



MEETING MINUTES

Board Members Present: Chairman Barakat, D. Harris, J. Bailey, M. Bishop, M. Saylor, T. Allegretti, and P. Perez

Board Members Not Present: R. Clements and Kay Harper Williams

Office of General Counsel: Jason Gabriel

Council Members Present: Council Member Lori Boyer, District 5

Attendees: Paul Crawford, Deputy Director; Eric Lindstrom, OED Staff and Michelle Stephens, Recording Secretary

I. CALL TO ORDER

Chairman Barakat called the meeting to order at approximately 5:00 p.m.

Chairman Barakat welcomed and introduced Mr. Aundra Wallace the new CEO for the DIA. Mr. Wallace introduced himself and provided a brief overview of his past experience, his vision for the DIA, and his gratitude, motivation, and expectations for working with the DIA, the Administration, the OED, the community and downtown stakeholders, etc.

Chairman Barakat commented that Mr. Wallace signals a new chapter for the DIA adding that he thinks with Mr. Wallace on board it will relieve board members of the day to day management type of duties and allow them to think more strategically and more about projects. He suggested and encouraged board members to contact Mr. Wallace if they have or hear of potential projects for the DIA's consideration. He asked board members to notify Mr. Wallace prior to the Friday before scheduled meetings of any items they would like to have on the agenda. He added that the DIA should be entering a phase where they are more assertive and proactive.

II. ACTION ITEMS/INFORMATION ITEMS

APPROVAL OF THE JULY 24, 2013 DIA MEETING MINUTES

Board member Allegretti requested that the July 24th meeting minutes reflect that he was not able to attend, but wanted to conference in for the meeting. The record will show that he made every attempt to conference into the meeting, but due to unforeseen circumstances the call in number or telephone did not work, which in turn prevented him from being able to participate by phone.

Board member Bailey noted that the July 24th meeting minutes referenced several follow-up items to be addressed at the next meeting yet the items were not included on today's agenda. He also

asked about the status of the minutes from the Special Meeting of the DIA held on August 14, 2013, prior to the regular meeting and the minutes from the one-on-one meetings that Chair Barakat had with individual board members the week of July 15th.

Ms. Stephens responded that the minutes from the Special Meeting on August 14th have not been completed and that she still needs to finish the one on-one-meeting minutes. Both sets of minutes will be included for review/approval at the next regular meeting of the DIA scheduled for Wednesday, September 18, 2013.

Chair Barakat asked Mr. Wallace to review the July 24th meeting minutes and follow up on any outstanding items mentioned.

Because a quorum was not present, approval of the minutes will be addressed later in the meeting after Board member Perez and/or Board member Bishop arrive.

PROJECT ASSIGNMENTS

USS Charles Adams – Chair Barakat suggested an ad-hoc committee to review the proposed project. The committee would further review the project and suggest to the DIA that the project is a good idea for the City in the location for which it was proposed, and if so draft proposed term sheets based on a lease term, public investment, if any, etc. He asked Board member Saylor to chair the ad-hoc committee and Board members Harper-Williams and Allegretti to serve on the USS Charles Adams ad-hoc committee.

Chair Barakat noted that there are several development projects in the works, suggesting that a board member should be assigned as a liaison to each project. The board member would own the project and try to be present at meetings with staff regarding negotiations between developers and provide an update at the monthly regular meetings of the DIA.

- Laura Street Trio: Board member Clement
- Board member Baily suggested that the Bostwick and LaVilla projects be added to the list. Chair Barakat agreed.
- Bostwick Bldg: Board member Bailey
- LaVilla Sax Seafood: Board member Harris

PUBLIC INVESTMENT POLICY (PIP) FOR DOWNTOWN

Chair Barakat commented that the Economy Committee chaired by Board member Perez will start meeting to review the PIP. He added that the input and information developed through the Redevelopment Plan process will be helpful with the development of the PIP. Mr. Perez has not arrived at the meeting yet, so when he does the board will discuss the subject further.

BENCHMARKS

Chair Barakat commented that setting benchmarks for the DIA also goes in concert with the Redevelopment Plan process. He added that the DIA benchmarks transcend and impact all three of the sub-committees. He noted that based on workload, the benchmarking process may be deferred until September/October. Chair Barakat asked Mr. Wallace to start looking at best practices and what other cities do and how they put together benchmarks, what criteria they use, methodology, etc.

TID

Mr. Crawford provided an update on the Finance Committee Budget Hearing on August 9, 2013, regarding the Tax Increment District funding (portion of minutes from the meeting attached). He advised that as it stands now, the Southbank TIF is intact and has not been swept. Effective October 1st – there is a balance of \$1.5 million. The Northbank TIF is being supplemented by the general fund in the amount of approximately \$2.9 million. Mr. Crawford noted that due to some language that was put into the DIA enabling legislation by Council member Boyer, there is an opportunity to utilize 10% of TID funding for operating expenses.

The board further discussed the TID funding, process, past practices, role in the CRA Plan, etc.

Chair Barakat suggested that board member Perez, Chair of the Economy Committee, and Mr. Wallace call a special meeting in the next few months regarding TID funding for the upcoming fiscal year. Chair Barakat added that the board also needs to converse and exchange ideas for projects.

Council member Boyer clarified that prior to the existence of the DIA, the \$1.5 million for the 2012/2013 fiscal year that ends on September 30, 2013, was already budgeted to be swept and is not available. The \$1.5 million for fiscal year 2013/2014 becomes available after September 30, 2013, and has to be programmed in the upcoming fiscal year.

APPROVAL OF THE JULY 24, 2013 DIA MEETING MINUTES

Board member Perez arrived at the meeting at approximately 5:33 p.m. Chair Barakat brought Board member Perez up to date on a few agenda items discussed prior to his arrival.

- Assigned Board member Perez as liaison to staff on the Haydon Burns Library project.

- Suggested that the Economy Committee meet in the very near future to begin looking at the current Public Investment Policy, and current sources of funds.

Council member Boyer advised that the Administration had proposed revisions to the Investment Policy that were submitted in legislation early last spring that was withdrawn, noting that there are some possible revisions floating out there that have not been adopted. She added that as of last week, the City Council Finance Committee formed a subcommittee to look at revising the PIP for downtown and elsewhere. She suggested that they may want to attend or have someone attend those meetings and keep abreast of what they are doing.

A MOTION WAS MADE BY BOARD MEMBER HARRIS AND SECONDED BY BOARD MEMBER SAYLOR APPROVING THE JULY 24, 2013 DIA MEETING MINUTES, AS AMENDED. THE MOTION PASSED UNANIMOUSLY 6-0-0.

BUDGET

Mr. Wallace presented and provided an overview of the proposed operating budget for the DIA for fiscal year 2013/2014 (attached for the record).

The following were relative comments from the board.

- Numbers are low.
- Increase professional services by \$200,000 - \$100,000 for a professional recruitment service to assist with the recruitment for the three potential higher level positions on the Org Chart (attached) and \$100,000 for miscellaneous services.
- Suggested that the City hire an architect on call to review projects, as needed, on behalf of the DIA.
- Increase travel expense by \$30,000 to allow the flexibility for Mr. Wallace and/or the Chair of the DIA to look beyond Jacksonville for deals.
- Increase Marketing and Promotion by \$50,000 to \$100,000 – Promote investors.
- Asked if the DIA was going to sponsor specific events such as Movies in the Park.

Mr. Wallace replied that as of right now Movies in the Park and other items listed on the front page of eligible expenses distributed at the meeting were being budgeted for.

- Commented that we are trying to develop a downtown and although it's wonderful and great to see so many people wanting to do so many things commented that they all have budgets, they all have plans and we are going to build a downtown based on whoever comes up with the next tag line. We need to get our arms around what they are doing and what they are spending (Visit Jacksonville, DVI as examples); we will be better off. If we could get our arms around it, our job is going to be much easier and I think we are going to spend much less money. There is no accountability at this point.
- Has heartburn with \$35,000 for Event Contributions/Sponsorships, adding it would be helpful to identify exactly what we are asking for.

- Under Marketing and Promotions asked what Event Promotions was and commented that Legal Notices should not fall under Marketing and Promotions.

Mr. Crawford replied a NAIOP bus tour to visit vacant retail space downtown to market, to bring the real estate community downtown, to bring developers to sponsor development, community gatherings so they can understand the availability and opportunities in downtown would be an example (not exclusive).

A MOTION WAS MADE BY BOARD MEMBER HARRIS AND SECONDED BY BOARD MEMBER PEREZ APPROVING THE DOWNTOWN INVESTMENT AUTHORITY'S FISCAL YEAR 2013/2014 PROPOSED BUDGET AS PRESENTED TO THE DIA ON AUGUST 21, 2013 IN THE AMOUNT OF \$1,558,044. THE MOTION PASSED UNANIMOUSLY 6-0-0.

PROPOSED RESOLUTION REGARDING \$9 MILLION

Follow up to the August 14, 2013 Special Meeting of the DIA, Chair Barakat provided a draft resolution for the DIA's consideration (attached).

Board member M. Bishop arrived at approximately 6:18 p.m. Chair Barakat provided Board member Bishop with a brief overview of the discussion on the proposed resolution prior to her arrival.

Various board members expressed their thoughts on the proposed resolution. The majority of board members present were in favor of a resolution.

A MOTION WAS MADE BY BOARD MEMBER HARRIS AND SECONDED BY BOARD MEMBER ALLEGRETTI APPROVING A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY (DIA) RECOMMENDING THAT THE CITY COUNCIL OF THE CITY OF JACKSONVILLE ENSURE THE DESIGNATION OF THE \$9 MILLION ALLOCATED TO THE DOWNTOWN ECONOMIC DEVELOPMENT TRUST FUND BY ORDINANCE 2013-89-E REMAIN IN THE DOWNTOWN ECONOMIC DEVELOPMENT TRUST FUND FOR DOWNTOWN DEVELOPMENT AND NOT BE REALLOCATED INTO A DESIGNATED SPECIAL COUNCIL CONTINGENCY ACCOUNT; PROVIDING AN EFFECTIVE DATE. THE MOTION PASSED UNANIMOUSLY 7-0-0.

CRA PLAN UPDATE

Board member Bishop, Chair of the Redevelopment Plan Committee, provided an overview of the Redevelopment Plan Committee meeting last week and invited and encouraged board members that are available to attend future planned meetings of the Redevelopment Plan Committee. She advised that the Redevelopment Plan consultant contract has been executed.

Board member Bishop arrived after the discussion on the budget and asked for a brief update, which Chair Barakat provided. Board member Bishop commented that the DIA needs to expedite and

work hard in whatever capacity it can and with whatever means are available to fund both phases of the Redevelopment Plan.

Mr. Crawford responded that the \$100,000 needed for phase two of the project has not been allocated. He commented that the only other options that he knows of are to do it through the budget process, which would mean that those funds would be allocated on October 1, 2013, or you could go ahead and produce legislation after October 1st taking it from the Southbank TIF.

Council member Boyer added that the Mayor does have transfer authority within the departments under a certain threshold amount and she believes the amount needed is under that threshold amount, suggesting that they could attempt to work with the Administration to see if there is an absence somewhere else to transfer from.

Chair Barakat asked Mr. Crawford to find out who Board member Bishop would need to work with to investigate the option mentioned by Council member Boyer.

HEMMING PLAZA UPDATE

Chair Barakat advised that the RFP for Hemming Plaza went out. The RFP was written by the Parks and Recreation Department because the DIA does not have jurisdiction over parks; so even though the DIA triggered the process, they do not own the procurement process of the RFP. Responses were due August 7th and no responses were received. He commented that the market is speaking loud and clear regarding the content of the RFP. The Parks and Recreation Department, along with Mr. Wallace, will review the RFP to see why no responses were received. Chair Barakat added that he was notified today that Council President Gulliford is also organizing a meeting for September 9th to get all the players at the table to try and come up with a resolution to the issue (lack of response to the RFP).

The following were relative comments from the Board:

- The lack of responses had nothing to do with the lack of interest.
- Referencing the RFP process the DIA went through for the Hemming Plaza RFP commented that after the fact the RFP was altered considerably from what had been discussed in various meetings, and with various people, organizations, etc. prior to the distribution of the RFP.
- Things were added to the RFP that were impossible to make it acceptable by anyone.
- Was not aware of the final RFP that went out.
- Was important that the RFP went out correctly. DVI and Cultural Council were involved, and Wayne Wood was pulling it all together; everyone had their role and everyone had their part in Hemming Plaza being in a different position.
- There were a few issues that needed to be resolved that were not in the recommendations and the DIA was not informed of the changes, such as providing 24-hour security and if any profit was made within Hemming Plaza it would all go back to the City. There was some heartburn over some of the language that was added, and the DIA was not given the opportunity to look at those.

- Suggested the existing RFP that the DIA created and submitted be looked at to see what is wrong with it and then take out the couple of items that have been identified as impossible to do financially and move forward.
- Questioned why there were significant changes to the RFP and why board members assigned to the Hemming Plaza Committee were not notified prior to the issuance of the RFP.

Chair Barakat suggested that we let the process with Council President Gulliford go through and collectively come up with a solution. Chair Barakat added that going forward when the DIA triggers a process such as Hemming Plaza, staff should engage the DIA more through the process.

- Suggested that the DIA engage Council to spend some of the \$9 million as soon as possible on a construction project for Hemming Plaza. Referenced a set of plans sitting at the Parks and Recreation Department approved by the DDRB five years ago.

Mr. Wayne Wood commented that a little makeover of the park is not what is needed but rather a great attraction that would bring people from all over. They are willing to come back to the table referencing that the 15 amendments they submitted are on record. The RFP would require something close to that in order for them to achieve their vision for the park. It was clarified that his group would not start any renovations on the park unless their group was selected through the RFP process.

Chair Barakat suggested the idea be tabled for now and see what kind of momentum occurs in the next 30 to 45 days.

Staff was asked to provide the DIA with a copy of the plan that the Parks and Recreation Department has on the shelf for Hemming Plaza.

III. DOWNTOWN BRIEFING

Mr. Lindstrom provided an update from the August 1, 2013 DDRB meeting.

IV. PUBLIC COMMENTS

The floor was open for public comments.

- Bruce Fouraker: Commented that it would be nice for the public to also have copies of what the board is discussing. Noticed during the meeting that a question went to the city representatives regarding the handling of the CRA, and last week at the CRA meeting Lara Diettrich gave an excellent presentation on how the CRA works and thinks the question should have been forwarded to her. Hopes progress can be made on Hemming Plaza.
- John Nooney: Welcome Mr. Wallace. We want to be a national destination; the RAM dock should be open more than just when RAM is open. DIA needs to intervene. DIA needs to look at the existing floating dock that is at the Shipyards. Access to Hogan's Creek.

- Connie Benham: St. Johns River is an American Heritage River. Distributed a small piece of paper referencing Section 13.12 – Transfer of Property. Would like the School Board off the riverfront. Would like to see an amusement park on the riverfront. Referencing the money that it costs to paint the pretty picture on one wall (did not specify wall). Chair Barakat clarified that the painting project was a DVI project. Ms. Behman mentioned that the money to paint the picture should have come from Art in Public Places – not from DVI or wherever the money came from to match that because we are paying twice for the same thing. If anyone is talking about an aquarium downtown they must remember that Marine Land has a contract with the Georgia Aquarium.

V. ADJOURNMENT

There being no further business, Chair Barakat adjourned the meeting at approximately 7:12 p.m.

The next regularly scheduled DIA meeting is scheduled for Wednesday, September 18, 2013, at 5:00 p.m.

Please note that all attachments referenced will be posted on the DIA Web site www.jaxdowntowninvestment.org

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, an audio CD is available upon request. Please contact Michelle Stephens, Office of Economic Development, at (904) 630-1979 or by email at msteph@coj.net.