

## **Downtown Investment Authority**

Oliver Barakat, Chair of the Downtown Investment Authority (DIA) met with the following Board members the week of July 15, 2013:

July 15, 2013 at 1:03 – 2:30 pm:	Board Member Perez
July 15, 2013 at 2:34 – 3:19 pm:	Board Member Bailey
July 15, 2013 at 4:09 – 4:28 pm:	Board Member Harris
July 15, 2013 at 4:33 – 5:00 pm:	Board Member Saylor
July 16, 2013 at 10:08 – 10:39 am:	Board Member Allegretti
July 17, 2013 at 9:02 – 10:00 am:	Board Member Bishop
July 17, 2013 at 10:02 – 10:23 am:	Board Member Harper Williams

The purpose the meetings were for Chair Barakat to review four goals that he would like the DIA to focus on over the next year, and to receive input and feedback from board members. The goals would also serve as a tool for the DIA to use every year in order to evaluate what worked, what didn't work, etc.

The four goals recommended:

1. Develop benchmarks for the DIA
  - Develop a list of what the DIA wants to accomplish and track each July when a new slate of officers is installed
2. Comprehensive thorough review of the current Public Investment Policy (PIP) that is outdated (2006)
  - Review Office of Economic Development (OED) Incentive Policy for the county
  - Review current and projected funding sources.
  - What type and how does the DIA want to incentivize projects (based on age of property, use of property [office, retail, residential], location of property)?
  - The PIP needs to be more transparent
3. Develop a plan for the City's lazy assets (noting that the properties listed below were not suggested and are used as examples only)
  - Courthouse property
  - FL Theatre office space
  - Snyder Memorial
  - Shipyards

- What properties should the DIA focus on
  - Related to properties - Lease, sell, use public private partnerships, or do nothing with? Need to have a consensus
4. Improve connectivity between downtown and nearby surrounding neighborhoods (San Marco, Riverside, Springfield)

Chair Barakat requested feedback from all members and asked that they provide any additional feedback they may have from their meetings to him prior to the next regular meeting of the DIA (July 24, 2013). He plans to review the proposed goals with the new DIA CEO, Aundra Wallace and provide a general overview of the goals and conversations with board members at the next regular of the DIA with a recommendation for adoption of the goals for the DIA for the time period of July 2013-2014 at the regular meeting of the DIA in August.

**July 15, 2013 at 1:03 – 2:30 pm: Board Member Perez**

The following were relevant comments from the meeting between Chair Barakat and Board Member Perez:

- Regarding the review of the current Public Investment Policy, Board member Perez agrees with Chair Barakat noting that the Economy Committee has met once on the subject adding that as Chair of the Economy Committee is willing to take the lead to work with Mr. Wallace.
- Mr. Crawford commented that he does not know the time frame but the OED will be doing an overhaul of the entire policy probably by the end of the year.
- Chair Barakat commented that this is good timing then to start planting the seeds on what the DIA thinks is appropriate as part of that overhaul. He is not sure if they have to run as one package or not noting that the OED may do an incentive program for the county outside of downtown and the DIA may have their own. He noted that it makes sense to have both conversations at the same time.
- Board member Perez commented that his concern with a workshop is making it too open so that you cannot keep it focused.

**July 15, 2013 at 2:34 – 3:19 pm: Board Member Bailey**

The following were relevant comments from the meeting between Chair Barakat and Board Member Bailey:

- Board member Bailey commented that he agrees with so much of what Chair Barakat said, but we have to get our arms around what we have – we never have. How many properties do we have – what are we talking about, what does the picture really look like and it might not be easy for your folks to do, but we need all of that information so we know what we have. I would like to see what has been done in the past that worked and what has been done in the past that didn't work. Would like to know what kind of tools we have to be able to do some of these things.
- Creating an incentive policy is easier to do than it is to implement anything. There is going to be a lot of discussion about locations and preferences, etc. because as we have seen in the past there are little pockets of here and there and we all see it and know it and they seem to work, but the perception is that there is nothing happening and if you put it all together it does.
- The transparency is interesting. We do have a lot of lazy assets. I don't think that we will ever agree on what, and how and why of course the courthouse could be a very expensive venture, I think the Shipyards was just a hair ahead of its time when it was discussed but we have been talking about the Florida Theatre and Hemming Plaza and a lot of these things for a long time.
- The surrounding areas have done extremely well and it almost makes it more frustrating why we haven't and they have and they are able to do it.
- I would like to see the DIA, if anything communicate better and make it clear what we do and what we are here for. There is a lot of question about what we can do and can't do.
- He thought the DIA was going to be a clearinghouse using the example of if Ben Davis wants to think about downtown for a brewery, it's not I don't know or let's see, I'm not sure – the answer is yes. Everything that anybody wants to talk about is in this hopper for discussion and we figure out how it fits together. I don't think anybody can create develop and efficiently develop an area if they can't hold all the pieces and be able to figure out how they all fit in.
- Wants to make sure that we are all on the same page so we don't create parallel projects where we are moving along and then turn around there is another one moving in different direction than what we anticipated.
- The Bostwick building was far more difficult then it needed to be. Here is an opportunity for us to show what we are going to be and what we are going to do and they are not getting what they need to be able to get this thing done and then when we do get it all done, there is very little help we can offer other than holding hands. There is going to be

very little help that we as an organization will be able to help with some developers. It is going to be a real challenge for us but these other areas aren't relying on that. They are coming in and people are willing to do it because there is a plan and they know if they do it it's going to continue moving and it's going to be a good investment.

- There is a lot of people out there that want to dip their toe in – they think it is a good idea, they'd like to they really want to get engaged but if there is not some kind of plan they are not going to try.
- We have some tremendous opportunities but we have to be willing to be able to do it.
- From a historic preservation standpoint we need to be clear on what we are going to do and how we are going to do it. Nobody wants to tear down buildings but without a designated source or fund we are not going to be able to continue to maintain these buildings or expect a developer to be able to put money into them to be able to do them. As long as that happens we are going to be looking at the biggest sign of our failure.
- We have to change perceptions related to parking, homeless and get the community at large to understand why downtown is important.
- There have been a lot of questions back and forth about how independent is the DIA. We can do whatever we want to do, but we have some restrictions because of the CRA with this funding from whatever it may be. He does not really care if the relationship as long as it is understood that the DIA is independent, but we also have been in the situation where we don't have anybody so it has been awfully nice to have a Ted Carter.
- I think parking is a tremendous revenue source that we gave up. We are not responsible for Parks and Parking, but thinks parking is an important part of what the DIA does. As Chris Hand said, he hopes that we are able to go back and get parking back. It needs to be clear as far as transparency and the perception and everybody understanding what we do. If we are not clear on the transparency and the divide then he does not think anybody can be.
- Referenced that he has been down here a long time and this is the best hope he has had for downtown in 38 years. It can work and it should work no differently than Ben Carter going out and creating what he created or short of have a RFP for downtown and having someone come in and do what they want to do.
- Tremendous opportunity and thinks we have talked about it long enough and having an independent authority that transcends all administrations and is able to do what it wants to do and quite frankly out of respect for the administration we are going to do everything we can to accommodate help and do whatever we should do, but also to act independent. Hopes we can either come to terms on what that firewall is. Thinks Aundra brings a lot to the table. He wants to see things move forward and hates to see him stifled, but thinks now that we have seen Ted for a while and we have Audra coming in thinks it is going to be a great combination, and thinks they are going to work well together. They might

complement each other in several ways. He does not care what it is as long as it is defined.

- Referenced that JEA, JTA are not housed in City Hall in the JEDC Office. What is the break, where is the divide. Is it just for financial purposes that we need to be in a facility right now, is there a game plan or how is it going to work. He is not asking that he just thinks that we ought to understand what it is. We hear it every day from different groups. Hopes we can clarify that and all be working in the same direction whatever it is, whatever it may be.
- Has been on the DIA since day one – Asked Oliver if there is a budget. Chair Barakat responded that the four goals presented today do not cost any money.
- Referenced there is a salary for the DIA CEO, but asked about staffing, etc. if there was a budget for that. Chair Barakat responded that there has been a budget floating around that has been in flex adding that he does not know what to assume in that regard.
- Mr. Bailey commented that it does not really matter to him, but he hates being involved in an organization where he does not know anything. It's a little irresponsible to be decided anything when he can't talk about our own. If we are talking about transparency let's figure out what it is no matter what it is, so we can be clear with council members, clear with anybody that ask us this question at least we know what we are talking about. If it's yes we are going to utilize these services because we don't have anything and we are going to be as independent as we possibly can, we are going to be up there on the 2<sup>nd</sup> floor. Chair Barakat commented that he agrees we need staff but whether or not we have staff is irrelevant as far as the goals are concerned. We can have five members or we can have zero, but we have goals for the year. He added that he would not be as effective as Chair if he did not at least try to suggest some goals for the year.
- Mr. Bailey commented that transparency was one of the goals – the reason why he mentioned it. Chair Barakat commented that he was referring to transparency as far as incentives adding that if Mr. Bailey wants to suggest transparency in other ways, he is open referencing transparency in communicating between the DIA and the administration and the community, but the context in which he was referring to transparency was deals/incentives related to real estate projects.
- Mr. Bailey commented that we do a lot of committee work at the regular DIA meetings and if we are going to establish committees and actually go do things and come back to the board he would hope we could move some things along at least at the committee level. He understands it is a start-up and we are trying to get engaged and he may be a little less patient than others on trying to get moving.
- Referencing Paul Crawford, Mr. Bailey commented that he would defend him because he has not worked with anybody in this administration or past administrations that have been move assessable, open and honest in sharing as much as possible and still have the

responsibility to his full time job. Paul has done an exceptional job but serves two masters.

- There is a lot going on during the month and between meetings that the left hand does not know what the right hand is doing. Thinks that we should all be on the same page and know what is going on and get the sense of ownership out of the way and realize that we have a clean slate, clean palate and we are going to try to develop something that we can all be proud of.
- Wants to better understand some of the things that happen at the last meeting that was concerning that we don't really know what the status of things are after we walk out of the room. Some people do and some people don't, but we don't – using Hemming Plaza as an example. We are going back around in circles again and now people are starting to get involved in something that we have already finished. Yes, it is a work in progress but when we pass a resolution and sent it to the administration to draft a RFP. He does not understand how it takes so long to do a RFP, but even if we got started with that and started moving forward, it is a work in progress, it needs to be tweaked we need to continue looking at how we can make it better.
- Bostwick was a disaster he is not sure why. We passed a resolution to spend \$375,000 to do whatever it is we need to do with Bostwick adding that the best he can tell right now is it is coming to LUZ tomorrow for possibly another extension. Chair Barakat commented that the DIA cannot take credit for that disaster. Mr. Bailey responded that we can take credit for not doing anything at all, but there is a lot of things that could be done. Chair Barakat referenced back to an incentive policy, and benchmarks, etc. if we have those things in place when a Bostwick type crisis arises you are better able to address it. Mr. Bailey responded that he thinks the reason they are on the DIA is for what they can and do know, yet by being on the DIA they can't do what they would normally do unless they have a meeting, go through and explain how. He added that they both know that Bostwick should have been a slam dunk and we hang a sign around it saying, "This is how we are going to do business in downtown Jacksonville."
- Commented that he is hashing and hates rehashing what we can do and how we can do it, just hopes that we have learned from what we have done to be able to do a better job with some of these things because we can have all the inventory in the world, and plans in the world but if we are not able to take action and be able to do the things that we need to do with a budget, without a budget just being able to connect the dots and make sure these things happen. We ought to be connecting the dots.
- Referencing the lazy assets, commented that I know we don't have staff and we have to rely on the staff in place to get this information, but it is important to know what our inventory is, knowing what all of these things are. Not sure if there is any better way to do it than to have to stretch everybody even thinner.

- Regarding the budget and staffing, Mr. Crawford commented that the DIA budget that was submitted includes a salary for the Executive Director and a small \$5,000 to \$10,000 nest.
- Mr. Bailey asked if we have the \$10,000 that was in last year's budget for this year's executive director noting that the executive Director was not hired until August. Mr. Crawford replied that \$50,000 was allocated for Jorgenson and a \$120,000 for the CRA consultant. Mr. Bailey asked if the CRA consultant was more than \$120,000. Mr. Crawford replied that \$120,000 is allocated.
- Chair Barakat commented that you have to wonder if the CRA Plan should come from the DIA/downtown budget because it is a city responsibility. Mr. Crawford commented that there is \$120,000 in the budget of the OED that is professional services and that is what we are using meanwhile you have \$200,000 for an executive director. We are taking that money that is being used for salary of the executive director, which is in the OED and taking that savings to put to the \$50,000 and the \$120,000, so its \$170,000 worth of expenses to the CRA plan and Jorgenson noting that it does not roll over it stays in this fiscal year. Chair Barakat commented that the CRA consultant is going to cost more than \$120,000. Mr. Crawford replied, "Likely," adding that there is a provision within the TID that provides for funding up to 10% for operational costs noting that might be a funding source.
- They discussed the TIF, how they work, status of, etc.
- Council Member Boyer advised that Council President Gulliford has appointed her as the Council Member Liaison to the DIA. Referencing comments she has heard in the past related to parking not being in the DIA's jurisdiction, Met Park and the Sports facilities not being within the DIA's jurisdiction commented that she would hope that in the CRA Plan and in things that the DIA considers and discusses that the DIA would not draw those sharp boundaries and say that these areas (or others) are not within the DIA's area of decision making. She would hope that the DIA would like at it from a broader perspective and if there was something to do with the operation of the sports facilities or Met Park, or parking, etc. that the DIA thinks needs to be changed legislatively or that needs to be changed operationally that the DIA is discussing that and bringing it up and saying that based on our proposal to do X – this needs to happen over here and why and are communicating that. Whenever there is something that is not within the DIA's scope of delegated authority at this point – please do not hesitate to have an opinion on it and communicate that and secondly if you think it needs to be within your scope don't hesitate to suggest that legislatively, we may agree with you it just may not have been presented previously.
- Council Member Boyer strongly suggested that in next year's budget process the DIA get separate account numbers and account balance from the OED so that the funds are not part of the OED budget and transferrable within the OED budget. The CRA money

should go to the DIA budget. The DIA budget should be independent and managed independently. The Finance Dept. and Council Auditor's Office can come up with those numbers.

**July 15, 2013 at 4:09 – 4:28 pm: Board Member Harris**

The following were relevant comments from the meeting between Chair Barakat and Board Member Harris:

- Board member Harris agreed with everything that Chair Barakat said adding a suggestion to categorize the projects by priority. Focus on the first five that may be the easiest to leverage right now.
- Board member Harris commented that he is not sure how the City currently markets its assets. Chair Barakat replied that the city has a RFP on the streets for all of the property that it owns county wide for commercial real estate firms to provide the highest and best use for each property and an evaluation for each property and then the city will decide what to do with it.
- Board member Harris commented that he thinks they are all great and the only thing he would add to it is that he likes the philosophy "less is best" because we won't just sprinkle it I think we have an opportunity to drill down on it. He thinks we got mission accomplished with the selection of the CEO and him starting in August, we want to dive directly in the CRA Plan and try to have a rough draft by October (give or take a few months). It's nice that the CEO will be involved. Agrees that the first year was an orientation for the DIA adding that he thinks the DIA will be more effective this year under Chair Barakat's leadership because they have been there and done that and by Chair Barakat laying a plan out in the beginning, the DIA has direction and will not be trying to figure it out as we go along.
- Board member Harris commented that the budget is essential adding that once the budget is established he thinks that the DIA can figure the direction they want to go.

**July 15, 2013 at 4:33 – 5:00 pm: Board Member Saylor**

The following were relevant comments from the meeting between Chair Barakat and Board Member Saylor:

- As much as we can telegraph ahead of time what we are really looking for that helps the market place respond in that niche, but if somebody has a one off project that they want to spring on us and have us evaluate it as a one off, we should be able to do that.
- Thinks we got off track in that geographic discussion that we would only look at projects in the core, or certain types of projects in the core. Does not see it that way.

- Suggested it would be helpful to have an overlay map that shows all of the surplus properties by name or at least by address. Take a look at and select a smaller universe of six or eight (whatever number) and do a realtor showcase. Bring in the industry and do a walking tour. Have a session after and see what the experts think about those buildings by putting more money into them, sell them (facilitate a sale or facilitate a partner arrangement) and bring an investor in.
- Regarding surplus properties that have been dormant for so long that we have forgotten that we own them and referencing funding as a critical issue suggested that if the property is not generating revenue even if it only has marginal value consider doing something really bold and take all of those properties that don't have a use, don't have a place in the overall CRA Plan, etc. and package them for bulk sale and monetize and get some funding to do something with the other pieces and put it out as a big RFP to buy (whatever the number of sites is).
- Regarding connection to other neighborhoods commented that we keep grappling with what the anchor is or what the big initiator of activity is for downtown adding that he does not think it is actually in the core. The cities that we are trying to emulate have a university, major employer, new hospital or some big institutional thing that spins off a lot of 24/7 activity. That "thing" is more Shands then it is anything he can name inside the core. Thinks sooner or later we are going to have to reach out to Shands. Somebody has to be that convener.
- Regarding benchmarks commented that the way to achieve your benchmarks is to pay attention to them all the time suggesting thinking about having a less intensive but more frequent evaluation quarterly or semi-annually a more methodical reporting of progress.

**July 16, 2013 at 10:08 – 10:39 am: Board Member Allegretti**

The following were relevant comments from the meeting between Chair Barakat and Board Member Allegretti:

- Relating to connecting downtown to nearby neighborhoods commented that with Community First Saturdays that is the one thing he wanted to show was the biking distance from the river of all the connecting neighborhoods where everyone is active. We do valet bike parking that is always full of bikes. We do a bike tour that hits the surrounding historic neighborhoods that is almost always full.
- Regarding the Experience Committee commented that he visions Committee as a funnel for potential projects that people want to do downtown that are not ready for a proposal and serve as a conduit when a project may be ready for consideration by the full DIA.

- The DIA would not serve as an operator referencing the Hemming Plaza RFP as an example of the DIA assisting the process to move it along, follow up, etc. but not for the DIA to manage once in the pipeline.

**July 17, 2013 at 9:02 – 10:00 am: Board Member Bishop**

The following were relevant comments from the meeting between Chair Barakat and Board Member Bishop:

Develop Benchmarks for the DIA: Develop a list of what the DIA wants to accomplish and track each July when a new slate of officers is installed. *Bishop additional comments:*

- “Goals” and tracking/measuring aligns with part of the deliverables from the Consultants for the Redevelopment Plan. The means to determining if the Redevelopment Plan, and therefore the DIA, is having its success is to create and use those measurable; the Consultant is aware of the need to establish these right away.
- Referring specifically to the measurable/benchmarks (lease rates, number of cafes, etc.) commented that those are examples of what the consultant (through the Committee/DIA) will also be establishing. This was mentioned so that the DIA and the Redevelopment Plan Committee/Consultant don’t head off in two directions; so that we might determine whether or not establishing those measurable/benchmarks is something that the DIA wants to set and soon, and then share that with the consultant, or vice versa (if the consultant has already begun to prepare a set of criteria-benchmarks with measurables, then list would be brought to the DIA for approval. It will be Chair Barakat’s call how you wanted to proceed.

Comprehensive thorough review of the current Public Investment Policy (PIP) that is outdated (review OED current policy for county, current and projected funding, means to incentivize, and PIP needs to be transparent). *Bishop additional comments:*

- Part of the dialogue has to be an understanding of how the DIA has the ability to cause projects to happen. Example: if we have an area (meaning functionally) that we think is more important (such as office, residential, retail, campus, etc.), and if there is a desire on our part to make something happen, that it is critical to a vibrant Downtown, then where does it belong? If the city does not own property in that given location, but those property owners would be ideal for developing property that the City does own – how do you bring those folks together?

Develop a plan for the City’s lazy assets (noting that the properties listed were not suggested and used as examples only). *Bishop additional comments:*

- Using COJ owned property as an asset doesn't mean it has to stand alone as the only developable site; example would be the JEA Southside Generating Site, and while we don't own the JEA site (although to some degree on the basis of how the JEA was established) we can cause something to happen on that site if we saw the need. For us to understand the big picture it is important to not be limited on thinking of only where the City owns property. There may be folks who could be involved in, or paired with, projects by looking at the other functions we want to see happen (the overall bigger picture) and encouraging those property owners' participation in other locations where the city does own property.

Improve connectivity between downtown and nearby surrounding neighborhoods (such as San Marco, Riverside/Avondale, Springfield)

- Commented that Redevelopment Plan is going to be ever much a part of all of the things Chair Barakat talked about including this connectivity, except one: marketing. In terms of connectivity, we have tremendous assets and those neighborhoods are a big piece of that. We can do a better job in capitalizing. We should leverage what we have, adjacent neighborhoods, our cultural resources such as Cummer, Symphony, Florida Theatre, MOSH, MOCA, in conjunction with our health institutions, many are right downtown. We should get the word out about our regional level assets (perhaps through signs in the terminal when flying in to the airport as an example). We have some great things we need to capitalize on.

Referencing marketing, how can the DIA help facilitate either DVI doing it, the Chamber doing it – what is the means, who should be doing it and then try as the DIA to get them to work together. It doesn't have to necessarily be the DIA other than to help direct and guide the message. Such as through an amazing Web site that connects what the DVI and the Chamber are already trying to make happen. In that regard, we don't necessarily do a good job of selling ourselves; we should be meeting with the Times Union and others talking about the tremendous energy found downtown almost every night, selling downtown.

Bishop suggested that the three committees should be revisited. Thinks there is too much cross over particularly in a couple of them. Example may be the Environment Committee and the Experience committee, and at what point they are one in the same. It could be that the Environment Committee is in fact the group that guides the DDRB in terms of overlay and how things look physically. Right now the Environment Committee tends to tackle homeless, Hemming Plaza, issues like that; as Downtown through the DIA begins to meet the measurable goals, these two committee's may become one in the same. There needs to be a clear understanding of roles, purposes, objectives, and perhaps a strong definition of each.

Bishop also mentioned that the key goal is to stay focused on the Redevelopment Plan that is going to guide and direct a lot of what has been discussed [in this one-on-one meeting]. She brought with her a schedule that she shared with Chair Barakat commenting that it is going to be very important that we stay on task with the Redevelopment Plan. Suggested having a Redevelopment Plan Committee meeting on July 24<sup>th</sup> prior to the regular DIA meeting. The meeting would be the first with the consultant and would include some discussion of top priority projects not necessarily meaning OED suggested catalytic projects but other things (whether its way finding as an example), including DIA deliberations based on the matrix that was developed, and with some input from OED negotiations and input from the consultant. That is going to be a small but important topic to get that ball rolling. Not necessarily that it is tied to the \$9 million because you never know where funds are coming from but we have to have a list of priorities.

Bishop again commented that if in fact the Chair's four goals will be assigned to various committees to remember that the Redevelopment Plan is a committee separate from the three other committees established and again asked the Chair to look at the three committees so we are sure those are the standing committees that we should have.

**July 17, 2013 at 10:02 – 10:23 am: Board Member Harper Williams**

The following were relevant comments from the meeting between Chair Barakat and Board Member Harper Williams:

- Referencing the Economic Tools Committee that Board member Harper Williams is a member of agreed that the review of the Incentive Policy would fall under the purview of the Economic Tools Committee chaired by Board member Paul Perez noting that all DIA members are welcome and encouraged to attend any and all DIA meetings.
- Board member Harper Williams commented that in her review of the current policy there were a number of programs that look good on paper but a number of them were never funded.
- Chair Barakat commented that the key is to develop goals that are going to be funded. There is no point in having a program that is never funded.
- Board member Harper Williams commented that in order for the DIA to be accountable to the residents of Jacksonville, City Council, the Administration, etc. it is imperative to have clear benchmarks.
- Board member Harper Williams commented that the revised policy will move the DIA in the right direction and in addition allow the flexibility to review all potential projects to include those that may not fall within a specific type of project that the DIA would like to see happen.

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](mailto:msteph@coj.net).