

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; creating s. 420.0007, F.S.; providing
8 an exemption from property taxation for
9 charitable non-profit low income housing
10 properties; providing an effective date.
11

12 Be It Enacted by the Legislature of the State of Florida:
13

14 Section 1. Section 290.0301, Florida Statutes, is
15 amended to read:

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20 shall stand repealed on June 30, 2007 ~~1998~~.

21 Section 2. Subsections (5), (10), and (11) of section
22 290.0311, Florida Statutes, are amended to read:

23 290.0311 Legislative findings.--The Legislature finds
24 that:

25 (5) This deterioration contributes to the decline of
26 neighborhoods in both rural and urban ~~and surrounding~~ areas,
27 causes a reduction of the value of property comprising the tax
28 base of local communities, and eventually requires the
29 expenditure of disproportionate amounts of public funds for
30 health, social services, and police protection to prevent the
31

1 development of slums and the social and economic disruption
2 found in slum communities.

3 (10) A viable means of eliminating or reducing these
4 deteriorating economic conditions and encouraging local
5 resident participation and support is to provide support
6 assistance and resource investment to community-based
7 ~~community~~ development organizations ~~corporations~~. The
8 Legislature also finds that community-based development
9 organizations can contribute to the creation of jobs in
10 response to federal welfare reform and state WAGES legislation
11 and economic development activities related to urban and rural
12 economic initiatives.

13 (11) This section shall stand repealed on June 30,
14 2007 ~~1998~~.

15 Section 3. Section 290.032, Florida Statutes, is
16 amended to read:

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

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

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

27 (2) Enables and supports the effort of the
28 neighborhoods to make improvements.

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

31 (a) Need for community-based leadership.

1 (b) Empower neighborhood governance of the process.

2 (c) Human service delivery.

3 (d) Public infrastructure.

4 (e) Housing and safety.

5 (f) Economic development.

6 (4) Mandates neighborhood collaboration of all
7 partners.

8 (5) Empowers residents to make decisions on
9 improvements.

10 (6) Builds consensus for a shared vision for the
11 future of the neighborhood.

12 (7) Sets definitive performance goals to achieve
13 specific outcomes for the neighborhood.

14
15 The purpose of this act is to assist community-based
16 development organizations in undertaking projects, in concert
17 with state and local government and private enterprise,
18 designed to create and maintain a sound industrial base, to
19 revitalize the health of established commercial areas, to
20 promote and retain employment opportunities, to preserve and
21 rehabilitate existing residential neighborhoods, and to
22 provide safe, decent, affordable housing for residents of
23 these areas. The Legislature, therefore, declares that the
24 development, redevelopment, preservation, restoration, and
25 revitalization of such communities and all the purposes of
26 this act are public purposes for which public moneys may be
27 used. This section shall stand repealed on June 30, 2007.

28 Section 4. Section 290.033, Florida Statutes, is
29 amended to read:

30 (Substantial rewording of section. See
31 s. 290.033, F.S., for present text.)

1 290.033 Definitions.--As used in this act, the term:

2 (1) "Department" means the Department of Community
3 Affairs.

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

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

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

1 accountability to the benefit of the service area
2 stakeholders; and identify sources of anticipated revenue.

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

8 (6) "Secretary" means the Secretary of Community
9 Affairs.

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

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

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

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

23 Section 5. Section 290.035, Florida Statutes, is
24 amended to read:

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

28 (1) The community-based ~~community~~ development
29 organization ~~corporation~~ must be a nonprofit corporation under
30 state law ~~or a local development company established under~~
31 ~~state law and certified to be eligible to participate in the~~

1 ~~Small Business Administration Loan Program under s. 502 of the~~
2 ~~Small Business Investment Act of 1958, as amended,~~and must
3 meet the following further requirements:

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

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

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

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

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

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

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

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

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1 (c) The area is a neighborhood housing service
2 district.

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

6 (e) The area is contained in federal empowerment zones
7 and enterprise communities.

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

10 Section 6. Section 290.036, Florida Statutes, is
11 amended to read:

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

14 290.036 Community-based development organization
15 support program; administrative grants and procedures.--

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

1 to all levels of community-based development organizations
2 depending upon their capacity. Extensive training and
3 technical assistance shall be available to all community-based
4 development organizations. Persons, equipment, supplies, and
5 other resources funded in whole or in part by grant funds
6 shall then be utilized to further the purposes of this act.

7 Eligible activities include, but are not limited to:

8 (a) Preparing grant and loan applications, proposals,
9 fundraising letters, and other documents essential to securing
10 additional administrative or project funds to further the
11 purposes of this act.

12 (b) Monitoring and administrating grants and loans,
13 providing technical assistance to businesses, and any other
14 administrative tasks essential to maintaining funding
15 eligibility or meeting contractual obligations.

16 (c) Developing local programs to encourage the
17 participation of financial institutions, insurance companies,
18 attorneys, architects, engineers, planners, law enforcement
19 officers, developers, and other professional firms and
20 individuals providing services beneficial to redevelopment
21 efforts.

22 (d) Providing management, technical, accounting, and
23 financial assistance and information to businesses and
24 entrepreneurs interested in locating, expanding, or operating
25 in the service area.

26 (e) Coordinating with state, federal, and local
27 governments and other nonprofit organizations to ensure that
28 activities meet local plans and ordinances and to avoid
29 duplication of tasks.

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1 (f) Preparing plans or performing research to identify
2 critical needs within the service area and developing
3 approaches to address those needs.

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

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

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

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

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

24 (b) A copy of the documents creating the
25 community-based development organization.

26 (c) A listing of the membership of the board,
27 including individual terms of office.

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

1 (e) Other supporting information which may be required
2 by the department.

3 (3) The amount of any core administrative grant to an
4 emerging community-based development organization in any 1
5 year shall be no more than \$50,000. The amount of any core
6 administrative grant to an intermediate community-based
7 development organization shall be no more than \$45,000. The
8 amount of core administrative grant to a mature
9 community-based development organization shall be no more than
10 \$40,000. The department may fund as many community-based
11 development organizations each year as is permitted based on
12 the level of funds provided for in the General Appropriations
13 Act.

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

18 (5) A community-based development organization that
19 receives funding hereunder shall submit to the department an
20 annual year-end audit performed by an independent certified
21 public accountant.

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

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

27 (b) The demonstrable capacity of the community-based
28 development organization to improve the economic health of the
29 service area and carry out the activities contained in the
30 long-term revitalization plan.

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1 (c) The degree to which the community-based
2 development organization would provide assistance to
3 very-low-income persons, low-income persons, and particularly
4 WAGES recipients.

5 (d) The service area of the community-based
6 development organization which is located in whole or in part
7 within a state enterprise zone designated pursuant to s.
8 290.0065, a federal empowerment zone, or an enterprise
9 community.

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

12 (7) The department is authorized to award project
13 administrative grants from the fund to community-based
14 development organizations for staff salaries, administrative
15 expenses, and the added cost of technical assistance directly
16 related to job-generating and revenue-generating enterprises,
17 including business, commercial, or affordable housing
18 developments. Eligible organizations shall apply for
19 competitive funding under the three categories of: business
20 assistance, commercial, and affordable housing development.
21 The allocations of funds to these three categories will be
22 made by the department subject to funding availability and
23 trends in the amount of qualified proposals submitted under
24 each category. Community-based development organizations
25 receiving funds under this section shall be subject to all
26 applicable requirements of ss. 290.034(1), 290.035, 290.037,
27 290.038, and 290.039, as determined by the department.

28 (8) The department shall award funding hereunder based
29 upon a three-tiered approach which recognizes the differing
30 capacities of new and emerging, intermediate, and mature
31 community-based development organizations. No community-based

1 development organization may apply for funding in more than
2 one tier in any 1 fiscal year.

3 (a) Tier I, for new and emerging community-based
4 development organizations, shall offer, on a competitive
5 basis, a minimum of five core administrative grants of up to
6 \$50,000, annually. Once tier I community-based development
7 organizations have achieved a minimum level of capacity, they
8 shall be eligible to apply for, on a competitive funding
9 basis, a project implementation loan of no more than \$100,000
10 and an accompanying project administrative grant of up to
11 \$15,000. Tier I community-based development organizations
12 shall also receive extensive training and technical assistance
13 designed to enhance the organization's capacity and thereby
14 enable it to undertake more complex development projects.

15 (b) Tier II, for intermediate level community-based
16 development organizations, shall be eligible to apply on a
17 competitive basis for core administrative grants of up to
18 \$45,000, annually, and shall be eligible to apply for, on a
19 competitive basis, project implementation loans of up to
20 \$300,000, annually, per community-based development
21 organization and an accompanying project administrative grant
22 of up to \$45,000. Tier II community-based development
23 organizations shall also receive training and technical
24 assistance services hereunder.

25 (c) Tier III, for mature level community-based
26 development organizations, shall be eligible to apply, on a
27 competitive basis, for core administrative grants of up to
28 \$40,000, annually. Such community-based development
29 organizations shall be eligible to apply for, on a competitive
30 basis, project implementation loans of up to \$400,000,
31 annually, per community-based development organization and an

1 accompanying project administrative grant of up to \$60,000.
2 Tier III community-based development organizations shall also
3 receive training and technical assistance services hereunder.

4 (d) No development project funded hereunder shall
5 exceed \$200,000, annually, per community-based development
6 organization. A community-based development organization can
7 apply for project implementation loans in up to three
8 categories of business development, affordable housing, and
9 commercial development, within the dollar limitations
10 contained herein. Project implementation grants shall be based
11 on up to \$15,000 in grant funds for every \$100,000 awarded in
12 loan funds.

13 (9) A community-based development organization
14 applying for project administrative grants pursuant to this
15 section must submit a proposal to the department which
16 includes:

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

19 (b) A copy of the documents creating the
20 community-based development organization.

21 (c) A listing of the membership of the board,
22 including individual terms of office.

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

25 (e) A description of the location, financing plan, and
26 potential impact of the business enterprise or residential,
27 commercial, or industrial development which shows a clear
28 relationship to the organization's neighborhood comprehensive
29 revitalization plan and demonstrates how the proposed
30 expenditures are directly related to the project.

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

4 (a) The reasonableness of project goals and production
5 schedules.

6 (b) Prior experience and performance of the applicant
7 in the production of similar housing, commercial, or business
8 developments.

9 (c) The extent of financial leveraging with private
10 and public funding.

11 (d) The demonstrable capacity of the community-based
12 development organization to improve the economic health of the
13 target area as seen by the reasonableness of its comprehensive
14 neighborhood revitalization plan and the impact of the
15 proposed project.

16 (e) The degree to which the project will benefit
17 very-low-income persons, low-income persons, and particularly
18 WAGES recipients.

19 (f) The location of the target area of the
20 community-based development organization, in whole or in part,
21 in a state enterprise zone designated on or after July 1,
22 1995, in accordance with s. 290.0065 or a federal empowerment
23 zone or enterprise community.

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

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

28 Section 7. Section 290.0365, Florida Statutes, is
29 amended to read:

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

1 290.0365 Community-based development training and
2 technical assistance program.--

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

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

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

19 (c) Local governments and private lenders are
20 demonstrating a willingness to provide risk capital and
21 project financing, but they are seldom able to provide
22 technical support and training to the staff of community-based
23 development organizations.

24 (2) PURPOSE.--The purpose of this section is to
25 provide community-based development organizations with the
26 necessary training and technical support to plan, implement,
27 and manage job-generating and revenue-generating developments
28 in distressed neighborhoods. This will strengthen the
29 organizational capacity of community-based development
30 organizations, assist local governments to enhance and expand
31 revitalization efforts, and contribute to expanding the base

1 of commerce, business, and affordable housing that will
2 benefit persons who are very-low-income, low-income, or WAGES
3 recipients.

4 (3) TRAINING AND TECHNICAL ASSISTANCE PROGRAM.--The
5 Department of Community Affairs shall be responsible for
6 securing the necessary expertise, which may include
7 subcontracts with nonprofit organizations, to provide training
8 and technical support to the staff and board of
9 community-based development organizations, as appropriate, and
10 to persons forming such organizations, which are formed for
11 the purpose of redeveloping commercial and residential areas
12 and revitalizing businesses within distressed neighborhoods
13 for the benefit of very-low-income residents, low-income
14 residents, and WAGES recipients.

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

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

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1 (c) Technical support shall be provided to
2 community-based development organizations receiving project
3 administrative grants, as appropriate, in methods of financing
4 and structuring housing, business, or commercial development
5 projects. This will be in the form of one-on-one technical
6 assistance secured by either the department or by the
7 community-based development organization.

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

11 (e) The department may permit other community-based
12 development organizations to participate in the training based
13 on the availability of classes, funding, and the priority of
14 need.

15 (4) REPEAL.--This section shall stand repealed on June
16 30, 2007.

17 Section 8. Section 290.037, Florida Statutes, is
18 amended to read:

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

21 290.037 Community development project implementation
22 loan program.--

23 (1) The department is authorized to make loans, within
24 the limits of specific appropriations, to eligible applicants
25 for the following purposes:

26 (a) Financial assistance to a new or existing business
27 venture located within a community-based development
28 organization service area;

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

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

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

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

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

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

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

21 (b) The relative degree of distress of the target
22 area.

23 (c) The ratio of private and nonstate public money
24 committed to a project to the amount of state money to be
25 committed.

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

29 (e) The number of temporary and permanent jobs
30 generated by the project.

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

3 (g) The degree to which the project directly benefits
4 or provides assistance to very-low-income individuals,
5 low-income individuals, or job-displaced individuals or WAGES
6 recipients.

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

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

17 (7) All loans to a community-based development
18 organization shall be at interest rates not to exceed 3
19 percent and shall be repaid within 15 years or on a basis
20 approved by the department, except as provided in subsection
21 (8).

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

1 (9) This section shall stand repealed on June 30,
2 2007.

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

6 290.038 Authority and duties of the department.--

7 (2) The department may:

8 (f) Assist in training employees of community-based
9 ~~community~~ development organizations ~~corporations~~ to help
10 achieve and increase their capacity to administer programs
11 pursuant to this act and provide technical assistance and
12 advice to community-based ~~community~~ development organizations
13 ~~corporations~~ involved with these programs.

14 (3) The department shall be the state agency
15 responsible for implementation of the urban redevelopment
16 efforts, and shall:

17 (a) Provide grants and loans authorized under the
18 INVEST initiative.

19 (b) Provide grants to community-based development
20 organizations to support the development of the neighborhood
21 collaboration and its community redevelopment plan.

22 (c) Provide a clearinghouse function to assist in
23 identifying resources available to implement community
24 redevelopment strategies.

25 (d) Provide staff coordinator to designated Rebuilding
26 Urban Neighborhoods initiatives.

27 (e) Provide for technical assistance to neighborhoods
28 from any agency of the state, the state university system, and
29 other private providers in areas including identification of
30 stakeholders, consensus building, meeting facilitation,
31 conflict resolution, group decisionmaking, community planning

1 processes, outcome measurement, and capacity building for
2 organizations.

3 ~~(4)(3)~~ This section shall stand repealed on June 30,
4 2007 ~~1998~~.

5 Section 10. Section 290.039, Florida Statutes, is
6 amended to read:

7 (Substantial rewording of section. See
8 s. 290.039, F.S., for present text.)
9 290.039 Reporting requirements.--

10 (1) Community-based development organizations which
11 receive funds under INVEST shall provide the following
12 information to the department annually:

13 (a) A listing of business firms and individuals
14 assisted by the community-based development organization
15 during the reporting period.

16 (b) A listing of the type, source, purpose, and amount
17 of each individual grant, loan, or donation received by the
18 community-based development organization during the reporting
19 period.

20 (c) The number of paid and voluntary positions within
21 the community-based development organization.

22 (d) A listing of the salaries and administrative
23 expenses of the community-based development organization.

24 (e) An identification and explanation of changes to
25 the target area boundaries.

26 (f) The amount of assets and liabilities and the fund
27 balance for the community-based development organization at
28 the beginning and end of the reporting period.

29 (g) The number and description of projects attempted,
30 the number and description of projects completed, and a
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1 written explanation of the reasons that caused projects not to
2 be completed.

3 (h) The impact on target area residents and its
4 relationship to expected outcomes listed in the agency's
5 comprehensive neighborhood revitalization plan, as a result of
6 receiving INVEST funding.

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

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

13 (b) An identification and explanation of changes to
14 the target area boundaries.

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

18 (3) Community-based development organizations which
19 receive project administrative grants, or a combination of
20 core administrative and project and grant funds, shall provide
21 the following information on applicable projects to the
22 department annually:

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

26 (b) The number and amount of loans made to businesses
27 or individual entrepreneurs in the target area during the
28 reporting period.

29 (c) The number of outstanding loans made to businesses
30 or individuals in the service area by the community-based

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1 development organization, the balance of the loans, and the
2 payment history of the borrowers during the reporting period.

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

7 (e) An identification and explanation of changes to
8 the service area boundaries.

9 (f) 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 (g) Such other information as the department may
13 require.

14 (4) The department shall submit an annual report to
15 the Speaker of the House of Representatives and the President
16 of the Senate which contains the cumulative data submitted by
17 the individual community-based development organizations
18 pursuant to subsection (1). The report shall be submitted by
19 January 1 of each year.

20 (5) This section shall stand repealed on June 30,
21 2007.

22 Section 11. Section 290.0395, Florida Statutes, is
23 amended to read:

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

26 290.0395 Program performance review and evaluation.--

27 (1) Each community-based development organization
28 which receives funding under the Invest in Neighborhood
29 Vitality and Economies Program shall be subject to an annual
30 performance review by the department. At a minimum, the review
31 shall determine whether contract objectives are being or have

1 been met in a timely and efficient manner, expected project
2 outcomes are being or have been realized, and the impact of
3 completed projects produced the results desired by the
4 community-based development organization as stated in its
5 comprehensive neighborhood revitalization plan and other
6 supporting documentation for receipt of the grants or loans.

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

19 (3) A report of the findings and recommendations of
20 the Office of Program Policy Analysis and Government
21 Accountability shall be submitted to the President of the
22 Senate and the Speaker of the House of Representatives prior
23 to the 2007 Regular Session.

24 (4) This section shall stand repealed on June 30,
25 2007.

26 Section 12. Section 290.055, Florida Statutes, is
27 created to read:

28 290.055 Rebuilding Urban Neighborhoods Initiative.--

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

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

8 (3) PROGRAM.--The department will provide planning
9 grants and technical assistance to communities seeking to
10 revitalize distressed areas using the principles of holistic
11 and collaborative planning and service delivery. A community
12 based organization (CBO) will be eligible to receive
13 assistance from the department upon certification by the
14 department that identified readiness criteria are in place.

15 (4) ROLES.--

16 (a) The Department of Community Affairs.--The
17 department will provide:

18 1. Administration and oversight of the planning grant
19 program.

20 2. Technical assistance through existing programs of
21 the department in the areas of planning, affordable housing,
22 public safety, social services, energy conservation,
23 infrastructure, and building collaborative, holistic
24 initiatives.

25 3. A clearinghouse to disseminate information
26 resulting from the research and successful outreach activities
27 of numerous initiatives as well as information on available
28 state and federal resources to carry out redevelopment
29 initiatives.

30 4. Coordination of the delivery of technical
31 assistance and other resources from other state entities to

1 develop and implement comprehensive neighborhood
2 revitalization plans. These other state entities will include
3 the Florida Housing Finance Corporation for affordable housing
4 programs, Enterprise Florida, Inc., and the Office of Tourism,
5 Trade, and Economic Development for business development and
6 job creation programs.

7 (b) The State University System.--The State University
8 System, through a coordinating entity whose mission is to
9 provide outreach to local governments and distressed
10 communities in redevelopment initiatives, is empowered to
11 provide expert technical assistance and facilitation services
12 to these initiatives.

13 (c) Community based organizations.--Community based
14 organizations will perform the principal leadership function
15 at the local level, being responsible for organizing a
16 collaborative approach to community involvement and a holistic
17 neighborhood improvement strategy to guide immediate and
18 long-term improvements.

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

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

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

27 (c) Evidence of a collaborative team.

28 (d) Demonstrated local government commitment.

29 (e) Commitment to a planning/implementation model
30 having documented baseline data, multiple elements (holistic
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1 and comprehensive), measurable outcomes, and an evaluation
2 component.

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

9 Section 13. Section 290.034, Florida Statutes, is
10 repealed.

11 Section 14. Section 189.427, Florida Statutes, is
12 amended to read:

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

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

1 252.82 Definitions.--As used in this part:

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

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

6 943.25 Criminal justice trust funds; source of funds;
7 use of funds.--

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

16 Section 17. Section 420.0007, Florida Statutes, is
17 created to read:

18 420.0007--Exemption from property taxation for
19 charitable non-profit low income housing properties.
20 Properties owned entirely by non-profit corporations which are
21 defined as charitable organizations under s. 501(c)(3) of the
22 Internal Revenue Code and comply with the Internal Revenue
23 Procedure 96-32 and which provide housing to low and very low
24 income person, as defined in Chapter 420.004, shall be
25 considered charitable and exempt from ad valorem taxation
26 under Chapter 196, F.S., to the extent authorized under s.
27 196.192.

28 Section 18. This act shall take effect October 1 of
29 the year in which enacted.

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