

A woman with blonde hair, wearing a light blue shirt and a tan vest, is smiling as she works on a piece of jewelry in a workshop. She is surrounded by various tools, materials, and finished pieces. The workshop is filled with shelves of supplies, including boxes and rolls of material. The overall atmosphere is one of a busy, creative workspace.

LLSC

Industrial District Revitalization in Jacksonville

Case Study: The Rail Yard

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JULY 2020

Introduction

In a number of cities across the country, many long-disinvested industrial districts are experiencing a revival and in the process bringing opportunities for cities and surrounding communities. New or expanding industrial businesses generate new jobs, attract new workers, and increase demand for local products and services. Their investment in building and infrastructure helps improve neighborhood image and gives a sense of vitality to disinvested places, while bringing an increased tax base to cities.

However, the revitalization of industrial districts, like any other process of neighborhood change, may present challenges as new businesses may spark new uses and increase real estate cost, potentially triggering conflicts and gentrification pressures among residents or longtime businesses.

How can industrial districts revitalize in an equitable way, bringing benefits to surrounding low-income communities and without triggering displacement of long-term businesses?

As a community development financial institution with a national footprint, LISC works with disinvested communities throughout the country, and in recent years has been increasingly involved in supporting industrial district revitalization efforts. Below are highlights from LISC Jacksonville's efforts and early outcomes of this work.

COVER PHOTO:

Rethreaded worker
making one of their
popular leather earrings

COVER PHOTO COURTESY OF
RETHREADED, JACKSONVILLE, FL



There's no way we would have organized ourselves without LISC... LISC came and visited every business, talked to them, and gave that personal handshake, which was a big deal because it made us all feel like the Rail Yard District could really happen.

Annie Murphy,
PRESIDENT, ECO RELICS

CASE STUDY

Creating local infrastructure for collaboration in Jacksonville

Located west of downtown Jacksonville is the Rail Yard District—a mostly industrial, urban area that encompasses several neighborhoods. Once a hub for industry that took advantage of the terminus of north-south rail lines built in the nineteenth century, the district and surrounding communities experienced disinvestment with the decline of the rail era and suburbanization, giving rise to vacant lots, abandoned warehouses, and a general perception of decline.



Nevertheless, the Rail Yard still plays an important role in Jacksonville's economy. In 2015 a LISC MetroEdge study found that the district housed 346 businesses, and contributed \$2.7 billion in local economic impact. Among these businesses are well-established and thriving legacy manufacturers such as Beaver Street Fisheries, a top importer, manufacturer, and distributor of quality frozen seafood, and Load King, a custom fabricator of retail store displays for Starbucks and AMC Theaters, as well as a growing number of newcomers that are reactivating obsolete industrial spaces



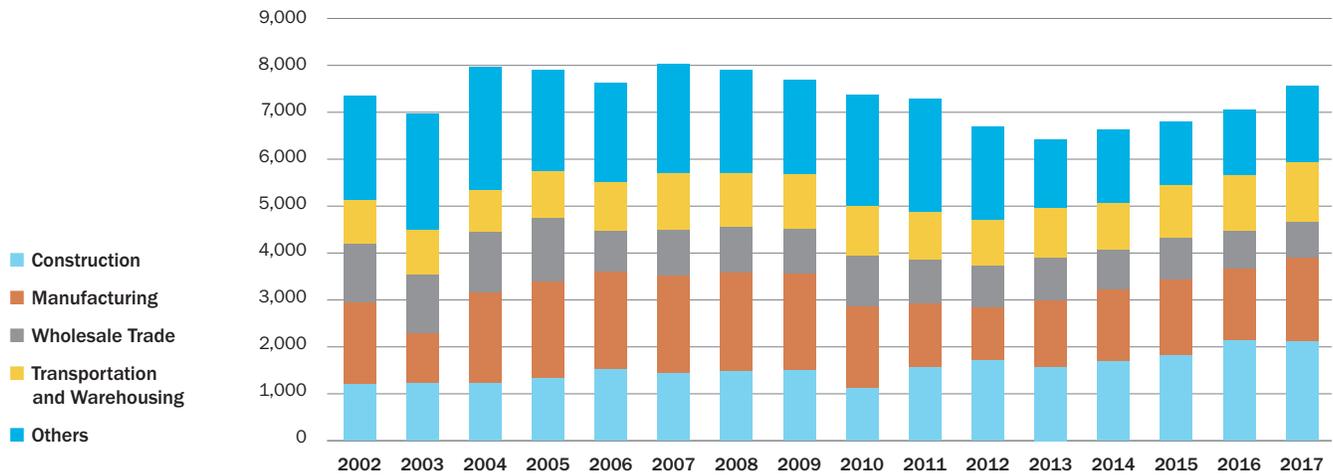
ABOVE: Rethreaded is a social enterprise member of the Rail Yard District Business Council (RYBDC) in Jacksonville. The company provides long-term employment, life and career development for survivors of human trafficking.

with a variety of new industrial and commercial uses including breweries, event spaces, chocolate and candy making, and architectural salvage depots, among many others.

In fact, according to the Census, for much of the last two decades the Rail Yard has been a solid industrial district. Since 2002, the main industries occupying the yard have been construction, manufacturing, transportation and warehousing, and wholesale trade, which together have grown their presence in the district from 5,113 employees in 2002 (70 percent) to 5,925 employees in 2017 (78 percent). In fact, whereas manufacturing jobs have declined in the city of Jacksonville from 28,697 to 24,790, or from 6.6 percent to 4.8 percent of all city jobs, in the Rail Yard District they have remained steady at around 24 percent of the district's workforce with a net increase of 32 jobs during this time period. Furthermore, as of 2017 manufacturing jobs in the Rail Yard District represent over 7 percent of all manufacturing jobs in the city of Jacksonville.¹

Rail Yard Jobs

2002–2017



SOURCE: U.S. Census Bureau. LEHD Origin-Destination Employment Statistics, 2002–2017.

Despite the presence of thriving legacy businesses and a new wave of entrepreneurs, the Rail Yard District has challenges due to long disinvestment in its physical environment, particularly in infrastructure such as railroad crossings, bridges, underpasses, drainage (a major access road with nine-foot clearance floods every time there is a major rainfall), and in a number of older industrial buildings.

Recognizing the potential of the district and that advocacy is needed to galvanize political attention and new investment in the area, LISC Jacksonville is supporting local business owners to formally organize. With the help of consultants, LISC began engaging local businesses in 2016 through a series of meetings and interviews, including both long-time legacy manufacturers and emerging and innovative businesses, which helped to spur consensus around forming a business council. And in 2017, with LISC’s support, the group incorporated the Rail Yard District Business Council (RYBDC) into a 501(c)3. Annie Murphy, president of Eco Relics, an architecture salvage depot in the Rail Yard, reflected on LISC’s critical role in the process:

There’s no way we would have organized ourselves without LISC... LISC came and visited every business, talked to them, and gave that personal handshake, which was a big deal because it made us all feel like the Rail Yard District could really happen. LISC also helped us organize and run our first meeting before we were even a Rail Yard District. LISC provided us with a backbone, and gave us a level of legitimacy that we would not have had if we just tried to do this on our own.

In addition to supporting business organizing efforts, LISC helped staff RYBDC with an AmeriCorps member and has provided ongoing organizational coaching and support. This included legal, technical, and financial assistance as well as marketing and networking support, such as connecting RYBDC with public officials and publicizing its efforts through tours, radio interviews, and marketing materials. This support has been crucial to a nascent organization composed of a wide variety of businesses, which may share an overall vision for the district, but may have diverging priorities and views on how to accomplish that vision.

While some businesses focus on larger-scale issues like infrastructure problems that take long-term engagement and lobbying with public agencies, other businesses want to focus on smaller physical improvement projects that can have visible and immediate impact. Besides diverging priorities and governance challenges within the council, the lack of a full-time dedicated staff and a clear vision or plan for the district affected the RYBDC's early ability to engage public officials and communicate its needs and requests as part of a cohesive plan. To assist RYBDC in overcoming these early challenges, LISC placed an AmeriCorps member exclusively to support the council's efforts and has intentionally engaged the Urban Land Institute (ULI) of North Florida to convene a Technical Assistance Panel (TAP) for the Rail Yard District, whose recommendations helped articulate the various priorities for the district in a single plan and provide a roadmap for RYBDC's revitalization efforts.

LISC efforts to support revitalization of the Rail Yard District are part of its ongoing work to revitalize New Town, an adjacent residential neighborhood that was developed in the early twentieth century for African-American workers in the railroads and industrial areas in the vicinity, including the Rail Yard. Since 1999 LISC has invested nearly \$5 million in loans and grants as part of these combined efforts, of which \$70,000 has been targeted to the Rail Yard since 2018.

Through these efforts a number of early accomplishments are emerging, including RYBDC membership growth from 10 businesses to 63 enterprises representing 4,694 employees, and growing visibility among the political and broader Jacksonville community. Furthermore, the group was able to organize a job fair for local residents and through the recently opened Financial Opportunity Center (FOC),² which LISC opened in partnership with local organizations, has placed 16 residents in local jobs, 7 of which are in the yard and immediate vicinity.

Early Outcomes of District Revitalization Efforts by LISC and Partners

- RYBDC incorporation into a 501(c)3 and membership growth from 10 to 63 businesses
- Recognition and branding of the area as the Rail Yard District
- Infrastructure improvements (Myrtle Avenue viaduct drainage issues addressed and Stockton Street rail crossing fixed)
- Beaver Street beautification projects led by community members and yard businesses
- ULI Rail Yard District Technical Assistance Panel developed
- Job fair held for connecting local residents with businesses in the yard
- Leadership in the Urban Core Economic Development Forum that raised the visibility of economic development and manufacturing in the urban core of Jacksonville to a wider audience
- 16 residents placed in jobs, with 7 being placed in the yard and vicinity area

Endnotes

- 1 U.S. Census Bureau. LEHD Origin-Destination Employment Statistics, 2002–2017.
<https://onthemap.ces.census.gov/>
- 2 Financial Opportunity Centers (FOCs) are career and financial coaching service centers that help low- to moderate-income people build credit and wealth-building skills. The FOC in New Town was established through a partnership between Edward Waters College, Florida’s first historically black college and university (HBCU) and an anchor institution of the neighborhood; Operation Hope, a community-based organization working with re-entry citizens; and United Way of Northeast Florida.

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