

Bill No. CS for SB 336

Amendment No. \_\_\_\_

<u>Senate</u>	CHAMBER ACTION	<u>House</u>
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Senator Hargrett moved the following amendment:

**Senate Amendment (with title amendment)**

On page 27, between lines 8 and 9,

insert:

Section 19. Section 290.0301, Florida Statutes, is amended to read:

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and Economies Act ~~Community Development Corporation Support and Assistance Program Act.~~" This section shall stand repealed on June 30, 2007 ~~1998~~.

Section 20. Subsections (5), (10), and (11) of section 290.0311, Florida Statutes, are amended to read:

290.0311 Legislative findings.--The Legislature finds that:

(5) This deterioration contributes to the decline of neighborhoods in both rural and urban ~~and surrounding~~ areas, causes a reduction of the value of property comprising the tax base of local communities, and eventually requires the

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1 expenditure of disproportionate amounts of public funds for  
 2 health, social services, and police protection to prevent the  
 3 development of slums and the social and economic disruption  
 4 found in slum communities.

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

15 (11) This section shall stand repealed on June 30,  
 16 2007 ~~1998~~.

17 Section 21. Section 290.032, Florida Statutes, is  
 18 amended to read:

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

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

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

29 (2) Enables and supports the effort of the  
 30 neighborhoods to make improvements.

31 (3) Requires a holistic focus on the neighborhood to

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- 1 address all needs in coordinated fashion, including:  
2 (a) Need for community-based leadership.  
3 (b) Empower neighborhood governance of the process.  
4 (c) Human service delivery.  
5 (d) Public infrastructure.  
6 (e) Housing and safety.  
7 (f) Economic development.  
8 (4) Mandates neighborhood collaboration of all  
9 partners.  
10 (5) Empowers residents to make decisions on  
11 improvements.  
12 (6) Builds consensus for a shared vision for the  
13 future of the neighborhood.  
14 (7) Sets definitive performance goals to achieve  
15 specific outcomes for the neighborhood.

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

30 Section 22. Section 290.033, Florida Statutes, is  
31 amended to read:

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1           (Substantial rewording of section. See  
2           s. 290.033, F.S., for present text.)  
3           290.033 Definitions.--As used in this act, the term:  
4           (1) "Department" means the Department of Community  
5 Affairs.  
6           (2) "Community-based development organization" means a  
7 community-based nonprofit organization, which may also be  
8 known as a "CBDO," that is committed to or engaged in  
9 developing or managing real estate or business enterprises in  
10 economically distressed neighborhoods. To qualify, an agency  
11 must be community based in that the majority of the board is  
12 elected by a mix of stakeholders consisting of area residents,  
13 area business and property owners, and persons employed in the  
14 service area and demonstrate an ability to undertake  
15 affordable housing, business assistance, or commercial  
16 developments.  
17           (3) "Fund" means the Operating Trust Fund.  
18           (4) "Neighborhood comprehensive revitalization plan"  
19 means a long-term holistic, integrated, and collaborative  
20 strategic plan for the improvement of a defined service area  
21 or neighborhood that was prepared by and approved by a  
22 collaborative partnership of residents, community-based  
23 organizations, local government representatives, churches,  
24 schools, businesses, and other community stakeholders that  
25 sets forth the shared vision for the service area and  
26 identifies specific, measurable outcomes. This comprehensive,  
27 holistic plan shall address the wide array of interrelated  
28 needs including, but not limited to, human services, jobs and  
29 economic development, housing, safety, public infrastructure,  
30 health care, education, community organization, neighborhood  
31 governance, and social organizations. The plan must describe

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1 an organization's mission; include strategies to maintain  
2 community involvement; demonstrate innovation, efficiency, and  
3 accountability to the benefit of the service area  
4 stakeholders; and identify sources of anticipated revenue.

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

10 (6) "Secretary" means the Secretary of Community  
11 Affairs.

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

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

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

23 (10) This section shall stand repealed on June 30,  
24 2007.

25 Section 23. Section 290.035, Florida Statutes, is  
26 amended to read:

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

30 (1) The community-based ~~community~~ development  
31 organization ~~corporation~~ must be a nonprofit corporation under

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1 ~~state law or a local development company established under~~  
 2 ~~state law and certified to be eligible to participate in the~~  
 3 ~~Small Business Administration Loan Program under s. 502 of the~~  
 4 ~~Small Business Investment Act of 1958, as amended, and must~~  
 5 meet the following further requirements:

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

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

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

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

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

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

24 (a) The area has been designated pursuant to s.  
 25 163.355 as a slum area or a blighted area as defined in s.  
 26 163.340(7) or (8) or is located completely within the  
 27 boundaries of a slum or blighted area.

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

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1 service area is located.

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

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

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

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

11 Section 24. Section 290.036, Florida Statutes, is  
12 amended to read:

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

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

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

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1 qualified tier I and tier II community-based development  
2 organizations have been funded, qualified tier III  
3 community-based development organizations may receive core  
4 administrative grants. Project administrative grants tied to  
5 project implementation loans shall be available to all levels  
6 of community-based development organizations depending upon  
7 their capacity. Extensive training and technical assistance  
8 shall be available to all community-based development  
9 organizations. Persons, equipment, supplies, and other  
10 resources funded in whole or in part by grant funds shall then  
11 be utilized to further the purposes of this act. Eligible  
12 activities include, but are not limited to:

13 (a) Preparing grant and loan applications, proposals,  
14 fundraising letters, and other documents essential to securing  
15 additional administrative or project funds to further the  
16 purposes of this act.

17 (b) Monitoring and administrating grants and loans,  
18 providing technical assistance to businesses, and any other  
19 administrative tasks essential to maintaining funding  
20 eligibility or meeting contractual obligations.

21 (c) Developing local programs to encourage the  
22 participation of financial institutions, insurance companies,  
23 attorneys, architects, engineers, planners, law enforcement  
24 officers, developers, and other professional firms and  
25 individuals providing services beneficial to redevelopment  
26 efforts.

27 (d) Providing management, technical, accounting, and  
28 financial assistance and information to businesses and  
29 entrepreneurs interested in locating, expanding, or operating  
30 in the service area.

31 (e) Coordinating with state, federal, and local



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1 governments and other nonprofit organizations to ensure that  
2 activities meet local plans and ordinances and to avoid  
3 duplication of tasks.

4 (f) Preparing plans or performing research to identify  
5 critical needs within the service area and developing  
6 approaches to address those needs.

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

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

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

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

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

27 (b) A copy of the documents creating the  
28 community-based development organization.

29 (c) A listing of the membership of the board,  
30 including individual terms of office.

31 (d) An annual plan that describes the expenditure of

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1 the funds, including goals, objectives, and expected results,  
2 and which has a clear relationship to the agency's  
3 neighborhood comprehensive revitalization strategy.

4 (e) Other supporting information which may be required  
5 by the department.

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

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

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

25 (6) 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 relative degree of distress of the service  
29 areas of the community-based development organization.

30 (b) The demonstrable capacity of the community-based  
31 development organization to improve the economic health of the

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1 service area and carry out the activities contained in the  
2 long-term revitalization plan.

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

7 (d) The service area of the community-based  
8 development organization which is located in whole or in part  
9 within a state enterprise zone designated pursuant to s.  
10 290.0065, a federal empowerment zone, or an enterprise  
11 community.

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

14 (7) The department is authorized to award project  
15 administrative grants from the fund to community-based  
16 development organizations for staff salaries, administrative  
17 expenses, and the added cost of technical assistance directly  
18 related to job-generating and revenue-generating enterprises,  
19 including business, commercial, or affordable housing  
20 developments. Eligible organizations shall apply for  
21 competitive funding under the three categories of: business  
22 assistance, commercial, and affordable housing development.  
23 The allocations of funds to these three categories will be  
24 made by the department subject to funding availability and  
25 trends in the amount of qualified proposals submitted under  
26 each category. Community-based development organizations  
27 receiving funds under this section shall be subject to all  
28 applicable requirements of ss. 290.034(1), 290.035, 290.037,  
29 290.038, and 290.039, as determined by the department.

30 (8) The department shall award funding hereunder based  
31 upon a three-tiered approach which recognizes the differing

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1 capacities of new and emerging, intermediate, and mature  
2 community-based development organizations. No community-based  
3 development organization may apply for funding in more than  
4 one tier in any 1 fiscal year.

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

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

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

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1 basis, project implementation loans of up to \$400,000,  
2 annually, per community-based development organization and an  
3 accompanying project administrative grant of up to \$60,000.  
4 Tier III community-based development organizations shall also  
5 receive training and technical assistance services hereunder.

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

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

19 (a) A map and narrative description of the target  
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) A copy of the community-based development  
26 organization's neighborhood comprehensive revitalization plan.

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

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1 expenditures are directly related to the project.

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

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

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

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

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

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

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

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

27 (11) This section shall stand repealed on June 30,  
28 2007.

29 Section 25. Section 290.0365, Florida Statutes, is  
30 amended to read:

31 (Substantial rewording of section. See

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1           s. 290.0365, F.S., for present text.)

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

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

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

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

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

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

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1 revitalization efforts, and contribute to expanding the base  
2 of commerce, business, and affordable housing that will  
3 benefit persons who are very-low-income, low-income, or WAGES  
4 recipients.

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

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

25 (b) The technical assistance provider shall conduct  
26 onsite assessments, involving the board and staff, to prepare  
27 a technical assistance plan for new and emerging  
28 organizations. The scope and nature of the training will  
29 compliment the annual performance objectives of the  
30 organizations from the development of a neighborhood  
31 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 26. 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

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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.

31           (f) The overall net positive impact of the project

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1 long term on local economic and social conditions.

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

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

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

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

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

31 (9) This section shall stand repealed on June 30,

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1 2007.

2 Section 27. Paragraph (f) of subsection (2) and  
3 subsection (3) of section 290.038, Florida Statutes, are  
4 amended to read:

5 290.038 Authority and duties of the department.--

6 (2) The department may:

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

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

15 Section 28. Section 290.039, Florida Statutes, is  
16 amended to read:

17 (Substantial rewording of section. See

18 s. 290.039, F.S., for present text.)

19 290.039 Reporting requirements.--

20 (1) Community-based development organizations which  
21 receive funds under INVEST shall provide the following  
22 information to the department annually:

23 (a) A listing of business firms and individuals  
24 assisted by the community-based development organization  
25 during the reporting period.

26 (b) A listing of the type, source, purpose, and amount  
27 of each individual grant, loan, or donation received by the  
28 community-based development organization during the reporting  
29 period.

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

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

3           (e) An identification and explanation of changes to  
4 the target area boundaries.

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

8           (g) The number and description of projects attempted,  
9 the number and description of projects completed, and a  
10 written explanation of the reasons that caused projects not to  
11 be completed.

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

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

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

22           (b) An identification and explanation of changes to  
23 the target area boundaries.

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

27           (3) Community-based development organizations which  
28 receive project administrative grants, or a combination of  
29 core administrative and project and grant funds, shall provide  
30 the following information on applicable projects to the  
31 department annually:

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

4           (b) The number and amount of loans made to businesses  
5 or individual entrepreneurs in the target area during the  
6 reporting period.

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

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

15           (e) An identification and explanation of changes to  
16 the service area boundaries.

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

20           (g) Such other information as the department may  
21 require.

22           (4) The department shall submit an annual report to  
23 the Speaker of the House of Representatives and the President  
24 of the Senate which contains the cumulative data submitted by  
25 the individual community-based development organizations  
26 pursuant to subsection (1). The report shall be submitted by  
27 January 1 of each year.

28           (5) This section shall stand repealed on June 30,  
29 2007.

30           Section 29. Section 290.0395, Florida Statutes, is  
31 amended to read:

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1           (Substantial rewording of section. See  
2           s. 290.0395, F.S., for present text.)  
3           290.0395 Program performance review and evaluation.--  
4           (1) Each community-based development organization  
5 which receives funding under the Invest in Neighborhood  
6 Vitality and Economies Program shall be subject to an annual  
7 performance review by the department. At a minimum, the review  
8 shall determine whether contract objectives are being or have  
9 been met in a timely and efficient manner, expected project  
10 outcomes are being or have been realized, and the impact of  
11 completed projects produced the results desired by the  
12 community-based development organization as stated in its  
13 comprehensive neighborhood revitalization plan and other  
14 supporting documentation for receipt of the grants or loans.  
15           (2) Prior to the 2007 Regular Session of the  
16 Legislature, the Office of Program Policy Analysis and  
17 Government Accountability shall perform an evaluation of ss.  
18 290.0301-290.039, using the reporting data specified in s.  
19 290.039 and any other data identified by the department and  
20 the Office of Program Policy Analysis and Government  
21 Accountability as crucial to the evaluation of this program.  
22 The report shall critique the Invest in Neighborhood Vitality  
23 and Economies Program and shall include an analysis of the  
24 improvements in the service area as a result of the holistic  
25 and collaborative efforts of the organizations and partners  
26 within the service area.  
27           (3) A report of the findings and recommendations of  
28 the Office of Program Policy Analysis and Government  
29 Accountability shall be submitted to the President of the  
30 Senate and the Speaker of the House of Representatives prior  
31 to the 2007 Regular Session.

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

3           Section 30. Section 290.034, Florida Statutes, is  
4 repealed.

5           Section 31. 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 32. 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 33. Subsection (1) of section 943.25, Florida  
30 Statutes, is amended to read:

31           943.25 Criminal justice trust funds; source of funds;



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1 use of funds.--

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

10 Section 34. Section 420.0007, Florida Statutes, is  
11 created to read:

12 420.0007 Exemption from property taxation for  
13 charitable non-profit low income housing properties.  
14 Properties owned entirely by non-profit corporations which are  
15 defined as charitable organizations under s. 501(c)(3) of the  
16 Internal Revenue Code and comply with the Internal Revenue  
17 Procedure 96-32 and which provide housing to low and very low  
18 income person, as defined in Chapter 420.004, shall be  
19 considered charitable and exempt from ad valorem taxation  
20 under Chapter 196, F.S., to the extent authorized under s.  
21 196.192.

22 Section 35. If no community-based development  
23 organizations qualify for core administrative grants in a  
24 distressed region of the state, the Department of Community  
25 Affairs must identify potentially qualified community-based  
26 development organizations in those regions and provide  
27 assistance to enable them to compete for core administrative  
28 grants in the next funding cycle. For the purposes of this  
29 section, distressed regions include those regions that qualify  
30 for urban high crime area job tax credits or areas that have  
31 experienced civil disturbances within the past three years.

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(Redesignate subsequent sections.)

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

And the title is amended as follows:

On page 3, line 8, after the semicolon

insert:

amending s. 290.0301, F.S.; changing the title of the "Community Development Corporation Support and Assistance Program Act" to the "Invest in Neighborhood Vitality and Economies Act"; advancing the date of the repeal of the act to June 30, 2007; amending s. 290.0311, F.S.; revising language with respect to legislative findings; providing reference to community-based development organizations; amending s. 290.032, F.S.; revising language with respect to policy and purpose; amending s. 290.033, F.S.; providing definitions; amending s. 290.035, F.S.; revising language with respect to eligibility for assistance; amending s. 290.036, F.S.; providing for the community-based development organization support program; providing for core and project administrative grants and procedures; amending s. 290.0365, F.S.; providing for a community-based development training and technical assistance program; amending s. 290.037, F.S.; providing for a community

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1           development project implementation loan  
2           program; amending s. 290.038, F.S.; revising  
3           language with respect to the authority and  
4           duties of the Department of Community Affairs;  
5           amending s. 290.039, F.S.; revising language  
6           with respect to reporting requirements;  
7           amending s. 290.0395, F.S.; providing for  
8           program performance review and evaluation;  
9           creating s. 290.055, F.S.; creating the  
10          Rebuilding Urban Neighborhoods Initiative;  
11          repealing s. 290.034, F.S., relating to funding  
12          and use of the Operating Trust Fund; amending  
13          ss. 189.427, 252.82, and 943.25 to conform to  
14          this act; creating s. 420.0007, F.S.; providing  
15          an exemption from property taxation for  
16          charitable non-profit low income housing  
17          properties;

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