



Taxation, Revenue, and Utilization of Expenditures (TRUE) Commission

John Palombi, Chair

Ron Mallett, Vice Chair

Meeting Minutes

October 5, 2006

4:00 p.m.

Attendance: John Palombi (Chair), Marcella Lowe, Gary Looney, Randy Deen, John Jolly, Mike Meroney, Charles Magee, Lee Martin, Ron Mallett, Mark Roesser

Excused: Mark Cowart, Louvenia Tippins, Arnold Whisenant

Absent: Lou Myers, Charles Curley, Bob Lee, Elaine Burnett, Greg Anderson

The meeting convened at 4:05 p.m. with a quorum present.

Minutes

The minutes of the September 7, 2006 meeting were distributed.

◆ The minutes were **approved as distributed**.

Presentation: Surplus property disposition

The City Real Estate Division's John Jones, Assistant Management Improvement Officer, and Joe Namey, Land Acquisition Manager, addressed the commission on the subject of surplus property management and disposition. In response to the question about whether or not the City keeps a complete inventory of all City-owned property, Mr. Jones explained that there is not one universal list, but there are 3 somewhat overlapping databases that together comprise the complete inventory of City properties: 1) a fee simple ownership list (generated from Property Appraiser ownership records); 2) a transactional inventory (a listing of all properties bought, sold, or otherwise actively acquired); and 3) an allocation list (what department is responsible for maintaining a property). The databases are searchable by address or by Real Estate (RE) number to identify and locate a property whose existence is known, but cannot produce a single, printable list of everything in City ownership. The City is trying to compile such a universal list for the two Seeds of Change areas (Northwest Quadrant and Old Arlington).

Mr. Jones explained that the City has property deeded to it all the time without its knowledge. Nothing belongs to the City until the City formally accepts the deed, and the City can and does refuse some properties. He explained that one problem encountered in tracking City-owned property is the changeability of RE identifier numbers, which are the primary means of property identification. RE

numbers change frequently as parcels of property are subdivided into smaller lots, each of which gets its own RE number, or as multiple parcels are consolidated into a single lot with its own unique number. RE numbers in the City's database are rendered obsolete if properties are subdivided or consolidated without the RE numbers being changed in all the databases. That is why properties sometimes don't appear to be listed when in fact they are, only under an out-of-date RE number.

Many properties come to the City via tax reversion when the property owner does not pay the property taxes due, the City places a lien on the property, offers it for sale at a tax auction, and eventually takes ownership if no one bids to purchase it. Many of these parcels are bits and pieces that are unusable and not worth having, which is often why the owner abandoned it in the first place. The City, in the person of Mr. Namey, attempts to get these properties back into private ownership and therefore back on the tax rolls via an annual auction of parcels that did not sell at the tax auction. There is a sub-culture of property speculators who buy and sell these kinds of properties with whom the City works. Before being offered to the general public, surplus properties are advertised to City departments, affiliated governmental entities (the independent authorities, FDOT), then to non-profit organizations for public housing purposes.

If a city council member wants the City to convey a piece of property to a particular person or entity they can introduce an ordinance to that effect for council consideration. If someone else wants that same property than negotiations take place, with City Council having the ultimate authority to decide how it will be disposed of.

The City is required to maintain properties it owns to the same standard as any private property owner. Currently all proceeds from property sales go into the Park Replacement and Maintenance Fund, and maintenance expenses are paid from the Public Works Department's general operating budget. Several commissioners suggested that the revenue from land sales could logically be used as the funding source for this property maintenance expense, and Mr. Jones concurred.

Committee Reports

Public Parking Committee: Commissioner Meroney reported that he had met last week with Mayor Peyton, City Chief Administrative Officer Alan Mosley, Steve Diebenow, Susie Wiles and Adam Hollingsworth of the Mayor's staff, and JEDC Executive Director Ron Barton to discuss parking issues. The TRUE Commission was thanked for its interest in and work to date on this issue. Mr. Meroney's overall impression was that the City wants to develop sound parking policy and is not opposed to the concept of making it a revenue center. Messrs. Diebenow and Barton will form a committee to develop that policy and the TRUE Commission was invited to participate. Mark Roesser will be the TRUE Commission's representative to that committee.

Chapter 118 Revisions – Public Service Grants: Commissioner Lowe reported that her committee had not met since the last commission meeting, but would be meeting on November 2nd at 2:00 p.m.

Performance Committee: Commissioner Meroney reported that the committee had met last week. The committee sent out 22 survey letters to City departments, independent agencies and constitutional officers and received 15 replies, each of which has been reviewed by at least two committee members. Seven re-solicitation letters have been sent out to prompt the non-respondents. The committee has tentatively developed a list of 7 or 8 common themes or issues to explore further, which staff will circulate to the remaining commissioners.

Funding Control and Effectiveness Committee: Commissioner Palombi reported that the committee had met yesterday with Linda Lanier, Executive Director, and Dolly Dillin, Development Officer and Grants Administrator of the Jacksonville Children’s Commission (JCC) to discuss the JCC’s grant and contract processes and controls. The JCC is a conduit agency, receiving and making grants and accounting for funds and managing contracts as both a receiving and disbursing agency.

Auditor’s Report

- Regarding a question raised during the earlier presentation by the Real Estate Division, Mr. Sherman reported that the Division has 19 employees and a \$1.3 million budget. He remarked that the concept of putting land sales proceeds into a park acquisition and maintenance fund probably came about because it was a sporadic revenue source that was seen as better used for occasional “betterment” projects in the park system rather than being relied upon as a steady revenue stream.
- The City budget passed at last week’s Council meeting, and a budget summary will be forthcoming shortly.
- Regular audit work as re-started after the press of the budget process.
- Two special investigations are underway as a result of audit findings.

Chair’s Report: None.

Old Business

Commissioner Whisenant stated that he had started his exploration of the City’s sign permitting regulations and process, and would hopefully be prepared to report at the November meeting.

New Business

Commissioner Mallett asked the Council Auditor to check with the General Counsel about the possibility of seeking permission from the Florida Legislature to allow local governments to re-open the subject of occupational license studies. Jacksonville missed its opportunity to update its license fees in the 1990s and is prevented from doing so now unless the Legislature allows a second chance.

Commissioner Comments

- Commissioner Meroney reported that at the end of his meeting with the Mayor and his staff reported above, the Mayor asked about how TRUE chose its work agenda and study topics. General Counsel Rick Mullaney suggested the topic of “lazy assets”. Mr. Mallett volunteered to talk to Mr. Mullaney and to Alan Mosley to get a definition of “lazy assets” and to determine how the TRUE Commission might investigate the area of underperforming assets.
- Commissioner Martin suggested the need to look at the performance and effectiveness of the TRUE Commission. He will make a written proposal with proposed parameters of such a study at the November meeting.

Next meeting

The commission’s next meeting will be on Thursday, November 2nd at 4:00 p.m. in the City Council Chamber.

There being no further business, the meeting was adjourned at 5:15 p.m.

Items pending further follow-up

- Public Parking Committee report – Commissioner Roesser
- Performance Committee report – Commissioner Meroney
- Funding Control and Effectiveness Committee – Commissioner Myers

- Chapter 118 Revisions Committee – Commissioner Lowe
- Sign permitting process – Commissioner Whisenant
- Definition and scope of a “lazy assets” review – Commissioner Mallett
- TRUE Commission performance review – Commissioner Martin