

By Senators Kirkpatrick and Hargrett

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1                                   A bill to be entitled  
2           An act relating to economic development;  
3           creating s. 414.224, F.S.; creating the  
4           Retention Enhancing Communities Initiative;  
5           providing for the selection of communities;  
6           requiring solicitation of proposals; providing  
7           for the selection of RECI participants by the  
8           WAGES Program State Board of Directors;  
9           providing for the appointment of liaisons;  
10          authorizing the Governor to address barriers to  
11          implementation of RECI proposals; providing for  
12          the redirection of certain funds; providing for  
13          RECI elements; requiring the Governor to  
14          designate a coordinator; establishing a center  
15          for community excellence; providing  
16          appropriations for RECI elements; providing  
17          restrictions of funds; providing for monitoring  
18          and reporting; providing an effective date.

19

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

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22           Section 1. Section 414.224, Florida Statutes, is  
23           created to read:

24           414.224 Retention Enhancing Communities Initiative.--

25           (1) LEGISLATIVE INTENT.--The Legislature finds that  
26           this state has numerous distressed urban cores with high  
27           proportions of residents who are former and current WAGES  
28           Program participants. The Legislature further finds that the  
29           existence of strong neighborhoods and communities is crucial  
30           to reduce recidivism among former WAGES Program participants,  
31           and to create new jobs and promote job retention for current

1 WAGES Program participants. Therefore, it is the intent of the  
2 Legislature to create a program designed to develop these  
3 communities with the help of, and for the benefit of, current  
4 and former WAGES Program participants.

5 (2) CREATION.-- The Retention Enhancing Communities  
6 Initiative (RECI) is created to leverage federal, state, and  
7 local resources for community redevelopment initiatives that  
8 promote job retention among WAGES Program participants.  
9 Selected communities will identify and compete for projects  
10 coordinated around the six community-enhancing elements of  
11 community safety, community builders, community businesses,  
12 community schools, community partnerships, and community  
13 redevelopment.

14 (3) SELECTION OF RECI COMMUNITIES.--

15 (a) By July 1, 2000, the WAGES Program State Board of  
16 Directors, in consultation with local WAGES coalitions, shall  
17 identify 14 communities in the state's seven largest counties.  
18 These communities must be compact, congruent, and contiguous  
19 census tracts that have the highest concentrations of  
20 residents who are current or former WAGES Program  
21 participants. To the maximum extent possible, these  
22 communities should coincide with federal empowerment zones,  
23 enterprise zones established under chapter 290, Neighborhood  
24 Improvement Districts established under chapter 163, community  
25 redevelopment areas established under chapter 163, and Urban  
26 High Crime Areas established under chapter 212. By August 1,  
27 2000, the WAGES Program State Board of Directors must contract  
28 with an independent entity to certify that the 14 communities  
29 comply with the requirements of this section.

30 (b) By July 10, 2000, the WAGES Program State Board of  
31 Directors shall solicit proposals from the communities

1 identified for participation in RECI. The Governor shall  
2 appoint a liaison from a state agency to assist with each  
3 proposal and its implementation. The liaisons shall have the  
4 full assistance of the Executive Office of the Governor, all  
5 state agencies, and their employees. If a state employee is  
6 not able to assist a liaison because of state law or  
7 regulation, the liaison shall notify the Governor, the Office  
8 of Urban Opportunity, and the Office of Program Policy  
9 Analysis and Government Accountability concerning the impasse  
10 and prepare proposals to resolve it. Upon a written request  
11 from a liaison, the Governor may by executive order or  
12 emergency rule address regulatory or procedural impasses to  
13 enable prompt implementation of a community's proposal. Any  
14 federal TANF funding appropriated by the state to benefit  
15 WAGES participants, to assist needy families, or to promote  
16 job placement and employment retention of WAGES participants  
17 that is in excess of revenues necessary to fulfill the  
18 appropriated purpose may, upon the written request of a  
19 liaison, be redirected, notwithstanding any other provision of  
20 law, with the approval of the Office of Urban Opportunity, the  
21 WAGES Program State Board of Directors, and the Governor, to  
22 support an approved project in a RECI community. Proposals  
23 must be general in nature, no more than 20 pages long, and  
24 include:

25 1. A brief plan describing how the community will  
26 coordinate and incorporate the 6 RECI elements into the  
27 community's redevelopment strategy;

28 2. Specific evidence of community support from  
29 community-based organizations and local government for  
30 participation in RECI;

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1           3. For each RECI element, identification and commitment  
2 of local resources from community-based organizations, local  
3 government, and others, to be leveraged by federal and state  
4 resources;

5           4. Identification of the specific entity or person  
6 responsible for coordinating the community's participation in  
7 RECI; and

8           5. Identification of local administrative entities.

9           (c) Based on proposal evaluation criteria developed by  
10 the WAGES Program State Board of Directors, the board shall,  
11 by October 1, 2000, select up to 9 communities to participate  
12 in RECI, and shall notify each community of its selection. All  
13 RECI projects must be fully operational by January 1, 2001,  
14 and must be completed by December 31, 2002.

15           (4) RECI ELEMENTS.--After a community is selected as a  
16 RECI participant, it may compete for awards in each RECI  
17 element. Awards will be granted by the WAGES Program State  
18 Board of Directors and will be based on a project plan that  
19 must be consistent with the community's proposal describing  
20 the coordination and incorporation of the RECI elements. The  
21 WAGES Program State Board of Directors shall develop  
22 guidelines and criteria for the application and award of the  
23 funds. Criteria must provide additional weight for criteria  
24 relating to community involvement, business involvement, and  
25 local contributions. Unless otherwise provided for, the board  
26 or its designated agents shall administer the award of funds  
27 for each RECI element and must provide assurances that  
28 projects are completed pursuant to project plans. RECI  
29 elements include the following:

30           (a) WAGES Community Safety.--Funds may be awarded for  
31 projects that increase the safety and reduce crime in RECI

1 communities. Funds may be used to train and employ WAGES  
2 Program participants in public safety jobs; establish security  
3 businesses and services; train residents in safety practices  
4 and organize safety networks; improve lighting, alarms, and  
5 law enforcement equipment; improve the safety of homes,  
6 buildings, and streets; and provide community police. Local  
7 law enforcement agencies must be contributing partners in  
8 safety projects. The Department of Community Affairs and the  
9 Florida Department of Law Enforcement shall each assign a  
10 representative to assist these communities with public safety  
11 issues and, notwithstanding any other provision of law, may  
12 award public safety grants to these communities.

13 (b) WAGES Community Builders.--Funds may be awarded for  
14 small community clean-up and enhancement projects that quickly  
15 create visible improvements and for planning and  
16 implementation of larger neighborhood revitalization and  
17 economic development initiatives.

18 1. Funds for the WAGES Community Builders element may  
19 be awarded for small community clean-up and enhancement  
20 projects. Projects must include WAGES Program participants,  
21 must last less than 3 weeks, and must be endorsed by the local  
22 unit of government. Funding may not exceed \$5,000 per project  
23 without a waiver from the WAGES Program State Board of  
24 Directors. The board shall enlist the Department of State's  
25 Main Street program, Keep Florida Beautiful, Inc., and, if  
26 approved by the Governor, the Florida National Guard, to  
27 advise and assist with these projects and to redirect  
28 resources to these communities.

29 2. Funds for the WAGES Community Builders element may  
30 be awarded for the planning and implementation of large  
31 neighborhood revitalization or economic development

1 initiatives. Funding for planning projects may not exceed  
2 \$200,000, and may not, in total, exceed 20 percent of the  
3 funds available for this element. Funding for implementation  
4 projects may not in total exceed 20 percent of the funds  
5 available for this element and must primarily leverage  
6 federal, state, local, private, or foundation resources other  
7 than those provided for in this section. Planning and  
8 implementation projects must employ WAGES Program participants  
9 from the RECI community to the greatest extent possible.  
10 (c) WAGES Community Businesses.--Funds may be awarded  
11 for small business-development projects, including  
12 national-franchise attraction efforts, microloans, guaranteed  
13 commercial loans, technical assistance, self-employment, and  
14 business incubators at educational institutions. At least 95  
15 percent of funds awarded for these projects must be for the  
16 benefit of WAGES Program participants in RECI communities. The  
17 WAGES Program State Board of Directors shall work with the  
18 Comptroller to target the linked-deposit program under s.  
19 290.0075 into these communities, and the Comptroller shall, to  
20 the greatest extent deemed practical, implement that program  
21 in RECI communities. Using funds appropriated for this  
22 element, board, or its designated agent, shall also establish  
23 a \$10-million loan-loss reserve to encourage and guarantee  
24 commercial loans made under this element, and shall develop a  
25 tax-free bond fund to provide and expand the secondary loan  
26 market for commercial loans made in RECI communities. The  
27 board, or its designated agent, shall also approach and  
28 propose joint ventures with national franchisers who agree to  
29 train individuals for and partially underwrite new franchise  
30 ventures in RECI communities.  
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1           (d) WAGES Community Schools.--Funds may be awarded for  
2 WAGES Community School projects that upgrade schools through  
3 construction, repair, or renovation, or which provide training  
4 and employment to WAGES Program participants to assist with  
5 transportation, school services, and security. Schools  
6 accepting this assistance must offer before-school,  
7 after-school, and summer-school programs for students who are  
8 WAGES Program participants.

9           (e) WAGES Community Partnerships.--Funds may be awarded  
10 for WAGES Community Partnership projects to make payments of  
11 tax credits to businesses that contribute to projects in RECI  
12 communities which are eligible under the community  
13 contribution tax credit program under ss. 220.183 and  
14 624.5105. Business contributions must benefit WAGES Program  
15 participants in these communities. Funds may equal 30 percent  
16 of the business's contribution and may apply to contributions  
17 of any size if adequate funds are available in this RECI  
18 element. The Office of Tourism, Trade, and Economic  
19 Development and the Department of Revenue shall assist the  
20 WAGES Program State Board of Directors in administering such  
21 tax credits. Projects may also match, up to a  
22 dollar-for-dollar level, any foundation awards to RECI  
23 communities which will improve job retention and reduce public  
24 assistance dependency as determined by the WAGES Program State  
25 Board of Directors.

26           (f) WAGES Community Redevelopment.--Funds may be  
27 awarded for WAGES Community Redevelopment projects to  
28 facilitate the planning, preparing, marketing, and financing  
29 of residential, mixed-use, and commercial development  
30 projects, as well as residential and business infrastructure  
31 redevelopment projects in RECI communities. Projects that

1 would mainly result in gentrification of the community, that  
2 would not employ a preponderance of WAGES Program  
3 participants, and that predominately create residences or  
4 business sites that are beyond the anticipated income level of  
5 working WAGES Program participants are not eligible.

6 1. The Office of Tourism, Trade, and Economic  
7 Development shall administer projects under this paragraph and  
8 shall develop criteria for the award of the funds. Funds  
9 available under this element must be leveraged with federal,  
10 state, and local resources, including, but not limited to,  
11 those available through the local unit of government under the  
12 Community Development Block Grant, section 108 loan guarantee  
13 program, and through state agencies including the Department  
14 of Community Affairs, the Department of Environmental  
15 Protection, and the Florida Housing Finance Corporation.

16 2. A redevelopment finance review team including the  
17 WAGES Program State Board of Directors, the Office of Tourism,  
18 Trade, and Economic Development, Enterprise Florida, Inc., the  
19 appropriate local WAGES coalition, the appropriate local unit  
20 of government, the Department of Community Affairs, the  
21 Department of Environmental Protection, and the Florida  
22 Housing Finance Corporation shall review all project plans and  
23 coordinate available resources, matching expenditures to  
24 eligible and available revenues that may be invested in the  
25 project. The team shall seek federal funding assistance in  
26 these projects and may identify and recommend projects for  
27 award under the WAGES Targeted Employment and WAGES  
28 transportation projects established by law. The team shall  
29 recommend appropriate projects to the State Board of  
30 Administration for public investment. Their collaborative  
31 project package shall constitute a recommended public



1 financing commitment to induce private developers to finance  
2 the remaining costs of the project. Notwithstanding s.  
3 216.301, funds appropriated for the purpose of this paragraph  
4 are not subject to reversion.

5 3. The Office of Tourism, Trade, and Economic  
6 Development, based upon the recommendation from the team, may  
7 award project funds to RECI communities for up to 30 percent  
8 of the total project cost. In awarding funds, the office shall  
9 consider factors including, but not limited to, the project's  
10 direct employment of WAGES Program participants in planning,  
11 development, or construction; eventual direct employment of  
12 WAGES Program participants; residences or businesses to be  
13 owned by WAGES Program participants; impact on retention in  
14 employment of WAGES Program participants; impact on lowering  
15 recidivism and dependency on public assistance programs;  
16 demonstrated local public and private commitment; and the  
17 potential to enhance and upgrade the community.

18 4. To facilitate timely response and induce the  
19 development of site opportunities where a community-based or  
20 private-sector partner exists, the Office of Tourism, Trade,  
21 and Economic Development may award funds for infrastructure  
22 feasibility studies, design and engineering activities,  
23 project development and packaging, or other infrastructure  
24 planning and preparation activities. Such funds may not exceed  
25 \$300,000 per project, and may not exceed 5 percent of the  
26 total funding available under this paragraph.

27 5. The Office of Tourism, Trade, and Economic  
28 Development shall pursue execution of a memorandum of  
29 agreement with the Department of Housing and Urban Development  
30 and other federal or state partners under which state funds  
31 available through this element may be advanced, in excess of

1 the prescribed state share, for a project that has received  
2 from the department or partner a preliminary determination of  
3 eligibility for financial support. State funds in excess of  
4 the prescribed state share which are advanced pursuant to this  
5 paragraph and a memorandum of agreement shall be reimbursed  
6 when funds are awarded under an application for other  
7 financing.

8 6. To facilitate development of prospective sites, the  
9 Office of Tourism, Trade, and Economic Development may award  
10 funds for surveys, feasibility studies, project development,  
11 packaging, marketing, and other activities related to the  
12 identification, marketing, and preparation of sites of up to  
13 \$150,000. Such funds shall require a match from local sources  
14 of 33 percent and the total grants awarded under this  
15 subparagraph may not exceed 5 percent of the total funding  
16 available under this paragraph.

17 (5) The Governor shall name by July 15, 2000, a  
18 coordinator in the Office of Urban Opportunity with the  
19 authority, established by executive order, to work with the  
20 WAGES Program State Board of Directors to direct agency  
21 assistance, solve problems, and commit resources to RECI  
22 communities.

23 (6) By August 15, 2000, working with the Workforce  
24 Development Board, the WAGES Program State Board of Directors  
25 shall establish a center for community excellence, affiliated  
26 with an educational institution or group of educational  
27 institutions, which will provide research, consulting,  
28 technical assistance, capacity building, training, and program  
29 assistance services to RECI communities.

30 (7) FUNDING.--  
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1           (a) To implement this act, the Department of Children  
2 and Family Services may spend up to \$50 million from Temporary  
3 Assistance for Needy Families (TANF) Block Grant funds  
4 pursuant to criteria adopted by the WAGES Program State Board  
5 of Directors.

6           (b) Any expenditure from the Temporary Assistance for  
7 Needy Families block grant must be expended in accordance with  
8 the requirements and limitations of Title IV of the Social  
9 Security Act, as amended, or any other applicable federal  
10 requirement or limitation in law. Prior to any expenditure of  
11 such funds, the WAGES Program State Board of Directors and the  
12 Secretary of Children and Family Services, or the secretary's  
13 designee, shall certify that controls are in place to ensure  
14 that such funds are expended and reported in accordance with  
15 the requirements and limitations of federal law. Any entity to  
16 which funds are awarded must obtain the required certification  
17 prior to any expenditure of funds.

18           (c) Unexpended proceeds derived from a project  
19 completed with the use of program funds, beyond the operating  
20 costs and debt service, are restricted to further expenditures  
21 within the element. Such unexpended proceeds may not be used  
22 for purposes other than those authorized by this act.

23           (d) No more than 5 percent of the funds available under  
24 this section may be used by the board or its designated agents  
25 to administer and monitor the awards.

26           (e) Funds authorized under this section must augment  
27 the existing efforts or resources of local communities rather  
28 than offset or supplant them.

29           (8) The Governor shall notify the President of the  
30 United States and the Florida Congressional Delegation of any  
31 delays by the federal government that affect the prompt

1 implementation of this section, and enlist their assistance in  
2 resolution of such delays. By budget amendment, the Governor  
3 shall identify and transfer funds to continue this initiative  
4 on schedule, notwithstanding federal delays. With the  
5 assistance of the Secretary of Children and Family Services  
6 and the Attorney General, the Governor shall then explore  
7 administrative and judicial options to gain reimbursement.

8 (9) MONITORING AND REPORTING.--

9 (a) The independent entity selected by the WAGES  
10 Program State Board of Directors to certify compliance by the  
11 14 communities identified under paragraph (2)(a) shall also  
12 identify four other similar communities to serve as a control  
13 group for RECI. The entity must measure performance trends in  
14 the control group communities, the communities that applied  
15 for RECI designation but were not selected, and the  
16 communities selected to participate in RECI. The four control  
17 communities shall be known only to the entity until the  
18 completion of the initiative. The entity shall develop,  
19 working with the Office of Program Policy Analysis and  
20 Government Accountability and the WAGES Program State Board of  
21 Directors, criteria by October 1, 2000, to measure the impact  
22 of the initiative. Such criteria must include the total  
23 revenues generated and invested in RECI communities, and the  
24 amount of revenue saved from the retention of WAGES Program  
25 participants.

26 (b) In addition to a comprehensive final report due  
27 February 15, 2003, the WAGES Program State Board of Directors  
28 must report to the Governor and Legislature every 6 months  
29 beginning January 1, 2001, on the progress of RECI. Reports  
30 must include tangible impacts of the initiative. The final  
31 report shall include recommendations relating to the potential

1 development of a RECI program for communities in mid-sized  
2 counties. The report must additionally recognize the three  
3 most successful RECI communities and designate these  
4 communities Florida's "come-back communities."

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

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9 SENATE SUMMARY

10 Creates an economic redevelopment program, the Retention  
11 Enhancing Communities Initiative, and provides for the  
12 selection of communities that require the solicitation of  
13 proposals to provide development in an attempt to reduce  
14 recidivism in former WAGES Program participants and to  
15 create new jobs for current participants. Provides for  
16 the selection of participants in the program. Provides  
17 for the appointment of liasons and a coordinator.  
18 Provides guidelines, powers, and duties. Provides for  
19 monitoring and reporting. Provides appropriations. (See  
20 bill for details.)  
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