Strategies to Maximize Patient Capital: Financing Jacksonville's Inclusive Economy

A report written by CDFI Friendly America
for the Jessie Ball duPont Fund
December 2021
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Goals of this Research

1. Understand the economic conditions in Jacksonville, including racial disparities.
2. Determine the presence or absence of capital to support community development projects in Jacksonville.
3. Learn about past and existing strategies to bring more access to opportunity and capital to the under-resourced and historically underserved areas and people in Jacksonville.
Introduction to CDFIs and CDFI Friendly America
What are CDFIs?

- Community Development Financial Institutions (CDFIs) are private sector companies that make loans and investments outside of the margins of conventional finance. Their mission is to serve underserved and under-resourced people and communities.

- CDFIs are certified by the U.S. Treasury Department. There are currently over 1,250 CDFIs. They work in all 50 states, Washington DC, and Puerto Rico. All together, CDFIs own $230 billion in assets.

- CDFIs are one of the largest sources of flexible and patient capital in under-resourced communities and have an excellent repayment rate.
What are CDFIs? (cont’d.)

• There are four types of CDFIs:
  • CDFI Banks and CDFI Credit Unions are regulated CDFIs and can offer deposit insurance.
  • CDFI Loan Funds and CDFI Venture Capital Funds are self-regulated. They gather capital through grants and loans from banks, governments, religious and other impact investors, and corporations.

• CDFIs offer both loans and step by step support to borrowers, including affordable housing developers, small business owners, nonprofits, and consumers.
CDFIs in Florida

- Thirty-nine (39) CDFIs are headquartered in Florida, including:
  - Twenty-five (25) CDFI Credit Unions, and
  - Fourteen (14) CDFI Loan Funds
  - No CDFI Banks or CDFI Venture Funds are headquartered in Florida.

- Only one CDFI, the 121 Financial Credit Union, is headquartered in Jacksonville. Many other Florida CDFIs make loans and provide financial services in Jacksonville.

- Many CDFIs headquartered outside of Florida cross state lines and make loans and provide financial services in Florida and Jacksonville.
What is CDFI Friendly America?

- Despite the existence of over 1,250 CDFIs, many communities don’t have adequate access to CDFI capital and know-how.
- CDFIs are expanding geographically and have capital to deploy.
- CDFI Friendly America matches cities and CDFIs.
- CDFI Friendly is a new strategy to bring CDFIs to a community by reducing the costs to a CDFI to enter a new market. A local CDFI Friendly organization has:
  - Staff that organizes referrals to CDFIs.
  - An Enhancement Fund to participate with or guarantee loans made by CDFIs.
Overview of the Research
Research Process

• Reviewed documents provided by Jesse Ball duPont Fund about community and economic development in Jacksonville.

• Prepared CDFI Friendly data sheet for Jacksonville, comparing the city to the county, Metro Area, State, and U.S. See Appendix A.

• Completed interviews with 29 Jacksonville leaders.

• Held many conversations with Jesse Ball duPont Fund leaders.

• Convened interviewees and other stakeholders to share research findings, get feedback, and brainstorm short- and long-term solutions.
Who We Spoke with

• City Officials
  • Thomas Daly III and Kristen Reed, City of Jacksonville
  • Lori Boyer, Downtown Investment Authority

• Financial Services
  • Abel Harding, Iberia Bank
  • David Miller, Brightway Insurance

• CDFIs
  • Inez Long, BBIF
  • Chuck Shealy and Irvin (PeDro) Cohen, LISC Jacksonville
  • Tom Larson, JAX Metro Credit Union (a division of Self-Help)
  • Ignacio Esteban, Florida Community Loan Fund
  • Tom Allin and Dan Levine, Self-Help Real Estate
  • Brian Wolfburg, VyStar Credit Union
Who We Spoke with (cont'd.)

• **Real Estate Developers**
  • Shannon Nazworth, Ability Housing
  • Suzanne Pickett, Historic Eastside CDC
  • Ryan Hoover, Vestcor Properties
  • Alex Sifakis, JWB Real Estate
  • Bernard Smith, Smith Young & Co

• **Small Business Support**
  • Huston Pullen, SBDC
  • Carlton Robinson, JAX Chamber
  • Michael Cobb, Downtown Business Professional Group

• **Foundations**
  • James Coggin, Northeast Florida Community Foundation
  • Tracy Nazzaro, RWB Foundation
  • Mari Kuraishi and Marty Lanahan, Jessie Ball duPont Fund

• **Community Development**
  • Aundra Wallace, JAX USA
  • David Garfunkel, LIFT JAX
  • Chris Oakley and Sarah Stein, Federal Reserve Bank of Atlanta
Who Attended the Convening

• City Officials
  • Thomas Daly III, Dawn Lockhart, Karen North, Joe Whitaker, City of Jacksonville
  • Lori Boyer, Downtown Investment Authority

• Financial Services
  • Valerie Jenkins, Wells Fargo
  • Deborah Kasemeyer, Northern Trust

• CDFIs
  • Inez Long, Caleena Shirly, Jasmine Gebon, BBIF
  • Chuck Shealy and Anikka King, LISC Jacksonville
  • Tom Larson and Megan Nissley, Self-Help
Who Attended the Convening (cont'd.)

• Real Estate Developers
  • Shannon Nazworth, Ability Housing
  • Dawn Gilman, Changing Homelessness
  • Bill Lazar, St. John's Housing Partnership

• Community Development
  • David Garfunkel, LIFT JAX
  • Chris Oakley and Sarah Stein, Federal Reserve Bank of Atlanta

• Foundations
  • James Coggin, Grace Sacerdote, Erin Boderick, Northeast Florida Community Foundation
  • Mari Kuraishi, Chris Crothers, Collin Mullis, Randy Strickland, Jessie Ball duPont Fund

• Other
  • Jordan Pope, JEA
Findings
Context Matters

• Jacksonville operates within a specific geographic, economic, and cultural context, yet many of the issues it faces are not unique.

• CDFI coverage across the U.S. is not uniform, and the Southeast region is not as well served by CDFIs as some other regions.
  • Although the number of CDFIs headquartered in the Southeast is not markedly different than some other regions, many Southeast CDFIs have limited capital and capacity.
  • The Federal Reserve Bank of Richmond has conducted an annual survey of CDFIs in the Southeast since 2009. More recently this has been a national CDFI Study. See the 2021 and prior studies [here](#).
Context Matters (cont’d.)

• The nonprofit sector in the Southeast is not as robust as in other parts of the country. In particular, there are fewer high-capacity nonprofit affordable housing developers and providers.

• Financial discrimination based on race is an ongoing challenge in the country, in Florida, and in Jacksonville.
Jacksonville's People and Places

• Florida and Jacksonville populations are growing at a significantly higher rate than the U.S. (12.9%, 9.7%, and 6.8% change in population 2010-2019, respectively).

• Almost half of Jacksonville’s residents are People of Color: 31% African American, 10% Hispanic, and 4.8% Asian. This composition is more similar to Georgia than other big cities in Florida.

• The city's 14.9% poverty rate is slightly higher than the state (14.0%) and the U.S. (13.4%).

• The city’s size (747 square miles), lack of public transportation, and lack of affordable housing force long commutes.
Jacksonville's People and Places (cont'd.)

- Most distressed communities are located in NW Jacksonville, an area characterized by I-95 and I-10 separation, concentrated African American population, poverty, poor housing conditions, insufficient sewage and stormwater infrastructure.
- Flooding from overflowing creeks is common in these neighborhoods. Recovery is challenging because most residents lack homeowner/renter insurance; in addition, some are heirs' property landowners who do not qualify for FEMA assistance because they don't have clear title to their property.
Jacksonville's People and Places (cont'd.)

- There are few high-capacity nonprofits focused on low-income neighborhood community development.
  - Even highly regarded nonprofits such as Ability Housing, Changing Homelessness, and the Sulzbacher Center, have limited resources.
  - Capacity building support is rare: Nonprofits have too few options to raise operating grants that can be used to cover staff salaries and help build their operational capacity.
- CDFIs and most CDCs located in Jacksonville are not well known. Many interviewees didn't know what LISC or Self-Help were doing, or that BBIF has a Jacksonville office.
Important Question

• There are many CDFIs active in and around Jacksonville, so why is CDFI lending so much lower than average?
  • CDFI Lending per Capita 2005 – 2019:
    • City of Jacksonville: $66
    • Duval County: $65
    • State of Florida: $243
    • U.S: $235

• Jacksonville shows higher levels of distress as reflected in the % of census tracts that are CDFI-eligible. This is another indicator that CDFIs could be more active here.
  • City of Jacksonville: 62%
  • Duval County: 59%
  • State of Florida: 55%
  • U.S: 46%
CDFIs Active in and around Jacksonville

Affordable Housing Development
- LISC Jacksonville
- Florida Community Loan Fund
- Neighborhood Lending Partners

Consumer Loans
- Self-Help (JAX Metro Credit Union)
- Solar and Energy Loan Fund
- VyStar Credit Union
- 121 Financial Credit Union

Micro and Small Business
- BBIF
- Accion Opportunity Fund (fka Accion USA)
- Ascendus (fka Accion East)
- Community Reinvestment Fund

Commercial Real Estate and Community Facilities
- LISC Jacksonville
- Florida Community Loan Fund
Overarching Takeaway

More patient and flexible capital is one of many necessary components for increasing community development activity in Jacksonville. To make the best use of this capital, other components of a healthy community development ecosystem also need attention.
High-Level Findings

1. Jacksonville lacks the essential building blocks of an affordable housing ecosystem: subsidy, commitment, neighborhood planning, and capacity.

2. JAX entrepreneurs and small businesses would benefit from more capacity building initiatives and new capital sources.

3. JAX community development efforts are siloed and suffer from a lack of cross sector, cross cultural, and cross geographic coordination.

4. Too few of JAX’s corporations, anchor institutions, and high net worth individuals are involved in community development efforts.
Detailed Findings

• The next pages provide details on each of the high-level findings.
• For each finding, we present the characteristics of a healthy ecosystem followed by a description of Jacksonville's ecosystem.
• The findings are divided into three ecosystems:
  • Affordable Housing (high-level finding #1)
  • Small business (high-level finding #2)
  • Community Development (high-level findings #3 and #4)
Healthy Affordable Housing Ecosystem

Policy
- Zoning and code enforcement
- Planning for all parts of the city, all types of housing
- Preferences for nonprofit developers

Funding
- Federal: HOME, CDBG
- State: Affordable Housing Trust Funds, funds in budget
- Local: Bond funds or local Trust Funds

Capacity
- Nonprofit developers
- For-profit developers
- BIPOC-owned contractors
Healthy Affordable Housing Ecosystem

- Federal subsidies such as HOME and CDBG are necessary but not sufficient. In states with more robust affordable housing ecosystems, both states and municipalities provide additional subsidies such as:
  - Dedicated funding for state and local affordable housing trust funds.
  - Some municipalities have allocated a portion of funds raised through General Obligation Bonds to affordable housing.
  - Some states and municipalities promote homeownership through downpayment assistance.
  - Some Housing Finance Agencies actively provide loans for affordable housing development.
Healthy Affordable Housing Ecosystem (cont’d.)

- Sources of capacity building for nonprofit affordable housing developers include NeighborWorks America, Enterprise, and LISC.
- Nonprofit developers in other parts of the country often have access to ongoing operational support and/or preferences in competing for affordable housing projects.
Jacksonville Affordable Housing Ecosystem

- Florida has the twelfth highest state level of fair market rent (FMR) in the country. In Duval county FMR is $1,130/mo. and 43% of households are renters. Prices are increasing rapidly for all types of housing. Small landlords who offer affordable rentals may be induced to sell.

- LIHTC is the main financing tool utilized in Jacksonville for affordable multi-family housing. The fact that there is no state preference for nonprofit affordable housing developers in LIHTC allocation hinders their ability to participate in this source of funding and income.

- Florida’s Sadowski Affordable Housing Trust Fund is frequently raided to balance the state budget, and local bond issuances are not used to support affordable housing.
Jacksonville Affordable Housing Ecosystem (cont’d.)

• The city’s affordable housing efforts are concentrated in downtown.
• Community Land Trusts (CLTs) are a way for cities to donate land to create permanently affordable housing. Jacksonville's CLT is scheduled to be underway in early December 2021.
• There are few affordable housing developers, and even fewer with ample capacity.
• Florida benefits from an active affordable housing advocacy organization, the Florida Housing Coalition, and a respected research group, the Shimberg Center.
Healthy Small Business Ecosystem

**Support**
- Help for new entrepreneurs to learn to become business owners
- Support for existing businesses to grow and expand operations
- Help for small and large business owners to connect with the labor market

**Capital**
- A range of financing is available to startup and existing businesses including:
  - Micro loans ($1,000 to $50,000)
  - Small business loans, including SBA guaranteed loans (> $50,000)

**Policy**
- Streamlined and affordable business permitting process
- Inclusive planning for commercial corridors & business land use in all parts of city
- Equitable procurement policies
Jacksonville Small Business Ecosystem

• Relative to other Florida cities, some people perceive that businesses in Jacksonville’s low-income neighborhoods are weaker financially and not part of the mainstream economy.

• There is no specific, actionable focus on BIPOC businesses, which tend to be smaller and less able to access technical assistance and capital than White-owned businesses.
Jacksonville Small Business Ecosystem (cont’d)

• There is a great need for a robust microloan program.
  • This was the most common response related to small business needs.
  • More than one respondent reported that they were in the process of developing a new microloan program.

• SBA guaranteed loans are available, but many neighborhood businesses don't qualify.
  • Neighborhood businesses may not have the business financial records, credit history, and credit score required by SBA.
  • There is no broadly available source of small business loans for these higher-risk businesses.
Jacksonville Small Business Ecosystem (cont’d)

- Technical assistance (TA) is available through the SBDC, Urban League, and Beaver Street Enterprises, and to a lesser degree through the Chamber of Commerce, Downtown Business Professionals Group, and BBIF, but much more targeted TA is needed to get businesses in low-income neighborhoods loan-ready.
  - Many BIPOC businesses are solopreneurs; access to capital that allows them to grow and hire a single employee would create tremendous impact.
  - TA needs to meet entrepreneurs where they are by being accessible in the neighborhoods where entrepreneurs live and providing the specific type and level of support each entrepreneur needs.
Jacksonville Small Business Ecosystem (cont’d)

• There are no commercial corridor plans or other commercial revitalization plans in the low-income neighborhoods.
  • There are run-down, vacant retail spaces in some neighborhoods, but these need to be rehabbed then made available to local businesses. Many properties are owned by investors who are holding and not developing them.

• The city’s procurement process is not inclusive and is perceived as biased. Most anchor institutions don’t have inclusive procurement; exceptions include Jaguars and a health anchor that’s developing one.
  • Entrepreneurs of color are discouraged by their inability to get city contracts and feel the system is built against them.
Healthy Community Development Ecosystem

• The voice of each community is heard.
  • The community is invited to the table, is listened to, and sees their needs addressed in plans in a meaningful way.

• Cross sector, cross cultural, and cross geographic communication and coordination.

• Partnerships that leverage resources and expertise (e.g., among nonprofits; public private partnerships, including corporations as well as philanthropy).
Healthy Community Development Ecosystem (cont’d.)

- Commitment of most players with resources.
- Long-term vision accompanied by long-term commitment.
  - Successful community development takes a long time and can't be driven by election cycles.
Jacksonville Community Development Ecosystem

• Communities are jaded from being invited into neighborhood planning processes and never seeing the plans implemented.
  • Yet, some neighborhoods are ready to engage if they can get planning resources and be convinced the process and results will include them.

• Jacksonville’s current focus is on downtown revitalization not neighborhoods.
  • Downtown revitalization started with a focus on affordable housing, with most (if not all) LIHTC projects in the past few years awarded in downtown.
  • There's a need to expand the focus to neighborhoods where access to affordable housing and services such as quality early childhood education that improve prospects for the next generation are lacking.
Jacksonville Community Development Ecosystem (cont'd.)

• Community development players are siloed across sectors, cultures, and geography. No communication/coordination across siloes.
  • Interviewees said: "People don't talk to each other." "One organization doesn't know what the other is doing." "People don't know the neighborhoods and they don't venture out of their own."
  • These sentiments were evidenced in specific responses, including interviewees who did not know what other organizations in their same sector (e.g., affordable housing, small business) were doing.
  • Siloes may be due to or exacerbated by Jacksonville's large geography.
Jacksonville Community Development Ecosystem (cont'd.)

• Some partnerships exist, but more are needed.
  • Philanthropies could coordinate to set common goals and targets, then each take a piece of the work needed to accomplish those goals.
  • City of Jacksonville has been more difficult to partner with than other municipalities in Florida. Need to look at the city's requirements for municipal finance: are the requirements attracting or impeding private sources of capital?
• Planning horizons tend to be short-term and tied to election cycles.
Jacksonville Community Development Ecosystem (cont'd.)

- Only a few of Jacksonville’s wealth and resources are involved (high net worth individuals, corporations, anchor institutions).
  - How to expand beyond the usual suspects to get others with resources to the table?
  - Large corporations headquartered in Jacksonville such as CSX and FIS, education anchors like FSU, and health anchors like Florida Blue aren't as involved as they could be
  - The timing is right to bring more corporations in.
Solutions
Solutions

• Interviewees offered potential solutions and convening attendees brainstormed these and others.
• The next slides break out these ideas by short-term solutions that could be accomplished in 6-12 months, and long-term solutions that would take up to five years to accomplish.
• Following the Solutions section, CDFI Friendly America offers examples of how some of the proposed solutions are working in other cities and states, and a few other recommendations.
Short-Term Solutions (6-12 months) already Underway

1. The Jacksonville Community Land Trust (CLT) will be operational by early December. In the short-term, the city is giving the CLT 30 properties; but the CLT still needs to define where it fits into the community development ecosystem.

2. The Mayor's office is expanding the homeless task force to the JAX Affordable Housing Partnership to work on alignment of all housing investments.

3. LISC is about to launch a program to support small contractors. City Council approved $1M and LISC expects to disburse it to contractors in Q4 2021 in the form of loans with flexible repayment schedules tied to contractor's cash flow. LISC will need additional funding to expand the program.
Short-Term Solutions already Underway (cont'd.)

4. The Northeast Florida Community Foundation has a guarantee program for small developers and wants to work with CDFIs on deploying it.

5. Northeast Florida Impact Investing Exchange is creating a fund for some of the more mission oriented fintech solutions (e.g., Solo Funds, Honeycomb, and others) that would provide micro loans.

6. The Mayor's office is creating a Community Goals Framework to understand how all of its goals intersect with each other so that they can better align them.

7. The Mayor's office is educating the private sector about opportunities to make Corporate Social Responsibility investments and making matches.
Short-Term Solutions (6-12 months) Suggested by the Group

1. Philanthropic, private, and public sectors should make cheaper capital available for affordable housing. Sources could include foundation program related investments (PRIs) or mission related investments (MRIs); Housing Finance Authority; Eds and Meds anchor institution employer grants for home purchase.

2. The Downtown Investment Authority is considering creating a local policy preference for nonprofit affordable housing developers to get the city matching funds needed to secure LIHTCs from the state.

3. Train bank underwriters to work with nonprofits (they don’t understand nonprofits). The Federal Reserve Bank of Atlanta, Jacksonville Branch could host this training.

4. Pursue special funding available now, such as COVID emergency response funds and the new infrastructure bill, to support community development.
Short-Term Solutions Suggested by the Group (cont'd.)

5. Promote equitable procurement policies at the City and JAX corporations.

6. Provide more low-cost debt or equity capital to CDFIs to help them meet the need for higher-risk loans including micro- and small business loans.

7. Create visibility for successes by telling the stories of existing projects. This could include creating a professional-quality video which would require a funding strategy; or developing a culture whereby all practitioners produce one-page writeups with photo for each of their successful projects.

8. Create a matrix of available bank products including rates and terms, and keep it current. Make this available to nonprofit developers.
Short-Term Solutions Suggested by the Group (cont’d.)

9. Figure out how to engage the CPACs (Citizen Planning Advisory Committees). They could do more if asked.

10. Help neighborhoods organize themselves by paying for an on-the-ground outreach coordinator in each neighborhood. CPACS could help but can't replace a person on the ground.

11. Look to other geographically large cities for best practices in breaking down siloes. For example, how do other cities develop a citywide network of neighborhood networks?

12. Identify and quantify ($) what needs to be done to move the needle in the neighborhoods.
Short-Term Solutions Suggested by the Group (cont’d.)

13. There will be a new mayor and city leaders in 18 months. Figure out how to put programs in place now that won’t go away when a new mayor comes in. One approach is to make affordable housing a sacred cow/part of the culture that stays on across administrations.

14. Engage in the political sphere and raise these issues with candidates. Share this report with mayoral candidates and city council members/candidates.

15. DuPont Fund should convene a broader group of community participants to workshop potential solutions and then set priorities to get some of them done. The group should include health/education anchor institutions and faith leaders.
Long-Term Solutions (up to five years): Affordable Housing

1. Support affordable housing through zoning changes, anti-NIMBY education, and code enforcement.

2. Impose a no use tax on properties whose investor owners don't develop them.

3. Enact a local restaurant tax like Miami's that is dedicated to a local Housing Trust Fund. This is enabled in FL but needs political will to make it happen.

4. Replicate the State Apartment Incentive Loan (SAIL) Program, which is intended to fill the gap in 4% LIHTC deals.
Long-Term Solutions (up to five years): Affordable Housing (cont’d.)

5. Make a new policy that requires every project that receives tax incentives to include a % of affordable units.

6. Amplify what is working (e.g., produce more units of affordable housing each year).

7. Develop mixed income housing near neighborhood commercial corridors to help neighborhood businesses thrive through increased local purchasing power.
Long-Term Solutions (up to five years): Business Support and Other

1. Develop more support for start-up and early-stage businesses including microloans and business operations support.
2. Implement better and less expensive business permitting.
3. Encourage the City, anchor institutions, and large corporations to develop and implement more inclusive procurement processes.
4. Increase funding and very patient capital to make a variety of community development deals work.
Long-Term Solutions (up to five years): Business Support and Other (cont’d.)

5. Develop or revisit neighborhood-based plans with community input and buy-in from the city and other key corporate and philanthropic leaders. Once finalized, commit the financial and human resources needed to implement them.

6. Public will is more than political; need a broad coalition to get support from the public to pass referendums. Get the other banks, city departments, foundations, high net worth individuals, developers, big private companies, hospitals, etc. involved.
Examples from Other Places
Affordable Housing Examples

• A study on the reasons to favor nonprofit developers, including that they are more likely to serve more distressed places, including LIHTC properties, and the greater likelihood that for-profits will transition units to market rate when the restrictions expire.

• Several states, including Tennessee, give “extra points” on LIHTC applications to nonprofit developers or partnerships that include a nonprofit developer.
Affordable Housing Examples (cont'd.)

• The City of Albuquerque, NM, (ABQ) created a Workforce Housing Trust Fund in 2006, funded annually with Workforce Housing Bonds and/or the City’s General Obligation Bonds. From 2007 through 2019, ABQ dedicated almost $46M of General Obligation Bonds to affordable housing. In 2021, voters approved $3.33M in new bonds for these gap funding purposes.

• In Atlanta, GA, Invest Atlanta allocated a total of $150M in bonds towards affordable housing.
Affordable Housing Examples (cont'd.)

- **Washington, DC** requires that at least 5% of the units supported by a tax abatement be affordable for 20 years.

- Since 2007, Miami-Dade County has collected an additional 1% tax on restaurants to fund its [Homeless and Domestic Violence Trust Fund](#), which equals $12-$14M annually.

- **Grounded Solutions** offers best practices for Community Land Trusts. In 2021, Grounded Solutions and the National League of Cities jointly authored a [CLT Guide for Local Governments](#).
Small Business Examples

- **Access to Capital for Entrepreneurs (ACE)**, a CDFI in Georgia, provides a comprehensive range of loans and business advisory programs for underserved small businesses.

- Washington, DC's new **Guide to Small Business Financing** helps small business owners find the best financing option for their business.

- Kansas City has a **one-stop shop** for all formation, registration, and regulatory needs. **KC Source Link** is a nonprofit where small businesses can find technical assistance for their specific needs.
Small Business Examples (cont'd.)

• Based in northern Virginia, Capital Impact Partners has an Equitable Development Initiative that supports real estate developers of color in Metropolitan Washington, DC and Detroit.

• Jumpstart operates programs in Philadelphia and Wilmington to mentor developers of color to implement community development real estate projects.
Small Business Examples (cont'd.)

• Philadelphia's Rebuild Ready Business Support and partnership with The Enterprise Center, a CDC and CDFI, prepares diverse small businesses to compete for public works projects.

• The National League of Cities Municipal Action Guide, Inclusive Procurement and Contracting, provides examples of cities that have changed procurement policies, programs, and practices to help minority-owned and smaller businesses compete.

• Boston Children's Hospital A.C.E. Supplier Diversity Program actively seeks to attract and mentor diverse small businesses to become part of the hospital's supply chain.
Small Business Examples (cont'd.)

• The National League of Cities Municipal Action Guide, [Reducing Regulatory Burden on Small Businesses](#), provides numerous examples of cities that have streamlined permitting processes and lowered fees to remove barriers to low-income entrepreneurs.
Community Development Examples

• See Atlanta, GA and Fort Worth, TX for revitalization plans that focus on neighborhoods.

• The Enterprise Center in Chattanooga, TN is an example of a cross-sector partnership that brings together educational institutions, government, private companies, foundations, and nonprofits to create innovative solutions to a community’s challenges.

• Prosper Birmingham is a coalition of community, civic, and business leaders who are working together to create a more inclusive economy in Birmingham, AL.
Community Development Examples (cont'd.)

- Two examples of foundations that are strong convenors and supporters of community development infrastructure are the Mary Reynolds Babcock Foundation's support of South Carolina CDFIs and the Annie E. Casey Foundation's support of neighborhood revitalization in Baltimore.

- Many CDFIs publicize their impact through compelling borrower write-ups, photos, and/or videos, including:
  - Genesis LA's borrower case studies (Los Angeles)
  - The Progress Fund's "people, progress, impact" borrower deal sheets (Maryland, West Virginia, Pennsylvania)
Other Recommendations

• If the city of Jacksonville does not change its policy of only funding projects at completion, CDFIs can be called on to provide bridge loans to developers. The bridge loan is a common product offered by CDFI real estate lenders across the country.

• Jacksonville could learn about many of the proposed small business solutions from experts and peers by participating in the National League of Cities City Innovation Ecosystems program. The 2021 topics include procurement, entrepreneurship training, and mapping resources.
Other Recommendations (cont’d.)

• Jacksonville affordable housing city officials and organizations should pay attention to new resources made available through the Build Back Better infrastructure bill, including a national $10 billion fund for first-time homeowners, and multiple sources for rental housing.
Next Steps
Next Steps

Jessie Ball duPont Fund will:

• Reach out to key stakeholders who did not attend the November 5 convening to inform them of this initiative and encourage their participation. These include for-profit affordable housing developers, financial institutions, corporations, hospitals, universities, and faith leaders.

• Convene a broader coalition to consider the short- and long-term solutions, workshop a few of them, and develop concrete plans to accomplish the highest priority solutions.
Next Steps

Jessie Ball duPont Fund will:
• Consider ways to help publicize success stories.
• Once some of these efforts are underway, reconsider working with CDFI Friendly America to develop a CDFI Friendly entity in Jacksonville.
Appendix A: Data Chart
# CDFI Friendly America Data Assessment: Jacksonville, Florida

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<th>Assessment Measure</th>
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<th>Duval County</th>
<th>Jacksonville, FL Metro Area</th>
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<td>3,202</td>
<td>53,927</td>
<td>3,531,905</td>
</tr>
<tr>
<td>Population Per Square Mile</td>
<td>1,192</td>
<td>1,279</td>
<td>470</td>
<td>388</td>
<td>92</td>
</tr>
<tr>
<td>City population as % of county, metro area, state, and nation</td>
<td>NA</td>
<td>95.1%</td>
<td>59.2%</td>
<td>4.3%</td>
<td>0.27%</td>
</tr>
<tr>
<td>% Census tracts eligible as CDFI Investment Areas</td>
<td>62%</td>
<td>50%</td>
<td>52%</td>
<td>55%</td>
<td>46%</td>
</tr>
<tr>
<td>CDFI Lending Per Capita 2005-2019</td>
<td>$66</td>
<td>$65</td>
<td>$53</td>
<td>$243</td>
<td>$235</td>
</tr>
<tr>
<td>CDFI Lending: Average % Population of Color</td>
<td>57%</td>
<td>51%</td>
<td>44%</td>
<td>45%</td>
<td>58%</td>
</tr>
<tr>
<td>HVMDA Lending: Average % Population of Color</td>
<td>42%</td>
<td>40%</td>
<td>31%</td>
<td>35%</td>
<td>32%</td>
</tr>
<tr>
<td>Ratio of CDFI to HMDA % Population of Color</td>
<td>1.3</td>
<td>1.3</td>
<td>1.4</td>
<td>1.2</td>
<td>1.8</td>
</tr>
<tr>
<td>Median family income</td>
<td>$66,431</td>
<td>$67,947</td>
<td>$74,429</td>
<td>$67,414</td>
<td>$77,263</td>
</tr>
<tr>
<td>Percent change in median family income 2010-2019</td>
<td>12.1%</td>
<td>13.0%</td>
<td>16.4%</td>
<td>17.8%</td>
<td>22.7%</td>
</tr>
<tr>
<td>Poverty rate</td>
<td>14.9%</td>
<td>14.5%</td>
<td>12.6%</td>
<td>14.0%</td>
<td>13.4%</td>
</tr>
<tr>
<td>Unemployment rate</td>
<td>5.5%</td>
<td>5.8%</td>
<td>5.5%</td>
<td>5.6%</td>
<td>5.3%</td>
</tr>
<tr>
<td>Labor force participation rate</td>
<td>66.1%</td>
<td>66.0%</td>
<td>63.9%</td>
<td>58.9%</td>
<td>63.4%</td>
</tr>
<tr>
<td>% Households spending at least 30% of income on mortgage</td>
<td>28.2%</td>
<td>28.3%</td>
<td>27.1%</td>
<td>33.0%</td>
<td>27.7%</td>
</tr>
<tr>
<td>% Households spending at least 30% of income on rent</td>
<td>30.1%</td>
<td>28.8%</td>
<td>29.8%</td>
<td>33.5%</td>
<td>29.8%</td>
</tr>
<tr>
<td>% Households headed by a single parent</td>
<td>17.4%</td>
<td>17.0%</td>
<td>14.3%</td>
<td>13.0%</td>
<td>13.4%</td>
</tr>
</tbody>
</table>

Sources: US Census Bureau, 2019 American Community Survey; CDFI Fund, 2019 Transaction Level Report (TLR) Database.

*Includes lending from CDFIs receiving financial assistance awards and reporting to the CDFI Fund’s Transaction Level Report (TLR) database for years 2005-2019.