

Structuring Systems to Promote Equity

Charter Revision Commission
Urban Services District Subcommittee
November 15, 2019

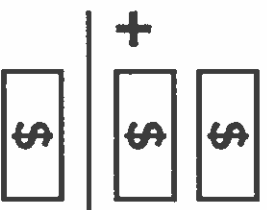
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LISC LOCAL INITIATIVES
SUPPORT CORPORATION

About LISC

Together with residents and partners, LISC forges resilient and inclusive communities of opportunity across America – great places to live, work, visit, do business and raise families.

LISC is an innovator, capacity-builder and convener with the ability to deploy capital for significant impact.



Pool public and private dollars

We raise funds from philanthropies, corporations and financial firms, federal, state and local governments and through the capital markets.

We also generate income from consulting, and lending services.



Work with local partners

Through a network of local offices and community-based partners across the country, we provide grants, loans, equity and technical assistance.

We also lead advocacy efforts on local, regional and national policy.



Support people and places

By investing in housing, businesses, jobs, schools, public spaces, safety, youth, health centers, grocery stores and more, we catalyze opportunities in communities nationwide.

Our Impact

\$20 billion invested



\$60 billion leveraged



S&P 'AA' Rating

- The only CDFI currently rated AA
- Was the first CDFI to tap the general obligation bond market, with a \$100 million issuance in 2017

\$800 million

Total Assets

- Net worth has increased 48% in the past 4 years
- Closed on more than \$1.6 billion of debt transactions with NO defaults
- Raised an average of \$123 million annually in grants over the past 3 years

63 million square feet

Square feet of commercial, retail and community space, including:

- Early childhood centers
- Schools
- Fields/recreational spaces
- Healthcare centers
- Grocery stores
- Financial Opportunity Centers

376,000 homes

Affordable homes built and/or preserved including:

- Multifamily rental
- Supportive housing for special populations such as chronically homeless, LGBTQ, seniors and veterans
- Affordable homeownership
- Emphasize sustainability through green, healthy housing and transit oriented development

Our Reach

Office Locations

- Atlanta, GA
- Boston, MA
- Buffalo, NY
- Charlotte, NC
- Chicago, IL (USC, NEF, NMSC)
- Cincinnati, OH
- Detroit, MI
- Duluth, MN
- Flint, MI
- Fowler, CO (Rural HQ)
- Hartford, CT
- Houston, TX
- Indianapolis, IN
- Jacksonville, FL
- Kalamazoo, MI
- Kansas City, MO
- Los Angeles, CA
- Milwaukee, WI
- Minneapolis/St. Paul, MN
- New York, NY
- Newark, NJ
- Peoria, IL
- Philadelphia, PA
- Phoenix, AZ
- Pittsburgh, PA
- Providence, RI
- Richmond, VA
- San Antonio, TX
- San Diego, CA
- San Francisco, CA
- Seattle, WA
- Toledo, OH
- Washington, DC



2,000 Partners

Our national network includes nonprofits, businesses and government agencies in both rural and metropolitan areas

Opportunities



Equity in Infrastructure Investment



Empowering Urban Service District Residents



Support Mixed-Income, Mixed-Use Urban Communities

Infrastructure Investment

How Did We Get Here?

In 1960, Jacksonville was already an urban environment with mixed density. Nearly 200,000 residents lived in Urban Services District One, the Urban Core, with a population density (over 6,000pp/sq mile) greater than Birmingham or Los Angeles and more in line with Indianapolis, Cincinnati, or St. Paul MN

Infrastructure Investment didn't follow equitably to population after consolidation:

- Road Management disproportionately directed to increasingly larger areas to create parity;
- Lighting and public safety improvements initially focused on suburban-areas;

These active decisions further incentivized decentralization and development on the boundaries, where the infrastructure was more expensive to maintain, creating a cycle.



How We Can Correct That Disparity

Set Structural Guidance on Investment

Develop an Infrastructure Set Aside in the Capital Improvement Budget for Urban Services District One equal to 44.1% of the previous year's CIP total.

Restrict the use of those dollars to:

- Projects within Urban Services District One and zoned for Low-, Medium-, or High-Density Residential or Community General Commercial
- Municipal Streets & Municipal Street Drainage Projects

This one change would have directed nearly \$60 million in investment back to the Urban Core neighborhoods in 2019.

Expand Tax Increment Financing Opportunities

Develop guidance on an Urban Services District fractional TIF that would allow some smaller fraction of the increase in property tax values from redevelopment to support future redevelopment.



Empowering Residents

* Community Benefits Agreements

What is a Community Benefits Agreement?

A Community Benefits Agreement (CBA) is a project-specific agreement between a developer and a broad community coalition that details the project's contributions to the community and ensures community support for the project.

What is a Community Benefits Policy?

A community benefits policy is any policy adopted by a local government that requires community benefits on projects undertaken by the government or by a private developer. Common examples include living wage, local hiring, and affordable housing requirements for subsidized development.

What is a Multi-Parcel Standard? Or a Community Benefits Standard?

Local governments can proactively guide future growth by applying community benefits principles to large parcels of land slated for development or that seek to change their use from what the city had previously determined. If the land is government-owned or developed under an agreement with the local government, officials can incorporate community benefits into requests for proposals.

CBAs have an over 20-year track record of aligning the interests of neighborhood residents, government, and for-profit developers to allow the market to be a strong comp



Community Benefit Agreements in Practice

\$275 Million Project on the Nashville Fairground Site and development of proximate parcels for supportive mixed-uses
– housing, retail, hotel, and entertainment.

CBA Completed in 2018 in parallel with the city rezoning the 10 acres of mixed-use development.

Major League Soccer Team met with Stand Up Nashville, a coalition of community groups, developed by the residents for the purpose of negotiating the CBA. Agents of both entities signed the contract and supported its



When Should We Mandate CBAs?

When Public Property is Being Developed.

Whether through transfer of public property by government or quasi-governmental entities, or land-leasing of parcels for development

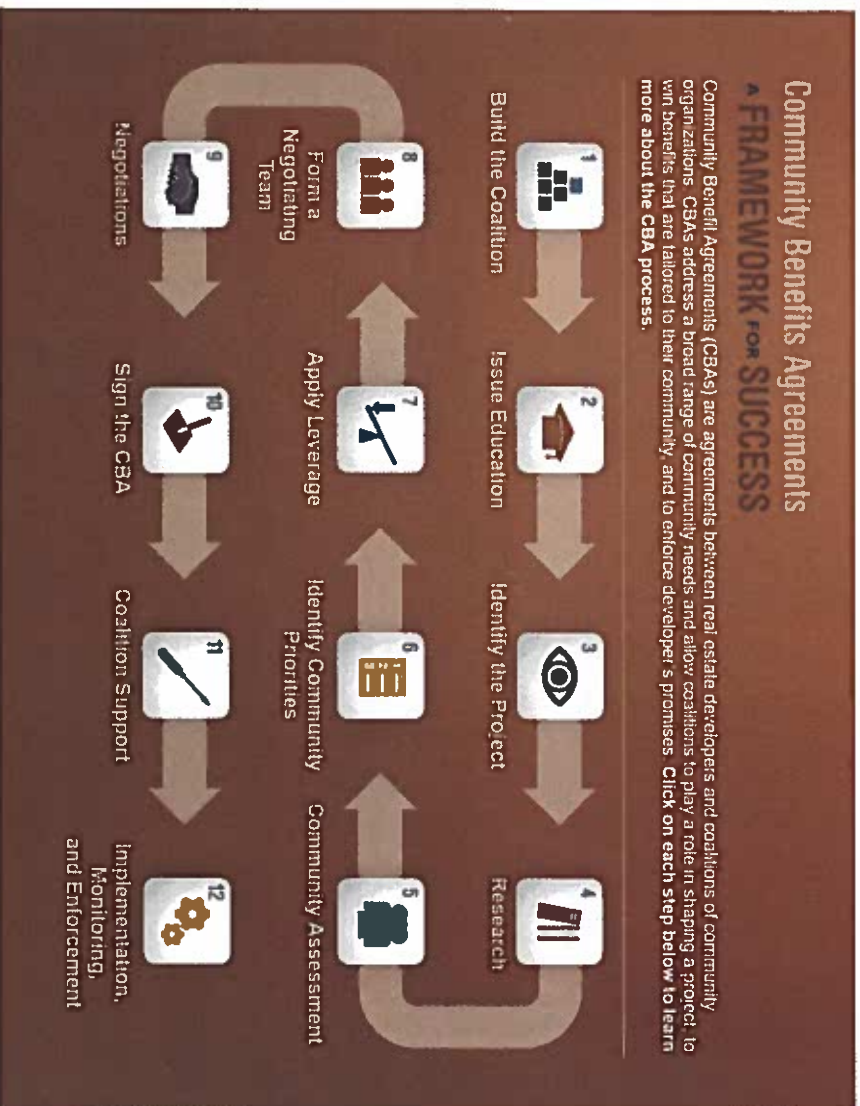
When Public Financing is Sought for Private Benefit

When Agreed-upon Zoning is Being Changed

Zoning sets the baseline for what a community agrees should exist in their neighborhood. Any change through a Planned Unit Development or similar variance impacts that balance.



Community Benefits Agreements Aren't Easy



What are the inputs needed for this strategy?

Community Organizing and Coalition Building

A Community Benefits Agreement (CBA) is a project-specific agreement between a developer and a broad community coalition that details the project's contributions to the community and ensures community support for the project.

How do we build these inputs?

A community benefits policy is any policy adopted by a local government that requires community benefits on projects undertaken by the government or by a private developer. Common examples include living wage, local hiring, and affordable housing requirements for subsidized development.

**Creating Diverse
and Vibrant
Neighborhoods**

Supporting Affordable & Workforce Housing

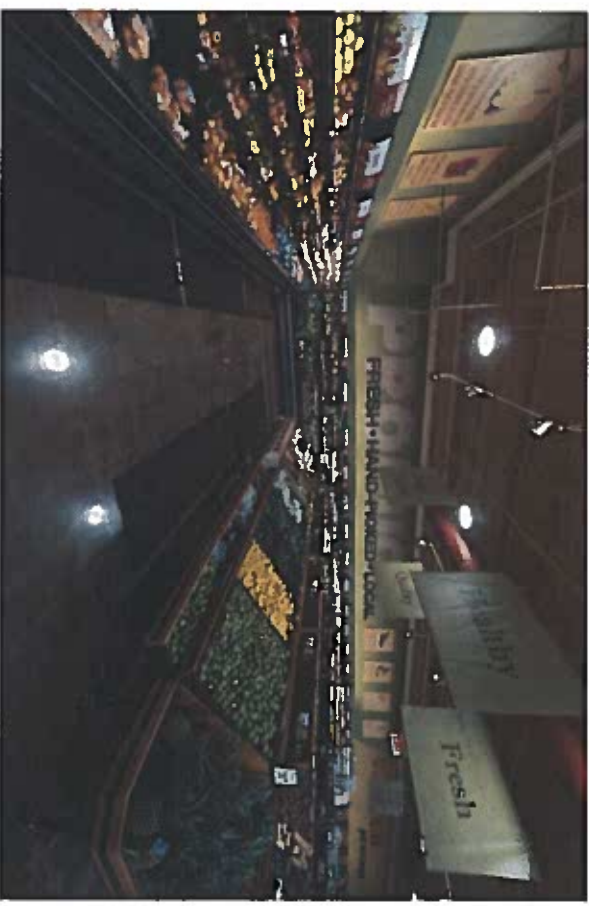
Local Rent Supplement Program

Creating a local complement to HUD Section 8, as has been done in other jurisdictions, Jacksonville will be able to produce diverse housing without relying on the limitations of the state's LIHTC process.

- Tenant-based Program to pair with Section 8 to increase housing access;
- Developer-based Program to create permanently affordable units;

Affordable Housing Trust Fund

Setting a fixed millage rate to support the ongoing replenishment of a Housing Trust Fund limited to funding CHDO's multi-family housing development gaps.





For further discussion, please contact:

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