

**DOWNTOWN DEVELOPMENT DISTRICT
FINANCE COMMITTEE MEETING MINUTES**

**Wednesday, September 27, 2023
3:00 p.m.
DDD Ronald E. Gardner Board Room**

Roll taken - Meeting called to order at 3:13 p.m.

Members Present: Chair Chris Ross, Commissioner Leann Moses

Members Absent: Commissioner Carla Major

Other Board Members Present: Board Chair Gregory Curtis, Secretary Kristi Taglauer

Staff/Counsel Present: Davon Barbour, Bianca Brown, Stuart Taylor, Hunter Hebert, Erica Sensenbrenner, Counsel - Adams & Reese

Others Present: N/A

Notice: The time, location, and agenda had been adequately and publicly noticed.

Public Input Card: N/A

Public Comments: N/A

Action Items:

1. Approval of August 30, 2023, Finance Committee Meeting Minutes – **Action Item***
2. Approval of August 2023 Financial Reports - **Action Item***
3. Approval of 2024 Work Plan & Operating Budget – **Action Item***
4. Approval of Millage for 2024 – **Action Item***

Approval of August 30, 2023, Finance Committee Meeting Minutes – Action Item*

Motion to approve by Commissioner Moses, second by Chair Ross. Motion carried.

Approval of August 2023 Financials – Action Item*

Motion to approve by Commissioner Moses, second by Finance Committee, Chair Ross. Motion carried.

Approval of 2024 Workplan & Operating – Action Item*

Bianca Brown, CFO discussed the projection of total revenues and expenses: Presided & CEO Davon Barbour presented a Power Point Presentation of 2024 Workplan & Operating Budget.

Staff is proposing total revenues of \$12,744,236 a difference of \$316,066 from the prior year.

Operating Revenues, which are comprised of DDD internal sources and City Sources, total \$12,369,244.

DDD Internal Sources, which is mainly comprised of revenue from DDD events, Interest Earned on bank accounts and revenue from the Banner Program.

Staff is proposing revenue of \$12,216,989 from DDD City& State Sources which is mainly comprised of AD Valorem Taxes, Less Collection Fees & Assessor Fees (4%), along with Interest on current Investments.

Preliminary Downtown Development District Assessments Net 2024 Tax Rolls totaled \$962,225,490. Of which \$28,747,520 is assessed New Construction value. With a proposed Millage of 17.12 this represents an estimated tax collections of \$15,023,650 for 2024. This is equivalent to \$877,549 per mill.

Non-Operating Revenue of \$74,992 which consists of Interest on Bond Proceeds for funds held at the Board of Liquidation along with \$300,000 from Bond Proceeds to cover Capital Uses.

Staff are proposing total operating expenses of \$11,470,481 which is a difference of \$1,128,557.

Public Space Operations proposed budget is \$4,643,647. Which includes \$385,156 for Personnel Cost, \$664,091 in Landscape Maintenance, \$254,480 in Street Furnishings & Beautification, \$90,000 in Infrastructure, \$3,199,920 in Cleaning and Maintenance and \$50,000 Miscellaneous.

Public Safety proposed budget is \$3,509,980. Which includes \$1,336,488 in Personnel Cost, \$30,200 in Public Safety Rangers, \$1,741,592 in Enhanced Public Safety Services and \$143,700 in Other, along with \$258,000 in Homelessness Services.

Economic Development and Planning total budget is \$857,209, of which \$328,209 is for Personnel Cost and \$529,000 is for Development and Planning.

Marketing and Communications total budget is \$785,283.87. In which \$328,209 is for Personnel Cost and \$508,200 is for all other Marketing and Communication efforts.

Administration total budget is \$1,674,359, of which \$886,454 is for Personnel Cost, \$17,042 for Supplies and Materials, \$3,660 for Equipment, Property and Maintenance, \$203,750 for Office Space and \$563,452 for Operations.

Non-Operating Expense which consists of \$100,000 for District Wide Capital Improvements.

Interest Expense which totals \$93,755, comes directly from the amortization schedule provided by the Board of Liquidation.

Capital Uses totaling \$1,080,000, includes Debt Service Principal of \$880,000 and Capital Purchases of \$200,000 to Upgrade and improve the Technology Infrastructure

Board Chair Curtis: Stated that the revenues were on the conservative side based on an overall 50% increase in property tax assessments but stated with the expected number of property owners expected to appeal those assessments, with office space occupancy being low to expect questions.

President & CEO Barbour: Gratitude for CFO Brown's work on the 2024 work plan was expressed. He noted was the DDD was not created or to replace city services but rather supplement services. He acknowledged the collaborative role that DDD provides as city staffing levels become optimal.

Commissioner Moses inquired if emergency debris removal service is provided by the city or a private company. President & CEO Barbour explained it was with and outside firm. Chief Placemaking Officer Operations Hebert also noted the service is a FEMA requirement which must be in place for hurricane season. Commissioner Moses also encouraged staff to partner with outside entities such as Arts Council to undertake art projects. Upon further inquiry regarding DDD's role in special events, President & CEO Barbour stated that DDD has desire to create a signature event. However, DDD regularly partners with organizations through sponsorship and marketing to support downtown events.

Motion to approve by Commissioner Moses, seconded by Commissioner Ross approval of 2024 Work Plan and Operating Budget approved. Motion carried.

Approval of Millage for 2024 – Action item

President and CEO Barbour noted that DDD, along with other taxing entities in the city, received a letter from City Council asking that DDD not roll its millage forward. President & CEO Barbour stated the DDD responded to City Council in writing the DDD would not enact a tax increase. The current millage is 17.12.

CFO Bianka Brown: read the resolution recommending no change in the millage rate of 17.12 mills.

Motion to approve by Commissioner Moses, seconded by Commissioner Ross approval of Milage for 2024 approved. Motion carried.

Old Business:

President & CEO Barbour: Explained that there is adequate funding in the 2023 budget to complete landscaping projects for 2023.

Commissioner Moses: Had a three-part question, first part was there funding, second was do we want to continue with the contract since it is in place, and the third part of the question are we satisfied with the work we were receiving. Question there seems to be confusing as to the level of service they were provided and did it meet expectations.

Finance Chair Ross: Stated there is a question on how the service is being graded since there is no official methodology, it seems to be very subjective. There needs to be a methodology for grading all contracts that is consistent.

Commissioner Moses: Stated the issue before was grading of the RFP and not if there is feedback from the staff of how the contractor is performing on the contract on an ongoing basis, and her understanding that there has been plenty of communication on the services being rendered.

President & CEO Barbour: Reiterated staff stands behinds its recommendation based on initial information provided in the original RFP submitted. Operations Director Hebert stated that there were major changes in the scope of work since Duncan Plaza and City Hall were no longer being serviced.

Commissioner Moses: Stated vendor keeps showing up after they have presented in their RFP and are bringing in new information that they did not present the first time and that it should not be considered and that it is not the board's job to micro managed the contracts that is the staff's job, our job is to create the policy and procedures and approve contracts when they are over a certain dollar amount.

Finance Chair Ross: Stated that there were no real checks and balances in the old administration in the way they administered contract. We are still caught in the policy and procedures of that time. The way I view it if there is a record of past performance, I have not seen one.

Board Chair Curtis: Stated that because we are a public agency you cannot stop them from bringing new information. The sidewalk process was different in that there was an error in the RFP. However, the Landscape RFP was a different case. Overall, the process has been compromised and we need to get back to how the process should operate and it should also flow seamlessly.

Finance Chair Ross: Asked has there been any documentation has the contractor not performed. Chief Placemaking Officer Hunter stated that there had not been sufficient documentation.

Commissioner Moses: Asked that if the prospective vendor comes in and states new information is the board allowed to consider the new information and if legal could make that determination prior to the next board meeting.

President and CEO Barbour: Stated he will speak to legal counsel for clarification. Stated the staff stands behind its decision on the new contractor.

Chief Placemaking Officer Hebert: Stated that the scope had change significantly and that is why the current Landscape company was allowed to bid on the new RFP. There was an acknowledgment by the Commissioner Taglauer that the action of letting them bid made sense.

Commissioner Taglauer: Stated that the contract is standard and if it not being completed, discussion with the vendor should be held and documented.

Board Chair Curtis: Stated there is a committee to evaluate policy and procedures especially the Procurement Procedures.

Commissioner Moses: Made a motion to bring back the Landscape RFP with the recommendation the staff has made back to the full board. Voted for by Commissioner Moses and voted against by Finance Chair Ross.

Chair Curtis: Stated the Board tabled the RFP and has the authority to un-table it.

New Business: N/A

President & CEO Barbour: Ensure integrity of transfer of funds between DDU to DDD. A policy is currently **being** review.

Commissioner Moses: stated that the issue was which agency should make the payment and that it should be DDD.

Executive Session: N/A

Adjournment:

Motion to adjourn Chair Ross, seconded by Commissioner Moses. Motion carried.