

REVITALIZING FLORIDA'S COMMUNITIES

A Report from The Florida Council of 100

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About The Florida Council of 100

Formed in 1961 at the request of Governor Farris Bryant, The Florida Council of 100 exists to promote the economic growth of Florida and improve the economic well-being and quality of life of its citizenry. Members invited into the Council represent a cross-section of key business leaders in Florida. The Council was the first of its kind in the United States and works in close harmony with the Governor, the Chief Justice and the Legislature, as well as with private organizations to achieve its goals for all citizens of Florida.

Acknowledgements

The task force would like to acknowledge the work of a number of individuals involved in this effort. They are: Paul Brophy, a nationally recognized expert on community development; Charlie Ohlinger, executive director of the Council of 100; Patrick Hadley, Director of the Office of Urban Opportunity; Jack Barker and Janet Matricciani, McKinsey & Company; and Vickie Tassan, Jim Cassady, Lynn Reaser and George Owen, Bank of America.

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The Florida Council of 100 Task Force for Improving Business Opportunities and Capital Investment in the Urban Core

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Letter from the Chairman of The Florida Council of 100

Dear Floridians,

Since its inception in 1961, The Florida Council of 100 has worked with governors and legislatures to improve the quality of life and economic well-being of the citizens of Florida. Public policy changes have been made over the years, and the economy today is the best in history. Consequently, almost everyone agrees that most of Florida's people now enjoy a relatively good quality of life.

We also agree with Governor Jeb Bush, who expresses concern for those Floridians, who for whatever reason, are not enjoying the fruits of these good economic times. We believe that much work remains to be done to improve their quality of life.

Shortly after his election in November 1998, Governor Bush asked the Council of 100 for help in lifting the economic well-being of disadvantaged Floridians. We subsequently established the *Task Force for Improving Business Opportunities and Capital Investment in the Urban Core*. This task force, ably chaired by Alex Sink, President of Bank of America Florida, has worked with the Office of Urban Opportunity in the governor's office to support the establishment of "Front Porch Florida" communities by the governor.

The task force has also spent several months identifying programs across the country that may be applicable in Florida's disadvantaged communities. The result of that effort is this publication: *Revitalizing Florida's Communities*. I'd like to thank Alex Sink and her entire task force for their dedication in working on this issue, and for this publication, which should be of interest and assistance to everyone working to resolve this critical issue.

It will take all of us, working together, to lift up the quality of life and economic well-being of all Floridians. I invite you to join in this effort with our governor, the legislature, The Florida Council of 100, and all the concerned people of Florida.

Sincerely,



Charles E. Cobb, Jr.
Chairman, The Florida Council of 100

Letter from The Task Force Chairman

Dear Floridians,

This report – Revitalizing Florida’s Communities: A Report From The Florida Council of 100 – is the result of the work done by the Council’s Task Force to Create Business Opportunities and Capital Investment in the Urban Core.

Like most other states, Florida is faced with the challenge of finding creative ways to involve government, civic and community leadership, and business to stimulate reinvestment and rebuild distressed communities.

Governor Jeb Bush has taken a bold step by launching a major governmental initiative – his “Front Porch Florida” program – which will require participation from other key sectors in order to succeed. Business, community groups, civic organizations, local governments and the federal government all must contribute to this effort if his administration is to honor its commitment to community revitalization.

In early 1999, Governor Bush asked the Council of 100 to advance ideas on how these key sectors, in partnership with state government, can promote this important agenda in targeted areas of Florida, thus improving the economies of the inner city and benefiting its entrepreneurs and residents.

The task force was created by the Executive Committee of The Council of 100 in keeping with the long-standing tradition of working closely with the Governor and the Legislature to help promote the economic growth of Florida and improve the economic well-being and quality of life if its citizenry. Task force members have worked closely with the governor’s newly formed Office of Urban Economic Opportunity, under the direction of Patrick Hadley, to help develop a process for selection of the communities.

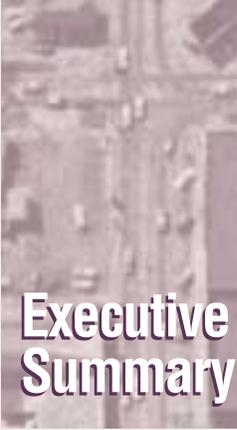
This report represents the task force’s work so far – a set of strategies, principles and recommendations that can help the business/community/government partnership work. This report covers the following key elements:

- An overview of the broad trends in community development in the U.S. – including a move nationally toward a form of “community capitalism” – and in Florida, where making an investment in the state’s central cities is becoming increasingly attractive;
- A set of fundamental principles employed by successful programs already under way in Florida and nationwide which teach us valuable lessons about community revitalization and will be helpful in shaping the new “Front Porch” initiative. Case histories are cited in depth in an appendix at the end of this report;
- Recommended actions to be taken by business, civic groups and government to further this agenda and increase the health of communities suffering from disinvestment;
- An outline of the commitment being made by The Council of 100 to the “Front Porch Florida” initiative.

Thank you for taking the time to read this report.

Sincerely,

Alex Sink
President, Bank of America Florida



**Executive
Summary**

Governor Bush's new initiative, the "Front Porch Florida" program, is designed to spark reinvestment in impoverished communities within Florida's inner cities. It will require participation from other key sectors – business, community groups, civic organizations, local governments and the federal government – in order to succeed.

- In November 1999, Governor Bush asked the Council of 100 to advance ideas on how these key sectors, in partnership with state government, can promote this important agenda in targeted areas of Florida. This report is the result.

- While the robust economy is helping boost the effort, deep problems persist at the economic bottom of our society and in disinvested communities. As an example:

- Income growth and distribution are very uneven;
- Poor people living in central cities are increasingly segregated into pockets of poverty, creating neighborhoods in which poverty is the predominant condition;
- The number of low-income people with what HUD calls "worst case housing needs" has grown to an all-time high.

The resolution of these deep problems of poverty, the concentration of poverty, and the effect these concentrations have on Florida's cities and communities will require the commitment and imagination of all segments of Florida's leadership. The Council believes that the time is right for action – and that action must be to *unleash the forces of capitalism* in these areas – creating opportunities for businesses and jobs for residents, thus improving the economies and social conditions within the community.

- A surprising convergence of economic and political forces is making investment in American cities increasingly attractive.

The economic forces include:

- Retailers have rediscovered opportunities in central cities, with significant

investments underway by supermarket, drug, and other retail chains in areas once considered unacceptable business locations;

- Other organizations and business/government coalitions are successfully encouraging private investment in America's lower-income neighborhoods, and documenting the hidden buying power within America's central cities, demonstrating that profits can be made there;

- Spurred by the Community Reinvestment Act*, banks are far more likely to lend now in areas where disinvestment has occurred than in the past, and some are now actively seeking business in these areas because they see profit in it;

- New loan funds, venture capital funds, and other specialized capital funds have made non-bank capital more available than it has been in the past;

- The national press is now reporting on the growing health of cities rather than on their continuing decline.

The political forces include:

- Public attention to the issue has helped advance the federal government's role as a partner in generating investment in blighted areas. This shift toward an emphasis on reinvestment is bipartisan;

- The budget for fiscal year 2000 submitted by the Clinton Administration to HUD lists "making our communities competitive again" as HUD's top priority;

- President Clinton's New Market Initiative, which has prompted approximately \$15 billion in new investment in urban and rural areas, is based on the premise that there are markets in central cities, older suburbs and rural areas, and that these places are not in need of continuing government handouts;

- The decision to end the welfare system and to put people to work has found remarkable success in most states due in large part to state government and private industry working together to find jobs for former welfare recipients;

- Governor Bush's "Front Porch Florida" initiative is a leading example of the shift by some state governments to play a more active role in community revitalization;

- In addition, the community development field has grown considerably over the past 20 years, increasing capacity and competence at the community level. These community development corporations (CDCs) have become the organizations through which positive change is implemented in these communities.

* The Community Reinvestment Act of 1977 is intended to encourage depository institutions to help meet the credit needs of the communities in which they operate, including low-and-moderate income neighborhoods.

Recommendations

■ “Front Porch Florida” is an important new state initiative and should be supported by the Florida Council of 100 and other potential partners. The Governor should make it a permanent element of Florida’s urban programs.

■ The Program should be clear about its goals and how it measures success.

■ “Front Porch Florida” needs to be a partnership of key players: community groups, civic organizations, business, local governments and the federal government.

■ The State should establish a program advisory committee consisting of representatives from the various sectors involved.

■ The State should host regular meetings among the cities involved in order to share experiences and findings.

■ The State should take an inventory of all existing resources that can be made available to the program, and should designate all “Front Porch Florida” sites as top priorities to receive discretionary state resources.

■ The State should take every action possible to make it easier for local governments to acquire land for business development purposes.

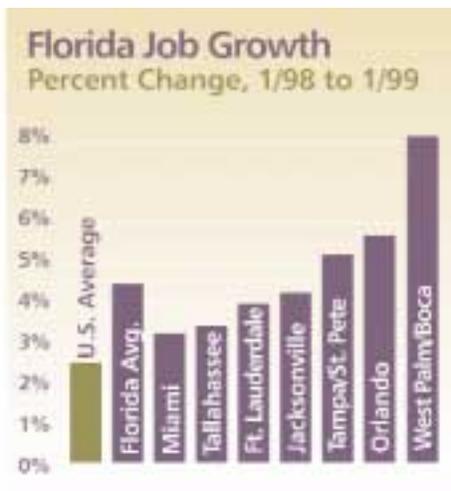
The Council's Commitment

Upon examination of this issue, The Council of 100 has concluded that for revitalization to be successful the business sector must do all it can to help foster growth in target communities. To that end, the Council has committed to taking the following steps:

- The Council will strongly urge its members which provide capital – banks, venture funds and mortgage companies – to consider investments in areas that have suffered from disinvestment.
- The Council will suggest to its members creative approaches to revitalization such as using suppliers from, or close to, “Front Porch” neighborhoods in an effort to increase employment possibilities in these areas.
- The Council will recruit members to convene or co-convene economic summits with business leaders in “Front Porch” cities to develop action plans and lend assistance on a local basis.
- The Council of 100 will provide a list of all employment placement and training programs to its members so that job opportunities can be created for workers who live in central cities and distressed areas.
- The Council of 100 will urge its members to provide much-needed management expertise to businesses in “Front Porch” communities and other depressed areas.
- The Council of 100 will continue to work with state government and other key partners to provide to its members examples of successful community revitalization efforts.
- The Council of 100 will urge all members contemplating new business locations or franchising opportunities to look to central cities whenever practical.

Chapter I *Community Revitalization:* The Broad Trends

The robust economy is helping Florida's central cities and those across the country, and in a broad sense, great progress is already being made in improving the quality of life and economic opportunity in these communities.



There's reason for optimism...

- Florida's economy is especially strong. The state as a whole, as well as all its major metropolitan areas, is outperforming the nation in job growth. Unemployment in October 1999 was at a low 3.9% in Florida, compared to 4.15% nationally. Job growth figures for Florida's metropolitan areas from 1998 (Figure 1) show annual growth rates ranging from just over 3% (Miami) to over 8% (West Palm Beach/Boca Raton).

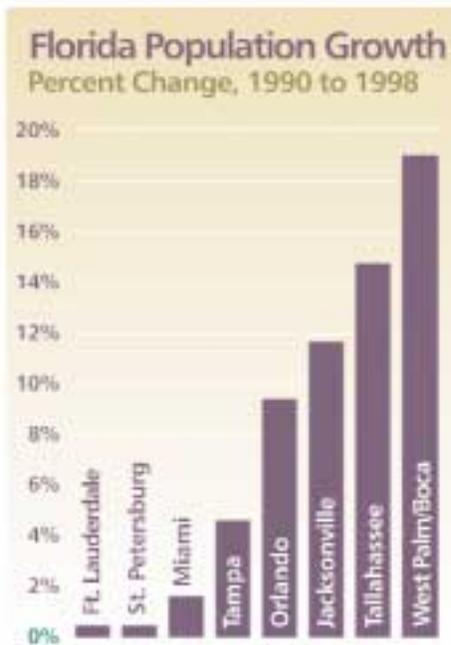
- All major cities in Florida are gaining population (Figure 2).

- Household incomes are on the rise for most income groups nationally and in Florida.

- The number of households in poverty has been declining across the country as a result of this vigorous economic growth.

- Home ownership, the so-called "American dream," is at an all-time high, with about two thirds of all American households now owning their home.

- Crime is down. In the nation's largest cities the crime rate dropped 27% from 1993-1997.



This is the good news, and it should be celebrated and recognized as an opportunity for further progress. A strong economic base exists from which to build more investment in areas suffering disinvestment.

...however, deep problems persist

Despite the positive trends, troubles remain at the economic bottom of our society and in impoverished communities. It is these problems that the “Front Porch Florida” initiative seeks to address.

- Income growth and distribution are very uneven. The wealthiest 2.7 million Americans are set to receive as much after-tax income this year as the 100 million Americans with the lowest incomes. The poorest 20% of American households will average \$8,800 in income this year, down from \$10,000 in 1977.

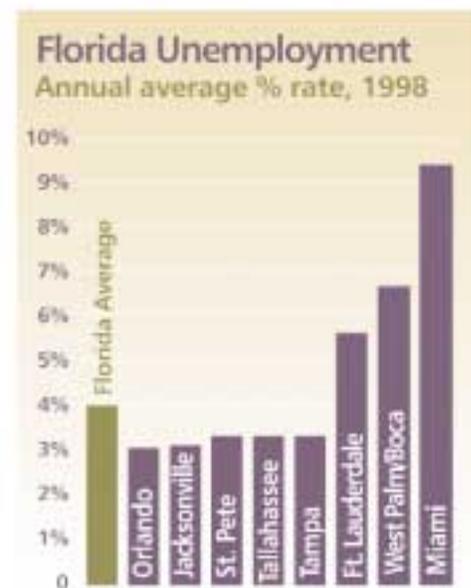
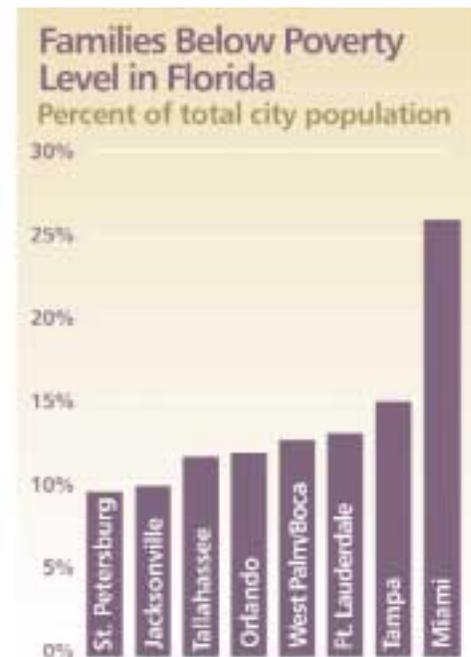
- In Florida’s cities, the percentage of residents living below the poverty line (Figure 3) ranged from 9% (in St. Petersburg) to 26% (Miami).

- Poor people living in central cities are increasingly segregated into pockets of poverty, creating communities in which poverty is the predominant condition. The number of people who live in areas of concentrated poverty – that is, areas that are mostly poor – has grown across the country from 4.1 million people in 1970 to 8 million in 1990. This “culture of poverty” has steadily increased in these locations.

- The number of low-income people in the U.S. with what HUD calls “worst case housing needs” – those paying more than half of their incomes in rent – has grown to 5.3 million people, an all-time high. This has resulted in a very long waiting list for HUD’s major rental subsidy, the Section 8 program. In Broward and Palm Beach counties the wait is two to three years; in Orange County and Bradenton, three to four years. This measure indicates a severe affordable housing shortage – a direct result of rising prices in the housing market.

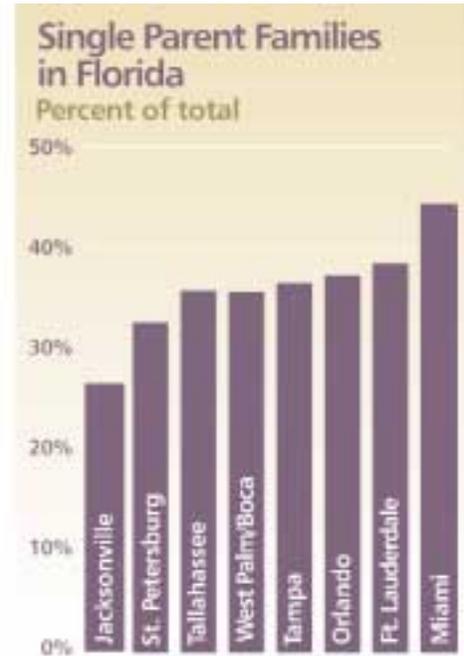
- Unemployment rates in some Florida cities (Figure 4) are far higher than the state average.

- Within Florida’s large cities, single-parent families account for anywhere from



27% to 44% of all households (Figure 5).

These conditions are symptomatic of deep economic and societal issues that cannot be remedied through a simple government program. The resolution of these deep problems of poverty, the concentration of poverty, and the effect these concentrations have on Florida's cities and communities requires the commitment and imagination of all segments of Florida's leadership. The Council believes that the time is right for action – and that action must be to *unleash the forces of capitalism* in these areas – creating opportunities for businesses and jobs for residents, thus improving the economies and social conditions within the community.



The Suburbanization of America

The challenge is a big one because broad demographic and economic trends continue to work against central cities and older suburbs. Perhaps the major force in cities across America is the continuing effect of decentralization where jobs and residents sprawl to the edges of our metropolitan areas.

- The majority of all Americans live in suburbs and suburbanization continues to be the major growth phenomenon in the nation. We continue to develop farmland and other undeveloped land, allowing economic growth to occur in outlying areas rather than in central cities and other already developed areas.
- There are now more jobs outside of central cities than within them. Two thirds of the office space in America are in “Edge Cities” – concentrations of retail and office space outside the core of the city.
- In most metropolitan areas – even ones experiencing high growth – the rate of growth is higher in the outer suburbs than in the central cities.
- Immigration is another major factor in creating radically changed communities and distributions of people throughout many regions. A number of Florida cities are experiencing a net gain in immigrants and a net loss in overall domestic population, changing the political and economic dynamics in these cities and many communities within them. Growth in non-white and Hispanic populations in central cities is the key exception to the growth patterns in suburban locations.

A Return to the Inner City

Despite these pressures – the persistent problems of poverty and the trends that seem to exacerbate the problem – there is a surprising convergence of economic and political forces that are making investment in American cities increasingly attractive.

The economic forces include:

- Retailers have rediscovered opportunities in central cities, with significant investments under way by supermarket, drug and other retail chains in areas which were considered unacceptable business locations a short time ago;
- Work under way by the Social Compact, a coalition of industry leaders who have joined forces to encourage successful private investment in America's lower-income neighborhoods, and the Shorebank Corporation is documenting the hidden buying power within America's central cities, making it clearer to business that profits can be made in the inner city;
- Spurred by the Community Reinvestment Act, banks are far more likely to lend now in areas where disinvestment has occurred than in the past. Some banks, like Bank of America, are actively seeking business in these areas because they see profit in it;
- New loan funds, venture capital funds, and other specialized capital funds have made non-bank capital more available than it has been in the past;
- The national press is now reporting on the growing health of cities rather than on their continuing decline. Especially noteworthy is *Inc.* Magazine's decision to publish an annual list of the Inner City 100, a group of successful businesses located in the inner city.

The political factors include:

- Work by Professor Michael Porter's Institute for a Competitive Inner City, the American Assembly's report *Community Capitalism*, and work by the Brookings Institute, have brought public attention to the issue and advanced the federal government's role as a partner in generating investment in blighted areas. This shift toward an emphasis on reinvestment is bipartisan.
- The budget for fiscal year 2000 submitted by the Clinton Administration to HUD lists "making our communities competitive again" as HUD's top priority.
- President Clinton's New Market Initiative is based on the premise that there are markets in central cities, older suburbs and rural areas, and that these places are not

in need of continuing government handouts. The New Markets Initiative has prompted approximately \$15 billion in new investment in urban and rural areas.

- The decision to end the welfare system as we knew it and to put people to work has found remarkable success in most states due in large part to state government and private industry working together to find jobs for former welfare recipients.

- Governor Bush’s “Front Porch Florida” initiative is a leading example of the shift by some state governments to play a more active role in community revitalization.

The activities called “community development” have become a permanent field of endeavor – with professionals learning from experience, and finding success.

The Growing Role of Community Development Organizations

In addition to these economic and political trends, the activities called “community development” have become a permanent field of endeavor, with professionals learning from experience and finding success. The result is that we have learned a great deal more about how to achieve positive results in communities needing improvement, and there are more community partners with whom to work to bring about needed changes.

- Groups like Greater Miami Neighborhoods and the Central Florida Community Reinvestment Corporation exemplify the growth in capacity and competence at the community level. These community devel-

opment corporations (CDCs) have become the organizations through which positive change is implemented in these communities. The National Congress for Community Economic Development, the trade association for such groups, now estimates that there are over 4,000 groups nationwide which have produced over 500,000 housing units and 71 million square feet of commercial and industrial space.

- National organizations such as the Enterprise Foundation, the Local Initiatives Support Corporation, Habitat for Humanity and the Neighborhood Reinvestment Corporation have matured and are now capable of helping a large number of smaller groups succeed. Combined, these four organizations have helped community-

based groups produce well over 200,000 housing units.

- National corporations have also made huge commitments to community development. FannieMae is well on its way to meeting a 10-year commitment to invest a trillion dollars in communities of need. Bank of America has also made a commitment to lend \$350 billion to low- and moderate-income communities over the next 10 years.

- The National Community Development Initiative (NCDI) is a large-scale multi-year commitment from philanthropic organizations to advance community development efforts. Begun in 1991, NCDI has made \$150 million available to programs in 23 cities, leveraging an additional \$1 billion.

- Some federal programs – such as the Empowerment Zone Program and the HOPE VI public housing program – have also grown in scale, allowing efforts to be undertaken which can actually result in improved neighborhoods.

In addition to the growing scale of community development, the activities under way are also expanding in scope. Although housing development continues to be the focus, community groups are now actively engaged in the following activities:

- Development of child care facilities
- Workforce development and placement
- Education, often in the form of operating charter schools
- Transportation, especially moving inner-city people to suburban jobs
- Personal wealth building through Individual Development Accounts (IDAs)
- Micro-enterprise development
- Commercial development
- Special-needs housing
- Community safety programs

Many of these programs find success through using volunteers. The array of programs suggests that revitalization efforts by government and business are more likely to succeed if partnered with local community groups. •

Chapter II *Community Revitalization:* **The Keys to Success**

Building from experience, the community development field has learned important lessons about what it takes to make community revitalization efforts successful. Keeping in mind all of the trends – both the pluses and minuses cited previously – community revitalization is best thought of in terms of market dynamics. Communities are in competition with each other. Areas that are perceived as the best – because they have a location, life style, or amenities that are highly desirable to a large number of people – do well in the competition. Those that are perceived as unattractive do poorly. In the worst of these cases, no one wants to live in the community, or start a business, or continue to invest in a home or business because the area is so undesirable.

Programs aimed at improving the quality and competitiveness of communities work best when they seek to build from existing assets within the community and overcome specific liabilities. Most importantly, they are the result of careful planning, and follow a set of well-established, fundamental principles. Each of the following principles are supported by case studies which appear in the Appendix:

- **Successful community revitalization programs are targeted geographically.**

Community improvement programs should be aimed at improving conditions within a well-defined area for the benefit of the people and business that reside there, as well as for prospective newcomers. The area targeted must be large enough to make a difference as it improves, and small enough so that investment in the area is not surrounded by blight. Additionally, arts and cultural resources are found in nearly every community. These can be taken advantage of to strengthen economic development and spruce up a tarnished image. (See Appendix case study #1: The Pittsburgh Cultural Trust).

- **Successful community revitalization programs have clear goals.**

The best community revitalization programs know what they are trying to accomplish. They have a vision for what the community will be like if it returns to health. Without this clarity, it is impossible to unleash the energy needed to bring

about recovery or to measure progress. (Case study #2: Charlton-Pollard Neighborhood Redevelopment, City of Beaumont, Texas).

- **Successful community revitalization programs are bottoms-up, are participatory, and involve all the key stakeholders.**

The goals must not only be clear, but they must be embraced by the key stakeholders in the neighborhood so that all key parties are working together toward a new future in the area. These include residents, businesses, churches, institutions and local government – or any party that has something at stake in improving the neighborhood. This means that coordination among groups and the orchestration of their efforts is fundamental to achieving results. (Case study #3: Public Service Electric and Gas Company, Newark, New Jersey).

Each community has its individual strengths, weaknesses, opportunities and challenges that must be considered while shaping the revitalization approach.

- **Successful community revitalization programs are strategic in that each program is custom fit to the particular community.**

The strategic thinking needed in community revitalization is quite similar to corporate strategic planning. Each community has its individual strengths, weaknesses, opportunities and challenges that must be considered while shaping the revitalization approach. Careful analysis of these factors is important in setting a course for recovery. (Case study #4: The Return of the Livable City, Indianapolis, Indiana).

- **Successful community revitalization programs are as holistic as possible.**

Strategies need to be as inclusive and imaginative in content as is possible: physical redevelopment, economic stimulation, community confidence building, crime reduction, youth development, educational improvement, and more, depending on the specific needs of the community and the resources it has available. Programs often fail to achieve desired results because they fail to address that community revitalization is about rebuilding the spirit of the community as well as its physical and economic conditions. (Case study #5: Project Doors Open, St. Louis, Missouri).

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- **Successful community revitalization programs create a renewed “positive investment psychology” in the targeted area.**

A critical part of improving an area is getting people in the area to perceive that it is getting better. That’s what makes them willing to invest in the area. Therefore, part of the strategy needs to include actions that will make progress apparent, thereby encouraging residents and businesses to reinvest in the community and attracting newcomers. (Case study #6: Johnson Development Corporation, Los Angeles, California).

- **Successful community revitalization programs leverage resources well.**

Community revitalization takes money, expertise and personnel. Good programs use resources on hand to leverage other resources. Multiple sources of funds and human capital are needed to make community revitalization a success. (Case Study #7: HUD Technology Centers)

- **Successful community revitalization programs are entrepreneurial and have committed leadership that drives the recovery with passion.**

Successful community revitalization programs are well led. A leader or leaders must drive the recovery, caring enough about the future of the area to commit time and resources to it. Without capable and passionate leadership, community revitalization is seldom successful. (Case study # 8: Cleveland Tomorrow, Cleveland, Ohio).

Following these principles puts a community revitalization program on the right path but it does not guarantee success. There are many factors at work, including the availability of public funds and the broader forces of competition among neighborhoods. And, neighborhood recovery is still more of an art than a science. •

Chapter III **Recommendations** *of the Florida Council of 100*

■ “Front Porch Florida” is an important new state initiative and should be supported by the Florida Council of 100 and other potential partners who will need to contribute if the program is to succeed. Assuming progress is shown in the early rounds, the Governor should make this initiative a permanent part of Florida’s urban programs, and its managers should take a comprehensive look at the legislation, appropriations and rule-making changes needed to establish it in a more permanent fashion.

■ The Program should be clear about its goals and how it measures success. The Council of 100 recommends that two factors should be measured: improvement to the places selected, and improvement of the lives of people who live there. The State should make available all relevant data to “Front Porch” communities so that progress can be carefully monitored. For instance, geographically-coded crime reports could be especially helpful to the program.

■ “Front Porch Florida” needs to be a partnership of key players: community groups, civic organizations, business, local governments and the federal government. The program’s managers should govern it inclusive of all these key players. Local government in particular should be invited as a major participant, working through its programs and line departments to improve the quality of life in selected communities.

■ The State should establish a program advisory committee consisting of representatives from the various sectors involved.

■ The State should host regular meetings among the cities involved in order to share experiences and findings.

■ The State should take an inventory of all existing resources that can be made available to the program, and should designate all “Front Porch” sites as top priorities to receive discretionary state resources, including low-income housing tax credits, revenue bond financing and tax incentives. In addition, the program should be orchestrated with other essential efforts such as housing code enforcement, and pursue innovative approaches to transportation and child care support programs.

■ The state should take all actions possible to make it easier for local governments to acquire land for business development purposes.

The Council's Commitment

Upon examination of this issue, The Council of 100 has concluded that for revitalization to be successful the business sector must do all it can to help foster growth in target communities. To that end, the Council has committed to taking the following steps:

- The Council will strongly urge its members which provide capital – banks, venture funds and mortgage companies – to consider investments in areas that have suffered from disinvestment. Lending and investing in minority businesses that are likely to employ residents of “Front Porch” communities should be pursued with vigor. The opportunities for investment appear to be growing, and this program should stimulate further opportunities.
- The Council will suggest to its members creative approaches to revitalization such as using suppliers from, or close to, “Front Porch” neighborhoods in an effort to increase employment possibilities in these areas.
- The Council will recruit members to convene or co-convene economic summits with business leaders in “Front Porch” cities to develop action plans and lend assistance on a local basis.
- The Council of 100 will provide a list of all employment placement and training programs to its members so that job opportunities can be created for needed workers who live in central cities and distressed areas.
- The Council of 100 will urge its members to provide much-needed management expertise to businesses in “Front Porch” communities and other depressed areas. The Council will form a “clearinghouse” to match member companies who have expressed a willingness to help with those companies in “Front Porch” communities who need it most.
- The Council of 100 will continue to work with state government and other key partners to provide to its members examples of successful community revitalization efforts.
- The Council of 100 will urge all members contemplating new business locations or franchising opportunities to look to central cities whenever practical.

Appendix

Case Studies *of Successful Community Revitalization Programs*

Case Study #1: The Pittsburgh Cultural Trust

BACKGROUND: In its first 10 years, the Pittsburgh Cultural Trust has helped bring a dynamic new level of energy and growth to downtown Pittsburgh, Pennsylvania. The program was conceived in 1984 by a local businessman, Jack Heinz, who believed that a partnership between arts and business entities could revitalize the downtown area economically, while at the same time enhancing Pittsburgh's cultural amenities. Thus the Trust was formed through a partnership of the City of Pittsburgh, Allegheny County, The Allegheny Conference on Community Development and the Howard Heinz Endowment.

PROGRAM GOALS: The Trust focuses its efforts on a 14-block area that makes up Pittsburgh's Cultural District with two interdependent goals: to enhance the city's quality of life through increased cultural activity, and to foster economic development and increased employment by retaining existing businesses and attracting new ones. The creators wanted to establish first class performance facilities, which would bring in new patrons and businesses downtown, sparking economic activity and expanding the tax base.

RESULTS: The Trust envisions its role in the cultural district as a real estate developer, presenter, facilities manager and arts service organization. As such, the Trust has developed, owns and oversees the management of a performing arts center and several theaters as well as adjacent multi-use, retail/entertainment and parking facilities.

In addition, the Trust and the city worked together to create a special image for the district with brick sidewalks, ornamental landscaping and special street furniture. To date, \$50 million in public funding has leveraged \$130 million in private donations and \$210 million in private investment. In addition, the district generates over \$24 million in taxes – a 300% increase over 10 years.

The Pittsburgh Cultural Trust is a “neutral” entity where the public and private sectors meet on non-competing terms.

Not only was a declining area brought back to life, with 49 new homeowners and an additional 100 homes planned, the process has unified the community as a whole.

Case Study #2: Charlton-Pollard Neighborhood Redevelopment

BACKGROUND: In Beaumont, Texas, the Charlton-Pollard neighborhood had experienced a 65 % decline in population since 1960. The neighborhood’s demise seemed imminent in 1994 when a local public housing complex was to be closed, displacing its 150 tenant families. A long-standing desegregation order prevented the rebuilding of these units and with little other available housing in the area, tenants would have been forced to move out of the neighborhood. The departure of these families would have had a direct effect on the only school remaining in the area, Dunbar Elementary, which the school district was threatening to close.

PROGRAM GOALS: The Charlton-Pollard Neighborhood Revitalization Plan was desperately

needed in the neighborhood to reverse the economic downside it was experiencing. A revitalization plan was formulated wherein city government would acquire neighborhood lots and area banks would provide low-income loans.

RESULTS: The City of Beaumont, through various nonprofits, has provided the down payment, closing cost assistance, and principal buy downs for 49 families. The first 12 homes sold were to very low-income families. The area banks are providing private loans. Private capital, in the form of permanent mortgage financing of over \$2,600,000, is expected to be amassed to leverage the city’s public investment.

Not only was a declining area brought back to life, with 49 new homeowners and an additional 100 homes planned, the process has unified the community as a whole. The dramatic results achieved by the investments made by the city, area banks, and families in the Charlton-Pollard area has sparked the interest of additional resources. The Mobil Oil Company, a neighbor to this area, is talking to the Neighborhood Association about ways Mobil’s resources could help support the redevelopment with parks, recreation facilities and a retail service establishment. Mobil Oil Company is also considering providing university scholarships for neighborhood high school graduates with the goal of future employment with the company.

Case Study #3: Public Service Electric and Gas Company

BACKGROUND: Newark, New Jersey was once a thriving industrial and commercial city – the center of the brick industry – until riots in 1967 triggered the city’s economic decline. White residents and businesses fled. The South Ward neighborhood was especially plagued by abandonment and blight. Today, a poor public school system, low owner-occupied housing levels, high poverty and unemployment rates, proliferating drug use and crime make revitalization a continuing challenge for the Public Service Electric and Gas Company.

PROGRAM GOALS: In 1996, PSE&G took a comprehensive approach, concentrating on specific neighborhoods and addressing specific problems. The venture was called the Urban Initiative. PSE&G’s role in the Urban Initiative was to act as a catalyst and broker in bringing a vast network of complementary resources together. The company also contributed skills, intellectual capital and money to the network.

The program was based on the simple premise that enduring change must come from the people who live within a community and understand its needs best. Ask them, listen to them, challenge them and ultimately you can hear the rhythms they hear, and know their fears, needs and hopes.

PSE&G formed the South Ward Neighborhood Partnership, a public/private group of 300 partners representing AT&T, Rutgers University, the State of New Jersey, Essex County, the City of Newark’s Economic Development Corporation, churches and other community-based organizations all working together to address problems in the South Ward neighborhood.

RESULTS: In 1997, a \$6.8 million, 100,000-square-foot light industrial complex was begun to draw labor intensive businesses to the area and create more than 300 jobs. PSE&G marketed the park and created a package of utility incentives to attract businesses to the complex. The housing authority built housing near to the South Ward Industrial Park to complement the project, transforming the area into an attractive residential and commercial neighborhood offering such amenities as day care, job training and

The program was based on the simple premise that enduring change must come from the people who live within a community and understand its needs best.

recreational outlets.

Urban Initiative is now expanding to include six additional New Jersey cities: Paterson, Trenton, Elizabeth, New Brunswick, Camden and Jersey City. PSE&G's efforts were recognized when the company was awarded the Ron Brown Award for corporate leadership.

Case Study #4: The Return of the Livable City: Indianapolis

BACKGROUND: In the late 1960s, Indianapolis, Indiana, had a declining economic base and a deteriorating central business district. Civic pride and commitment were in short supply. Historically, its economy had relied in part on auto-related manufacturing, but in the 1970s, the auto industry took its sharpest drop ever. That decline was accompanied by the continuing shift of other businesses to the outer suburbs and to the Sun Belt. Improved rural schools, completed interstates and the suburban housing boom drew urban residents and businesses from Indianapolis, leaving the city with a deteriorating economic base and dwindling tax revenues. In 1973 the state rolled back property taxes 20% and froze them, thus exacerbating the city's situation.

Indianapolis' economic and fiscal problems were accompanied by a perplexing image problem – the city didn't have a negative image per se, just no image at all.

In 1978 the city's Department of Economic Development performed a study to identify the city's weaknesses and assets and to establish priorities for action.

PROGRAM GOALS: The mayor and his staff then proposed a strategy calculated to minimize the city's weaknesses and build on its strengths. The result was a three-pronged strategy to stimulate economic development by focusing on three key assets:

- Indianapolis' central location, transportation links and agricultural industry make it attractive to the warehousing and distribution industries;
- The home-grown Lilly Pharmaceutical empire and the large Indiana Medical Center and research facility could be used to attract other sophisticated medical services and high-tech industries;
- Promoting the growing convention and business exposition industry based on the city's central location, facilities and moderate cost of accommodations.

The city's plan was based on the conviction that the livability of the city would be as strong an influence on business investment decisions as would packages of tax breaks and other incentives offered by a community. Acting on this premise, Indianapolis began a drive to revitalize its downtown, creating new open spaces, restoring and rehabilitating historic buildings and homes, and encouraging new cul-

tural activities.

Developing a new and appealing city image has been an important element of the mix. The drive was to make Indianapolis a destination city, one that would attract and hold residents, tourists and new businesses. In turn, the city government has undertaken a variety of amenity strategies with the strong support of local business and philanthropy.

RESULTS: Confronted with the lack of a clearly defined city image, Indianapolis' civic and business leaders decided to select, and then invest in, a new city identity. Focusing on an amateur sports theme, these leaders organized themselves into the Indiana Sports Corporation (ISC) and devised a \$180 million sports development project. After hosting the 1982 National Sports Festival, the city had the momentum it needed to draw local citizen involvement and to start building on this identity. Today, more than \$180 million has been invested in sports facilities.

Demonstrating not only a vision, but also the commitment to make it a reality, the ISC successfully transformed Indianapolis' local and national reputation. The resulting economic revitalization continues as athletic and sports medicine organizations locate in Indianapolis and hotel and convention business rises.

Local commercial developers have played a major role in downtown development. One local firm, Melvin Simon and Associates, not only developed a retail mall downtown but recently purchased the Indiana Pacers, Indianapolis' professional basketball team. Perhaps the firm's most important contribution was putting up private funds that the city was able to leverage through an Urban Development Action Grant and to use them to finance four additional major downtown projects.

A final component of Indianapolis' economics strategy has been an aggressive city marketing campaign. The city has fostered a deep sense of civic pride in its residents. City leaders have also recognized the need to ensure that non-residents know that Indianapolis is a great place to visit and to live. To do this the city has developed an aggressive \$4 million, three-year public relations campaign.

Demonstrating not only a vision, but also the commitment to make it a reality, the Indianapolis Sports Corporation successfully transformed the city's local and national reputation.

Case Study #5: Project Open Doors

BACKGROUND: In November 1997, Mercantile Bank's mortgage lending division initiated Project Open Doors, a program designed to finance low- and moderate-income home purchases in the St. Louis metropolitan area. Community organizations were asked to provide information on the housing needs of its residents and help identify possible borrowers. Mercantile pledged \$1 billion in loans to this project, renewing its historical commitment to the St. Louis community.

PROGRAM GOALS: Mercantile's Community Development Department (MCDD) was formed to carry out this project and has successfully grown from three to 10 people. Some of MCDD's lenders work in low- and moderate-income neighborhoods as a community outreach strategy, helping borrowers qualify under the program.

Community Organizations work in conjunction with Mercantile, providing borrowers training on loan applications and purchasing, inspections and repairs, credit counseling, home maintenance and financial education.

Considerations for loans are less restrictive than traditional bank loans, and are targeted to specific groups. Mercantile offers 100% loan to value mortgages to individuals who earn less than 80% of the median income of the St. Louis metropolitan area. These loans are also available for people in higher income brackets who want to purchase a home in a low- to moderate-income neighborhood.

The program allows people to put down as little as \$250 for their home, and depending on the loan amount, pay a mortgage fee comparable to a month's rent. A safety net of a \$1,000 interest-bearing account is required. The \$1,000 is funded by a buyer and/or seller concession and put into a savings account before closing for all new buyers. All buyers are then required to deposit a minimum of \$25 a month into this account, which can only be withdrawn for home repairs, or in case of unemployment, to pay for the monthly mortgage payment.

RESULTS: Mercantile has helped 650 people in the last year buy homes. At this success rate, Project Open Doors will continue for another nine years, providing many more families with the means to own a home.

The loans have encouraged people to move into low- and moderate-income neighborhoods, repopulating areas that have experienced population declines and disinvestment. The more people buy homes in these areas, the higher chance these neighborhoods have of being revitalized, because homeowners participate more in their neighborhood organizations.

Case Study #6: Johnson Development Corporation (JDC)

BACKGROUND: Before Magic Johnson Theaters, first-run cinemas in minority communities were an unfilled niche. Several challenges to establishing first-run theatres in the past have been development redlining, real estate issues, security issues and lack of box-office success for ethnic films.

PROGRAM GOALS: Johnson Development Corporation was formed in 1994 by Earvin “Magic” Johnson, former NBA basketball star. JDC was founded to serve as a business stimulus, foster local economic growth and create financial empowerment in under-served, inner-city minority neighborhoods. JDC develops entertainment complexes, restaurants and retail centers, provides jobs and employs local minority contractors within these communities.

In 1995, JDC and Sony Pictures Entertainment’s theatrical group, Sony Theatres, formed a partnership to develop, build and operate large multiplex movie theaters specifically targeted for under-served minority neighborhoods. Under the name “Magic Johnson Theaters,” the first theater was opened in June 1995 in Baldwin Hills Crenshaw Plaza Mall, in the heart of a minority community in Los Angeles. It has since become one of the top-grossing theater complexes in the county.

RESULTS: By 1998, three more theaters had opened in Atlanta, Houston and Detroit. Six more theaters in under-served communities are planned to open this year. Magic Johnson Theaters (MJT) estimate the total investment in the new theaters is \$30 million.

Each theater lifts community morale and creates more than 100 permanent jobs. The theaters have created the base for other corporate ventures involving Starbucks Coffee and TGI Friday’s.

It has been credited with being the main driver for reversing the economic decline of the neighborhood in Los Angeles, and attracting new businesses to the mall, including a new Macy’s department store.

Case Study #7: HUD Technology Program

BACKGROUND: A new initiative is sweeping the country. HUD-insured and other HUD-assisted developments are connecting residents to computers and the Internet via community technology hubs called Neighborhood Network Centers. Across the nation, Neighborhood Network Centers have helped residents and landlords of HUD-assisted properties get jobs and needed services, and find a renewed sense of respect.

PROGRAM GOALS: HUD's original goal was to create 500 Neighborhood Network Centers by the year 2000.

RESULTS: Since HUD first began the initiative in 1995, more than 480 centers have opened their doors and 620 additional housing developments plan to add centers. Neighborhood Network Centers are in 278 cities and in 47 states plus the District of Columbia and Puerto Rico. With start-up costs of approximately \$100,000 per center, this initiative has successfully leveraged a total of \$50 million in private investments to date.

Many residents use the technology in each center as the first step to obtaining the education and services they need to become self-sufficient. Young people who use the centers often have a renewed interest in school. The enhanced access to information provides all residents with the tools needed for job training, quality health care and other services.

Committed, inclusive partnerships are the secret to the program's phenomenal success. Landlords, businesses, schools, universities, government agencies and community groups collaborate to develop a business plan for the center.

Committed, inclusive partnerships are the secret to this phenomenal success. Landlords, businesses, schools, universities, government agencies and community groups collaborate to develop a business plan for the center and then equip it with computers.

Residents are not the only people who benefit from the centers. Owners and landlords of developments with a Neighborhood Network Center have witnessed strong increases in property values and decreases in vandalism. For HUD, an increase in property value enhances the risk-position for the FHA-insurance fund. Direct benefits to the community partners include access to a new workforce and an increase in customers and clients.

HUD actively encourages the development of these centers at all of its assisted properties. Although it initially funds the center, it finds that many centers can become sustainable through a partnership that includes the private sector.

Case Study #8: Cleveland Tomorrow

BACKGROUND: The City of Cleveland, Ohio, hit rock bottom on December 15, 1978. After decades of economic decline and budgetary mismanagement, its financial situation had become perilous. A major bank decided to teach Dennis Kucinich, the young populist mayor, a lesson about who ran Cleveland. The bankers told the mayor they would call in \$14 million in short-term notes if Kucinich did not sell the city's municipal utility to a private company. He didn't and they did, making Cleveland the first city in the nation since the Depression to default on its debts.

How could a region with such strengths fare so badly? How could a region with such a reputation for civic reform and entrepreneurship get itself in such a mess?

Business executive William R. Seelback, the first president of Cleveland Tomorrow, explained. "Recognition and perception lag behind reality. Cleveland had been so strong. People got lazy. They took things for granted. Slowly, things broke down."

Corporate leader George Dively, in a 1980 speech to The City Club, argued that Cleveland needed a plan.

PROGRAM GOALS: With six other top Cleveland leaders and funding from The George Gund Foundation, Dively hired McKinsey & Company to examine the problem. McKinsey concluded that the business community was fragmented, had no common vision, and needed to pursue a specific action agenda. The McKinsey team looked to Pittsburgh's Allegheny Conference as their model. Cleveland Tomorrow was launched in 1982 and Steelbach was hired to implement the McKinsey recommendations, bringing together CEOs from Cleveland's major corporations and rallying them around a focused agenda.

RESULTS: The Cleveland turnaround has been heralded across the country and around the world. Two decades after the default and the resulting national ridicule – "The Mistake by the Lake" – Cleveland has become, well, almost hip. More than \$3 billion have been invested in changing the public face of the city by rebuilding much of its downtown. Office towers have been renovated and new ones constructed. The theater district has been restored. On the lakefront sits a brand new Science Center and the Rock & Roll Hall of Fame. The huge, stodgy Municipal Stadium came down and in 1997, the NBA and Major League Baseball were played in sleek new facilities right in Cleveland's downtown.

Community Revitalization Success Stories in Florida:

JACKSONVILLE: Mayor's Intensive Care Neighborhood Program

This past April, hundreds of residents joined Mayor John Delaney in celebrating the third anniversary of the Intensive Care Neighborhoods Program – a six-point plan designed to improve the quality of life and the quality of schools in five Jacksonville neighborhoods.

For the past three years, the City of Jacksonville, its residents, corporations, non-profit organizations and churches have been working together to upgrade the communities' infrastructures, enhance housing conditions, step up social services, increase community involvement, improve public safety and raise the level of education in Intensive Care Schools.

In his remarks, Mayor Delaney listed some of the wonderful accomplishments the Intensive Care Neighborhoods Program has made possible in the past three years, including:

- A total of 27,753 volunteer hours have been donated by people working in schools as mentors and tutors;
- 5,833 children have participated in after-school programs such as Club Rec, the Boys and Girls Club and The Bridge. These programs keep kids off the street and help them find structured, safe, educational ways to spend their time after school.
- Housing conditions have dramatically improved. The Drug Abatement Response Team, known as DART, has shut down 74 crack houses. The City's Property Safety Division has demolished 701 condemned buildings. In many cases, after structures are demolished, the lots are turned over to Habijax for new home construction. Since the program began, Habijax has built 182 new homes. Homes in the five communities have also become safer, thanks to the Jacksonville Fire and Rescue Department, which has installed 381 new smoke detectors.

All sectors of the Jacksonville Community – public, private and philanthropic – contribute to the success of the Intensive Care Neighborhoods Program. Bank of America has committed to building 50 new affordable homes in the Springfield area over the next seven years.

In Durkeeville, a \$21.5 million federal grant boosted the \$52 million renovation of a once drug-infested, dilapidated public housing complex into The Oaks at Durkeeville, an inviting, livable community.

Over the past four years, some 150 community projects have benefited from a matching grants program. Grants and matches have funded \$1.2 million in neighborhood projects to date.

Under the Mayor’s program, grants of up to \$5,000 were awarded for such projects as providing after-school tutoring, neighborhood landscaping, installing and updating playgrounds, repairing fences and creating youth programs in low-income neighborhoods.

The City’s Public Works Department has completed \$4 million worth of improvements in the five target communities, repaving streets, installing new streetlights, cleaning ditches, repairing potholes, replacing traffic signals and street signs, and constructing sidewalks. The Jacksonville Economic Development Commission has assisted 24 businesses in the vicinity of the five Intensive Care Neighborhoods, resulting in the creation of 4,190 new jobs.

During the celebration, Mayor Delaney praised the citizens of Hyde Park/Sweetwater for moving into the second phase of the Intensive Care Neighborhoods program. Residents there have decided to declare themselves self-sufficient so that more attention can be given to the other neighborhoods in need.

CLEARWATER: The Brownfields Program

The City of Clearwater was designated a Federal Brownfields pilot project in 1996 and received the first State Brownfields area designation in 1997. The goal of the program is to transform environmentally-impaired properties into places where viable economic and community development can flourish. In Clearwater, the program has provided assistance to more than 15 redevelopment projects located throughout the North and South Greenwood communities and the downtown Community Redevelopment area.

One project resulted in the development of a computer software company, IMR Global, on a former contamination site. Over the next five years, the IMR project will construct more than 300,000 square feet of space in five new buildings and hire 1,000 new employees. Capital investment in the project will exceed \$50 million and is redefining downtown Clearwater.

Mayor Delaney praised the citizens of Hyde Park/Sweetwater for moving into the second phase of the Intensive Care Neighborhoods program. Residents there have decided to declare themselves self-sufficient so that more attention can be given to the other neighborhoods in need.

The Clearwater initiative has facilitated a Hazardous Materials Technician job-training program funded by the Environmental Protection Agency. As a result, Clearwater residents completing the training have been able to qualify for environmental jobs relating to Brownfields redevelopment.

Currently, three sites are being earmarked for community development. The Greenwood Health Resource Center will move into a new home, the Foundation Village Community Center/Police Sub-Station is planned, as well as single family housing to be developed by Clearwater Neighborhood Housing Services.

On May 4, 1999, regarding the program's success, Vice President Al Gore said, "The City of Clearwater has clearly integrated the needs of the community, the environment and economic development into one comprehensive Brownfields program. By bringing together so many different partners in this effort, the city will help foster stronger and more vital neighborhoods in the future."

ST. PETERSBURG: Challenge 2001

In St. Petersburg's Barlett Park, designated a Mayor's Challenge 2001 area, 18 new affordable housing units are chasing away ghosts of the 1996 disturbances and two additional projects are planned nearby. A Bartlett Park lot has been vacant since the old Flowers Bakery was demolished because of damage sustained in 1996. Now rising on that lot is the first major apartment complex constructed in the area in more than 20 years.

Challenge 2001 is a community-wide initiative that was introduced by St. Petersburg's mayor in 1997. It targets the inner city of St. Petersburg for overall improvement and is designed to improve education, provide jobs, decrease poverty and raise property values while reducing crime. The vision is to create an environment where residents can enjoy a quality of life that allows them to live in safe, clean neighborhoods with opportunities for personal and economic advancement and success.

The targeted area is a 5.4-square-mile, predominantly residential portion of the city that consists of some 26,000 residents – 89% of whom are African-Americans – in 10,000 households. In the target area, unemployment and poverty has traditionally been two to three times higher than the rest of the city.

Because the initiative is community-wide, its goals are under the jurisdiction of a broad-based group of concerned citizens called the Challenge 2001 Coordinating Committee. The committee consists of administrators, business leaders, grass-roots activists, leaders of nonprofit organizations, church leaders and local and state agencies.

The city of St. Petersburg introduced the Challenge 2001 initiative following a

series of community and neighborhood meetings designed to solicit feedback from people living in the affected areas. Each of the initiative's four programs – economic equity, community renewal, education and public safety – has a city administrator who oversees that component.

Results are promising:

- A Business Development Center, opened in March 1999, has reported 1,170 business contacts.
- 22 new or expanding businesses are operating in the Challenge area. Seven new businesses are in the 16th Street South Business District.
- More than 1,400 Challenge area residents have been hired by companies both inside and outside the target area. Over the last three years, the city spent \$750,000 on the Summer Youth Employment Program, which resulted in jobs for 470 young people.
- The WIN Program, which provides affordable housing rehabilitation loans or other assistance through Operation Paint Brush or Paint St. Pete Proud, provided loans to 161 homeowners residing in the Challenge area. The public/private investment in this effort totals \$897,000.
- A partnership between Bank of America, Neighborhood Housing Services and the City of St. Petersburg was formed to build 50 new houses in the Bartlett Park Neighborhood. Two of the houses are complete. This project will have an estimated \$4 million impact in the Challenge area.
- A New Wildwood Recreation Center, the Enoch Davis Center Expansion Project and the Johnson Branch Library are all planned.
- 308 inner-city youth are connected with tutors and/or mentors through the mentoring Program.
- Computers for the Community program has distributed 110 computers in the Challenge area community.
- The violent crime rate is down 18% and property crime declined 6.6% compared to 1996.

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TAMPA: Weed and Seed Program

Operation Weed and Seed, which began with three sites in 1991, has more than 200 communities participating today. The program involves a multi-agency strategy, including partners from law enforcement, health, education and social services, designed to “weed out” violent crime, gang activity, drug use and drug trafficking in

An evaluation of the program by the Justice Department released in July 1999 concluded Weed and Seed is successful, noting it has been a strong stimulant to community coalition building.

targeted neighborhoods, and then “seed” the revitalization of these neighborhoods through social and economic development.

The Weed and Seed strategy recognizes the importance of linking and integrating federal, state and local law enforcement and criminal justice efforts, private sector and community efforts and all three levels of government. It also assumes that community involvement is essential and residents must be empowered to assist in solving problems in their neighborhoods.

In the University/New Tampa Area of Tampa, the crime rate has plummeted in the five years of Weed and Seed. Although the area community remains one of the highest crime areas in the county, sheriff’s officials say the neighborhood is the safest it has been in five years. “We’re kind of proud of the fact that the community started out where it started and it has come to where it is,” said Major Albert Perotti Jr., commander of sheriff’s office District 1, headquartered on North 20th Street in the

heart of the community. “And a lot of that has been as a result of Weed and Seed.”

The Weed and Seed program targets a relatively low-income neighborhood with a high transient population, which creates a challenge for the deputies patrolling the area. An estimated 28,000 to 34,000 residents live within 8.3 square miles.

About \$2.9 million in grant money has been allocated for the neighborhood through the program, which started its sixth year in October 1999. About one-third of the grant was earmarked for law enforcement purposes, with the rest allocated for job growth and neighborhood revitalization. The grant was originally for three years, but local officials have gained extensions to operate the program for six years.

An evaluation of the program by the Justice Department released in July 1999

concluded Weed and Seed is successful, noting it has been a strong stimulant to community coalition building. Public and private organizations came together to develop programs, such as joint police-resident neighborhood watch initiatives and employment training. The evaluation concludes these developments would not have occurred without the Weed and Seed strategy.

CENTRAL FLORIDA: Central Florida Community Reinvestment Corporation

The Central Florida Community Reinvestment Corporation (CFCRC) was the financial community's response to needs defined by the Orange County Affordable Task Force in 1988. Incorporated in 1990, CFCRC opened its doors for business in 1993. The 12 original members capitalized CFCRC with contributions totaling \$440,000 and established a loan pool. Today, CFCRC has 18 member financial institutions and a loan pool of approximately \$45 million.

As a consortium, CFCRC has facilitated the finding of over \$226 million to meet Central Florida's affordable housing needs. Through CFCRC, its members have funded or committed to loans totaling over \$50 million, leveraged with another \$176 million in public funds. These loans have made a sizable impact in 20 communities, resulting in 3,109 rental homes for working poor and elderly families (with incomes ranging from 35-65% of median income) and 202 Single Room Occupancy (SRO) units for otherwise homeless people with special needs.

Maxwell Terrace is a 127-unit SRO development providing transitional housing (efficiency units) for homeless persons who have been previously stabilized at local area shelters through case management programs. This program, developed by the Grand Avenue Economic Community Development Corporation, expands an earlier development of 75 SRO units, currently at 100% occupancy with a two-year waiting list.

Lancaster Villas, a 145-unit housing development consisting of one- and two-bedroom units located in suburban Orlando, was in need of internal rehabilitation and minor structural improvements.

The rehabilitation was financed through an Orange County Housing Finance Authority Multi-Family Housing Revenue Bond and additional funds were provided by the Florida Housing Finance Corporation and the Orange County/CFCRC Multi-Family Affordable Housing Revolving Loan Program.

ORLANDO: Parramore

The hoped-for turnaround of the destitute Parramore area could take years, but a 13-person panel selected by Mayor Glenda Hood released a timetable showing some

Parramore finally is where it should be: at the top of the city's agenda. Orlando's reputation as a world-class city is tied to Parramore's revitalization. "Parramore has to be strong in order for the whole city to be strong," says the mayor.

help could be on the way in the near future. The blueprint offers a clear plan for rejuvenating Parramore – the once-vibrant, historically black community that is near the downtown business area.

Certainly, this is not the first effort to save Parramore, where many of the homes are run-down rental properties in need of painting and other repairs. The difference this time was made by a group of action-oriented people with a broad base of knowledge and business experience who were brought to the table as members of the Parramore Heritage Development Corporation. In crafting a strategy, the board members seemed to have understood and avoided pitfalls, such as infighting and limited vision, that caused past revitalization efforts to crumble. The plan reflects the board's understanding of the forces that ruined the community, including poverty, the racial discrimination that was common 30 years ago and poor decisions by city governments in the past.

Many suggestions in this plan have been seen before. The difference, though, is that this plan offers more specifics and clear steps showing how to achieve the objectives, such as:

- Improving the housing stock. The group hopes to arrange both private and publicly backed financing for people to buy homes.

Home ownership in Parramore is around 10%, about 30% below the norm throughout Orlando.

- Fighting crime. Parramore has the highest rate of crime in the city despite numerous police crackdowns in recent years. Contributing to the crime situation is the large concentration of homeless shelters in the community – more than 1,000 beds. Some of the homeless are addicted to drugs and are customers for drug dealers who plague the community. Finding a way to reduce the homeless population is vital to Parramore's future.

- Cultivating a greater sense of community unity. One of the most intriguing aspects of the plan sets down specifics and a timeline for the creation of a charter

REVITALIZING FLORIDA'S COMMUNITIES

A Report from the Florida Council of 100

school – operated by the city instead of the school district – and paid for with public money. The Parramore neighborhood has no public elementary school, and all children are sent to eight schools outside of the community. Many residents and city leaders believe that a school could become an anchor of stability for the neighborhood.

The strong support of the city's political and business leaders will be vital to the success of this plan. City commissioners did their part by pledging to spend more than \$925,000 during the next five years to operate the Parramore Heritage Development Corporation, which will oversee the rebuilding efforts. The nonprofit corporation also will seek grants and private donations for at least another \$3.1 million between now and the year 2004.

Parramore finally is where it should be: at the top of the city's agenda. Historically, it is one of the city's oldest communities, and it is part of the downtown core. Orlando's reputation as a world-class city is tied to the success of Parramore's revitalization. Or as Mayor Hood put it, "Parramore has to be strong in order for the whole city to be strong." •

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