

# SENATE STAFF ANALYSIS AND ECONOMIC IMPACT STATEMENT

(This document is based only on the provisions contained in the legislation as of the latest date listed below.)

BILL: CS/CS/SB 386

SPONSOR: Committees on Fiscal Policy, Comprehensive Planning, Local and Military Affairs; and Senator Kurth

SUBJECT: Grant Proposals for Community Centers

DATE: March 21, 1999 REVISED: \_\_\_\_\_

|    | ANALYST       | STAFF DIRECTOR | REFERENCE | ACTION              |
|----|---------------|----------------|-----------|---------------------|
| 1. | <u>Cooper</u> | <u>Yeatman</u> | <u>CA</u> | <u>Favorable/CS</u> |
| 2. | <u>Hayes</u>  | <u>Hadi</u>    | <u>FP</u> | <u>Favorable/CS</u> |
| 3. | _____         | _____          | _____     | _____               |
| 4. | _____         | _____          | _____     | _____               |
| 5. | _____         | _____          | _____     | _____               |

## I. Summary:

This bill creates a process for reviewing and prioritizing funding requests from a county, city, or not-for-profit corporation for the acquisition, renovation, or construction of a community center.

This bill creates a new, unspecified section of law.

## II. Present Situation:

The Senate Committee on Ways and Means *Interim Project Report 98-51* contends that over the past several years, local governments and non-profit institutions have exerted greater pressure upon the Florida Legislature for financial assistance with special projects. For many of these projects, there is no formal funding process set forth in statute and the Legislature is left to address their requests on an individual basis, often with incomplete or no standardized information. This makes it particularly difficult for legislators, who are required to make funding decisions usually within limited resources.

The report noted that there is already a process set in statute for the review and prioritization of grants for Historical Preservation, Cultural Facilities, Library Construction, the Florida Recreational Assistance Program, and International Trade. The report recommended that this concept be expanded to include several other areas of the state budget, to include multi-use facilities such as Senior Centers, Community Centers, and Town Meeting Halls. The report also noted that at least four factors need to be addressed for the creation of a grant application and review process:

- The entity to be designated to review, prioritize, and make the initial recommendations for projects, and the entity to make the final recommendation of a project list to the Legislature (may be the same entity);
- Match requirements (if applicable);

- Criteria considerations; and
- Timing (application submission, review procedure, and recommendations to the Legislature).

The 1998-99 General Appropriations Act established review committees for agricultural centers, fairs, livestock pavilions, multi-use facilities and festivals to evaluate projects funded for FY 1998-99, review all grant funding requests for FY 1999-00, and make recommendations in priority order.

### **III. Effect of Proposed Changes:**

This bill creates a four-stage process for reviewing and prioritizing legislative funding requests for community centers:

- A county, city, or qualified not-for-profit corporation submits to a review panel a grant proposal for a matching grant for the acquisition, renovation, or construction of a community center. The state grant may be for up to 75% of the project cost, with a cap of \$1.5 million per project. The applicant must demonstrate that the community supports the project and that local funds are available and committed to operate and maintain the project.
- The review panel (consisting of two persons appointed to staggered terms by the Governor, President of the Senate, and Speaker of the House, respectively, and a seventh person appointed jointly by the panel) must review each application and submit, in priority order, a list of approved applications to the Secretary of the Department of Community Affairs (DCA).
- If the Secretary approves the list, it will then be included, in priority order, in the department's legislative budget request. The department must give preference to projects located in Enterprise Zones and communities that have fewer than one community center per 35,000 residents.
- DCA may then accept and administer the funds appropriated by the Legislature for approved projects. Unfunded projects will then be retained for the next grant cycle. If the project is not funded in the second year, the project must be resubmitted for consideration.

Community centers are defined as free-standing facilities owned or managed by a county, municipality, or qualified not-for-profit corporation that provides recreational opportunities, educational programs, and meeting rooms for the community. In addition, recreational centers or other similar facilities are included in the definition to the extent that they comply with these criteria.

The CS/CS for SB 386 clarifies that up to 10 percent of any grant funds appropriated for community centers may be used by the Department of Community Affairs for administrative purposes. CS/CS for SB 386 requires the Department to submit an expenditure plan for the administrative costs which would be subject to the review and approval provisions in section 216.177, Florida Statutes. Grants are limited to 36 months. DCA is required to adopt by rule criteria to be applied by the review panel and for administering this process.

The bill takes effect upon becoming a law.

#### **IV. Constitutional Issues:**

##### **A. Municipality/County Mandates Restrictions:**

None.

##### **B. Public Records/Open Meetings Issues:**

None.

##### **C. Trust Funds Restrictions:**

None.

#### **V. Economic Impact and Fiscal Note:**

##### **A. Tax/Fee Issues:**

None.

##### **B. Private Sector Impact:**

Not-for-profit organizations will be required to follow a formal review procedure to obtain funding for the acquisition, renovation, or construction of a community center.

##### **C. Government Sector Impact:**

Counties and municipalities will be required to follow a formal review procedure to obtain funding for the acquisition, renovation, or construction of a community center.

In administering the process, DCA reports they will likely incur costs for the following responsibilities:

- Writing and adopting rules;
- Administering a grant application process;
- Providing training and technical assistance to applicants;
- Providing staff support to the review panel;
- Submitting the Review Panel's recommendations as a budget request;
- Awarding and executing grant contracts;
- Disbursing payments; and
- Assisting grantees in the completion of the facilities.

DCA staff estimates they will need funding for one professional and one clerical position, with associated OCO and expenses.

| <b>DCA</b>                     | <b>FY 1999-00</b> | <b>FY 2000-01</b> | <b>FY 2001-02</b> |
|--------------------------------|-------------------|-------------------|-------------------|
| <b>Non-Recurring Costs</b>     | \$9,870           |                   |                   |
| <b>Recurring Costs (2 FTE)</b> | 87,407            | 87,407            | 87,407            |
| <b>Total</b>                   | <b>\$97,277</b>   | <b>\$87,407</b>   | <b>\$87,407</b>   |

**VI. Technical Deficiencies:**

None.

**VII. Related Issues:**

None.

**VIII. Amendments:**

None.

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This Senate staff analysis does not reflect the intent or official position of the bill's sponsor or the Florida Senate.

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