

By Senator Hargrett

21-1352-00

1 A bill to be entitled
2 An act relating to economic development in
3 urban communities; creating 414.224, F.S.;
4 creating the Retention Enhancing Communities
5 Initiative; providing for the identification of
6 communities; requiring solicitation of
7 proposals; providing for the selection of RECI
8 participants by the WAGES Program State Board
9 of Directors; providing for RECI elements;
10 requiring the Governor to designate a
11 coordinator; establishing a center for
12 community excellence; providing appropriations
13 for RECI elements; providing restrictions of
14 funds; providing for monitoring and reporting;
15 providing an extended period for certain
16 businesses to claim enterprise-zone tax
17 incentives; authorizing amendments to the
18 boundaries of an enterprise zone in a community
19 with a brownfield pilot project; providing an
20 effective date.

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22 Be It Enacted by the Legislature of the State of Florida:
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24 Section 1. Effective upon this act becoming a law,
25 section 414.224, Florida Statutes, is created to read:
26 414.224 Retention Enhancing Communities Initiative.--
27 (1) LEGISLATIVE INTENT.--The Legislature finds that
28 Florida has numerous distressed urban cores with high
29 proportions of residents who are former and current WAGES
30 Program participants. The Legislature further finds that the
31 existence of strong neighborhoods and communities is crucial

1 to reduce recidivism among former WAGES Program participants,
2 and to create new jobs and promote job retention for current
3 WAGES Program participants. Therefore, it is the intent of the
4 Legislature to create a program designed to develop these
5 communities with the help of, and for the benefit of, current
6 and former WAGES Program participants.

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

16 (3) SELECTION OF RECI COMMUNITIES.--

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

1 (b) By July 10, 2000, the WAGES Program State Board of
2 Directors shall solicit proposals from the communities
3 identified in paragraph (a) for participation in RECI.
4 Proposals should be general in nature, be no more than 20
5 pages long, and include:

6 1. A brief plan describing how the community will
7 coordinate and incorporate the six RECI elements into the
8 community's redevelopment strategy;

9 2. Specific evidence of community support from
10 community-based organizations and local government for
11 participation in RECI;

12 3. For each RECI element, identification and commitment
13 of local resources from community-based organizations, local
14 government, and others, to be leveraged by federal and state
15 resources;

16 4. Identification of the specific entity or person
17 responsible for coordinating the community's participation in
18 RECI; and

19 5. Identification of local administrative entities.

20 (c) Based on proposal evaluation criteria developed by
21 the WAGES Program State Board of Directors, the board shall,
22 by October 1, 2000, select up to nine communities to
23 participate in RECI, and notify each community of such
24 selection. All RECI projects must be fully operational by
25 January 1, 2001, and must be completed by December 31, 2002.

26 (4) RECI ELEMENTS.--Once a community is selected as a
27 RECI participant, it may compete for awards in each RECI
28 element. Awards will be granted by the WAGES Program State
29 Board of Directors and will be based on a project plan that
30 must be consistent with the community's proposal describing
31 the coordination and incorporation of the RECI elements. The

1 WAGES Program State Board of Directors shall develop
2 guidelines and criteria for the application and award of the
3 funds. Criteria must provide additional weight for criteria
4 relating to community involvement, business involvement, and
5 local contributions. Unless otherwise provided for, the board
6 or its designated agents shall administer the award of funds
7 for each RECI element and must provide assurances that
8 projects are completed pursuant to project plans. RECI
9 elements include the following:

10 (a) WAGES Community Safety.--Funds may be awarded for
11 projects that increase the safety and reduce crime in RECI
12 communities. Funds may be used to train and employ WAGES
13 Program participants in public safety jobs; establish security
14 businesses and services; train residents in safety practices
15 and organize safety networks; improve lighting, alarms, and
16 law enforcement equipment; improve the safety of homes,
17 buildings, and streets; and provide community police. Local
18 law enforcement agencies must be a contributing partner in
19 safety projects. The Department of Community Affairs and the
20 Florida Department of Law Enforcement shall assign a
21 representative of their departments to assist these
22 communities with public safety issues and, notwithstanding any
23 other provision in law, may award public safety grants to
24 these communities.

25 (b) WAGES Community Builders.--Funds may be awarded for
26 small community clean-up and enhancement projects that quickly
27 create visible improvements and for planning and
28 implementation of larger neighborhood revitalization and
29 economic development initiatives.

30 1. Funds for the WAGES Community Builders element may
31 be awarded for small community clean-up and enhancement

1 projects. Projects must include WAGES Program participants,
2 must last less than 3 weeks, and must be endorsed by the local
3 unit of government. Funding may not exceed \$5,000 per project
4 without a waiver from the WAGES Program State Board of
5 Directors. The board shall enlist the Department of State's
6 Main Street program, Keep Florida Beautiful, Inc., and, when
7 approved by the Governor, the Florida National Guard, to
8 advise and assist with these projects and to redirect
9 resources to these communities.

10 2. Funds for the WAGES Community Builders element may
11 be awarded for the planning and implementation of large
12 neighborhood revitalization or economic development
13 initiatives. Funding for planning projects may not exceed
14 \$200,000, and may not, in total, exceed 20 percent of the
15 funds available for this element. Funding for implementation
16 projects may not in total exceed 20 percent of the funds
17 available for this element and must primarily leverage
18 federal, state, local, private, or foundation resources other
19 than those provided for in this section. Planning and
20 implementation projects shall employ WAGES Program
21 participants from the RECI community to the greatest extent
22 possible.

23 (c) WAGES Community Businesses.--Funds may be awarded
24 for small business-development projects, including
25 national-franchise attraction efforts, microloans, guaranteed
26 commercial loans, technical assistance, self-employment, and
27 business incubators at educational institutions. At least 95
28 percent of funds awarded for these projects must be for the
29 benefit of WAGES Program participants in RECI communities. The
30 WAGES Program State Board of Directors shall work with the
31 Comptroller to target the linked-deposit program under s.

1 290.0075 into these communities, and the Comptroller shall, to
2 the greatest extent he or she deems practical, implement that
3 program in RECI communities. Using funds appropriated for this
4 element, the WAGES Program State Board of Directors, or its
5 designated agent, shall establish a \$10-million loan-loss
6 reserve to encourage and guarantee commercial loans made under
7 this element, and shall develop a tax-free bond fund to
8 provide and expand the secondary loan market for commercial
9 loans made in RECI communities. The WAGES Program State Board
10 of Directors, or its designated agent, shall approach and
11 propose joint ventures with national franchisers committing to
12 train individuals for and partially underwrite new franchise
13 ventures in RECI communities.

14 (d) WAGES Community Schools.--Funds may be awarded for
15 WAGES Community School projects that upgrade schools through
16 construction, repair, or renovation, or which provide training
17 and employment to WAGES Program participants to assist with
18 transportation, school services, and security. Schools
19 accepting this assistance must offer before, after, and summer
20 school programs for students who are WAGES Program
21 participants.

22 (e) WAGES Community Partnerships.--Funds may be awarded
23 for WAGES Community Partnership projects to make payments of
24 tax credits to businesses that contribute to projects in RECI
25 communities which are eligible under the community
26 contribution tax credit program under ss. 220.183 and
27 624.5105. Business contributions must benefit WAGES Program
28 participants in these communities. Funds may equal 30 percent
29 of the business's contribution and may apply to contributions
30 of any size if adequate funds are available in this RECI
31 element. The Office of Tourism, Trade, and Economic

1 Development and the Department of Revenue shall assist the
2 WAGES Program State Board of Directors in administering such
3 tax credits. Projects may also match, up to a
4 dollar-for-dollar level, any foundation awards to RECI
5 communities which will improve job retention and reduce public
6 assistance dependency as determined by the WAGES Program State
7 Board of Directors.

8 (f) WAGES Community Redevelopment.--Funds may be
9 awarded for WAGES Community Redevelopment projects to
10 facilitate the planning, preparing, marketing, and financing
11 of residential, mixed-use, and commercial development
12 projects, as well as residential and business infrastructure
13 redevelopment projects in RECI communities. Projects that
14 would mainly result in gentrification of the community, that
15 would not employ a preponderance of WAGES Program
16 participants, and that predominately create residences or
17 business sites that are beyond the anticipated income level of
18 working WAGES Program participants are not eligible.

19 1. The Office of Tourism, Trade, and Economic
20 Development shall be the administrator of projects under this
21 paragraph and shall develop criteria for the award of the
22 funds. Funds available under this element must be leveraged
23 with federal, state, and local resources, including, but not
24 limited to, those available through the local unit of
25 government under the Community Development Block Grant,
26 section 108 loan guarantee program, and through state agencies
27 including the Department of Community Affairs, the Department
28 of Environmental Protection, and the Florida Housing Finance
29 Corporation.

30 2. A redevelopment finance review team including the
31 WAGES Program State Board of Directors, the Office of Tourism,

1 Trade, and Economic Development, Enterprise Florida, Inc., the
2 appropriate local WAGES coalition, the appropriate local unit
3 of government, the Department of Community Affairs, the
4 Department of Environmental Protection, and the Florida
5 Housing Finance Corporation shall review all project plans and
6 coordinate available resources, matching expenditures to
7 eligible and available revenues that may be invested in the
8 project. The team shall seek federal funding assistance in
9 these projects and may identify and recommend projects for
10 award under the WAGES Targeted Employment and WAGES
11 transportation projects established by law. The team shall
12 recommend appropriate projects to the State Board of
13 Administration for public investment. Their collaborative
14 project package shall constitute a recommended public
15 financing commitment that shall serve to induce private
16 developers to finance the remaining costs of the project.
17 Notwithstanding the provisions of s. 216.301, funds
18 appropriated for the purpose of this paragraph shall not be
19 subject to reversion.

20 3. The Office of Tourism, Trade, and Economic
21 Development, based upon the recommendation from the team, may
22 award project funds to RECI communities for up to 30 percent
23 of the total project cost. In awarding funds, the office shall
24 consider factors including, but not limited to, the project's
25 direct employment of WAGES Program participants in planning,
26 development, or construction; eventual direct employment of
27 WAGES Program participants; residences or businesses to be
28 owned by WAGES Program participants; impact on retention in
29 employment of WAGES Program participants; impact on lowering
30 recidivism and dependency on public assistance programs;

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1 demonstrated local public and private commitment; and the
2 potential to enhance and upgrade the community.

3 4. To facilitate timely response and induce the
4 development of site opportunities where a community-based or
5 private-sector partner exists, the Office of Tourism, Trade,
6 and Economic Development may award funds for infrastructure
7 feasibility studies, design and engineering activities,
8 project development and packaging, or other infrastructure
9 planning and preparation activities. Such funds may not exceed
10 \$300,000 per project, and may not exceed 5 percent of the
11 total funding available under this paragraph.

12 5. The Office of Tourism, Trade, and Economic
13 Development shall pursue execution of a memorandum of
14 agreement with the Department of Housing and Urban Development
15 and other federal or state partners under which state funds
16 available through this element may be advanced, in excess of
17 the prescribed state share, for a project that has received
18 from the department or partner a preliminary determination of
19 eligibility for financial support. State funds in excess of
20 the prescribed state share which are advanced pursuant to this
21 paragraph and a memorandum of agreement shall be reimbursed
22 when funds are awarded under an application for other
23 financing.

24 6. To facilitate development of prospective sites, the
25 Office of Tourism, Trade, and Economic Development may award
26 funds for surveys, feasibility studies, project development,
27 packaging, marketing, and other activities related to the
28 identification, marketing, and preparation of sites of up to
29 \$150,000. Such funds shall require a match from local sources
30 of 33 percent and the total grants awarded under this

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1 subparagraph shall not exceed 5 percent of the total funding
2 available under this paragraph.

3 (5) The Governor shall name by July 15, 2000, a
4 coordinator in the Office of Urban Opportunity with the
5 authority, established by executive order, to work with the
6 WAGES Program State Board of Directors to direct agency
7 assistance, solve problems, and commit resources to RECI
8 communities.

9 (6) By August 15, 2000, working with the Workforce
10 Development Board, the WAGES Program State Board of Directors
11 shall establish a center for community excellence, affiliated
12 with an educational institution or group of educational
13 institutions, which will provide research, consulting,
14 technical assistance, capacity building, training, and program
15 assistance services to RECI communities.

16 (7) FUNDING.--

17 (a) To implement the provisions of this section, the
18 Department of Children and Family Services may spend up to \$50
19 million from Temporary Assistance for Needy Families (TANF)
20 Block Grant funds pursuant to criteria adopted by the WAGES
21 Program State Board of Directors.

22 (b) Any expenditure from the Temporary Assistance for
23 Needy Families block grant shall be expended in accordance
24 with the requirements and limitations of Title IV of the
25 Social Security Act, as amended, or any other applicable
26 federal requirement or limitation in law. Prior to any
27 expenditure of such funds, the WAGES Program State Board of
28 Directors and the Secretary of Children and Family Services,
29 or his or her designee, shall certify that controls are in
30 place to ensure that such funds are expended and reported in
31 accordance with the requirements and limitations of federal

1 law. It shall be the responsibility of any entity to which
2 funds are awarded to obtain the required certification prior
3 to any expenditure of funds.

4 (c) Unexpended proceeds derived from a project
5 completed with the use of program funds, beyond the operating
6 costs and debt service, shall be restricted to further
7 expenditures within the element. Use of such unexpended
8 proceeds for purposes other than those authorized by this act
9 is prohibited.

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

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

16 (8) The Governor shall notify the President of the
17 United States and the Florida Congressional Delegation of any
18 delays by the federal government affecting the prompt
19 implementation of this section, and enlist their assistance in
20 resolution of such delays. By budget amendment, the Governor
21 shall identify and transfer funds to continue this initiative
22 on schedule, notwithstanding federal delays. With the
23 assistance of the Secretary of Children and Family Services
24 and the Attorney General, the Governor shall then explore
25 administrative and judicial options to gain reimbursement.

26 (9) MONITORING AND REPORTING.--

27 (a) The independent entity selected by the WAGES
28 Program State Board of Directors to certify compliance by the
29 14 communities identified under paragraph (2)(a) shall also
30 identify four other similar communities to serve as a control
31 group for RECI. The entity must measure performance trends in

1 the control group communities, the communities that applied
2 for RECI designation but were not selected, and the
3 communities selected to participate in RECI. The four control
4 communities shall be known only to the entity until the
5 completion of the initiative. The entity shall develop,
6 working with the Office of Program Policy Analysis and
7 Government Accountability and the WAGES Program State Board of
8 Directors, criteria by October 1, 2000, to measure the impact
9 of the initiative. Such criteria must include the total
10 revenues generated and invested in RECI communities, and the
11 amount of revenue saved from the retention of WAGES Program
12 participants.

13 (b) In addition to a comprehensive final report due
14 February 15, 2003, the WAGES Program State Board of Directors
15 must report to the Governor and Legislature every 6 months
16 beginning January 1, 2001, on the progress of RECI. Reports
17 must include tangible impacts of the initiative. The final
18 report shall include recommendations relating to the potential
19 development of a RECI program for communities in mid-sized
20 counties. The report must additionally recognize the three
21 most successful RECI communities and designate these
22 communities Florida's "come-back communities."

23 Section 2. Notwithstanding the time limitations
24 contained in chapters 212 and 220, Florida Statutes, relating
25 to enterprise-zone tax incentives, a business that was
26 purchased in February 1992 within an area of Tampa that
27 received a designation as an enterprise zone under section
28 290.0065, Florida Statutes, effective July 1, 1995, and that
29 was eligible to receive enterprise-zone tax incentives from
30 July 1, 1995, to July 1, 1998, must submit an application for
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1 the tax incentives by December 1, 2000. All other requirements
2 of the enterprise zone program apply to such a business.

3 Section 3. Notwithstanding any provision of law to the
4 contrary, the governing body of a municipality or a county
5 containing a U.S. Environmental Protection Agency brownfield
6 pilot project that was designated as of May 1, 1997, may apply
7 to the Office of Tourism, Trade, and Economic Development
8 before December 31, 2000, to amend the boundaries of an
9 enterprise zone designated in a municipality or a county
10 containing such brownfield pilot project. The office shall
11 approve the application to amend the boundaries of the
12 enterprise zone if the added area does not increase the
13 overall size of the expanded zone more than its original size
14 or 20 square miles, whichever is larger.

15 Section 4. This act shall take effect upon becoming a
16 law.

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19 SENATE SUMMARY

20 Creates the Retention Enhancing Communities Initiative to
21 allow selected communities to compete for community
22 redevelopment funds. Allows a business that is located in
23 a Tampa enterprise zone, and that meets specified
24 conditions, to apply for enterprise zone tax incentives
25 dating back to July 1, 1995, if it applies by December 1,
26 2000. Allows for the amendment of the boundaries of an
27 enterprise zone in a community that has received
28 designation as a U.S. Environmental Protection Agency
29 brownfield pilot project as of May 1, 1997.
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