



# The Florida Senate

*Interim Project Report 2008-110*

*October 2007*

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Committee on Community Affairs

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## DEPARTMENT OF COMMUNITY AFFAIRS – REVIEW OF THE FRONT PORCH FLORIDA INITIATIVE

### SUMMARY

The Front Porch Florida Initiative encourages revitalization efforts in some of the state's most distressed communities through the award of competitive grants to fund projects proposed by the community. Twenty communities have been designated as Front Porch Florida communities. In general, Front Porch funding has been used for economic development, beautification, revitalization, technical assistance, community training, and youth development. Since the initiative began in 1999, the Legislature has appropriated over \$28 million in funding. Front Porch was created in the 1999 budget and has received funding each year, but the initiative has not been codified in Florida Statutes.

The successes of Front Porch have been the community involvement necessary to achieve the designation and to complete projects, as well as the flexibility the communities have to address issues that are the most important to the residents. One continuing challenge is building sufficient capacity in the designated communities to continue the revitalization efforts initiated with Front Porch funding.

Staff recommends codifying the initiative in Florida Statutes and providing rulemaking authority for the Department of Community Affairs (DCA) to administer the program. Additionally, the committee may wish to provide statutory criteria governing the award of any future Front Porch Florida grants, as well as accountability measures for reimbursements.

### BACKGROUND

Front Porch Florida, an initiative established by Governor Bush and modeled after Front Porch Alliance of Indianapolis, began in 1999 with the designation of six communities through a competitive application process. Rather than creating Front Porch Florida in

statute, the initiative began as part of the budget process. The mission of Front Porch is to:

- Encourage and support Florida's urban and rural citizens in their efforts to preserve core neighborhood values and strengthen community assets.
- Foster an atmosphere of cooperation and understanding in neighborhoods that leads to committed local activism.
- Promote and celebrate neighborhoods that have successfully revitalized themselves using grassroots efforts.<sup>1</sup>

The Office of Urban Opportunity (OUO) was initially created within the Executive Office of the Governor to administer Front Porch. In 2004, the OUO was moved to the Division of Housing and Community Development in the Department of Community Affairs. Since 1999, the following 20 Front Porch communities were designated as the result of four application cycles: West Bartow (Bartow); Rogers, Rousch Field, Singletary, & Washington (Bradenton); Central City (Daytona Beach); Dorsey-Riverbend (Ft. Lauderdale); Duval Area (Gainesville); Gifford (Vero Beach); South Immokalee (Immokalee); Sherwood Forest (Jacksonville); Riverside (Miami); West Ocala (Ocala); Opa-Locka (Opa-Locka); Holden Heights (Orlando); Greater Pensacola (Pensacola); Goldsboro (Sanford); Newtown (Sarasota); Greater South Central (St. Petersburg); Sylvania Heights (Ft. Walton Beach); Greater Frenchtown (Tallahassee); East Tampa (Tampa); and Northwood, Pleasant City, NW (W. Palm Beach). These communities typically have median family incomes that are lower than the county, state, and national medians and also have, on average, a poverty rate that is almost three times the national rate.<sup>2</sup>

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<sup>1</sup> See The Governor's Front Porch Florida Initiative: Keeping the Promise 1999-2006.

<sup>2</sup> See footnote 1 at pg. 15.

Front Porch communities were selected by the Governor based on the following criteria:

- Strength of the community's neighborhood action plan and the level of community participation in preparing the plan;
- Evidence of the community's commitment to the plan as demonstrated through past achievements in targeted areas;
- Demonstration of established and effective partnerships between residents, local government, and the private sector;
- Level of commitment and support from the local government and community;
- Degree to which the nominating entity represents the diversity of the community's residents and business owners; and
- Geographic boundaries of the community.<sup>3</sup>

Following designation as a Front Porch Florida community, a revitalization council oversees implementation of the neighborhood action plan. Revitalization council members are volunteers selected by the community. The role of a council member varies widely, but the member must support their community's goals, be a good steward of taxpayer dollars, participate in sweat equity projects, and keep stakeholders apprised of opportunities. The council chair has even greater responsibilities, including, ensuring quality products and services are delivered in an equitable manner to the community, implementing accountability measures, and securing an independent no-cost or low-cost office.<sup>4</sup>

Each revitalization council develops a neighborhood (or community) action plan that identifies those issues the community wishes to work on collectively. At a minimum, the neighborhood action plan must contain: vital statistics about the community, major issues, issue priorities, implementation steps and timelines, short-term and long-term goals, measurable outcomes, and a feasibility analysis.<sup>5</sup> DCA provided technical assistance to the communities as they developed their plans.

<sup>3</sup> See footnote 1 at pg. 8.

<sup>4</sup> See *The Revitalization Council – Duties and Responsibilities*, The Front Porch Florida Initiative, Division of Housing and Community Development, Florida Department of Community Affairs at <http://www.floridacommunitydevelopment.org/fpf/RevitalizationCouncil.cfm>.

<sup>5</sup> See *The Front Porch Florida Initiative: Community Action Plan*, Division of Housing and Community Development, Florida Department of Community Affairs

A community liaison is hired by the OUO to staff each revitalization council at the local level. The role of the community liaison is intended to provide resource development and technical assistance to the revitalization council. The responsibilities of a community liaison may include grant writing, performing research for grants, preparing reports, scheduling community events, distributing information to council members, monitoring grants from the OUO, and assisting with the implementation of projects and activities.<sup>6</sup>

From fiscal year 1999-2000 through fiscal year 2007-2008, Front Porch Florida received \$32,026,526 in funding. The table below shows the annual appropriation.<sup>7</sup>

FY 99-00	\$5,343,120
FY 00-01	\$4,693,721
FY 01-02	\$4,222,356
FY 02-03	\$2,780,362
FY 03-04	\$3,180,332
FY 04-05	\$3,180,332
FY 05-06	\$3,181,295
FY 06-07	\$3,447,573
FY 07-08	\$1,997,435

Front Porch funding has been used by the designated communities to address the following issues:

- Revitalization (including revitalization projects, operational, media outreach and community startup) – \$8,776,110.
- Competitive Grants (for special programs and projects) – \$900,000.
- Keep FL Beautiful/Beautification (for aesthetically enhancing the community) – \$700,000.
- Digital Divide and Technology Services (for linking computer technology with literacy and training) – \$680,000.

at <http://www.floridacommunitydevelopment.org/fpf/ActionPlan.cfm>.

<sup>6</sup> See *Community Liaison – Duties and Responsibilities*, The Front Porch Florida Initiative, Division of Housing and Community Development, Florida Department of Community Affairs at <http://www.floridacommunitydevelopment.org/fpf/Liaison.cfm>.

<sup>7</sup> The appropriations/approved budget amounts in the table below are from the state appropriation ledger.

- Community Liaisons (serving as consultants to the communities and councils) – \$2,565,000.
- Youth Programs (for programs focused on education, mentoring, and self sufficiency for youth) – \$1,622,000.
- Services/Technical Assistance/Community Training (providing expertise and specialized community training to build organizational capacity, self sufficiency, and sustainability) – \$ 9,075,610.
- Economic Development (supporting small businesses) – \$ 1,362,500.<sup>8</sup>

Also, as part of the funding for Front Porch, a Micro Loan Program was created for small businesses operating in a Front Porch community and for residents of the community with a viable business plan. The average loan was just above \$10,000 and 84 micro loans were awarded between 2002-2005. As the loans were repaid, the funds were recycled to other qualified applicants. Funding for the Micro Loan Program was discontinued in fiscal year 2005-2006.<sup>9</sup>

#### *Other Benefits*

In addition to funding, Front Porch Florida communities are eligible for other benefits. Under s. 163.2517, F.S., a Front Porch community may be designated as an urban infill and redevelopment area if the community's plan used for the Front Porch designation adequately describes the infill and redevelopment objectives of the local government within the proposed area and meets certain other criteria. For the Urban Infill and Redevelopment Assistance Grant Program administered under s. 163.2523, F.S., projects within a Front Porch community are given an elevated priority in the scoring of competing grant applications. Section 163.458, F.S., authorizes Front Porch communities to apply for core administrative and operating grants of up to \$50,000 per year for a period of 5 years which may be utilized to further the goals and objectives of the Front Porch Florida Initiative.

The Legislature has created tax incentives to encourage investment in Front Porch communities. Section 212.08, F.S., provides a sales tax exemption for construction materials for qualifying homes and for building materials used in certain redevelopment

projects that are located in a Front Porch community. Projects meeting certain criteria and located within a Front Porch community are eligible for a community contribution tax credit.<sup>10</sup> There is also a premium tax credit available to insurance companies who invest certified capital in qualifying companies that invest in new businesses or expanding businesses in Front Porch communities.<sup>11</sup>

Front Porch communities receive priority for grants or awards in other statutory programs. For example, up to 20 percent of the Reducing Racial and Ethnic Health Disparities: Closing the Gap grants are earmarked to fund projects that improve racial and ethnic health within specific Front Porch communities.<sup>12</sup> Also, the matching requirement for these grants is waived for Front Porch communities.<sup>13</sup> Another component of the Front Porch Initiative is the creation of an urban homesteading program. Section 420.632, F.S., authorizes a local government or its designee to make foreclosed single-family homes available to qualified buyers for purchase.

## **METHODOLOGY**

Staff met with DCA staff and several Front Porch communities to discuss the success of the initiative and any needed changes.

## **FINDINGS**

### *Funding Projects in Front Porch Communities*

Because the Front Porch Initiative was created in the budget and has no statutory guidance, the OUO has had to develop a process for awarding grants to the designated communities. Funding is awarded to Front Porch communities on a competitive basis. DCA staff review the application for funding and score it based on certain criteria.<sup>14</sup> The OUO has indicated that it tries to focus the grants on projects that Front Porch communities have identified as one of their top three priorities.<sup>15</sup>

Currently, applicants may not submit more than two applications per cycle and each application for funding

<sup>8</sup> See footnote 1 at pg. 45. These amounts represent the total investment by Front Porch Florida in the identified program areas between fiscal year 1999-2000 and fiscal year 2005-2006.

<sup>9</sup> See footnote 1 at pg. 14.

<sup>10</sup> Section 220.183, Fla. Stat.

<sup>11</sup> Section 288.99, Fla. Stat.

<sup>12</sup> Section 381.7354(3), Fla. Stat.

<sup>13</sup> Section 381.7356(2)(c), Fla. Stat.

<sup>14</sup> The criteria for reviewing applications for funding has not been adopted by rule because DCA has not been given rulemaking authority.

<sup>15</sup> Discussed during meeting with DCA staff on August 8, 2007.

is limited to \$50,000.<sup>16</sup> Also, at least a 25 percent match is required for each application and 10 percent or more of the match must be financial rather than in-kind services. The revitalization council is responsible for ensuring the completion of a project. Approved projects must be operable within 30 days after being awarded funding.<sup>17</sup>

As part of the application process, the applicant must demonstrate approval by the full revitalization council, a link with the neighborhood action plan, and performance measures to gauge the success of the program, as well as identify major or key partners in the project.<sup>18</sup> The application must also be accompanied by letters of support verifying the amount of any financial commitment or in-kind services that will be counted towards the match requirement. A detailed budget for the proposed project must be included with the application. The OUO has identified the following allowable expenses: administrative costs not to exceed 10 percent of the funding awarded, travel, reasonable consulting fees, project supplies, and other costs as approved by the OUO. The OUO may modify a budget based on eligible expenses.<sup>19</sup>

The revitalization council, in some cases with community input, selects the projects for which they would like to request funding. The OUO has established criteria to evaluate the applications for funding as follows:

- Whether the project makes progress towards specified objectives such as creates/offers leadership programs or training, trains employees or upgrades skills, renews or redevelops a specified geographic area, partners with one or more existing programs, stimulates small business development, reduces crime or increases safety, or improves education;
- Whether the project satisfies a component of the neighborhood action plan or ties in well with the plan;

- Past experience of major partners and the responsibilities assigned to those partners;
- Letters of support;
- Whether the project will be completed timely; and the
- Amount of the match.<sup>20</sup>

To receive funding after a grant has been awarded, the applicant must submit a request for payment form to OUO along with documents that demonstrate satisfactory completion of each deliverable by the due date. Any delay in meeting a due date must be approved in writing by the OUO in advance of submitting a request for payment.<sup>21</sup> After funds have been awarded, DCA reviews the reimbursement request to ensure the work performed is consistent with the project as described in the grant application.

DCA has established the Community Evaluation, Monitoring and Performance System (CEMPS) to monitor the effectiveness of the contracts that OUO has with the Front Porch communities and receive input on ways to enhance those communities.<sup>22</sup> Specific criteria are used to separately evaluate the effectiveness of the community liaison and the revitalization council. Each criterion is assigned a points value and a minimum number of points must be achieved for a community to be considered for contract renewal or eligible for increased funding.<sup>23</sup> The revitalization councils that score less than the minimum threshold will be limited to a reduced funding amount applicable to all councils with scores below the minimum. Those councils that score above the minimum may request the maximum amount allowed by the OUO. These evaluations occur every June and December and are performed by the OUO director and contract manager.

<sup>16</sup> See Front Porch Florida Initiative, Fiscal Year 2006-2007, Quarter 2 Mini Competitive Grant Application Cycle, The Florida Department of Community Affairs' Office of Urban Opportunity. The funding available for the 2006-2007 Quarter 2 Mini Grant Application Cycle was \$500,000.

<sup>17</sup> See footnote 16 at pg. 4.

<sup>18</sup> See footnote 16 at pg. 6.

<sup>19</sup> See footnote 16 at pg. 9.

<sup>20</sup> See footnote 16 at pg. 11. There are also bonus points for professionalism (i.e., grammar, spelling, and presentation). Tie-breakers, if needed, are based on the level of funding requested as a percentage of the project cost (lower percentages have a greater chance of being funded) and the level of in-kind services.

<sup>21</sup> See footnote 16 at pg. 9.

<sup>22</sup> See Community, Evaluation, Monitoring and Performance System (Known as CEMPS) at <http://www.floridacommunitydevelopment.org/fpf/Documents/FormsPoliciesProcedures/CEMPSPresentation.pdf>, Office of Urban Opportunity.

<sup>23</sup> Liaisons can receive a maximum of 130 points and must score at least 91 points or 70 percent to avoid corrective action, contract non-renewal, or contract termination. Similarly, revitalization councils must achieve 144 points out of a possible 205 points or 70 percent.

### *Types of Projects Funded*

Some of the projects that have been funded by Front Porch include yard maintenance for the elderly and persons with disabilities, regular streetscape maintenance and landscaping, external repair for homes and businesses, new signage for businesses, and new mailboxes. Funds have also been used to provide computer literacy training, including the establishment of computer labs. Other projects involved after school and summer enrichment programs, tutorial services, providing a training and referral site for vocational training, basic adult education and GED classes, and parenting classes. In some communities, workshops have been offered on grant writing, estate planning, and workplace readiness. Also, a number of communities have received grants for literacy activities and programs from the Department of Education. Adults and youth have received training in work and construction readiness. Front Porch communities have also used funding to address social and health care issues, including senior care, dental care for indigent patients, substance abuse counseling, transportation to receive critical services, health screenings, and combating crime. Economic development projects have included small business loans, infrastructure improvements, and acquiring vacant lots for infill.

### *Youth Development Services*

In fiscal year 2004-2005, the Legislature directed the OUO to use up to \$400,000 in Front Porch funding for “community-based outreach resource programs for inner-city high schools to promote higher graduation rates, higher attendance rates, drop-out prevention, and a decrease in juvenile crimes. Such programs should be instrumental in developing a future quality workforce...” The OUO contracted with two organizations to provide youth development services that include a summer employment program. In addition, the OUO has developed the Youth Empowerment and Leadership Development Academy (YELDA) that assists selected students in each of the Front Porch communities with professional development and summer employment. The students in YELDA participate in leadership and professional development workshops that include communications strategies, resume writing, and proper interviewing techniques.

### *Front Porch Successes*

The Front Porch Initiative has made progress towards achieving the Governor’s stated goals of economic self sufficiency and social empowerment. DCA reports that in fiscal year 2004-2005, 60 percent of the projects in the Front Porch communities’ action plans had been

implemented or completed.<sup>24</sup> Based on our discussions with some of the communities, the strengths of the initiative include the community building exercise that must occur in order to file an application to be designated as a Front Porch community. Also, the initiative has been flexible enough to allow the designated communities to select the projects most important to them. The community involvement that is necessary to successfully complete a project has probably helped to foster a greater commitment by the residents to their community. Also, the provision of in-kind services that are often part of a contract awarded under Front Porch helps these communities build relationships that will be valuable in further efforts to revitalize the community.

One important aspect of the Front Porch Initiative in its early years, according to participants, was assistance offered by The Advance Team or “A-Team” that included most state agencies. For example, the Department of Corrections provided labor for beautification projects and, in at least one instance, for the construction of a new facility for youth programs. The Department of Environmental Protection provided technical assistance and funding, and established a contact list for its programs that would be beneficial to Front Porch communities. The Florida Energy Office contracted with a provider to install 150 solar water heaters in Front Porch communities. The Department of Health has awarded Closing the Gap grants to several communities for health screenings and education. Although the “A-Team” does not exist in its original form, those agencies that played key roles early in the Front Porch initiative have continued to serve as a resource for the communities.<sup>25</sup>

### *Recent Changes in Front Porch*

In July, the OUO announced the following changes:

- Elimination of the community liaison positions effective December 31, 2007.
- Limitation on funding for the next funding cycle to projects related to economic development, housing, health or education.
- Restrictions on funding for travel.<sup>26</sup>

The position of community liaison has been integral to the work of some of the revitalization councils and it is

<sup>24</sup> See footnote 1 at pg. 10.

<sup>25</sup> See footnote 1 at pgs. 42-43.

<sup>26</sup> See Memorandum from the Director of the OUO to Front Porch Councils and Community Liaisons, July 26, 2007.

not clear who will provide the technical assistance and outreach work performed by the former community liaisons. The working relationship between a revitalization council and the community liaison has worked better for some communities than others. In those communities with a good working relationship, the community liaison has been key in the council's efforts to let residents of the community know about their eligibility for certain services or programs. They have also assisted with researching grant opportunities and writing grant applications.

#### *Opportunities to Improve*

Some Front Porch communities continue to struggle with identifying state and federal funding programs that would impact their community and also lack the capacity or staff to successfully apply for such programs. Also, there has been an issue regarding the accountability of the community liaisons. There have been limited problems with the documentation of expenditures that is necessary to receive reimbursement.

Suggestions for improvements in Front Porch include additional funding, greater technical assistance in the area of capacity building, increased communication and networking between communities, and providing structure by rule or statute to ensure a continuing commitment on the state's part to the initiative. Some of the specific suggestions for revising the Front Porch Initiative offered by stakeholders included:

- Providing additional funding for those communities that demonstrate their capacity to leverage the funds.
- Providing additional technical assistance that builds capacity in Front Porch Communities to successfully draw other state, federal, and private sector economic development to the community.
- Narrowing the focus of the initiative while still providing for local solutions.
- Continuing flexibility to address whatever needs are not being met in the community, such as health screenings, landscaping, job training, etc.
- Redefining the role of the revitalization councils, if funds are limited to economic development, to that of identifying the areas that traditional economic development entities are missing and fill in that gap.

### **RECOMMENDATIONS**

If the committee wishes to encourage continued funding of the Front Porch Florida Initiative, staff recommends codifying the initiative in Florida Statutes and giving DCA rulemaking authority to administer the program. The committee may also wish to provide statutory criteria that will govern the award of any future grants through Front Porch while still maintaining the autonomy that Front Porch communities currently have to propose various types of projects for funding. Additionally, the committee may want to provide accountability requirements that govern the reimbursement procedures for grant recipients.