



# A Case Study of “Just Compensation” in Tallahassee, Florida

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## Tallahassee’s Affordable Housing Crisis

Tallahassee's Black residents make-up 35% of the population, yet are disproportionately concentrated in areas of high poverty in segregated neighborhoods. Due to disproportionate poverty, Tallahassee's residents of color are disproportionately holders of Housing Choice Vouchers (HCV), a major federal housing assistance program with thousands on the waitlists with limited availability. Leon County is facing a severe affordable housing shortage, a crisis predominantly affected by Black renters.



Figure 1. Realignment of Capital Cascades Trail Segment 3-DB.

In the 1960s, public infrastructure projects designed under “urban renewal” began, in which the State of Florida exercised eminent domain to seize Smokey Hollow, a notable working-class Black neighborhood. More than sixty years later, in 2004, the Tallahassee-Leon County Planning Department completed the Capital Cascade Sector Plan to earmark funds towards a four-segment infrastructure project to be constructed by Blueprint Intergovernmental Agency. In 2016, City and County Commissioners proposed a realignment of Segment 3 (see Figure 1) to construct a regional stormwater facility and to create an aesthetic gateway to Florida A&M University. As a result, 109 housing units were demolished in Boynton-Still, a tight-knit, historically vulnerable Black neighborhood. Despite having 27.5% of eligible residents in poverty, only three public housing sites are available with approximately 540 units.

## Research Questions

- Within eminent domain proceedings involving residential displacement, what constitutes “Just Compensation”?
- Should the Capital Cascades Trail Project have “triggered” federal standards of the URA and the FHA due to allocated federal funds?

## Methods

The study analyzes public records requests of funds in conjunction with previously compiled compensation agreements to evaluate the application of federal requirements set forth by the Uniform Relocation Assistance and Real Properties Act (URA) and the Fair Housing Act (FHA).

- The URA sets minimum compensation standards for federally funded projects, requiring government instrumentalities to provide “uniform, fair, and equitable” treatment of displaced constituents.
- The FHA is designed to prevent housing discrimination based on race, ethnicity, gender, and disabilities.

## Preliminary Findings

**Did the public infrastructure project allocate federal funding?**

The Capital Cascades Trail Project allocated about \$6,000,000 in the form of a CDBG-DR grant provided by HUD to construct the public infrastructure project.

**Was the right of eminent domain used in the acquisition, rehabilitation, or demolition of properties?**

The right of eminent domain was exercised and displaced over 109 residential units in Segment 3.

**URA** ✓ Entities should comply with additional federal guidelines by referring to requirements towards compensation of owners and renters.

Figure 2. How to Trigger the URA. Framework Adopted by HUD..

“Accepting even one dollar of federal funds, the entire project was subject to the rules and procedures for every aspect of the project.” Blueprint Intergovernmental Agency, 2013.

## Conclusions

### Findings of Public Records Request & Local Government Meetings

The Community Development Block Grant Program Disaster Recovery (CDBG-DR) Grant aimed to rebuild affected low-income areas of declared weather emergencies. The usage of eminent domain to displace constituents along with acceptance of federal funding “triggers” federal requirements associated with the removal and relocation of renters.

### “Triggering” Federal Requirements (Figure 2)

The acceptance of federal funding “triggers” federal stipulations within the URA, the FHA, and the CDBG-DR to be applied in the form of moving costs and relocation benefits. The URA requires governments to provide further assistance to displaced renters with affordable housing remedies.

### Compensation Agreements (Figures 3 & 4)

Renters in Group I were provided \$1,000 as Blueprint Intergovernmental Agency began displacement in 2011. As a result of the realignment, additional parcels were impacted in a second group of acquisitions; Group II was provided an average of \$5,250. Although the federal standard was not calculated in Group I, the federal standard was calculated but not granted in Group II. Neither Group I nor Group II received compensation under calculated state/local or federal standards. Recent lawsuits showed only one renter in Group I received compensation equivalent to federal standard. Displaced constituents did not receive any HCVs nor replacement housing units.

## Public Policy Recommendations

- As compensation levels vary with public infrastructure projects utilizing eminent domain based on funding sources, policy-makers should be informed grant allocation agreements between governments can “trigger” additional compensation standards. HUD should provide restrictive federal oversight and transparency to ensure policy-makers follow mandated federal compensation requirements.
- Public infrastructure projects which use the right of eminent domain require replacement housing as part of the CDBG-DR Grant for displaced constituents.
- As elected City and County Commissioners evaluate public approval based on phone surveys, distributed to attendees at their meetings, an informed citizenry can discourage future displacements by engaging in the political decision-making process.

## Future Research Implications

Without measures to construct additional affordable housing, a significant percentage of Tallahassee’s affordable housing will be eliminated, and the disproportionately-Black tenant population will be displaced into neighborhoods more segregated with fewer economic opportunities.

- With public infrastructure projects allocated federal funds towards the usage of eminent domain, are federal requirements of compensation such as the URA and FHA enough for displaced renters?
- According to the Rehabilitation Act of 1973, should affordable units be replaced with comparable apartments due to the acceptance of federal funds?
- How has displacement affected a “sense of place” in terms of place attachment and resource dependence of the tenants of Boynton-Still?

## Acknowledgements

Thank you to the Eminent Domain Research Team at the DeVoe L. Moore Center comprised of Dr. Crystal Taylor, Dr. Samuel Staley, Max Epstein, Camila Aponte, and Arthi Soloyapan for the mentorship, guidance, and support throughout the research process. A special thank you to Max Epstein and Carlos Leon for compiling calculations of compensation agreements.

## Based on Current Rental Prices & Utilities:

	<b>Comparable Analysis Finding</b>	<b>Subject Property Finding</b>
	<b>\$928.53</b>	<b>\$536.40</b>
	<b>\$392.13</b>	<b>\$392.13</b>
	<b>Rental Assistance Payment</b>	<b>Rent Differential</b>
<b>Federal</b>	<b>State/Local</b>	<b>Case Study</b>
<b>\$16,469.46</b>	<b>\$8,234.73</b>	<b>\$5,250.00</b>
<b>\$392.13</b>	<b>\$392.13</b>	<b>\$392.13</b>
<b>42 Months</b>	<b>29 Months</b>	<b>13.39 Months</b>

Figure 3. Compensation Agreements of Renters.

## Group I: 20 Renters

Average Paid

**\$1,000**

Total Paid

**\$27,987**

## Group II: 25 Renters

Average Paid

**\$5,500**

Total Paid Calculated

**\$66,625 \$213,294**

Figure 4. A Comparable Value Analysis of Group II.