

1                   A bill to be entitled  
2           An act relating to community-based development  
3           organizations; creating the "Community-Based  
4           Development Organization Act"; providing  
5           legislative findings and intent; providing  
6           eligibility requirements for administrative and  
7           operating grants to community-based development  
8           organizations; providing for award of grants by  
9           the Department of Community Affairs for housing  
10          and economic development projects; providing a  
11          three-tiered plan; providing a description of  
12          activities eligible for funding; providing  
13          application requirements; providing reporting  
14          and evaluation requirements; authorizing the  
15          Department of Community Affairs to adopt rules;  
16          providing an appropriation; providing an  
17          effective date.

18  
19   Be It Enacted by the Legislature of the State of Florida:

20  
21           Section 1. This act may be cited as the  
22 "Community-Based Development Organization Assistance Act."

23           Section 2. Legislative findings and intent.--

24           (1) The Legislature finds that:

25           (a) Significant declines and consistently depressed  
26 appraised values make it impossible for business enterprises,  
27 including community-based development organizations, to  
28 generate sufficient revenues from business or real estate  
29 ventures in low-income neighborhoods to fund the redevelopment  
30 costs and other administrative expenses needed to foster new  
31 developments in these hard-to-develop areas.

1           (b) This deterioration contributes to the decline of  
2 neighborhoods in both rural and urban areas, causes a  
3 reduction of the value of property comprising the tax base of  
4 local communities, and eventually requires the expenditure of  
5 disproportionate amounts of public funds for health, social  
6 services, and police protection to prevent the development of  
7 slums and the social and economic disruption found in slum  
8 communities.

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

18           (2) The intent of this legislation is to provide  
19 community-based development organizations with the necessary  
20 administrative and operating funds to retain project staff to  
21 plan, implement, and manage job-generating and community  
22 revitalization developments in distressed neighborhoods. This  
23 assistance will strengthen the community-based development  
24 organizations, assist local governments to enhance and expand  
25 revitalization efforts, and contribute to expanding the base  
26 of commerce, business, and affordable housing that will serve  
27 persons with very low incomes or low incomes, or WAGES  
28 recipients, using a bottom-up approach.

29           Section 3. Eligibility for  
30 assistance.--Community-based development organizations that  
31

1 meet the following requirements shall be eligible for  
2 assistance.

3 (1) The community-based development organization must  
4 be a nonprofit corporation under state law and s. 501(c)(3) of  
5 the United States Internal Revenue Code.

6 (2) A majority of the board members of the  
7 community-based development organization must be elected by  
8 those members of the corporation who are stakeholders,  
9 comprising a mix of service area residents, area business  
10 property owners, area employees, and low-income residents.  
11 The board of a Community-based development organization shall  
12 include low-income residents.

13 (3) The community-based development organization must  
14 maintain a service area in which economic and housing  
15 development projects are located and must further meet one or  
16 more of the following criteria:

17 (a) The area has been designated pursuant to s.  
18 163.355, Florida Statutes, as a slum area or a blighted area,  
19 as defined in s. 163.340, Florida Statutes, or is located  
20 completely within the boundaries of a slum area or a blighted  
21 area.

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

27 (c) The area is a neighborhood housing service  
28 district.

29 (d) The area is contained within a state enterprise  
30 zone designated on or after July 1, 1995, in accordance with  
31 s. 290.0065.

1           (e) The area is contained in federal empowerment zones  
2 and enterprise communities.

3           Section 4. Three-tiered plan.--The Department of  
4 Community Affairs is authorized to award core administrative  
5 and operating grants. Administrative and operating grants  
6 shall be used for staff salaries and administrative expenses  
7 for eligible community-based development organizations  
8 selected through a competitive three-tiered process for the  
9 purpose of housing and economic development projects. The  
10 department shall adopt by rule a set of criteria for  
11 three-tiered funding that shall ensure equitable geographic  
12 distribution of the funding throughout the state. This  
13 three-tiered plan shall include emerging, intermediate, and  
14 mature community-based development organizations recognizing  
15 the varying needs of the three tiers. Funding shall be  
16 provided for core administrative and operating grants for all  
17 levels of community-based development organizations. Priority  
18 shall be given to those organizations that demonstrate  
19 community-based productivity and high performance as evidenced  
20 by past projects developed with stakeholder input that have  
21 responded to neighborhood needs, and have current projects  
22 located in high-poverty neighborhoods, and to emerging  
23 community-based development corporations that demonstrate a  
24 positive need identified by stakeholders. Persons, equipment,  
25 supplies, and other resources funded in whole or in part by  
26 grant funds shall be utilized to further the purposes of this  
27 act, and may be utilized to further the goals and objectives  
28 of the Front Porch Florida Initiative. The one-time  
29 appropriation provided in this act shall be distributed by the  
30 Department of Community Affairs, to be used in a constructive  
31 manner by community-based development organizations across the

1 state. Thereafter, each community-based development  
2 organization shall be eligible to apply for a grant of up to  
3 \$50,000 per year for a period of 5 years.

4 Section 5. Eligible activities.--Activities eligible  
5 for assistance pursuant to this act include, but are not  
6 limited to:

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

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

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

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

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

29 (6) Assisting service area residents in identifying  
30 and determining eligibility for state, federal, and local  
31

1 housing programs, including rehabilitation, weatherization,  
2 home ownership, rental assistance, or public housing programs.

3 (7) Developing, selling, owning, and managing  
4 subsidized affordable housing designed for persons with very  
5 low incomes or low incomes, or for WAGES recipients, or  
6 developing, selling, owning, and managing subsidized  
7 affordable industrial parks providing jobs to such persons.

8 (8) Obtaining technical assistance to build capacity  
9 to support community-based development organization projects.

10 Section 6. Application requirements.--A  
11 community-based development organization applying for a core  
12 administrative and operating grant pursuant to this act must  
13 submit a proposal to the Department of Community Affairs that  
14 includes:

15 (1) A map and narrative description of the service  
16 areas for the community-based development organization.

17 (2) A copy of the documents creating the  
18 community-based development organization.

19 (3) A listing of the membership of the board of the  
20 community-based development organization, including individual  
21 members' terms of office and the number low-income residents  
22 on the board.

23 (4) The organization's annual revitalization plan that  
24 describes the expenditure of the funds, including goals,  
25 objectives, and expected results, and has a clear relationship  
26 to the local municipality's comprehensive plan.

27 (5) Other supporting information that may be required  
28 by the Department of Community Affairs to determine the  
29 organization's capacity and productivity.

30 (6) A description of the location, financing plan, and  
31 potential impact of the business enterprises on residential,

1 commercial, or industrial development, that shows a clear  
2 relationship to the organization's annual revitalization plan  
3 and demonstrates how the proposed expenditures are directly  
4 related to the scope of work for the proposed projects in the  
5 annual revitalization plan.

6 Section 7. Reporting and evaluation  
7 requirements.--Community-based development organizations that  
8 receive funds under this act shall provide the following  
9 information to the Department of Community Affairs annually:

10 (1) A listing of business firms and individuals  
11 assisted by the community-based development organization  
12 during the reporting period.

13 (2) A listing of the type, source, purpose, and amount  
14 of each individual grant, loan, or donation received by the  
15 community-based development organization during the reporting  
16 period.

17 (3) The number of paid and voluntary positions within  
18 the community-based development organization.

19 (4) A listing of the salaries and administrative and  
20 operating expenses of the community-based development  
21 organization.

22 (5) An identification and explanation of changes in  
23 the boundaries of the target area.

24 (6) The amount of earned income from projects,  
25 programs, and development activities.

26 (7) The number and description of projects in  
27 predevelopment phase, projects under construction, ongoing  
28 service programs, construction projects completed, and  
29 projects at sell-out or lease-up and property management  
30 phase, and a written explanation of the reasons that caused  
31

1 any projects not to be completed for the projected development  
2 phase.

3 (8) The impact of the projects, as a result of  
4 receiving funding under this act, on residents in the target  
5 area, and the relationship of this impact to expected outcomes  
6 listed in the organization's annual revitalization plan.

7 (9) The number of housing units rehabilitated or  
8 constructed at various stages of development, predevelopment  
9 phase, construction phase, completion and sell-out or lease-up  
10 phase, and condominium or property management phase by the  
11 community-based development organization within the service  
12 area during the reporting period.

13 (10) The number of housing units, number of projects,  
14 and number of persons served by prior projects developed by  
15 the organization, the amounts of project financing leverage  
16 with state funds for each prior and current project, and the  
17 incremental amounts of local and state real estate tax and  
18 sales tax revenue generated directly by the projects and  
19 programs annually.

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

24 (12) An identification and explanation of changes in  
25 the boundaries of the service area.

26 (13) The impact of completed projects on residents in  
27 the target area and the relationship of this impact to  
28 expected outcomes listed in the organization's annual  
29 revitalization plan.

30 (14) Such other information as the Department of  
31 Community Affairs requires.



1           Section 8. The Department of Community Affairs shall  
2 adopt rules for the administration of this act.

3           Section 9. There is hereby appropriated from the  
4 General Revenue Fund the sum of \$1 million to be distributed  
5 as grants to community-based development organizations as  
6 provided by this act.

7           Section 10. This act shall take effect July 1, 2000.

8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31