida Statutes, is
12 amended to read:

13 (Substantial rewording of section. See
14 s. 290.032, F.S., for present text.)

15 290.032 Policy and purpose.--It is the policy of this
16 state to improve the quality of neighborhoods as environments
17 in which children and families live, by supporting and
18 fostering positive change in a broad range of domains to
19 achieve comprehensive improvements in conditions throughout
20 the neighborhood over time. Such community or neighborhood
21 redevelopment shall be based on the following principles:

22 (1) Bottom-up, community-focused approach.

23 (2) Enables and supports the effort of the
24 neighborhoods to make improvements.

25 (3) Requires a holistic focus on the neighborhood to
26 address all needs in coordinated fashion, including:

27 (a) Need for community-based leadership.

28 (b) Empower neighborhood governance of the process.

29 (c) Human service delivery.

30 (d) Public infrastructure.

31 (e) Housing and safety.

1 (f) Economic development.
2 (4) Mandates neighborhood collaboration of all
3 partners.
4 (5) Empowers residents to make decisions on
5 improvements.
6 (6) Builds consensus for a shared vision for the
7 future of the neighborhood.
8 (7) Sets definitive performance goals to achieve
9 specific outcomes for the neighborhood.
10
11 The purpose of this act is to assist community-based
12 development organizations in undertaking projects, in concert
13 with state and local government and private enterprise,
14 designed to create and maintain a sound industrial base, to
15 revitalize the health of established commercial areas, to
16 promote and retain employment opportunities, to preserve and
17 rehabilitate existing residential neighborhoods, and to
18 provide safe, decent, affordable housing for residents of
19 these areas. The Legislature, therefore, declares that the
20 development, redevelopment, preservation, restoration, and
21 revitalization of such communities and all the purposes of
22 this act are public purposes for which public moneys may be
23 used. This section shall stand repealed on June 30, 2007.
24 Section 4. Section 290.033, Florida Statutes, is
25 amended to read:
26 (Substantial rewording of section. See
27 s. 290.033, F.S., for present text.)
28 290.033 Definitions.--As used in this act, the term:
29 (1) "Department" means the Department of Community
30 Affairs.
31

1 (2) "Community-based development organization" means a
2 community-based nonprofit organization, which may also be
3 known as a "CBDO," that is committed to or engaged in
4 developing or managing real estate or business enterprises in
5 economically distressed neighborhoods. To qualify, an agency
6 must be community based in that the majority of the board is
7 elected by a mix of stakeholders consisting of area residents,
8 area business and property owners, and persons employed in the
9 service area and demonstrate an ability to undertake
10 affordable housing, business assistance, or commercial
11 developments.

12 (3) "Fund" means the Operating Trust Fund.

13 (4) "Neighborhood comprehensive revitalization plan"
14 means a long-term holistic, integrated, and collaborative
15 strategic plan for the improvement of a defined service area
16 or neighborhood that was prepared by and approved by a
17 collaborative partnership of residents, community-based
18 organizations, local government representatives, churches,
19 schools, businesses, and other community stakeholders that
20 sets forth the shared vision for the service area and
21 identifies specific, measurable outcomes. This comprehensive,
22 holistic plan shall address the wide array of interrelated
23 needs including, but not limited to, human services, jobs and
24 economic development, housing, safety, public infrastructure,
25 health care, education, community organization, neighborhood
26 governance, and social organizations. The plan must describe
27 an organization's mission; include strategies to maintain
28 community involvement; demonstrate innovation, efficiency, and
29 accountability to the benefit of the service area
30 stakeholders; and identify sources of anticipated revenue.

31

1 (5) "Project" means a public and private activity or
2 series of activities, designed to be carried out in a
3 specific, definable location, that achieve objectives which
4 are consistent with the agency's neighborhood comprehensive
5 revitalization plan and the provisions and intent of this act.

6 (6) "Secretary" means the Secretary of Community
7 Affairs.

8 (7) "Service area" or "target area" means the entire
9 area in which a community-based development organization
10 operates and in which community development grant and loan
11 funds are to be spent.

12 (8) "Permanent job" means a full-time position, the
13 duration of which exceeds 12 months and which consists of an
14 average of at least 30 hours per week of employment.

15 (9) "Temporary job" means a full-time or part-time
16 position, the duration of which exceeds 45 days, which
17 consists of an average of at least 15 hours per week of
18 employment, and which is not a permanent job.

19 (10) This section shall stand repealed on June 30,
20 2007.

21 Section 5. Section 290.035, Florida Statutes, is
22 amended to read:

23 290.035 Eligibility for assistance.--~~Community-based~~
24 ~~community~~ development organizations ~~corporations~~ meeting the
25 following requirements shall be eligible for assistance:

26 (1) The community-based ~~community~~ development
27 organization ~~corporation~~ must be a nonprofit corporation under
28 state law ~~or a local development company established under~~
29 ~~state law and certified to be eligible to participate in the~~
30 ~~Small Business Administration Loan Program under s. 502 of the~~
31

1 ~~Small Business Investment Act of 1958, as amended,~~and must
2 meet the following further requirements:

3 (a) Its membership must be open to all service area
4 residents 18 years of age or older.

5 (b) A majority of its board members must be elected by
6 those members of the corporation who are stakeholders
7 comprised of a mix of service area residents, area business
8 and property owners, and area employees.

9 ~~(c) Elections must be held annually for at least a~~
10 ~~third of the elected board members so that elected members~~
11 ~~serve terms of no more than 3 years.~~

12 ~~(d) Elections must be adequately publicized within the~~
13 ~~service area, and ample opportunity must be provided for full~~
14 ~~participation.~~

15 ~~(e) At least one of the board members shall be~~
16 ~~appointed by the Governor.~~

17 (2) The community-based ~~community~~ development
18 organization ~~corporation~~ shall maintain a service area in
19 which economic development projects are located which meets
20 one or more of the following criteria:

21 (a) The area has been designated pursuant to s.
22 163.355 as a slum area or a blighted area as defined in s.
23 163.340(7) or (8) or is located completely within the
24 boundaries of a slum or blighted area.

25 (b) The area is a community development block grant
26 program area in which community development block grant funds
27 are currently being spent or have been spent during the last 3
28 years as certified by the local government in which the
29 service area is located.

30 (c) The area is a neighborhood housing service
31 district.

1 (d) The area is contained within a state ~~an~~ enterprise
2 zone designated on or after July 1, 1995, in accordance with
3 ~~pursuant to~~ s. 290.0065.

4 (e) The area is contained in federal empowerment zones
5 and enterprise communities.

6 (3) This section shall stand repealed on June 30, 2007
7 ~~1998~~.

8 Section 6. Section 290.036, Florida Statutes, is
9 amended to read:

10 (Substantial rewording of section. See
11 s. 290.036, F.S., for present text.)

12 290.036 Community-based development organization
13 support program; administrative grants and procedures.--

14 (1) The department is authorized to award core and
15 project administrative grants and project implementation
16 loans. Administrative grants shall be used for staff salaries
17 and administrative expenses for eligible community-based
18 development organizations selected through a competitive
19 three-tiered process. The department shall develop a set of
20 criteria for three-tiered funding that shall ensure equitable
21 geographic distribution of the funding throughout the state.
22 This three-tiered plan shall include emerging, intermediate,
23 and mature community-based development organizations
24 recognizing the varying needs of the three tiers. Funding
25 shall be provided for core administrative grants for all
26 levels of community-based development organizations. Priority
27 shall be given to those organizations that demonstrate
28 community-based high performance. Project administrative
29 grants tied to project implementation loans shall be available
30 to all levels of community-based development organizations
31 depending upon their capacity. Extensive training and

1 technical assistance shall be available to all community-based
2 development organizations. Persons, equipment, supplies, and
3 other resources funded in whole or in part by grant funds
4 shall then be utilized to further the purposes of this act.
5 Eligible activities include, but are not limited to:
6 (a) Preparing grant and loan applications, proposals,
7 fundraising letters, and other documents essential to securing
8 additional administrative or project funds to further the
9 purposes of this act.
10 (b) Monitoring and administrating grants and loans,
11 providing technical assistance to businesses, and any other
12 administrative tasks essential to maintaining funding
13 eligibility or meeting contractual obligations.
14 (c) Developing local programs to encourage the
15 participation of financial institutions, insurance companies,
16 attorneys, architects, engineers, planners, law enforcement
17 officers, developers, and other professional firms and
18 individuals providing services beneficial to redevelopment
19 efforts.
20 (d) Providing management, technical, accounting, and
21 financial assistance and information to businesses and
22 entrepreneurs interested in locating, expanding, or operating
23 in the service area.
24 (e) Coordinating with state, federal, and local
25 governments and other nonprofit organizations to ensure that
26 activities meet local plans and ordinances and to avoid
27 duplication of tasks.
28 (f) Preparing plans or performing research to identify
29 critical needs within the service area and developing
30 approaches to address those needs.
31

1 (g) Assisting service area residents in identifying
2 and determining eligibility for state, federal, and local
3 housing programs including rehabilitation, weatherization,
4 homeownership, rental assistance, or public housing programs.

5 (h) Developing, owning, and managing housing designed
6 for very-low-income persons, low-income persons, or WAGES
7 recipients; or developing, owning, and managing industrial
8 parks providing jobs to very-low-income persons, low-income
9 persons, or WAGES recipients.

10 (i) Preparing the neighborhood comprehensive
11 revitalization plan with baseline data, outcome measures, and
12 estimates of service area impact as a result of job-generating
13 or revenue-generating businesses, or enterprise assistance, or
14 units of commercial, industrial, or affordable housing
15 developments.

16 (2) A community-based development organization
17 applying for an administrative grant pursuant to this section
18 must submit a proposal to the department which includes:

19 (a) A map and narrative description of the service
20 areas for the community-based development organization.

21 (b) A copy of the documents creating the
22 community-based development organization.

23 (c) A listing of the membership of the board,
24 including individual terms of office.

25 (d) An annual plan that describes the expenditure of
26 the funds, including goals, objectives, and expected results,
27 and which has a clear relationship to the agency's
28 neighborhood comprehensive revitalization strategy.

29 (e) Other supporting information which may be required
30 by the department.

31

1 (3) The amount of any core administrative grant to an
2 emerging community-based development organization in any 1
3 year shall be no more than \$50,000. The amount of any core
4 administrative grant to an intermediate community-based
5 development organization shall be no more than \$30,000. The
6 department may fund as many community-based development
7 organizations each year as is permitted based on the level of
8 funds provided for in the General Appropriations Act.

9 (4) The amount of any project administrative grant to
10 any community-based development organization shall be no more
11 than \$15,000 for every \$100,000 of project implementation
12 loans.

13 (5) A community-based development organization that
14 receives funding hereunder shall submit to the department an
15 annual year-end audit performed by an independent certified
16 public accountant.

17 (6) In evaluating proposals pursuant to this section,
18 the department shall develop and consider scoring criteria
19 including, but not limited to, the following:

20 (a) The relative degree of distress of the service
21 areas of the community-based development organization.

22 (b) The demonstrable capacity of the community-based
23 development organization to improve the economic health of the
24 service area and carry out the activities contained in the
25 long-term revitalization plan.

26 (c) The degree to which the community-based
27 development organization would provide assistance to
28 very-low-income persons, low-income persons, and particularly
29 WAGES recipients.

30 (d) The service area of the community-based
31 development organization which is located in whole or in part

1 within a state enterprise zone designated pursuant to s.
2 290.0065, a federal empowerment zone, or an enterprise
3 community.

4 (e) The extent to which the proposal would further the
5 policy and purposes of this act.

6 (7) The department is authorized to award project
7 administrative grants from the fund to community-based
8 development organizations for staff salaries, administrative
9 expenses, and the added cost of technical assistance directly
10 related to job-generating and revenue-generating enterprises,
11 including business, commercial, or affordable housing
12 developments. Eligible organizations shall apply for
13 competitive funding under the three categories of: business
14 assistance, commercial, and affordable housing development.
15 The allocations of funds to these three categories will be
16 made by the department subject to funding availability and
17 trends in the amount of qualified proposals submitted under
18 each category. Community-based development organizations
19 receiving funds under this section shall be subject to all
20 applicable requirements of ss. 290.034(1), 290.035, 290.037,
21 290.038, and 290.039, as determined by the department.

22 (8) The department shall award funding hereunder based
23 upon a three-tiered approach which recognizes the differing
24 capacities of new and emerging, intermediate, and mature
25 community-based development organizations. No community-based
26 development organization may apply for funding in more than
27 one tier in any 1 fiscal year.

28 (a) Tier I, for new and emerging community-based
29 development organizations, shall offer, on a competitive
30 basis, a minimum of five core administrative grants of up to
31 \$50,000, annually. Once tier I community-based development

1 organizations have achieved a minimum level of capacity, they
2 shall be eligible to apply for, on a competitive funding
3 basis, a project implementation loan of no more than \$100,000
4 and an accompanying project administrative grant of up to
5 \$15,000. Tier I community-based development organizations
6 shall also receive extensive training and technical assistance
7 designed to enhance the organization's capacity and thereby
8 enable it to undertake more complex development projects.
9 (b) Tier II, for intermediate level community-based
10 development organizations, shall be eligible to apply on a
11 competitive basis for core administrative grants of up to
12 \$30,000, annually, and shall be eligible to apply for, on a
13 competitive basis, project implementation loans of up to
14 \$300,000, annually, per community-based development
15 organization and an accompanying project administrative grant
16 of up to \$45,000. Tier II community-based development
17 organizations shall also receive training and technical
18 assistance services hereunder.
19 (c) Tier III, for mature level community-based
20 development organizations, shall be ineligible to apply for
21 core administrative grant funding. Such community-based
22 development organizations shall be eligible to apply for, on a
23 competitive basis, project implementation loans of up to
24 \$400,000, annually, per community-based development
25 organization and an accompanying project administrative grant
26 of up to \$60,000. Tier III community-based development
27 organizations shall also receive training and technical
28 assistance services hereunder.
29 (d) No development project funded hereunder shall
30 exceed \$200,000, annually, per community-based development
31 organization. A community-based development organization can

1 apply for project implementation loans in up to three
2 categories of business development, affordable housing, and
3 commercial development, within the dollar limitations
4 contained herein. Project implementation grants shall be based
5 on up to \$15,000 in grant funds for every \$100,000 awarded in
6 loan funds.

7 (9) A community-based development organization
8 applying for project administrative grants pursuant to this
9 section must submit a proposal to the department which
10 includes:

11 (a) A map and narrative description of the target
12 areas for the community-based development organization.

13 (b) A copy of the documents creating the
14 community-based development organization.

15 (c) A listing of the membership of the board,
16 including individual terms of office.

17 (d) A copy of the community-based development
18 organization's neighborhood comprehensive revitalization plan.

19 (e) A description of the location, financing plan, and
20 potential impact of the business enterprise or residential,
21 commercial, or industrial development which shows a clear
22 relationship to the organization's neighborhood comprehensive
23 revitalization plan and demonstrates how the proposed
24 expenditures are directly related to the project.

25 (10) In evaluating proposals pursuant to this section,
26 the department shall develop and consider scoring criteria,
27 including, but not limited to, the following:

28 (a) The reasonableness of project goals and production
29 schedules.

30
31

1 (b) Prior experience and performance of the applicant
2 in the production of similar housing, commercial, or business
3 developments.

4 (c) The extent of financial leveraging with private
5 and public funding.

6 (d) The demonstrable capacity of the community-based
7 development organization to improve the economic health of the
8 target area as seen by the reasonableness of its comprehensive
9 neighborhood revitalization plan and the impact of the
10 proposed project.

11 (e) The degree to which the project will benefit
12 very-low-income persons, low-income persons, and particularly
13 WAGES recipients.

14 (f) The location of the target area of the
15 community-based development organization, in whole or in part,
16 in a state enterprise zone designated on or after July 1,
17 1995, in accordance with s. 290.0065 or a federal empowerment
18 zone or enterprise community.

19 (g) The extent to which the proposal would further the
20 policy and purposes of this act.

21 (11) This section shall stand repealed on June 30,
22 2007.

23 Section 7. Section 290.0365, Florida Statutes, is
24 amended to read:

25 (Substantial rewording of section. See
26 s. 290.0365, F.S., for present text.)

27 290.0365 Community-based development training and
28 technical assistance program.--

29 (1) LEGISLATIVE FINDINGS.--In addition to the
30 legislative findings set forth in s. 290.0311, the Legislature
31 finds and declares that:

1 (a) Significant declines in resources make it
2 difficult for community-based development organizations to
3 generate sufficient revenues from business enterprises or real
4 estate ventures in low-income neighborhoods to fund the
5 predevelopment costs, technical assistance, and other
6 administrative expenses needed to foster new developments.

7 (b) The financing and planning of large-scale
8 developments is becoming increasingly complex and
9 community-based development organizations, even those with
10 considerable experience, often lack the expertise to structure
11 project financing, partnerships, and joint ventures to
12 accelerate and expand development activities in distressed
13 communities.

14 (c) Local governments and private lenders are
15 demonstrating a willingness to provide risk capital and
16 project financing, but they are seldom able to provide
17 technical support and training to the staff of community-based
18 development organizations.

19 (2) PURPOSE.--The purpose of this section is to
20 provide community-based development organizations with the
21 necessary training and technical support to plan, implement,
22 and manage job-generating and revenue-generating developments
23 in distressed neighborhoods. This will strengthen the
24 organizational capacity of community-based development
25 organizations, assist local governments to enhance and expand
26 revitalization efforts, and contribute to expanding the base
27 of commerce, business, and affordable housing that will
28 benefit persons who are very-low-income, low-income, or WAGES
29 recipients.

30 (3) TRAINING AND TECHNICAL ASSISTANCE PROGRAM.--The
31 Department of Community Affairs shall be responsible for

1 securing the necessary expertise, which may include
2 subcontracts with nonprofit organizations, to provide training
3 and technical support to the staff and board of
4 community-based development organizations, as appropriate, and
5 to persons forming such organizations, which are formed for
6 the purpose of redeveloping commercial and residential areas
7 and revitalizing businesses within distressed neighborhoods
8 for the benefit of very-low-income residents, low-income
9 residents, and WAGES recipients.

10 (a) The training component of the program shall assist
11 organizations receiving administrative grants through a
12 developmental curriculum to build board and staff capacities
13 to implement or manage affordable housing, commercial, or
14 business enterprises. Training will include, but not be
15 limited to, resource development, project management, real
16 estate financing, business or venture plan development,
17 strategic planning for community economic development, and
18 community leadership and participation.

19 (b) The technical assistance provider shall conduct
20 onsite assessments, involving the board and staff, to prepare
21 a technical assistance plan for new and emerging
22 organizations. The scope and nature of the training will
23 compliment the annual performance objectives of the
24 organizations from the development of a neighborhood
25 comprehensive revitalization plan.

26 (c) Technical support shall be provided to
27 community-based development organizations receiving project
28 administrative grants, as appropriate, in methods of financing
29 and structuring housing, business, or commercial development
30 projects. This will be in the form of one-on-one technical
31

1 assistance secured by either the department or by the
2 community-based development organization.

3 (d) The department shall coordinate the technical
4 assistance and training in support of affordable housing
5 development with programs funded under s. 420.606.

6 (e) The department may permit other community-based
7 development organizations to participate in the training based
8 on the availability of classes, funding, and the priority of
9 need.

10 (4) REPEAL.--This section shall stand repealed on June
11 30, 2007.

12 Section 8. Section 290.037, Florida Statutes, is
13 amended to read:

14 (Substantial rewording of section. See
15 s. 290.037, F.S., for present text.)

16 290.037 Community development project implementation
17 loan program.--

18 (1) The department is authorized to make loans, within
19 the limits of specific appropriations, to eligible applicants
20 for the following purposes:

21 (a) Financial assistance to a new or existing business
22 venture located within a community-based development
23 organization service area;

24 (b) New construction or substantial rehabilitation of
25 housing to be utilized by very-low-income and low-income
26 families and individuals, and WAGES recipients; and

27 (c) Commercial developments located within the
28 community-based development organization's service area.

29 (2) A community-based development organization
30 applying for a loan pursuant to this section must submit the
31 information required by s. 290.036(2).

1 (3) In no case shall loans to one community-based
2 development organization exceed 40 percent of the total annual
3 appropriation for loans during any given year or \$400,000,
4 whichever is less.

5 (4) A community-based development organization that
6 receives a loan shall submit to the department an annual audit
7 performed by an independent certified public accountant;
8 however, this subsection shall not be construed to require the
9 submittal of more than one audit by an individual
10 community-based development organization submitting pursuant
11 to s. 290.036.

12 (5) In evaluating proposals pursuant to this section,
13 the department shall consider:

14 (a) The economic feasibility of the project and the
15 capacity of the venture to repay the loan.

16 (b) The relative degree of distress of the target
17 area.

18 (c) The ratio of private and nonstate public money
19 committed to a project to the amount of state money to be
20 committed.

21 (d) The demonstrated inability of the borrower to
22 secure funding from conventional sources at the terms offered
23 by the community-based development organization.

24 (e) The number of temporary and permanent jobs
25 generated by the project.

26 (f) The overall net positive impact of the project
27 long term on local economic and social conditions.

28 (g) The degree to which the project directly benefits
29 or provides assistance to very-low-income individuals,
30 low-income individuals, or job-displaced individuals or WAGES
31 recipients.

1 (h) The demonstrable capacity of the community-based
2 development organization and technical assistance providers to
3 see that the project is successfully carried out and managed.

4 (6) Loans permitted under this section for affordable
5 housing may be used for the purpose of providing first,
6 second, or other subordinated mortgage loans or loan
7 guarantees in the construction of single-family homeownership
8 or multifamily rental units affordable to very-low-income
9 persons and low-income persons and WAGES recipients in the
10 target area.

11 (7) All loans to a community-based development
12 organization shall be at interest rates not to exceed 3
13 percent and shall be repaid within 15 years or on a basis
14 approved by the department, except as provided in subsection
15 (8).

16 (8) Upon the termination of any project as a result of
17 the sale or failure of the business, all recoverable state
18 funds shall be returned to the department for deposit into the
19 Operating Trust Fund. When losses are incurred, the
20 community-based development organization shall make a diligent
21 and good-faith effort to recover the full indebtedness from
22 the business venture, including foreclosure of security and
23 recovery from guarantors. Upon completion of all such efforts
24 to the satisfaction of the department, the department shall
25 write off the unpaid balance of the loan.

26 (9) This section shall stand repealed on June 30,
27 2007.

28 Section 9. Paragraph (f) of subsection (2) and
29 subsection (3) of section 290.038, Florida Statutes, are
30 amended to read:

31 290.038 Authority and duties of the department.--

- 1 (2) The department may:
- 2 (f) Assist in training employees of community-based
3 ~~community~~ development organizations ~~corporations~~ to help
4 achieve and increase their capacity to administer programs
5 pursuant to this act and provide technical assistance and
6 advice to community-based ~~community~~ development organizations
7 ~~corporations~~ involved with these programs.
- 8 (3) The department shall be the state agency
9 responsible for implementation of the urban redevelopment
10 efforts, and shall:
- 11 (a) Provide grants and loans authorized under the
12 INVEST initiative.
- 13 (b) Provide grants to community-based development
14 organizations to support the development of the neighborhood
15 collaboration and its community redevelopment plan.
- 16 (c) Provide a clearinghouse function to assist in
17 identifying resources available to implement community
18 redevelopment strategies.
- 19 (d) Provide staff coordinator to designated Rebuilding
20 Urban Neighborhoods initiatives.
- 21 (e) Provide for technical assistance to neighborhoods
22 from any agency of the state, the state university system, and
23 other private providers in areas including identification of
24 stakeholders, consensus building, meeting facilitation,
25 conflict resolution, group decisionmaking, community planning
26 processes, outcome measurement, and capacity building for
27 organizations.
- 28 (4)(3) This section shall stand repealed on June 30,
29 2007 ~~1998~~.
- 30 Section 10. Section 290.039, Florida Statutes, is
31 amended to read:

1 (Substantial rewording of section. See
2 s. 290.039, F.S., for present text.)
3 290.039 Reporting requirements.--
4 (1) Community-based development organizations which
5 receive funds under INVEST shall provide the following
6 information to the department annually:
7 (a) A listing of business firms and individuals
8 assisted by the community-based development organization
9 during the reporting period.
10 (b) A listing of the type, source, purpose, and amount
11 of each individual grant, loan, or donation received by the
12 community-based development organization during the reporting
13 period.
14 (c) The number of paid and voluntary positions within
15 the community-based development organization.
16 (d) A listing of the salaries and administrative
17 expenses of the community-based development organization.
18 (e) An identification and explanation of changes to
19 the target area boundaries.
20 (f) The amount of assets and liabilities and the fund
21 balance for the community-based development organization at
22 the beginning and end of the reporting period.
23 (g) The number and description of projects attempted,
24 the number and description of projects completed, and a
25 written explanation of the reasons that caused projects not to
26 be completed.
27 (h) The impact on target area residents and its
28 relationship to expected outcomes listed in the agency's
29 comprehensive neighborhood revitalization plan, as a result of
30 receiving INVEST funding.
31

1 (2) Community-based development organizations which
2 receive project administrative grants shall provide the
3 following general information to the department annually:

4 (a) A listing of salaries and administrative expenses
5 of the community-based development organization on approved
6 projects that receive project administrative grant funding.

7 (b) An identification and explanation of changes to
8 the target area boundaries.

9 (c) The impact of the completed project on target area
10 residents and its relationship to expected outcomes listed in
11 the agency's comprehensive neighborhood revitalization plan.

12 (3) Community-based development organizations which
13 receive project administrative grants, or a combination of
14 core administrative and project and grant funds, shall provide
15 the following information on applicable projects to the
16 department annually:

17 (a) The number of housing units rehabilitated or
18 constructed by the community-based development organization
19 within the service area during the reporting period.

20 (b) The number and amount of loans made to businesses
21 or individual entrepreneurs in the target area during the
22 reporting period.

23 (c) The number of outstanding loans made to businesses
24 or individuals in the service area by the community-based
25 development organization, the balance of the loans, and the
26 payment history of the borrowers during the reporting period.

27 (d) The number of jobs, both permanent and temporary,
28 received by individuals who were directly assisted by the
29 community-based development organization through assistance to
30 the business such as a loan or other credit assistance.

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1 (e) An identification and explanation of changes to
2 the service area boundaries.

3 (f) The impact of the completed project on target area
4 residents and its relationship to expected outcomes listed in
5 the agency's comprehensive neighborhood revitalization plan.

6 (g) Such other information as the department may
7 require.

8 (4) The department shall submit an annual report to
9 the Speaker of the House of Representatives and the President
10 of the Senate which contains the cumulative data submitted by
11 the individual community-based development organizations
12 pursuant to subsection (1). The report shall be submitted by
13 January 1 of each year.

14 (5) This section shall stand repealed on June 30,
15 2007.

16 Section 11. Section 290.0395, Florida Statutes, is
17 amended to read:

18 (Substantial rewording of section. See
19 s. 290.0395, F.S., for present text.)

20 290.0395 Program performance review and evaluation.--

21 (1) Each community-based development organization
22 which receives funding under the Invest in Neighborhood
23 Vitality and Economies Program shall be subject to an annual
24 performance review by the department. At a minimum, the review
25 shall determine whether contract objectives are being or have
26 been met in a timely and efficient manner, expected project
27 outcomes are being or have been realized, and the impact of
28 completed projects produced the results desired by the
29 community-based development organization as stated in its
30 comprehensive neighborhood revitalization plan and other
31 supporting documentation for receipt of the grants or loans.

1 (2) Prior to the 2007 Regular Session of the
2 Legislature, the Office of Program Policy Analysis and
3 Government Accountability shall perform an evaluation of ss.
4 290.0301-290.039, using the reporting data specified in s.
5 290.039 and any other data identified by the department and
6 the Office of Program Policy Analysis and Government
7 Accountability as crucial to the evaluation of this program.
8 The report shall critique the Invest in Neighborhood Vitality
9 and Economies Program and shall include an analysis of the
10 improvements in the service area as a result of the holistic
11 and collaborative efforts of the organizations and partners
12 within the service area.

13 (3) A report of the findings and recommendations of
14 the Office of Program Policy Analysis and Government
15 Accountability shall be submitted to the President of the
16 Senate and the Speaker of the House of Representatives prior
17 to the 2007 Regular Session.

18 (4) This section shall stand repealed on June 30,
19 2007.

20 Section 12. Section 290.055, Florida Statutes, is
21 created to read:

22 290.055 Rebuilding Urban Neighborhoods Initiative.--

23 (1) SHORT TITLE.--This section shall be known and may
24 be cited as the "Rebuilding Urban Neighborhoods Initiative."

25 (2) PURPOSE.--The Department of Community Affairs
26 shall carry out, in accordance with this section, a training
27 and technical assistance program to rebuild urban
28 neighborhoods through coordinated urban community
29 redevelopment, utilizing effective state and local government
30 and neighborhood partnerships that will leverage resources
31 needed to improve living conditions for children and families.

1 (3) PROGRAM.--The department will provide planning
2 grants and technical assistance to communities seeking to
3 revitalize distressed areas using the principles of holistic
4 and collaborative planning and service delivery. A community
5 based organization (CBO) will be eligible to receive
6 assistance from the department upon certification by the
7 department that identified readiness criteria are in place.

8 (4) ROLES.--

9 (a) The Department of Community Affairs.--The
10 department will provide:

11 1. Administration and oversight of the planning grant
12 program.

13 2. Technical assistance through existing programs of
14 the department in the areas of planning, affordable housing,
15 public safety, social services, energy conservation,
16 infrastructure, and building collaborative, holistic
17 initiatives.

18 3. A clearinghouse to disseminate information
19 resulting from the research and successful outreach activities
20 of numerous initiatives as well as information on available
21 state and federal resources to carry out redevelopment
22 initiatives.

23 4. Coordination of the delivery of technical
24 assistance and other resources from other state entities to
25 develop and implement comprehensive neighborhood
26 revitalization plans. These other state entities will include
27 the Florida Housing Finance Corporation for affordable housing
28 programs, Enterprise Florida, Inc., and the Office of Tourism,
29 Trade, and Economic Development for business development and
30 job creation programs.

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1 (b) The State University System.--The State University
2 System, through a coordinating entity whose mission is to
3 provide outreach to local governments and distressed
4 communities in redevelopment initiatives, is empowered to
5 provide expert technical assistance and facilitation services
6 to these initiatives.

7 (c) Community based organizations.--Community based
8 organizations will perform the principal leadership function
9 at the local level, being responsible for organizing a
10 collaborative approach to community involvement and a holistic
11 neighborhood improvement strategy to guide immediate and
12 long-term improvements.

13 (5) READINESS CRITERIA.--In order to be selected by
14 the department to receive state funding support, an initiative
15 must have the following elements:

16 (a) A well defined, small neighborhood having
17 conditions of blight and distress.

18 (b) A lead community-based development organization
19 with the capacity to guide and sustain a collaborative,
20 long-term initiative.

21 (c) Evidence of a collaborative team.

22 (d) Demonstrated local government commitment.

23 (e) Commitment to a planning/implementation model
24 having documented baseline data, multiple elements (holistic
25 and comprehensive), measurable outcomes, and an evaluation
26 component.

27 (6) REPORTS.--The department shall submit an annual
28 report to the Committees on Community Affairs in the House of
29 Representatives and the Senate. The report shall contain a
30 summary of activities carried out under this section during
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1 the preceding fiscal year, and findings and conclusions drawn
2 from such activities.

3 Section 13. Section 290.034, Florida Statutes, is
4 repealed.

5 Section 14. Section 189.427, Florida Statutes, is
6 amended to read:

7 189.427 Fee schedule; Operating Trust Fund.--The
8 Department of Community Affairs, by rule, shall establish a
9 schedule of fees to pay one-half of the costs incurred by the
10 department in administering this act, except that the fee may
11 not exceed \$175 per district per year. The fees collected
12 under this section shall be deposited in the Operating Trust
13 Fund ~~established under s. 290.034~~, which shall be administered
14 by the Department of Community Affairs. Any fee rule must
15 consider factors such as the dependent and independent status
16 of the district and district revenues for the most recent
17 fiscal year as reported to the Department of Banking and
18 Finance. The department may assess fines of not more than \$25,
19 with an aggregate total not to exceed \$50, as penalties
20 against special districts that fail to remit required fees to
21 the department. It is the intent of the Legislature that
22 general revenue funds will be made available to the department
23 to pay one-half of the cost of administering this act.

24 Section 15. Subsection (7) of section 252.82, Florida
25 Statutes, is amended to read:

26 252.82 Definitions.--As used in this part:

27 (7) "Trust fund" means the Operating Trust Fund
28 ~~established in s. 290.034.~~

29 Section 16. Subsection (1) of section 943.25, Florida
30 Statutes, is amended to read:

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1 943.25 Criminal justice trust funds; source of funds;
2 use of funds.--

3 (1) The Department of Community Affairs may approve,
4 for disbursement from the Operating Trust Fund ~~established~~
5 ~~pursuant to s. 290.034~~, those appropriated sums necessary and
6 required by the state for grant matching, implementing,
7 administering, evaluating, and qualifying for such federal
8 funds. Disbursements from the trust fund for the purpose of
9 supplanting state general revenue funds may not be made
10 without specific legislative appropriation.

11 Section 17. This act shall take effect October 1 of
12 the year in which enacted.

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