

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/SB 1130

SPONSOR: Comprehensive Planning, Local and Military Affairs Committee and Senator Hargrett

SUBJECT: Urban Development

DATE: March 29, 1999 REVISED: _____

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	<u>Bowman</u>	<u>Yeatman</u>	<u>CA</u>	<u>Favorable/CS</u>
2.	_____	_____	<u>FP</u>	_____
3.	_____	_____	_____	_____
4.	_____	_____	_____	_____
5.	_____	_____	_____	_____

I. Summary:

Committee Substitute for Senate Bill 1130 is entitled the “Front Porch Florida Act,” that sets forth a legislative intent to advance an urban policy based on the redevelopment of neighborhoods within urban cores. The CS creates a Revitalization of Urban Neighborhoods Grant Program to be administered from the Office of Urban Opportunity within OTTED.

The purpose of the program is to revitalize urban neighborhoods from the ground up, including the participation of neighborhood, business and community stakeholders. Two-Tiers of grants are available: 1) planning grants of up to \$50,000 per applicant for the development of neighborhood revitalization strategic plans; and 2) matching actions grants of up to \$150,000 per proposal to implement the strategic plans.

Five million dollars is appropriated to fund the Revitalization of Urban Neighborhood Grant Program. The grant proposals are to be reviewed by 7-member panel of technical experts appointed by the Governor with expertise in urban & community planning, financial analysis, and transportation.

The bill creates ss. 290.055, 290.056, 290.057, 290.058 and 290.059, Florida Statutes.

II. Present Situation:

During the 1998 gubernatorial campaign Governor Bush released a campaign platform entitled “Front Porch Florida,” advancing an urban policy based on the rebuilding of neighborhoods within the urban core. The redevelopment process described by the Front Porch policy is to be neighborhood asset-based, community focused, and relationship driven. One of the major tenants of the policy is to assist selected neighborhoods in the development and implementation of a Neighborhood Action Plan.

Some of the specific elements of the Front Porch Program include:

- ▶ The designation of 20 communities as Front Porch Communities, entitled to certain technical and financial assistance.
- ▶ The creation of an Office of Urban Opportunity within the Governor's Office.
- ▶ A Smart Growth Program giving Front Porch Communities a priority in state funding for infrastructure.
- ▶ An Urban Homesteading Program to give individuals an opportunity for home ownership.
- ▶ A statewide microcredit loan program for capital for small entrepreneurs.
- ▶ State tax credits and incentives for low-income housing.
- ▶ The development of new partnerships between franchisers and minority or urban-based franchisees.
- ▶ A mentoring program targeting at-need children in Front Porch Communities.

For the fiscal year 1999-2000 budget year, the budget request of the Governor's Office includes \$5.2 million for targeted Front Porch incentive programs.

III. Effect of Proposed Changes:

Section 1 names the bill the "Front Porch Florida Act."

Sections 2-6 create the Neighborhood Revitalization Act to advance an urban policy that helps communities rebuild their neighborhoods. A Revitalization of Urban Neighborhoods Grant Program is created within the Office of Urban Opportunity of the Office of Tourism, Trade and Economic Development to assist neighborhood revitalization efforts. The Governor is directed to appoint a seven-member grant panel, composed of persons with expertise in urban and community planning, transportation, business and related areas to review grant proposals.

Planning grants of up to \$50,000 per applicant are available for the development of neighborhood revitalization strategic plans during the first year of the program for one or a combination of urban neighborhoods that have an organized group of stakeholders. The review panel must award planning grants based on:

- ▶ the level of distress within the neighborhood;
- ▶ the participation and organization of stakeholders within the targeted neighborhood;
- ▶ the creation of partnerships between financial institutions, businesses, community organizations and local governments; and

- ▶ the commitment from the local government and the neighborhood to the development of a long-range neighborhood revitalization plan.

Recipients of a planning grant must prepare a neighborhood revitalization plan that states: the steps necessary to achieve revitalization goals; how public participation in the planning process will be achieved; and how evaluation criteria will be used to measure the quality of improvement within the neighborhood. The local government sponsoring the neighborhood revitalization plan must hold a public hearing on the plan prior to the submission of the plan to the Office of Urban Opportunity.

Neighborhood Revitalization Action matching grants of up to \$150,000 per proposal are available for local governments and community-based organizations to implement adopted neighborhood revitalization plans. The grants will be awarded on a competitive basis after review by the panel selected by the Governor. The review criteria for the grants include the degree to which the proposal:

- ▶ implements an innovative revitalization strategy in order to attract residents of different incomes;
- ▶ offers an innovative method of financing improvements;
- ▶ includes the involvement of black and minority investments in the revitalization plan; and
- ▶ the involvement of developers that provide franchise opportunities to minority vendors.

Section 7 provides \$5 million from the General Revenue Fund to OTTED to fund the Revitalization of Urban Neighborhoods Grant Program.

Section 8 provides the bill takes effect upon becoming law.

IV. Constitutional Issues:

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. Other Constitutional Issues:

None

V. Economic Impact and Fiscal Note:

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

None.

C. Government Sector Impact:

The Governor's office will incur administrative costs in implementing the Revitalization of Urban Neighborhoods Grant Program.

VI. Technical Deficiencies:

None.

VII. Related Issues:

None.

VIII. Amendments:

None.