



SPORTS | C1

UF LEGEND SPURRIER TO COACH IN NEW LEAGUE



LIFE | F1

CAROL KING MUSICAL OPENS ON TUESDAY

The Florida Times-Union

Sunday, April 8, 2018

jacksonville.com | @jaxdotcom | facebook.com/FLTimesUnion | \$3

Showtime (again)

The District would be blockbuster development



The Downtown Investment Authority is scheduled to vote this week on a development deal for the city to provide financial assistance for The District on the Southbank. It would be built on vacant riverfront land that is the former site of JEA's Southside Generating Station. [FLORIDA TIMES-UNION, FILE]

By David Bauerlein dbauerlein@jacksonville.com

Can Jacksonville pull it off? That's the question Downtown Investment Authority CEO Aundra Wallace hears from his counterparts in other cities when they react to the huge planned development called The District.

If actually built on the Southbank as proposed, The District would be larger than anything ever done in downtown Jacksonville with 950 residences, 147 hotel rooms, 134,600 square feet of retail space, 200,000 square feet of office space and a 125-slip marina.

The first attempt to pull together a development agreement disintegrated in January amid criticism about the city stepping in to buy the 30-acre tract as part of its financial support for the deal with Elements of Jacksonville, LLC.

The second attempt will officially start Wednesday when the Downtown Investment Authority board is scheduled to vote on terms that would stake the city to spending as much as \$26.4

See DISTRICT, A8



TOP: Plans for The District call for 950 residences, 147 hotel rooms, 134,600 square feet of retail space, 200,000 square feet of office space and a 125-slip marina. [PROVIDED BY MICHAEL MUNZ] ABOVE: Councilwoman Lori Boyer said that while planned public amenities would benefit The District, a riverwalk extension and new parks fit into a larger effort aimed at making downtown more attractive for private investment. [WILL DICKEY/FLORIDA TIMES-UNION]

Looking at Bush, Obama border plans

Trump follows playbook by bringing in National Guard

The Associated Press

HOUSTON — Since he launched his run for president, Donald Trump has said things about immigrants and the U.S.-Mexico border that no other U.S. president has. But now he's reached directly into his predecessors' playbook by sending in the National Guard.

When former presidents George W. Bush and Barack Obama deployed the Guard to the border in 2006 and 2010, they were pushing Congress to pass wide-ranging overhauls of immigration policy. Both overhauls failed. A 2011 government review estimated the Bush and Obama deployments cost at least \$1.3 billion.

Trump is also trying to reshape immigration law. But Congress so far has funded a fraction of the border wall he promised during his campaign, so the president said this week he wants 2,000 to 4,000 Guard troops on the frontier until the wall goes up. Trump called the deployments crucial to helping the U.S. Border Patrol, which after a drop-off last year has returned to apprehending about as many people as it typically does.

In a tweet Saturday, Trump said: "We are sealing up our Southern Border. The people

See BORDER, A8



In a tweet Saturday, President Donald Trump said: "We are sealing up our Southern Border." [AP PHOTO/SUSAN WALSH]

For-profit colleges struggling

Enrollment declines amid competition, image problems

The Associated Press

WASHINGTON — The for-profit college industry is struggling under the weight of declining enrollment, stiff competition from traditional universities and an image battered by past misdeeds, even as the Trump administration tries to offer a helping hand.

Education Secretary Betsy DeVos has hired several industry insiders and frozen Obama-era regulations that

would have increased protections for students. She has reduced loan forgiveness relief for some former students defrauded by their schools, meaning that the for-profit industry could be on the hook for less. And she is considering reinstating an ousted oversight agency for many for-profit colleges.

"There is a serious attempt by this department to find that appropriate fair balance for both students and schools," Steve Gunderson, president of Career Education Colleges and

See COLLEGE, A8

"It was a great sector a decade ago. For for-profit schools, the tide is still going out."

Timothy Lutts, president of the Cabot Wealth Network in Salem, Mass.

Move your money to VyStar and get a bonus when you open a CD*.



For a limited time, when you refinance a non-VyStar certificate of deposit (CD) or bring new funds from another financial institution and open a new VyStar CD, you'll not only get a great rate, we'll give you an added bonus. You can lock in your earning power and enjoy high yields for the term of your choice — from twelve months to five years. And all it takes to get started is a minimum deposit of \$5,000. We also provide tiered rates for higher balances. For more information and to see the full bonus structure, call or visit any branch or visit vystarcu.org.

904-777-6000 or 1-800-445-6289

*In order to receive the bonus amount, CD must be funded with funds from a financial institution other than VyStar Credit Union. Bonus will be credited on the next business day after CD is opened and funded. Early withdrawal penalty applies and bonus amount will be deducted from CD if closed prior to maturity date. Fee incurred could reduce earnings. Limited-time offer. All new accounts are subject to approval. Programs, services, rates, terms and conditions are subject to change at any time without notice. ©2018 VyStar Credit Union.



BORDER

From Page A1

of our great country want Safety and Security.'

Texas and Arizona officials said the first 400 soldiers will be in place within days, and Defense Secretary James Mattis said the Pentagon would foot the bill for the full 4,000, if needed, through September.

Here's a closer look at the recent history of National Guard deployments, what the presidents who ordered them said at the time and what the state of the border was then versus now:

OPERATION JUMP START, June 2006-July 2008

WHAT THE PRESIDENT SAID: "For decades, the United States has not been in complete control of its

borders," Bush said. "As a result, many who want to work in our economy have been able to sneak across our border, and millions have stayed."

In announcing the operation, Bush called on Congress to pass "comprehensive immigration reform." Using rhetoric very different than Trump's, Bush called immigrants without legal status "a part of American life."

"These are real problems. Yet we must remember that the vast majority of illegal immigrants are decent people who work hard, support their families, practice their faith, and lead responsible lives," he said.

HOW MANY TROOPS: Up to 6,000 Guard members in the first year, reduced to 3,000 in the second year.

WHERE: About 2,400 were sent to Arizona in the first year, according to a 2008 review the

Guard published about the operation. Another 1,500 were sent to Texas that year, 1,200 to California, and 900 to New Mexico. The Guard members came from all over the United States.

WHY: Bush said he was trying to buy time to bolster Border Patrol staffing, which eventually grew by about one-third. He said the troops would assist Border Patrol by "operating surveillance systems, analyzing intelligence, installing fences and vehicle barriers, building patrol roads, and providing training." He said Guard members would not assume law enforcement responsibilities and that the U.S. "is not going to militarize the southern border."

WHAT THE GUARD DID: While Guard members could not make arrests on their own, according to government figures for the two-year operation, Guard members helped in almost 12 percent of

migrant apprehensions and 9 percent of border marijuana seizures.

COST: \$1.2 billion, according to the U.S. Government Accountability Office.

PROBLEMS: In a 2009 article for Joint Force Quarterly, Maj. David M. Church, an Army National Guard commander during Operation Jump Start, said the operation's "sudden formation" gave the National Guard and U.S. Customs and Border Protection "little time for preparation, acquaintance, and coordination." The two agencies struggled to communicate and share information "without prior coordination and a solid unity of effort between them," though those issues eased over time.

OPERATION PHALANX, July 2010-Sept. 2011

WHAT THE PRESIDENT SAID: "We're not going to solve the problem just

solely as a consequence of sending National Guard troops down there," Obama said. "We're going to solve this problem because we have created an orderly, fair, humane immigration framework in which people are able to immigrate to this country in a legal fashion; employers are held accountable for hiring legally present workers."

HOW MANY: Up to 1,200 Guard members initially, though some remained in operations that continued beyond the initial deployment.

WHERE: About 560 members were sent to Arizona. According to Maj. Gen. Hugo Salazar, the head of the National Guard in Arizona, all four Southwest border states supported the operation with their own Guard members.

WHY: Obama said the Guard could "help on intelligence, dealing with both drug and human trafficking along the borders"

and free up Border Patrol to handle more law enforcement duties.

WHAT THE GUARD DID: According to a Government Accountability Office review of figures from the start of the deployment through May 2011, the Guard assisted in 6 percent of all migrant apprehensions and 2.6 percent of marijuana seizures.

COST: \$110 million through the first year, according to the Government Accountability Office.

PROBLEMS: Critics questioned whether the deployment was worth the expense, especially since Guard members could not make arrests on their own. John David Franz, the mayor of the border city of Hidalgo, Texas, told The Washington Post: "As a mayor, I am not going to say we don't want more security. But as a taxpayer? I would say something different."

COLLEGE

From Page A1

Universities, the industry lobbying group, said in an interview.

But Timothy Lutts, president of the Cabot Wealth Network in Salem, Mass., sees an industry in decline. An improving economy has led to lagging enrollment as adult students return to the workplace instead of seeking a degree to burnish their resumes, he said. For-profit colleges now also compete with non-profit schools that offer online degree programs without the stigma that still haunts money-making schools.

"It was a great sector a decade ago," Lutts said. "For for-profit schools, the tide is still going out."

Student enrollment at most four-year for-profit colleges fell in 2017 to just over 901,000, down nearly 69,000 from the year before, according to data compiled by the National Student Clearinghouse Research Center. It's a downward

trend that began in the fall of 2010.

The falling numbers have led to upheaval.

Adtalem Global Education in December unloaded DeVry University by transferring ownership of the struggling school at no cost to a small for-profit education company in California. The move came a year after DeVry agreed to a \$100 million settlement to resolve a Federal Trade Commission lawsuit alleging the school misled students through deceptive ads.

Corinthian Colleges collapsed in 2015 and ITT Technical Institute a year later.

Donald Trump's election as president had held the promise of heady times for the industry. After all, he was the founder of Trump University.

Among the DeVos hires are senior counselor Robert Eitel, who served as an attorney for Bridgepoint Education; Julian Schmoke, the top financial enforcement official, who once worked as an academic dean at DeVry; and Diane Auer Jones, who was hired



Education Secretary Betsy DeVos has frozen Obama-era regulations that would have increased protections for students. [AP PHOTO/JACQUELYN MARTIN, FILE]

as a senior policy adviser this month, used to lobby for Career Education Corporation, a major for-profit operator.

"What we have here is essentially an embrace of that industry by the Trump administration," said Kathleen Clark, a law professor at Washington University in St. Louis. "If the concern is that a whole industry has been exploiting the situation, you wouldn't

want any one from that industry being involved in any regulation, you would be skeptical."

Paul Peterson, a professor of education at Harvard University, said DeVos' hiring decisions were not unusual. Historically, U.S. administrations have tended to fill many positions with people outside the government sector in order to bring new energy and perspective, with Democrats

traditionally relying most on lawyers and academics, while Republicans picking industry practitioners.

"You don't want people running the government who don't know anything about the sector," Peterson said.

Education Department press secretary Liz Hill said individuals hired had long careers before and after their work in the for-profit sector. "In

addition to being highly qualified, they are carefully complying with all ethical requirements and have recused themselves when appropriate," Hill said in a statement.

She said DeVos was focused on expanding education options for students and that the schools' tax status was irrelevant to the quality of their education. "The one question we should be asking is whether or not an education institution is serving students well, not how it filed paperwork with the IRS," Hill said.

But Erika Colon, a 35-year old mother of three in Boston, said the federal government should increase oversight and tighten controls of for-profit schools. Colon, 35, took out about \$15,000 in loans to get a certificate as a medical administrative assistant at one of the Corinthian Colleges schools. She said she received a low-quality education, could not get a job and ended up retraining in a related field at a different school — only then getting hired by a hospital.

DISTRICT

From Page A1

million for investments on public areas at the site. The financial framework also would enable the developer to get up to \$56 million in property tax rebates over a 20-year period.

Elements of Jacksonville would use its own money to buy the land for \$18.6 million from JEA, which demolished the Southside Generating Station to open the land for redevelopment.

City Councilman Matt Schellenberg is already asking whether taxpayers would be footing too much of the bill for the \$26.4 million in public improvements such as riverfront bulkheads, an extension of the riverwalk, creation of almost 4 acres of riverfront parks, and construction of new streets for access to the parks and riverwalk.

"I would say if the city has that much money floating around, there are other areas in Jacksonville for that money," Schellenberg said, pointing to unmet needs in northwest Jacksonville.

Supporters of the proposed deal say that while the dollar amounts are big, the financial terms are in line with what the city has given in other downtown deals. The difference is The District is such a large development that everything about it is magnified, Wallace said.

"I can understand the optics of where you're going, 'Wow, \$56 million,' " Wallace said of the maximum property tax rebates that would be available.

The flip side, he said, is The District would result in a \$280 million investment in downtown.

The amount of tax rebates is directly tied to how much of the development actually gets built. City Council member Lori Boyer, whose district contains the Southbank, said that on a building-by-building basis, the amount of financial incentives is comparable to what other downtown developments have gotten.

"The eye-popping part of it is because it's a large mixed-use development as opposed to a single-building development," she said.

If the Downtown Investment Authority board signs off, the proposed deal would head next to City Council for a final vote sometime in June. Elements faces a July 18 deadline to purchase the property from JEA.

In two informal public meetings billed as "lunch and learn" sessions for City Council members, questions have focused on how the city's spending would dovetail with the developer's work, how the proposed deal stacks up with incentives received from other downtown developments, and what kind of risks the city faces if the development flaps.

Making apples-to-apples comparisons with other downtown development deals is difficult because such agreements are negotiated individually and have different types of incentives and taxpayer-financed improvements baked into them.

Since 2002, the city has approved property tax rebates for eight downtown development deals.

Five of those deals have paid out the rebates over 20-year terms, the same length of time proposed for The District. Two have 15-year payouts for the rebates, and one deal pays out the rebates for 10 years.

Wallace said that when other costs are factored into the equation, the taxpayer share of the cost at The District amounts to a lower percentage of the total investment than at two other recent downtown developments: 220 Riverside in the Brooklyn neighborhood and the Barnett Bank/Laura Street Trio project on the Northbank.

"It's kind of a middle-of-the-road downtown incentive," Boyer said. "I wouldn't say it's on the top end. It might be in the top half."

In the case of The District, the city would authorize a community development district that would enable the developer to borrow about \$30 million to cover the cost of constructing roads, utilities and drainage for the privately owned portion of The District. The community development district would repay that debt over time by using property tax rebates from the city's recaptured enhanced value program, called REV grants for short.

Those property tax rebates are based on increases in taxable property value on the site, so the risk for the community development district and its lender is if the planned buildings don't get built, there won't be any property taxes for the city to rebate. The rebate would be 75 percent of the property taxes paid to the city.

The city would not have any financial liability for the debt taken on by the community development district.

City Councilman Bill Gulliford said the financial risk is being borne by the developer, not the city.

"When you think about it from the developer's standpoint, it's a pretty gutsy project," Gulliford said. "I don't know that I would want to invest my money in it because we're looking at a cyclical economy that's at the top of the cycle right now."

But Schellenberg said Elements should be footing more of the tab.

He said the proposal just has a 100-space parking lot for the public, which would limit the ability of

Jacksonville residents to drive from other parts of the city to use the riverwalk, parks and walking trails the city would construct as part of its \$26.4 million budget for improvements to public spaces.

Schellenberg said the "vast majority" of what the city would pay for in the way of parks and riverwalk would benefit The District.

"So I'm not quite sure why we have to pay for all of it," Schellenberg said.

Boyer said that while the public amenities would benefit The District, the riverwalk extension and new parks fit into a larger system aimed at making downtown more attractive for private investment. And she said the city is working to create more parking

at other locations on the Southbank so people can drive from across the city into downtown for access to the St. Johns River.

The city would front the \$26.4 million for the public projects at The District, and then over a 15-year period, the existing Southbank Community Redevelopment Area, which is overseen by the Downtown Investment Authority, would repay the city.

Under state law, the community redevelopment area gets its revenue from tax collections on property within the Southbank, and that money must be spent on the Southbank.

David Bauerlein:
(904) 359-4581

**TERMITES ARE STILL HERE
SO ARE WE!**

1928

**90
YEARS**

1928 ★ 2018

2018

Yates-Astro
Termite & Pest Control

912-882-3118

www.yates-astro.com

Find us on
Facebook

JV-000310 1/9/16/01