

## Urban Core Development Authority

### **Charter Amendment:**

Amend the Charter to create an Urban Core Development Authority to plan and coordinate or implement public and private initiatives to address consolidation disparities and alleviate economic, community and social failure in the most distressed area of the city.

### **Background:**

The Charter Revision Commission Urban Services District Subcommittee found two compelling imperatives for creation of a new independent authority: (1) the pervasive, enduring poverty and disparities in education, health, income, economic opportunity and other environmental factors that plague the urban core when compared to all other areas of our community and (2) the longstanding and powerful belief in Jacksonville's black community that the promises of consolidation have not been realized. The two issues are deeply related, and effectively addressing the former will alleviate the latter.

As stated in the 2014 Blueprint for Improvement II: Task Force on Consolidated Government, "The promise of urban services and the assurance that no one would be taxed for services they did not receive was a major selling point of consolidation ... As the Task Force investigated the needs of neighborhoods, it became clear that in many older neighborhoods that were part of the former city, promises were made to gain the residents' support for the consolidation of county and city governments. Included in these promises were paved roads, streetlights, water and sewer lines, and flood prevention. Today there are miles of unpaved roads, hundreds if not thousands of homes and many businesses that do not have water lines available, and a similar number using septic tanks due to a lack of sewer service. Maintenance of infrastructure in older neighborhoods was also a concern. There are reports of sinking and deteriorating storm sewers and sanitary sewers in a number of urban areas. It is noteworthy that many of these neighborhoods have high minority populations and high rates of poverty. As we heard from representatives of JEA and the City, it was clear that neither took responsibility for fulfillment of these promises."

For the purposes of this recommendation, the Urban Core is defined essentially as Health Zone 1, Health zones are identified by the Florida Department of Health in Duval County. The Urban Core has deteriorated compared to the rest of the county across the spectrum of social, educational, community and economic dysfunction. According to the last census, the 10 most troubled, failing neighborhoods in Jacksonville are in the Urban Core.

*is shown on the attached map*

During consolidation, there was a general and five Urban Services Districts across the community. While each of these communities faces infrastructure challenges, the greatest disparity is found in the Urban Core. Once a thriving community, the northwest area of Duval County has the lowest education rates, employment rates and real estate values, the greatest health and infrastructure disparities and the highest crime compared to other areas of the county.

Data on the socioeconomic and health deficits in the Urban Core are voluminous and well known. Tables A-C provide a small sample of disparities and the magnitude of the problem in the Urban Core.

#### **INSERT TABLES A-C**

Jacksonville's excruciating crime problem is centered in Health Zone 1.

Even the weather is worse. A new national study found that neighborhoods redlined as undesirable generations ago are today measurably hotter in summer than historically more affluent neighborhoods. In Jacksonville, the study found that Northwest Jacksonville neighborhoods were 9.9 degrees hotter on a 100-degree day in July 2016 than Southside and Ortega neighborhoods. The study said the poorer neighborhoods had less tree cover and more impervious surfaces, roofs or pavement (Florida Times-Union, 2/17/2020).

Regardless of what and how quality of life indicators are examined, the findings consistently demonstrate that the substantial disparities in the Urban Core make it the most depressed area of our community. With the burden of all those social and economic failures, the Urban Core is unquestionably the city's biggest problem.

#### ***Findings:***

Because of such stark and disturbing data, the Urban Core is, or has been, the site for many city, state, federal, private and non-profit studies and initiatives. In addition to the work of numerous government agencies, a number of non-profits have led important initiatives aimed at the disparities in and around Health Zone 1: the New Town Success Zone, LISC, 1,000 in 1,000, United Way of Northeast Florida and others. While some have had success in varying ways and degrees, they have been limited in scope, scale, coordination and/or support.

Among the city agencies that have worked to serve the Urban Core are the Northwest Jacksonville Economic Development Fund (NWJEDF), the Urban Core CPAC and City of Jacksonville Public Works projects. The NWJEDF was created "in an effort to assist identifying proposed projects to encourage economic development" in the NW Jacksonville area, specifically "to assist new or existing businesses, create jobs and make private capital investments within the area." While there are four goals for the fund, they do not consider the physical environment, housing needs, education nor any factors related to wellness.

The voice of the community is heard through CPACs, which help to maintain lines of communication between the residents and businesses, neighborhoods, community organizations, educational institutions and government. However, the CPACs have neither funding nor authority to effect any change or develop/implement any programs that would positively impact their communities.

While the COJ annual operating budget is approximately \$1.2 billion, 55% of that budget is dedicated to the public safety agencies, which are vital services, but reactive rather than preventive measures to improve the community. The Public Works Department has established priorities to address septic tank

replacement and repair, but according to numerous speakers before the subcommittee, those efforts are sorely underfunded: More than \$1 billion is needed for this work. In addition to septic tanks, there are established standards on how roads are selected for repair but no process for sidewalk repairs. Sidewalks are "constructed/repared on somewhat of a first-come/first-served basis. Public Works will analyze requests for sidewalks (mostly citizen-driven) and determine if a sidewalk is needed/in need of repair." Creating an agency to consolidate this work is critical for basic elements identified by the Center for Disease Control as a "built environment," critical for public health. A built environment influences a person's level of physical activity and access.

While all of those public and private agencies are commended for their efforts, they lack adequate resources and coordination and illustrate significant gaps in focus. None of these agencies has the ability to prioritize and influence economic factors such as employment, education, health and/or housing, in a substantive manner to effect permanent change. A holistic approach to the community's wellness must include all of these factors and will not be successful without an overarching agency to drive strategic and unified results.

The 2014 Blueprint for Improvement II provided a solid recommendation of improvements which could have positively impacted the area formerly known as Urban Services District (USD) 1. However, very few of their recommendations were adopted. That report pointed out that the problem is that we have "a bureaucratic centralized city government that is unresponsive to the unique needs of the widely varied neighborhoods with distinct identities and issues that comprise this large geographic city, often implementing one-size-fits-all standards and programs." Further, there is "inadequate planning for present and future needs, and failure to implement adopted plans." Finally, "promises made, as a part of the consolidation campaign for infrastructure improvements in urban core neighborhoods have yet to be kept." It further explained that the city needs "a single unified mission for all aspect of local government ... a structure that is responsive to the unique needs of the diverse areas of the city and its citizens ... Adequate funding to maintain public safety, infrastructure, and quality of life and ensure economic viability." The task force's solution included requiring "a percentage of the annual Capital Improvement Program budget be set aside for infrastructure projects to remedy unfulfilled promises from consolidation."

Perhaps the most comprehensive study of the complex of issues in the Urban Core was the 2012 Jacksonville Integrated Planning Project (JIPP), initiated by the EPA Superfund Redevelopment Initiative and including approximately 50 federal, state and local government entities; non-profits; community organizations and both local universities. It concluded with these recommendations: strengthen the community coalition to drive revitalization, collaborate with the HUD/LISC-EPIC Communities project; "increase visibility and priority with the City of Jacksonville;" support grassroots voices; develop a community agenda for city, state and federal agencies that have resources and emphasize the value of coalition efforts to building the social and political capital needed to effect positive change.

JIPP was unique and important for two reasons: First, it understood that the pathologies of Health Zone 1 traverse socioeconomic, health, education, crime, environment, community and family issues – all of which interact among themselves in complex ways. Family failures, for example, can lead to school failures, which lead to unemployment, which leads to crime, which undermines community and metastasizes to the city as a whole. Second, true solutions must involve wholehearted commitment and

collaboration among city, state and federal agencies; non-profits; foundations; community groups and private enterprise. It must start with leadership and commitment by the City of Jacksonville.

JIPP noted that Health Zone 1 includes "natural, social and physical assets that can be leveraged to increase quality of life. These assets include: an abundance of community-based non-profits and social organizations, active and nationally recognized environmental justice advocates, strong base of industrial businesses, historic housing stock in neighborhoods adjacent to the downtown, streets like A. Philip Randolph Boulevard that have a high concentration of locally owned businesses and a network of natural features and open space areas that include the St. Johns River, the Trout River and numerous streams and parks."

**Conclusion:**

Based on those findings, the Commission concluded that City Council should create and empower an Urban Core Development Authority to create and implement a master plan and to coordinate public and private resources to attack the poverty and socioeconomic and other disparities in Health Zone 1.

The UCDA, with a broad-based board of directors, would have powers and duties that include the power to:

- Hire and compensate a chief executive officer.
- Negotiate and approve economic development agreements without further City Council approval provided they meet certain pre-approved standards and forms.
- Develop and interpret an Urban Core master plan and approve urban core development and redevelopment.
- Receive, dispose of and bond authorized revenues.
- Establish, operate, license and lease public facilities within the defined urban core.
- Acquire, manage, lease, operate and sell property.
- Prepare reports, plans, studies and proposals for urban core redevelopment, among other powers, subject to certain City Council approvals.
- Create an incentive-based approach for certification/approval of projects. If a developer/project moved forward without the support of UCDA, the Authority could express its concerns to the City Council as appropriate.

The UCDA would have a small staff of professionals who are or become deeply knowledgeable about the complex issues involved in poverty, structural racism, crime and social and economic failure and who can identify best-practice solutions that have been proven to succeed elsewhere.

Upon its creation, the UCDA would pull together all appropriate agencies and organizations to work together and gather data on the Urban Core's issues and assets. These agencies would include private and non-profit organizations as well as the Duval County Public Schools, Jacksonville Sheriff's Office, Kids Hope Alliance, the Housing & Finance Authority and the Health, Parks, Public Works, Neighborhoods and Economic Development departments. It also would include neighborhood assets like churches and civic and social organizations.

Together, they would develop a longitudinal master plan to strategically and collaboratively set priorities for the Urban Core's greatest needs, along with five-year action plans. The UCDA would seek the involvement of additional organizations and assets, as appropriate – for example, philanthropic and non-profit agencies working to address and eradicate generational poverty in Jacksonville.

The UCDA would be required to produce an annual report on progress toward specific goals in the master plan.

### **Funding:**

In FY20, the DIA is receiving revenue from two major sources: \$1.26 million appropriated from the General Fund and \$855,000 from the two downtown CRAs' tax increment revenues. Since the Urban Core is not now a CRA, its initial operating expenses would come from a general appropriation of less than \$1 million to fund a small start-up staff and support development of the initial master plan. Staff would include: chief executive officer and three FTEs as directed. The UCDA would be governed by a seven-member board of directors. Legislation also could establish a Redevelopment Trust Fund of the UCDA into which would be deposited all existing funds and accounts, encumbered and unencumbered, for the recommended or proposed funding source. The fund shall also collect all revenues from sale of designated City-owned properties located in the defined Urban Core area.

Recommended funding sources:

#### **Community Redevelopment Area (CRA)**

Monies used in financing CRA activities are locally generated. CRAs are not overseen by the state, but redevelopment plans must be consistent with local government comprehensive plans. Examples of conditions that can support the creation of a Community Redevelopment Area include, but are not limited to: the presence of substandard or inadequate structures, a shortage of affordable housing, inadequate infrastructure, insufficient roadways and inadequate parking. The goal of the CRA is to increase the city's tax base by creating employment opportunities and recruiting businesses that enhance the image of the area. More specifically, the JIA CRA is a mechanism to stimulate development and fund infrastructure improvements within that area.

#### **Millage Rate Adjustment**

The City Council could provide millage rate adjustment to specified areas of Duval County to account for disparate inconsistencies in Jacksonville's growth due to Consolidation. The proposed rate increase could be timed to sunset according to long-term progress based on current baseline equity indicators.

#### **Capital Improvement Program (CIP)**

Capital improvements are projects that cost more than \$100,000 and are intended to last at least 10 years. As part of the city budgeting process, this is scheduled out five years to meet infrastructure needs.

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In addition, the subcommittee heard from speakers who suggested other possible sources:

*Tax Increment Financing*

Multiple speakers before the subcommittee suggested creating a TIF district.

*Community Benefit Agreements (CBA)*

A CBA is a contract between a coalition of community groups and a developer in which the developer agrees to provide a slate of economic benefits in exchange for the coalition's promise not to oppose the development project. Community benefits set forth in a CBA can cover a range of issues prioritized by the community coalition, such as affordable housing, local and targeted hiring, living wage requirements, open space, and so forth.

*Franchise fee*

One speaker raised the possibility of using the franchise fee from an entity such as JEA to fund the UCDA.

*Set-Asides*

There could be a way to set aside CIP funds to ensure a certain portion would be invested in the Urban Core. The same could be done with the major authorities. Because the UCDA's role would be largely planning, communicating and coordinating, much of the Urban Core work would be within the budgets of other agencies and organizations -- for example, the budgets of the city Department of Public Works and the Duval County Health Department.

*Philanthropic engagement*

The non-profit initiatives have their own budgets, which would be enhanced by UCDA coordination with other agencies and assets. The UCDA also would seek to identify outside foundations and programs that could be drawn to invest in Jacksonville. The New Town Success Zone, modeled on the Harlem Children's Zone, is an example of philanthropic and non-profit agency collaboration which resulted in incremental success in the 32209 Zip code, specifically the community adjacent to Edward Waters College. Another example may be Lift Jax, a project now being planned that grew out of the Purpose Built Communities model that transformed a deteriorated community in Atlanta.

**Challenge:**

More than one speaker advised that this proposal could be questioned by other parts of the city, wondering why the city should invest such attention and resources in one health zone, while problems like septic tanks exist elsewhere. The background above supports the need for the UCDA specifically for <sup>as defined on the map</sup> (HZA) The goal of this recommendation is to offer an opportunity to "catch up" with other areas of the city. At such time that happens, the city then could rebalance its priorities across the entire city.

Still, consideration of this proposal by the City Council should include a comprehensive and intense effort to engage and inform public officials, private organizations, neighborhood groups and the general public about the importance of addressing Jacksonville's most important and dangerous issue. There

needs to be widespread understanding in the different communities that the UCDA is not only about addressing historic inequities but, even more important to many people, reducing the core's endemic and debilitating poverty and lowering crime rates across the city. The original Blueprint for Prosperity said that "(if) we are to prosper as an economic area, as a community of the future, as individuals in pursuit of our goals in life, we must insure that our core city is viable and able to speak to the world as a living testimony of our accomplishments. To settle for anything less will inevitably lead to a compounding of our community problems and the infliction of further personal hardships on our citizens as individuals." We agree and note that any city can only be as good as the sum of its parts. For Jacksonville, the glaring gaps are in our Urban Core.

**Recommendation:**

The Charter Revision Commission recommends creation and funding of an Urban Core Development Authority to master plan and coordinate a comprehensive attack on the disparities and urban pathologies of ~~Health Zone 1~~ <sup>Urban Core</sup> (minus the DIA defined downtown, as specified in the attached map). The UCDA may expand its northwest boundary to I-295. It will identify, muster, leverage and coordinate all available public, private and non-profit resources, while respecting their respective responsibilities.

Just as the city created the Downtown Investment Authority to concentrate holistically on the important heart of the city, the UCDA would be geographically concentrated on the critical cast-off Urban Core. No other sector of the city requires such focus.

Using the DIA as a model, the UCDA would be the city's designated agency to address directly and exclusively the social, economic and infrastructure issues in the area of the city that contains the debilitating conditions that lead to individual and community failures and crime. It may be seen as a reinvention, expansion and intensification of the Intensive Care Neighborhoods effort created in the Delaney administration but later abandoned, as it had little basis other than the mayor's executive order.

While one stated goal of the UCDA would be to live up to the pre-consolidation promises made to Jacksonville's black community, the ultimate goal would be to bring human, social and economic development to our most downtrodden sector.