INNER CITY AREA OF

PENSACOLA, FLORIDA:

FACTORS DETERMINING "SLUM" AND/OR

"BLIGHTED" CONDITIONS

FALL 1981

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INTRODUCTION

On July 1, 1977, the Florida Legislature amended the Community Redevelopment Act of 1969 to allow governments to use tax increment financing as a tool for redevelopment. The amended Act allows a designated Community Redevelopment Agency to utilize revenues from the sale of tax increment bonds for specific projects aimed at redeveloping and improving "slum" or "blighted" areas in their community. The location and extent of such areas must first, however, be objectively established and so designated by the local governing authority.

The City Council of the City of Pensacola, Florida, on September 25, 1980, adopted Resolution No. 55-80, creating a public body designated as the Pensacola Community Redevelopment Agency.

It is the purpose of this report, therefore, to provide objective data with which to determine the existence of slum or blighted conditions in the Inner City area of Pensacola, Florida. That is accomplished in three steps. First, the terms "slum" and "blighted" are defined according to Chapter 163.340, Florida Statutes, and according to the intent of the law as described in Chapter 163.335, F.S.. Second, the factors which are found to be indicative of slum or blighted conditions are reviewed in and around the Inner City area of Pensacola, Florida. The statistical findings and interpretations of this data are then presented. Finally, a summary statement, based on the findings of the review, gives a concise overview of the current condition of the Inner City area of Pensacola, and a recommendation regarding a slum and/or blighted designation.

The primary purpose of the Community Redevelopment Act of 1969, as amended by the Florida Legislature in 1977, is to provide local governments with the "tools" necessary to revitalize the deteriorated portions of their communities. These "tools" include the establishment of the Community Redevelopment Agency (CRA) to administer redevelopment plans and the powers delegated to this agency such as the power to designate certain areas as slum or blighted areas; grant final approval and modification to community redevelopment plans; issue revenue bonds; and approve the acquisition, demolition, removal, or disposal of property.

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¹Part III of Chapter 163, Florida Statutes.

²Chapter 163.355, <u>Florida Statutes</u>.

In order to utilize these "tools" for redevelopment, the community must establish the need for such action. According to Chapter 163.355, Florida Statutes.

No county or municipality shall exercise the authority conferred by this part until after the governing body shall have adopted a resolution finding that:

- 1.) One or more slum or blighted areas exist in such county or municipality; and
- 2.) The rehabilitation, conservation, or redevelopment or a combination thereof, of such area or areas is necessary in the interest of the public health, safety, morals, or welfare of the residents of such county or municipality.

This report will present the objective data with which to determine the existence of slum or blighted conditions in the Inner City area of Pensacola, Florida. Indicators of slum or blighted areas are defined in the Community Redevelopment Act (Chapter 163.340, F.S.). A complete definition of these two terms are included in Appendix A. For the purposes of this report, the indicators that will be addressed as they relate to slum and blighted conditions are those set forth in the Act under the definitions of "slum and blighted areas":

Blighted areas:

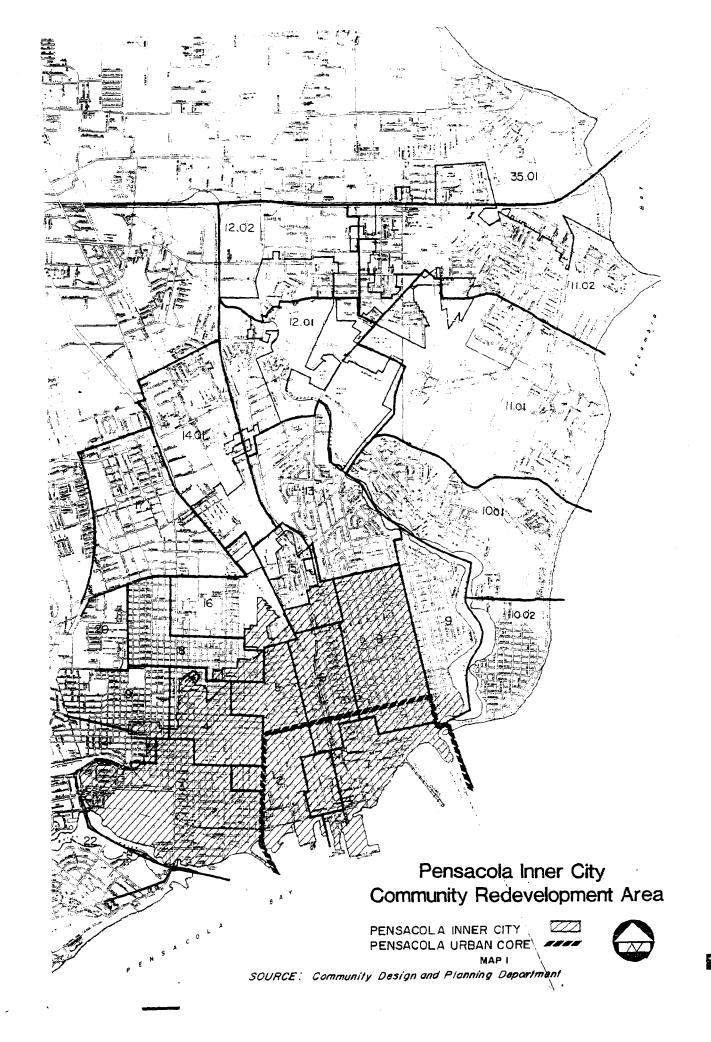
- 1.) "Predominance of defective or inadequate street layout" traffic congestion and flow pattern.
- 2.) "Faulty lot layout in relation to size,
 adequacy, accessibility, or usefulness" uneconomical building parcels(i.e., size,
 location, parking).
- 3.) "Unsanitary or unsafe conditions" crime.
- 4.) "Deterioration of site or other improvements" age and conditions of structures and vacancy rates.
- 5.) "Tax or special assessment delinquency exceeding the fair value of the land" land values and/or tax structures.
- 6.) "Diversity of ownership or defective or unusual conditions of title which prevents the free alienability of land within the deteriorated or hazardous area" multiple ownership.

The Community Redevelopment Act defines a slum area as:

> "...an area in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reason of dilipadation, deterioration, age or obsolescense, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime is detrimental to the public health, safety, morals, or welfare." (See Chapter 163.330-.340)

A discussion of each of these indicators follows, and presents data substantiating the existence of these conditions in the Pensacola Inner City. The Pensacola Inner City generally encompasses Census Tracts 1 through 8 and represents the older portion of the City. This area is illustrated in Map 1. A resolution reaffirming the existence of blighted conditions in the City, declaration of the need for a community redevelopment agency and the creation of that agency is also included in the report. This resolution represents the commitment of the local elected officials to rehabilitate, conserve and redevelop the City's blighted areas in the interest of public health, safety, morals, or welfare of the residents of Pensacola (Appendix C)

³Chapter 163.340 (7), Florida Statutes.



SUMMARY OF FINDINGS/RECOMMENDATIONS

The discussion of social, economic, and physical data presented on the following pages provides documentation that certain areas within the City of Pensacola are experiencing blight and slum conditions. Indicators of these conditions, as defined in the Community Redevelopment Act, are found to exist primarily in Census Tracts 1 through 8, the area defined as the Inner City of Pensacola. The indicators that most clearly establish the blighted conditions in this area are the existence of small, uneconomical building parcels, the greater incidence of crime reported, and the age and declining condition of the housing stock.

While there has been a reverse in the decline of portions of the Inner City motivated by private investment, public funds and the establishment of special districts (i.e., Historic District, North Hill Preservation District, Palafox Historical Business District, Governmental Center District), the majority of the Inner City has not been influenced by this trend. It is recommended that the Inner City be designated as a <u>blighted area</u>, based on the criteria set forth in the Community Redevelopment Act. Such a designation will allow the use of sophisticated redevelopment tools which combine the forces of private sector investment and public incentive to overcome complex physical and economic problems. The ability of private sector to revitalize the Inner City area of Pensacola may depend upon this creative partnership.

A. Traffic Congestion

Traffic flow in the older sections of the City, particularly the Inner City has been improved over the past five years with the completion of an interstate spur and major east/west arterials. The north/south movement of traffic was made more efficient through the completion of the Interstate 110 Spur. In conjunction with the completion of this system, the one-way pairing of Gregory (west bound) and Chase (east bound) Streets and construction of a portion of Bayfront Parkway has lessened the traffic congestion throughout the Inner City. The expansion from one-way to two-way traffic along Romana Street also improved east/west movement within the Central Business District and onto Bayfront Parkway. The use of Bayfront Parkway along the southern portion of the Inner City for the passage of heavy non-local traffic will help alleviate this traffic problem in the Historical District and Central Business District.

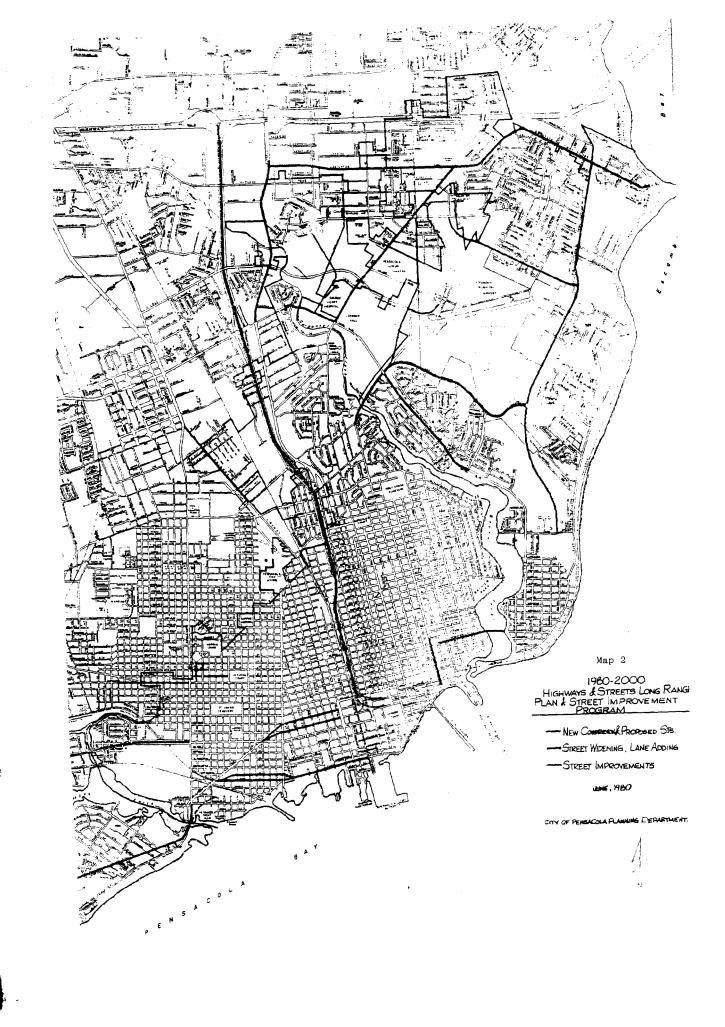
Other traffic projects which are necessary to improve traffic movement within the older section of the City include the Jefferson Street extension, a north/south link between Garden Street and Chase Street, and the paving of a ten block area in the western portion of the City (Census Tract 4). These projects are shown on Map 2.

The interaction of rail lines and downtown streets has been noted as a safety hazard and rail traffic moving through the Inner City often interrupts traffic flow during peak periods. While funds have been earmarked for improving the safety of railroad crossings throughout the City, no acceptable alternatives have been identified to alleviate this traffic problem. The rail-street conflict resolution is critical to the proper growth and development of the waterfront and water oriented public and private parcels.

As stated in the City of Pensacola's Comprehensive Plan Traffic Circulation Element, the primary goal of the long range transportation plan is to upgrade and maintain existing highways and street facilities. While a few new arterials and collector streets will be needed in the City in the long term to serve developing areas, considering the uncertainty of the fuel situation, the emphasis of the PUATS Plan and the City's Comprehensive Plan is upon concentration of highway

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⁴City of Pensacola Comprehensive Plan Information Package III, Traffic Circulation Element. City of Pensacola Department of Community Design and Planning, June, 1980.



and street improvement and construction projects rather than dispersion of these activities. Support projects designed to upgrade existing street operations include street lighting, synchronization of street lights, and a program of comprehensive directional and identification signs to identify primary points of interest in the downtown area. Additional projects planned to enhance the traffic situation in the Inner City include the use of satellite parking lots in conjunction with a shuttle bus system and the construction of a multi-level parking facility.

B. Uneconomical Building Parcels

One of the most critical factors in promoting the redevelopment of any area is the availability of parcels large enough to support infilling of either commercial or residential uses and the associated parking and other site amenities (i.e., landscaping, recreational space and common areas). Older sections of Pensacola, like other cities platted and developed in the 1800's, were originally subdivided into long narrow lots averaging 30 feet by 125 feet. Map 3 illustrates the typical subdivision layout in the older City. While the City does own several large parcels which would be redeveloped as a package, the majority of the property within the older City is held in small parcels by a diverse group of individuals.

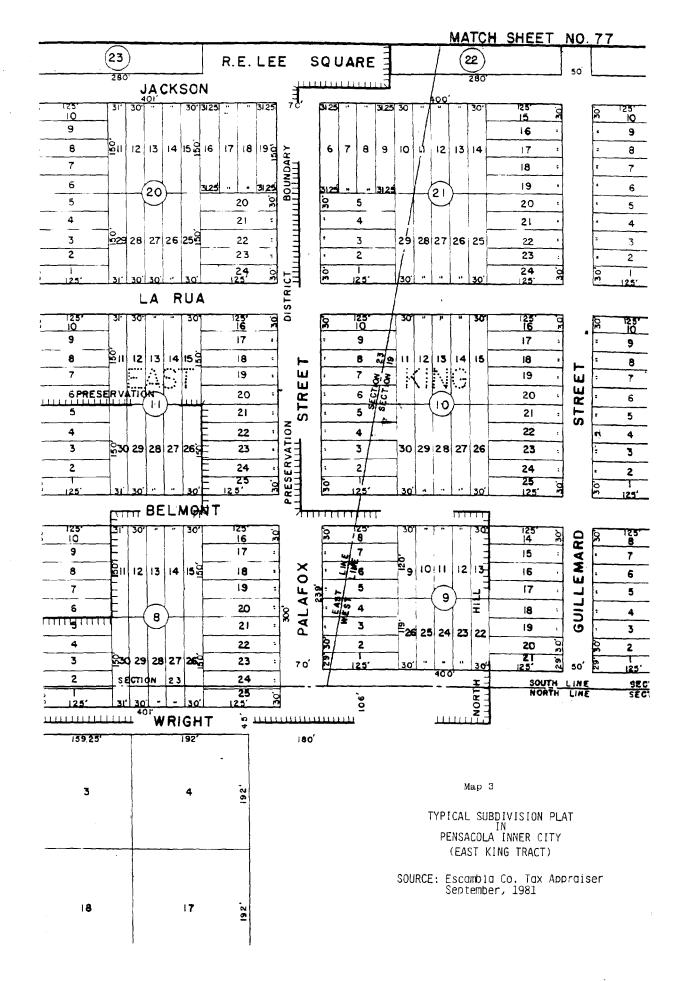
The assembly of individual small parcels is generally a difficult task for the private sector to carry out. In this situation, the public powers of eminent domain, revenue bonding and tax increment financing, as established in the Community Redevelopment Act, could be used to consolidate parcels large enough to support new development.

C. Crime

Crime, as a social and economic indicator, is generally closely tied to areas within a community which are suffering from deteriorating neighborhood conditions (i.e., high unemployment, significant vacancy rates and structural deterioration).

Consequently, these areas are not considered as desirable for redevelopment because of the potential negative effects on the public health, safety and welfare. A private investor is not likely to establish a commercial or residential venture in an area exhibiting a high crime rate unless there is a trend which indicates the area is beginning to revitalize.

Pensacola's Inner City is experiencing an incidence of crime which is disproportionate to the number of residents.



This situation was documented in a survey conducted by a graduate student with assistance from the Center for State and Local Government at the University of West Florida.

In this study, a 20% sample of the Pensacola Police Department's radio-complaint cards was utilized as an index of incidence of crime. This information included reporting area, type of incident, location by address, and date of occurrence. The sample consisted of 8,532 cards randomly selected from a total of 42,000 calls for service handled by the Pensacola Police Department from June, 1977, to May 1978.

Incidence of crimes as reported by the radio-complaint cards was compiled by reporting area (Map 4) and those reporting areas representing Pensacola's Inner City were compared against those outside the Target Area. This analysis indicates that while the Inner City contains 50% of the total population, it is experiencing 70% of the total incidence of reported crime. Those reporting areas representing the Inner City have been ranked low, medium and high and are graphically presented by Map 4. Appendix B presents a tabulated incidence of crime by reporting area.

D. Age/Condition of Structures and Vacancy Rate

The age of residential structures within the Inner City is documented in Map 5 which depicts Residential Growth Patterns. As shown on the map, the majority of the housing in this older section of the City was constructed prior to 1930. Many of the structures within the central core of this area were built prior to 1910.

The age of these neighborhoods is obviously a contributing factor to the decline in the condition of housing stock. However, another trend which also affected the decline in housing conditions was the movement to the suburbs in the 1950's and 1960's. As suburban development became popular, these older neighborhoods were left vacant or occupied by people with insufficient income to adequately maintain the housing.

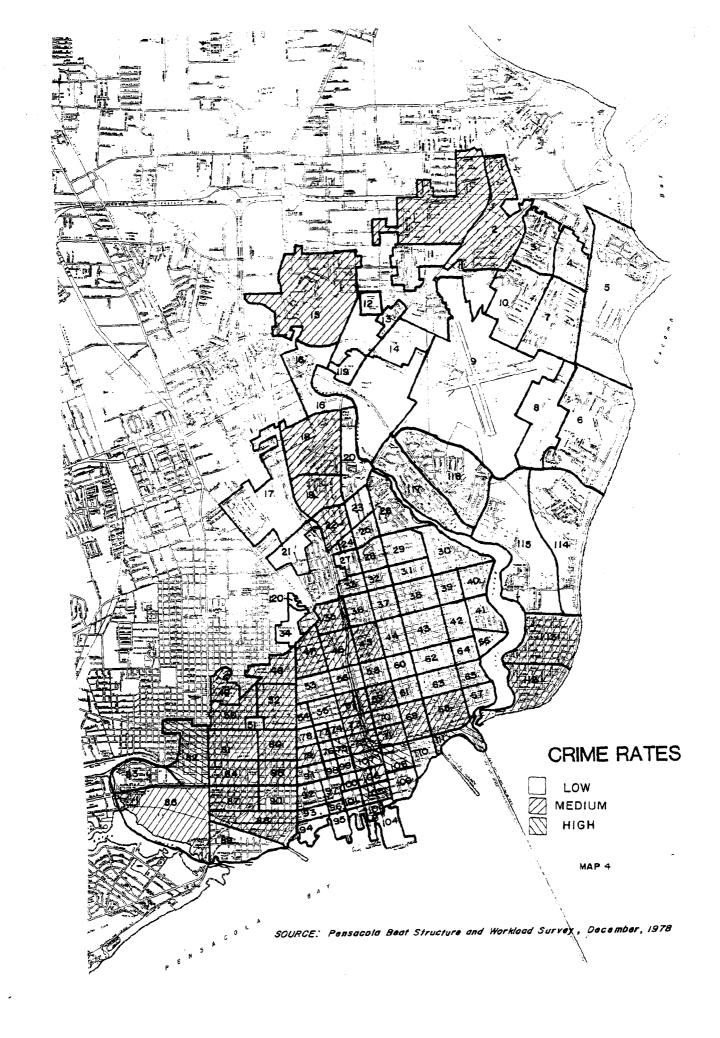
While this trend has begun to reverse with the increased interest in the rehabilitation of existing housing and infilling with new housing, the older sections of the City still report a higher number of substandard and deteriorating structures. Table 1 presents an inventory of housing structural conditions by census tract for the City of Pensacola as of

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⁵Unpublished Masters Thesis, UWF.

⁶Comprehensive Plan: Information Package II, City of Pensacola, Dept. of Community Design and Planning, Nov. 1978.

⁷City of Pensacola Comprehensive Plan Information Package III, Housing Element. City of Pensacola Department of Community Design and Planning, June 1980.





May, 1980. The table indicates the census tracts which have maintained or exhibited an improvement in housing conditions (Census Tracts 3,5 and 8), and the census tracts which report a high percentage of substandard and deteriorating housing stock (Census Tracts 1,2,4,6 and 7). Map 6 illustrates the housing structural conditions by census tracts.

Vacancy rates provide an additional indication of areas suffering from blight. Vacant lots or structures denote areas of high turnover, low investment potential or underutilized real estate. Similarly, a high vacancy rate generally directly relates to increased vandalism and other crimes. Residential vacancy rates by census tract for the City of Pensacola are shown in Table 2. The table illustrates a trend of higher vacancy rates for the Inner City area as compared to the newer suburban residential neighborhoods. While commercial vacancy rates are not as readily available, the downtown area does exhibit a rapid turnover of tenants and numerous vacant commercial buildings.

The City of Pensacola's Community Development Block Grant (CDBG) program Target Area encompasses Census Tracts 1 through 8. The rationale for the delineation of this Tract Area (shown on Map 7) becomes obvious upon review of the housing structural conditions and vacancy rate data presented above. The Neighborhood Strategy Areas (NAS) shown on Map 7 are areas where CDBG funding will be concentrated for rehabilitation of declining neighborhood conditions.

E. Land Values/Tax Revenues

One of the most important measures of an area's economic stability and potential is land value and ad valorem revenues. The most current information from the Escambia County Tax Appraiser indicates that the assessed value of property within the Inner City accounts for 34 percent of the assessed value of the total property within the City (see Table 3, below).

Records of the assessed value of the Inner City over the past five years were not readily available for comparison. However, it is interesting to note that while this area contains 50% of the population as well as prime commercial and waterfront properties (including industrial sites), it represents only 34% of the total assessed value of the City of Pensacola. Considering the recent local trend back to the Inner City due to such factors as the high cost of new construction, the historical awareness of the community, and the energy conservation movement, it is

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EXISTING RESIDENTIAL LAND USE & HOUSING STRUCTURAL CONDITIONS BY CENSUS TRACT - CITY OF PENSACOLA - MAY, 198 STRUCTURAL CONDITIONS OF SINGLE FAMILY & DUPLEX DWELLINGS*** CENSUS TOT. # PUBLIC HOUSING MOBILE HOME MULTIPLE FAMILY MULTIPLE FAMILY TRACT DWELL. PARKS 5 Units SUB-STANDARD DETERIOR 5 Units STANDARD NUMBER UNITS #Complexes #Units #Parks #Units # Complexes # Units # Complexes # Units 8 4 # # 8 * H -n .7 99.2 .1 O 99.9 10.01) 99.6 . 3 10.02 . 2 99.7 11.01 G Λ 99.9 . 1 11.02 О 12.01 98.6 1.4 12.02 lń 99.8 ., 1 o O o 14.01 Ü o 35.01

NOTE: *Percentages of single family and duplex buildings that are standard, sub-standard, and deteriorated were updated through May, 1980, using building permits.

SOURCE: City Planning, Pensacola, Florida, 1980.

TOTAL

22,778

ESTIMATED POPULATION PENSACOLA, FLA., 1978

Table 2

C.T.	TDU	VAC.	ADJ.	POP.	PPU	EST.	% CHANGE	POP. IN	TOTAL
	1978	RATE	TOTAL	1970	1970	POP. DU	1970-78	GROUP	EST. POP.
			טם			1978		QTRS.	1978
1	23	5%	22	260	2.06	45	-82.69	87	
2	1222	5	1161	3820	2.58	2995	-21.60		
3	1627	3	1578	4659	2.92	4608	- 1.09		
4*	1389	4	1333	5537	3.57	4759	-14.05		
5	836	2	819	2203	2.76	2260	2.59		
6	1120	5	1064	5116	2.79**	2968	-35.54		
7	938	7	872	3232	3.12	2720	-15.84		
8	2227	3	2160	5601	2.52	5443	- 2.82		
9	1318	2	1292	3372	2.59	3346	- 0.77		
10	3126	1	3095	7029	3.20	9904	40.90		
11*	3788	1	3750	6911	3.62	13575	96.43		
12*	1352	1	1338	2479	3.09	4134	66.76		
13	2119	2	2077	5853	3.32	6896	17.82		
14*	297	1	294	831	4.16	1223	47.17	į	[
15*	494	2	484	1579	3.18	1539	- 2.53	·	
16*	5	5	5	116	3.77	19	- 83.62	İ	
18*	132	2	129	329	2.63	339	3.04		
19*	55	4	53	135	2.41	128	- 5.19		
21*	65	4	62	236	3.19	198	-16.10		}
35*	417	1	413	208	3.85	1590	664.42		
TOT.	22,550		22,001	59,507		68,689		87	68,776

- * Partial tracts within the City Limits.
- ** Community Action Program Study shows 2.79 PPU for 1977 in C.T. 6 as opposed to a 3.10 PPU factor for 1970.

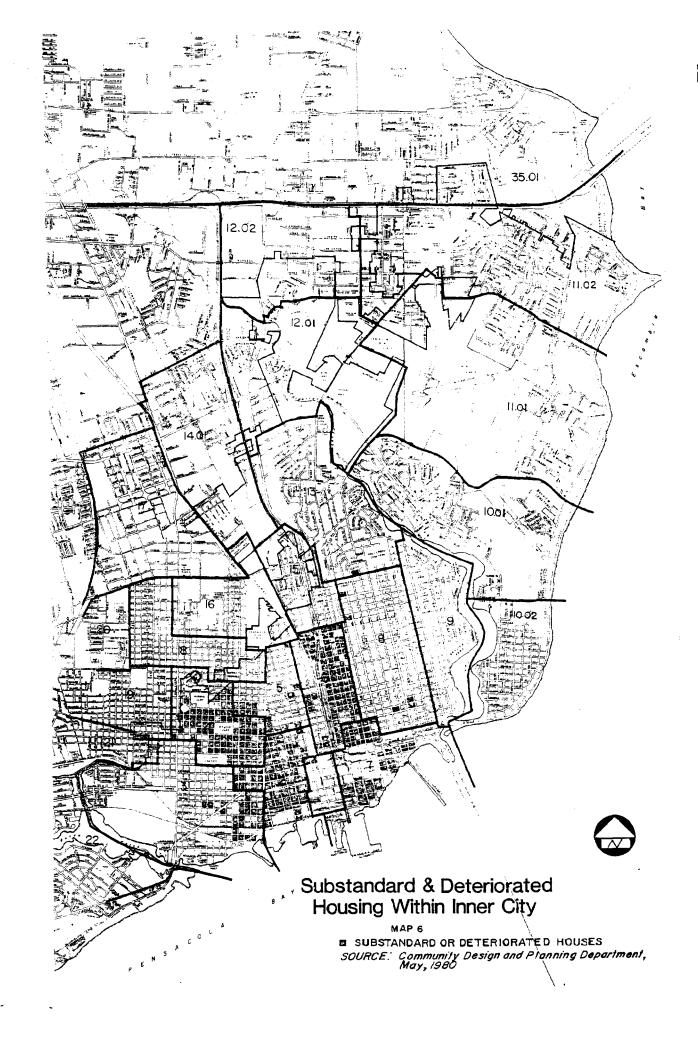
ABBREVIATIONS: TDU = Total Dwelling Units

Adjusted Total Dwelling Units = Total Dwelling Units minus

Vacancy Rate.

PPU = Persons Per Unit.

SOURCE: Pensacola Planning Department, 1978.



probable that the current assessed value for this area (34% of the total assessed value of the City) is higher than it has been in the past.

In order to continue upgrading this area and increase the tax base of the Inner City to a level equal to the rest of the community, incentives will have to be offered to private investors to stimulate utilization of vacant structures and parcels. The City could most effectively stimulate the utilization of the area through the establishment of the Community Redevelopment Agency, the development of a redevelopment plan for the area and the other "tools" provided for in the Community Redevelopment Act (i.e., packaging of land, tax increment financing, etc.).

Table 3 Property Assessed Values

<u>Year</u>	Total City	Inner City	% of Total City
1981	\$712,295,340*	\$243,538,890*	34.0

Source: Escambia County Property Appraiser, Sept. 1981.

F. Diversity of Ownership

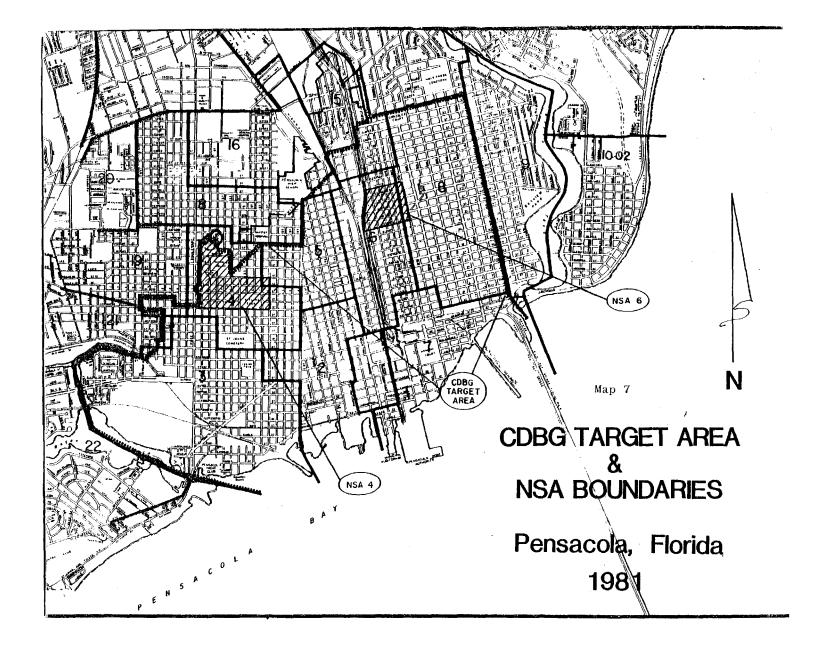
Multiple ownership of property within the older sections of the community can be an obstacle to the assembly of parcels large enough to support redevelopment projects. This factor is closely tied to another indicator of blight discussed previously, the existence of small, uneconomical building parcels which are characteristically found in the Inner City.

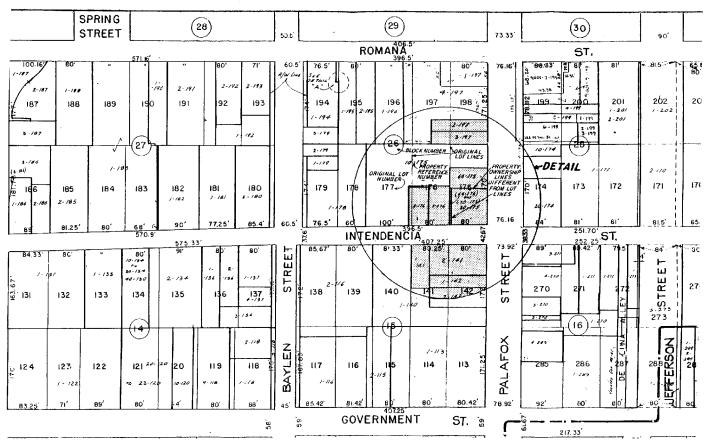
This division of ownership is evidenced in a recent survey compiled by the City Planning Department on property ownership. In an area encompassing 82 City blocks, generally located east of the Historic District, between Belmont Street and Pensacola Bay, there were 453 property owners identified. The ratio of property owners per block in this particular area of the Inner City averages approximately 18 owners per block. This same pattern of property ownership is prevalent throughout the Inner City with the exception of a few large parcels held by the City or private investors. Map 8 illustrates an

^{*} Reported value does not include government or institutional properties with tax exempt status.

Oity of Pensacola Comprehensive Plan Administrative Rezonings - Property Ownership Inventory for Gateway Redevelopment District. City of Pensacola Department of Community Design & Planning, Aug. 1981.

example of the diversity of ownership in several blocks within the Inner City (Blocks 25 and 26, Palafox and Intendencia Streets). In order to alleviate this problem, the City could exercise the authorities granted in the Community Redevelopment Act to acquire and package several individual parcels for a redevelopment project.





PENSACOLA INNER CITY PROPERTY OWNERSHIP PATTERNS

MAP 8

SOURCE: ESCAMBIA COUNTY TAX APPRAISER'S OFFICE, SEPTEMBER, 1981



APPENDIX A

DEFINITIONS

Slum Area - an area in which there is a predominance of buildings or improvements, whether residential or non-residential, which by reason of dilapidation, deterioration, age or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, the existence of conditions which endanger life or property by fire or other causes, or any combination of such factors is conducive to ill health, transmission of disease, infant mortality, juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or welfare.

Blighted Area - an area in which there are a substantial number of slum, deteriorated, or deteriorating structures and conditions which endanger life or property by fire or other causes or one or more of the following factors which substantially impairs or arrests the sound growth of a county or municipality and is a menace to the public health, safety, morals, or welfare in its present condition and use:

- a) Predominance of defective or inadequate street layout:
- Faulty lot layout in relation to size, adequacy, accessibility or usefulness;
- c) Unsanitary or unsafe conditions;
- d) Deterioration of site or other improvements;
- e) Tax or special assessment delinquency exceeding the fair value of the land; and
- f) Diversity of ownership or defective or unusual conditions of title which prevents the free alienability of land within the deteriorated or hazardous area.

Community Redevelopment Project - means undertakings and activities of a county, municipality, or community redevelopment agency in a community redevelopment area for the elimination and prevention of the development or spread of slums and blight and may include slum clearance and redevelopment in a community redevelopment area, rehabilitation or conservation in a community redevelopment area, or any combination or part thereof in accordance with a community redevelopment plan.

Community Redevelopment Area - a slum area or a blighted area or a combination thereof which the governing body designated as appropriate for a community redevelopment project.

Community Redevelopment Plan - a plan, as it exists from time to time, for a community redevelopment project.

Tax Increment Financing - Authorized by the Community Redevelopment Act of 1969, as amended by the Florida Legislature in 1977 (Part III of Chapter 163, Florida Statutes). This State legislation enables local governments to use tax increment financing as a tool for redevelopment in slums or blighted areas. Redevelopment using tax increment financing must be accomplished through a community redevelopment agency in accordance with an approved community redevelopment plan. A community redevelopment project may include land acquisition, slum clearance, and preparation prior to resale for redevelopment.

Redevelopment projects are funded through the establishment of a redevelopment trust fund. The trust fund is supported by an annual appropriation from each taxing authority within the project boundaries (except school districts). Annual appropriations from each taxing authority are equal to the increase of ad valorem taxes (increased assessment) produced as a result of the redevelopment project. The community redevelopment agency is also authorized to issue revenue bonds to be repaid with monies deposited in the trust funds.

APPENDIX B

INCIDENCE OF CRIMES AS REPORTED BY RADIO COMPLAINT CARDS * Pensacola Inner City

Reporting Areas	Incidents	% of Total
31 32	28 57	. 33 . 67
37	49	. 57
38	35	. 41
43 44	47 27	.55 .32
45	98	1.15
46	117	1.37
47	110	1.29
49	86	1.01
50	140	1.64
51	62	. 73
52 5.2	106	1.24
53 54	40 40	. 47 . 47
55	56	. 47
56	76	. 89
57	88	1.03
58	58	. 68
59	130	1.52
60	29	. 34
61	63	. 74
62 63	35 60	.41 .70
68	123	1.44
69	131	1.54
70	64	.75
71	98	1.15
72	168	1.97
73	86	1.01
74 75	62	. 73
75 76	174 75	2.04 .88
70 77	21	. 25
78	56	.66
79	161	1.89
80	135	1.58
81	140	1.64
82	179	2.10
83	50 9 7	.59 1.14
84 85	101	1.14
86	87	1.02
87	114	1.34
88	115	1.35
89	71	.83
90	75	. 88

Pensacola Inner City (Cont'd.)

Reporting Areas	Incidents	% of Total
91 92 93 94 95 96 97 98 99 100 101 102 103 104 105 106 107 108 109 110 111	58 64 15 3 6 6 36 25 147 85 155 77 36 15 218 166 173 191 49 83 173	.68 .75 .18 .04 .07 .07 .42 .29 1.72 1.00 1.82 .90 .42 .18 2.56 1.95 2.03 2.24 .57 .97
All Other		
Reporting Areas	Incidents	% of Total
	2,635	30.88

^{*}Data collected June 1977 to May 1978.

