

State Use of Community-Based Organizations to Advance Urban Revitalization Policy: The Case of the Front Porch Florida Initiative

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Community economic development is premised on the notion that community stakeholders are more attuned to neighborhood and community issues and are therefore better situated to develop solutions to those issues. The Front Porch Florida Initiative was designed to empower organizations and citizens with tools needed to revitalize neighborhoods. The Front Porch Florida Initiative is part of Florida’s overall urban revitalization strategy. This paper examines how a single state uses community-based organizations to lead the charge in revitalizing urban areas. It explores community economic development through the lenses of market and government failures and places Front Porch Initiative into these contexts. The initiative minimizes these failures through a variety of services and activities. The failure theories provide a framework for understanding the roles that community-based organizations play in community economic development in response to need gaps created from the lack government and market intervention.

Urban decline is described as reductions in the size of population and employment that have impaired a city’s ability to grow economically (Swain 1993). Urban distress within a targeted geographic area of a city does not necessarily refer to distress of that area’s residents (Ladd 1994), but could also refer to blighted or vacant areas where few people live. Blighted conditions and other problems in these areas are a result of the exodus of people and business activities. As such, “cities have become...the location of the poor, lower class, underprivileged, unskilled...” (Shank 1969, 1). This has led to a host of urban problems including those with underlying economic and social implications such as poverty, employment, education, and housing (Shank 1969). In addition to the social and economic problems, there are often problems with the physical infrastructure of cities (Koebel 1996).

Piven and Cloward (1997) argue that federal policies produced urban fiscal strain, and thereby decline, because they encouraged businesses and residents to move to suburban areas. Further, highway construction and suburbanization of employment contributed to the

decline of urban areas (Bingham and Mier 1993). The problem with urban decline can be explained in terms of loss of middle-class populations, commerce, and tax base. Those with the means to leave cities did so because “the city became a wasteland which they could not control and therefore could not enjoy” (O’Connor 1973, 126). Koebel (1996) explains that this decline is reversed through reinvestment and redevelopment. The federal, state, and local governments have taken measures by which to enhance citizen welfare. However, as policy efforts have devolved to local governments, they have increasingly involved community-based organizations in urban revitalization.

This paper examines the creation and implementation of the Front Porch Florida Initiative. This initiative was designed to empower local communities to solve their own problems. The research addresses the question of whether community-based strategies, as part of a broader state revitalization policy, are an effective means for revitalizing urban communities through community economic development. The Front Porch Initiative is framed using theories of market and government failures. Doing so aids our understanding of how community-based organizations are used to correct such failures.

Policy Responses to Urban Decline

The United States had urban policies in place for much of the twentieth century. For example, the Federal Housing Act of 1949 authorized slum clearance as a means of urban renewal. With this, blighted areas of cities were demolished in an effort to be replaced by newer housing structures. In addition, the Area Redevelopment Act of 1961 provided grants and loans to businesses for the purpose of building new or renovating existing facilities. This act also provided funding for job training. However, these policies were considered to be anti-city because they generally encouraged movement from central cities to suburban areas (Huth 1980).

After the Area Redevelopment Act of 1961, few federal policies dealt with the economic problems of cities (Huth 1980). One, the Model Cities program, was concerned with problems regarding education, worker training, social welfare, and community organization (Frieden and Kaplan 1975). The Model Cities program provided non-categorical funds to support various economic development functions including land purchases, loan-guarantee pools, direct loans, and industrial promotion (Olken 1971). Early in the course of the program, few cities had adopted local economic development strategies.

Following these programs, the federal government developed a national urban policy which intended to improve opportunities for local businesses to make a profit. This national urban policy included differential investment and employment tax credits, an expanded Economic Development Administration, and Urban Development Action Grant (UDAG) funding, and mechanisms intended to reduce the impact of job and revenue losses (Huth 1980). The UDAG legislation brought national attention to the use of economic development incentives. This policy change recognized the importance of business in local economic development strategies.

Many of the early federal urban policies provided direct funding to cities. However, as time progressed, funding decreased and these programs were considered failures as they generally did not result in improved social conditions within cities. Further, the policies and programs did little to change the detrimental economic conditions within cities. One federal response to decreased funding was a proposal by the Reagan administration to provide enterprise zones as a means to stimulate investment in declining areas, but Congress did not create an enterprise zone program. Concurrently, many states

began establishing enterprise zones in order to stimulate private investment and create employment opportunities in economically distressed urban areas. Proponents of enterprise zones argue that deregulation and use of incentives are necessary to attract business to the area. However, opponents assert that direct investment in the community is more effective.

Local urban policies became increasingly important because of reduced federal aid to cities and the perceived failures of many programs. By 1986, the federal government significantly reduced efforts intended to address urban problems. In order to reverse decline, state and local governments adopted policies aimed at revitalizing distressed urban areas. These place-based strategies involve improvements to the physical condition of an area or the economic revitalization of an area as evidenced by job creation and new investment (Ladd 1994). Such strategies are expected to benefit areas beyond the targeted geographic boundaries as cities as a whole would benefit from the revitalization of such areas. Further, such strategies are politically feasible in that city policymakers tend to believe that development policies can and should be targeted to specific parts of communities (Clinger-mayer and Feiock 1995). Policymakers have shown interest in targeted urban development policy since the 1980s and early 1990s and these types of tools continue to be popular (Ladd 1994; Rogers and Tao 2003).

The State's Role in Florida Urban Policy

Many of Florida's urban communities contain areas that suffer from high crime rates, high unemployment, dilapidated buildings, and poor infrastructure. These conditions reduce residents' quality of life and make the areas less attractive to private sector investment, thereby discouraging revitalization efforts led by the private sector. Florida's State Comprehensive Plan states that revitalization of distressed communities is primarily a local responsibility, but state government plays important roles. Accordingly, the state's role in community revitalization is to: a) assist local governments in planning, financing, and implementing revitalization efforts; b) provide incentives to encourage private sector investment; c) promote state programs and investments that encourage redevelopment; and d) integrate state programs that promote economic development and neighborhood revitalization (OPPAGA 2005). One way that the state has taken on this role is through the Front Porch Florida Initiative.

The Florida Department of Community Affairs' Office of Urban Opportunity administers the Front Porch Florida Initiative. According to Section 20.18(6), Florida Statutes, the initiative is a "comprehensive, community-based core redevelopment program that enables urban core residents to craft solutions to the unique challenges of each designated community". The Front Porch Florida Initiative was created to encourage and support urban citizens' efforts to preserve core neighborhood values. The initiative was also created to assist in identifying and strengthening community assets, to promote neighborhood cooperation and understanding in neighborhoods, and to assist in promoting neighborhoods that have been successful in revitalization efforts. The program identifies and designates Front Porch Florida Communities and provides residents with educational and technical assistance to help them plan and implement projects, form long-term relationships with public and private partners, and find the resources needed to address the goals they have identified.

In order to receive a Front Porch Florida designation, a competitive application process was developed with a selection criteria based on:

- the strength of the community's neighborhood action plan and the level of community participation;

- evidence of the community’s commitment to the action plan;
- evidence of established and effective partnerships between residents, local government and the private sector;
- demonstration of commitment from the local community and government;
- the degree to which the nominating entity represents the diversity of the neighborhood residents and business owners; and
- the geographic boundaries of the community.

Once a designation was received, communities were required to elect a volunteer community revitalization council which was tasked with overseeing action plan implementation. Front Porch Florida communities were also provided with a community liaison that is tasked with ensuring that the grassroots focus of the initiative is maintained (Office of Urban Opportunity 2005).

Each Front Porch community was required to develop a community action plan that serves to identify the community’s needs and how it would like to address them. Residents identified problems specific to their communities and worked to develop solutions to those problems. Plan components include housing, education, crime and safety, health care, and economic development. The Front Porch Florida Initiative uses the community action plans to coordinate with community service providers, external parties, government agencies, corporations, and foundations to implement action plans. Funding for plan implementation comes from a variety of sources drawn from grants, public funds, and private funds. Between 1999 and 2006 Front Porch communities received approximately \$25.7 million in state funding and approximately \$82.3 million from other sources (Office of Urban Opportunity 2005).

Since 1999, twenty communities have received the Front Porch designation. The Front Porch Florida communities are located in the following cities: Bartow, Bradenton, Daytona Beach, Fort Lauderdale, Gainesville, Gifford, Immokalee, Jacksonville, Miami, Ocala, Opa-Locka, Orlando, Pensacola, St. Petersburg, Sanford, Sarasota, Fort Walton Beach, Tallahassee, Tampa, and West Palm Beach. Table 1 provides demographic information on each community. Demographic data show that Front Porch communities typically consist of a high percentage of Black residents, high unemployment, high poverty and low median family income.

Table 1.

| City | Front Porch Community | Population 2000 | Percentage White | Percentage Black | Percentage Hispanic | Percentage Other | Unemployment Rate | Median Family Income (\$) | Poverty Rate |
|------------------|--|-----------------|------------------|------------------|---------------------|------------------|-------------------|---------------------------|--------------|
| Bartow | West Bartow | 2,642 | 55% | 36% | 6% | 2% | 4% | 36,944 | 16% |
| Bradenton | Rogers/Roush Field/Singletary/Washington | 3,071 | 8% | 69% | 22% | 1% | 13% | 21,901 | 40% |
| Daytona Beach | Central City | 5,404 | 4% | 94% | 1% | 0% | 12% | 15,974 | 46% |
| Ft. Lauderdale | Dorsey-Riverbend | 14,019 | 3% | 94% | 2% | 1% | 14% | 19,889 | 45% |
| Ft. Walton Beach | Sylvania Heights | 6,305 | 68% | 23% | 3% | 6% | 4% | 47,880 | 7% |
| Gainesville | Duval Heights | 2,041 | 2% | 96% | 2% | 0% | 10% | 19,259 | 47% |
| Gifford | Gifford | 1,087 | 3% | 94% | 2% | 0% | 21% | 22,159 | 33% |
| Immokalee | South Immokalee | 3,256 | 4% | 38% | 57% | 1% | 16% | 15,202 | 46% |
| Jacksonville | Sherwood Forest | 4,105 | 6% | 93% | 1% | 0% | 10% | 40,485 | 20% |
| Miami | Riverside | 14,382 | 5% | 2% | 92% | 1% | 18% | 20,798 | 38% |
| Ocala | West Ocala | 8,902 | 16% | 74% | 8% | 2% | 14% | 21,469 | 39% |
| Opa-Locka | Opa-Locka/North Dade | 22,455 | 3% | 75% | 21% | 1% | 16% | 27,764 | 29% |
| Orlando | Holden Heights | 7,939 | 22% | 60% | 16% | 2% | 17% | 24,623 | 34% |
| Pensacola | Greater Pensacola | 9,618 | 14% | 82% | 1% | 2% | 13% | 21,190 | 36% |
| Sanford | Goldsboro | 2,989 | 13% | 82% | 4% | 1% | 15% | 26,433 | 34% |
| Sarasota | Newtown | 6,470 | 17% | 78% | 4% | 1% | 9% | 25,287 | 37% |
| St. Petersburg | Greater South Central | 7,030 | 3% | 95% | 1% | 0% | 18% | 22,454 | 33% |
| Tallahassee | Greater Frenchtown | 10,785 | 34% | 60% | 4% | 3% | 14% | 22,911 | 49% |
| Tampa | East Tampa | 1,623 | 2% | 96% | 2% | 0% | 12% | 27,064 | 37% |
| West Palm Beach | Northwood/Pleasant City/Northwest | 3,880 | 7% | 86% | 6% | 1% | 11% | 20,451 | 39% |

Source: Geographic Information System Analysis of 2000 U.S. Census Data

Theoretical Framework

Community economic development is the merger of community development and economic development, which has a focus on neighborhoods (Weissbourd and Bodini 2005). It became an alternative approach for addressing urban poverty by supplanting civil rights initiatives and entitlement programs with market-based strategies for encouraging economic equality (Cummings 2001). Shaffer, et al. (2006, 72) explain

Community economic development is about how economic, social and political theories explain community change. It is about how community structure influences the choices that we can make. It is about increasing community wealth, both monetary and nonmonetary. It is about growth and development. It is about how movement or flow of resources across community boundaries influences choices. It is about how dynamic and the resultant disequilibrium or changing circumstances create tensions within the community that require choices. It is about creating opportunities for the residents of the community. It is about enhancing human well-being, welfare, and quality of life.

This view of community economic development paints a broad picture of related outcomes. First, it implies that some degree of change results from development activities. These changes include wealth increases, resource production and consumption, and general improvements in individual welfare. Community development involves quality of life improvements among residents of low- to moderate-income communities through asset building (Ferguson and Dickens 1999). Accordingly, asset building encompasses issues such as housing, economic development, and job training. It is expected that community economic development is a viable approach to urban revitalization.

The need for community economic development initiatives can be explained with the failure theories. These theories, market failure and government failure, suggest that community needs are not met due to a lack of market or government willingness or ability to address them. Community-based development initiatives have resulted, in part, from the “failure of the general economy to serve the needs of particularly disadvantaged populations” (Blakely and Bradshaw 2002, 281).

Market Failures

Market failures occur when the private market does not work efficiently or effectively. Worth (2009, 34) states that the market “does not work well for people who are poor or belong to groups that face discrimination, since they may not have the resources with which to purchase what they need or may face other barriers.” Weissbourd and Bodini (2005) provide an analysis of market failure related to low-income communities. They argue that the assets of low-income communities are isolated and excluded from mainstream economic market systems. This isolation produces market information imperfections that lead to increases in transaction costs and risks related to identifying and investing in local assets. As a result, inner-city assets are undervalued and not utilized (Weissbourd and Bodini 2005). The authors argue that because of this, the larger market never reaches its full potential. When market failures exist, governments may step in to fill the void. However, there may also be instances of government failure with which the communities may have to contend.

Government Failures

Feiock (2002) identifies three types of government failures. These government failures include preference aggregation failure, moral hazards, and bureaucratic failures. Preference aggregation failure suggests that groups with the resource capacity to overcome collective action problems have greater influence in the political process. This implies that the development decisions that governments make may be different from the demands and preferences of the median taxpayer. Moral hazard issues could result from government leaders' placing their individual political gains ahead of the preferences of the median taxpayer. In addition elected officials will focus on immediate problems due to their short time horizons, and may not want to engage in developing solutions which may not be evident for years (Worth 2009). Further, bureaucratic failures could emerge when agencies take advantage of opportunities to use information to expand programs and responsibilities. This could lead to inefficient use of resources in that the resources are not being used in a manner preferred by the median taxpayer. Another government failure exists when agencies may not have complete information on local problems and their size may make it difficult to respond. Accordingly, this limits a government's ability to meet citizens' needs.

Community-based organizations can fill this need gap because communities can identify and prioritize issues based on their own values (Shaffer, Deller, and Marcouiller 2006). These organizations provide goods and services that governments and markets cannot. The Front Porch Initiative provides an example under which community-based organizational responses to market and government failures can be examined.

Failure Theories and the Front Porch Florida Initiative

As previously stated, demographic data indicates that Front Porch communities typically consist of a high percentage of Black residents, high unemployment, high poverty and low median family income. Such demographics may discourage private investments within these communities. In addition, elected officials may be hesitant to act upon long-term problems due to short time horizons. Further, targeting resources towards these areas may not be favorable to those who do not stand to benefit which is often the response to redistributive economic development policies. The Front Porch Florida Initiative fills the gap where government and market failures exist because responsibility for revitalization lies within the communities themselves. However, Front Porch-related strategies rely upon private market and government institutions in order to achieve their specified goals.

Front Porch communities, through their Revitalization Councils, collaborate with the private sector, government, non-profit and faith-based organizations services. It is through these collaborative efforts that the communities can implement plans and achieve their respective goals. These networks allow for resolution of problems associated with market and government failure. The networks provide an impetus for the communities to provide an array of services and activities aimed at improving social and economic conditions. Table 2 highlights the broad categories of activities, state funding associated with the activities and percentage of the total state funding that each activity comprised between Fiscal Years 1999-2000 and 2005-2006.

Table 2.

| Front Porch Florida Funding FY 1999-2000 to FY 2005-2006 | | | |
|---|--|---------------------|--|
| Activity | Description | Amount (\$) | Percentage of Total State Funding |
| Digital Divide and Technology Services | Connecting computer technology with literacy and training | \$680,000 | 3% |
| Beautification | Aesthetic enhancement of the community | 700,000 | 3% |
| Competitive Grants | Grants available to communities for special programs and projects | 900,000 | 4% |
| Economic Development | Support for small businesses | 1,362,500 | 5% |
| Youth Programs | Programs designed to promote education, mentoring and self-sufficiency | 1,622,000 | 6% |
| Community Liaisons | Consultants to communities and Revitalization Councils | 2,565,000 | 10% |
| Revitalization | Revitalization projects, operations, media outreach and community start-up | 8,776,110 | 34% |
| Services/Technical Assistance/Community Training | Specialized training to build organizational capacity, self-sufficiency and sustainability | 9,075,610 | 35% |
| Total State Funding | | \$25,681,220 | |

These services and activities stem from four priorities. These priorities include: 1) local priorities; 2) organizational development and capacity building; 3) partnership development; and 4) economic development (Office of Urban Opportunity 2005). Collectively, these priorities address the issues associated with market and government failures.

The Front Porch Initiative encourages its communities to engage in economic development activities. Doing so encourages private investment within the communities. For example, a microloan program was created as vehicle to provide microloans and technical assistance to small businesses and individuals who reside in or owned businesses

within designated neighborhoods. Some Front Porch communities also engage in job training and skill development activities to improve the skills of workers. A skilled workforce is important in economic development because it provides a pool of potential employees from which employers can choose. The Gifford Front Porch community is part of an enterprise zone and has developed strategies to take advantage of the incentives that are part of the Florida Enterprise Zone program (Office of Urban Opportunity 2005).

While economic development efforts have been made, state funding for economic development initiatives such as small business assistance has been relatively low compared to total state funding over eight years. The State of Florida allocated approximately \$1.4 million to economic development activities. This represents approximately five percent of total state funding for the Front Porch Initiative.

The Front Porch program minimizes problems resulting from government failures. The initiative was designed to encourage community responsibility for economic and community development, therefore community stakeholders do not have to rely on government bureaucracies or policymakers to develop and implement plans. The communities themselves, through the Revitalization Councils, identify issues and develop strategies to address those issues. The primary idea is that residents and other community stakeholders have a vested interest in revitalization and will be more committed to implementing the plans. The majority of state resources were devoted to revitalization activities and those activities that built organizational capacity, encouraged self-sufficiency and promoted sustainability. Putting resources in these areas positions community stakeholders to be more responsive to problems as they arise because they are closer to those problems than bureaucrats or elected officials. At the same time, communities recognize the need to include these officials in deliberations, thus many formed partnerships with the state and local governments. These partnerships provide a means for the communities to share and receive information and attain additional buy-in or support in their revitalization efforts.

Conclusion

It has been argued that the need for community-based organization involvement in community economic development is driven by market and government failures. These failures occur because private markets and governments cannot adequately meet the demands of low-income communities. Market failures result from the private sector's lack of investment into these areas. Government failures stem from lack of political incentives to address long-term solutions to community problems. The Front Porch Florida Initiative was created to address problems in individual communities while, at the same time, resolving problems associated with market and government failures.

Avis Vidal (2001) identifies five requisites of successful community development. She notes, speaking of community development corporations, that organizations should have the ability and capacity to: a) plan effectively; b) secure resources; c) develop strong internal management and governance; d) deliver programs; and e) network. The Front Porch Florida Initiative can be examined through each these capacities. From a theoretical perspective, if these criteria are met then Front Porch communities should be able to achieve their goals which will have some positive effect on revitalization. Each Front Porch community adheres to Vidal's prescription in that they are required to plan, leverage financial resources, govern themselves through the Revitalization Councils, provide services and develop networks with other community, private sector, nonprofit and

government stakeholders. The failure theories provide a framework by which we can examine the roles that community-based organizations play in community economic development in response to need gaps created from the lack government and market intervention. These theories also aid in understanding the causes and consequences of government and market failures in urban communities, and therefore provide insight on the types of activities and services needed in order to potentially improve community conditions.

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