



Downtown Investment Authority
Finance and Budget Committee Hybrid Workshop
Friday, February 14th, 2025
2:00 p.m.

Finance and Budget Committee Hybrid Workshop
MEETING MINUTES

Finance and Budget Committee Members (CM) in Attendance:

Scott Wohlers (Chair); Micah Heavener; Jill Caffey

DIA Board Members (BM) Participating: Cameron Hooper; John Hirabayashi

DIA Staff Present: Lori Boyer, Chief Executive Officer (Zoom); Steve Kelley, Director of Downtown Real Estate and Development (Zoom); Guy Parola, Director of Operations; Wanda James Crowley, Financial Analyst; and Ava Hill, Administrative Assistant

Office of General Counsel: None

I. CALL TO ORDER

Committee Chair Scott Wohlers called the Finance and Budget Committee Workshop to order at 2:00 pm and provided a quick of the workshop objective. He then turned the meeting over to CEO Lori Boyer.

II. CRA BUDGET PLANNING DISCUSSION

CEO Lori Boyer explained that the purpose of the workshop was to help the committee members understand the budget process and to shape budget recommendations. She continued that budgets are submitted by April, finalized by June, and then submitted to the Mayor by July. She added that they were also going to discuss excess funds and shortfalls to determine necessary budget transfers.

CEO Lori Boyer then directed everyone's attention to the budget documents provided to them and described each and their purpose including the Northbank CRA, Southbank CRA, Downtown Economic Development Fund, and Administrative Budget. She added that the Administrative Budget covers overhead costs and is expected to be reduced by 10%. In addition, the Downtown Economic Development Fund is funded by the general fund but hasn't received new funding in eight years, except for redirected CRA funds and that no new budget is being created for it next year. She advised that the real focus would be the two CRA budgets starting with the Northbank CRA.

Northbank CRA Budgets

As she reviewed the budget balance spreadsheets, CEO Boyer shared expected revenue including \$12.7 million next year, possibly \$4 million from the Lynch loan, and \$9 to \$10 million in future years. She added that revenue fluctuates due to assessment changes and new developments. CEO Boyer also discussed incentive programs stating that the Northbank CRA requires at least \$2 million annually. She explained how the spreadsheets were set up to show where additional funds were needed and then surplus funds. She discussed the following year's focus explaining that at least \$6 million needs to go to capital projects and \$5 million to the Adams and Forsyth Two-Way Conversion project, which is a top priority. She mentioned CIP projects and resource management challenges and also recommended having a discussion on whether spreading resources thin to focus on fewer projects is necessary.

Committee Chair opened the floor for discussion.

Committee Member Heavener mentioned that he was concerned about spending \$2 million to move the JEA Duck bank if the pad may not be developed. He continued that he was concerned about capital being tied up and the Board not being aligned with what was originally decided. He concluded that many steps must be taken before they can go down the path they decided on and that makes it difficult to determine priorities.

CEO Boyer agreed that that is one of the challenges with the transition of board members. She added that the Board voted on doing that to facilitate development of that pad and that they have a signed contract with JEA made in reliance on earlier decisions and that if they decide not to go through those decisions, there are multiple implications.

Committee Member Heavener expressed that his concern was that changing direction in the middle of a project leads to financial loss and delays.

Committee Member Heavener as if there was a way to get a view on each project, where the disconnect is, where we've allocated something in the past, and where there's potential changes in direction.

CEO Boyer explained that the focus is on projects listed in the adopted CRA Plan, which is expected to be implemented unless removed during the five-year process. She continued that projects have typically been market driven, directing resources to major projects as they arise rather than a priority list. She presented the Inside Out program as an example. She advised that the suggested list would be presented with documents and a brief description to provide clarity.

Board Member Cooper expressed that he thought the priority list was important and agreed with CEO Boyer's comments concerning the Core. While they were discussing the JEA Duct Bank and the land swap, he wanted to make sure everyone knew that he supports that development and hopes that it would be a catalyst to future developments.

Committee Chair Wohlers mentioned that he was also in full support of that development and added that it is pretty high on his priority list of things that need to be accomplished.

Board Member Hooper expressed that during the previous day's discussion, the value of the site going down was a hindrance and figured if they invested in that site, that would bring other potential options, suitors, or helps whoever will need incentive help.

Committee Member Heavener expressed that the budget should start with here's where we want to spend the dollars strategically and then we worry about the budget.

Committee Member Hirabayashi mentioned that he was a little surprised they were having that conversation about whether that's to be developed or not and that it does seem like they keep re-opening the discussion.

To eliminate some confusion, CEO Boyer responded that the Jea Duct Bank relocation here is on Riverfront Plaza Pad B, it is on the park side of the bridge and was discussed and voted on. She added that it's already in design and being talked about. It just has not been physically done yet.

Committee Chair Wohlers suggested going through the line items and then giving directions on their priorities of what we would like to see done, and in what order.

CEO Boyer deferred to Mr. Steve Kelley on dollar amounts and advised that she felt we cannot financially take on things over \$5 million in a year.

Mr. Steve Kelley mentioned meeting with Alan Cottrell and how he had taken it upon himself to put a budget together and it was higher than what he had envisioned. He added that there's only a handful of qualifying buildings. He advised that a number like \$500,000 maximum per building would be a pretty high number for what he had in mind from the first conversation. He advised that he'd have more numbers by the Board meeting.

CEO Boyer responded that if the \$500,000 isn't enough to cause someone to make the change. Then DIA's addition to something that requires a council resource wouldn't be worthwhile and there's no point in using our resource for that.

Mr. Kelley responded that CEO Boyer's point was a good one because the economics of it all are what we are getting for our money.

Board Member Hooper suggested looking at each project and ranking them from top to bottom of the most expensive and down and then ranking them according to the best path. He added that the hardest part is having open discussions.

Committee Chair Wohlers mentioned infrastructure projects lead to exponentially more return on their dollar and suggested looking at those projects first.

Committee Member Caffey asked CEO Boyer to share how many projects DIA staff could realistically work on at one time. She also asked about projects that are reliant on other projects.

CEO Boyer responded that, from an execution standpoint, Public Works oversees capital projects to make sure they stay on track, and this does not include construction engineering or inspections. Their role includes attending update meetings, making budgetary decisions, and maintaining the scope. She added that DIA staff are stretched across 10-12 projects with plans to hire additional help in the next 30-45 days. She estimated that staff would be able to take on four new projects next year while continuing the existing ones.

Committee Member Heavener asked CEO Boyer to confirm that the bottleneck lies with project management capacity and not necessarily dollars.

CEO Boyers responded that he was correct. She added that every project requires a procurement process that is managed by DIA as an example.

Committee Member Heaver also asked if there was a model for hiring 3rd party contractors that can be brought on run the projects at her direction.

CEO Boyer responded maybe and then mentioned that DIA had already hired 3rd party construction engineering inspection services. She added that she didn't know an outside contractor that DIA could hire because they are not allowed to perform some aspects of the work, so that particular work cannot be outsourced.

Committee Chair Wohlers asked if staff were to get a new capital projects manager within 30 to 45 days DIA could only have the capacity for 4 new projects next year and would that raise the capacity or keep it the same.

CEO Boyer responded that it would give DIA staff the ability to do four new projects next year. She added that she is concerned about the CEO transition and that Mr. Parola is not going to be able to spend as much time as he is spending right now on capital project management because he's going to have to spend more time on the general operations.

Committee Member Caffey expressed that she'd love to see a project list like a Gantt chart where she could look by month and see what's realistic for people could be working on at the same time, like a 24-month view.

Board Member Hooper added that staff could create a list of infrastructure and impact and score the projects where infrastructure touches multiple projects.

Committee Member Hirabayashi mentioned that it would be helpful to have a scoring system that shows what the impact of the project would be and also the amount of effort and time that would go into it.

Committee Chair Wohlers asked CEO Boyer if it would be best for DIA to do a Benefit/Effort Graph ranking 1 to 10, prioritizing your projects, which ones on the infrastructure side most fit, and then compare notes with the committee.

CEO Boyer advised that she could have that by next month's meeting.

But she added that their first task is to do a budget for next year and directed them to look at the budget documents while she explained the numbers, specifically mentioning Gateway Grocer, Snyder project, the Two-Way Conversion because they'd affect the ranking scale, and how some projects are smaller but would lend to the activation of Downtown.

Board Member Hooper asked if CEO Boyer saw any potential impact on Live Local cutting down that top line number and if she saw any potential of opting out.

CEO Boyer responded that she did see the impact.

Committee Chair Wohlers asked when they would know about the loan repayment.

CEO Boyer responded that it would be two months before it's due, which would be July of next year.

Committee Member Heavener asked, if the loan does not happen, the funds that are appropriated could be reallocated if they are not used.

CEO Boyer responded that he was correct.

Committee Member Heavener expressed that it pained him to see \$20 million in categories that they know they're not going to spend.

Board Member Hooper expressed that he thought it was imperative that they rank deals from a dollar value and then from an impact value.

Committee Chair Wohlers added that as they are doing the ranking, it's important that they not only do dollar amount, but also the location as well have a very high impact on the scoring and the ranking of projects and that they should start with projects in the Core.

Mr. Guy Parola said that he felt they were asking two different questions. He continued that the first question was “What are we doing with the available funds?” He added that he thought that question was getting blurred with “What do we do with the sitting money?”

Committee member Hirabayashi asked for clarity if the amount they are budgeting was \$12.7 million.

Committee Chair Wohler responded that he was correct.

For clarity, Committee Chair Wohlers mentioned that they discussed Inside Out Core incentives, and will get more information from Steve, and right now with the 1 million to the north bank retail enhancement programs as well as the reason to correct me if I'm wrong, Lori. But with the activation of Laura and Hogan we did add the additional retail grant program. And that's why we need those funds. There. Is that correct.

CEO Boyer responded yes but that it was partly replenishment. That they could transfer current-year money to replenish obligations already made.

Committee Chair Wohlers asked how much is needed for the Heritage Garden Projection Tower.

CEO Boyer deferred to Ina Mezini who was not in attendance and Mr. Parola didn't know and stated he would find the answer.

Committee Chair Wohlers asked where the funds would come from for the Inside Out Incentive and if that was something they want to fund this year as a Board.

Board Member Hooper mentioned that he had a general concern that there would be no significant impact on the land for office owners but there would be an impact on retail.

Mr. Kelley mentioned that he has had to change his perspective as it relates to retail enhancement programs. He added that DIA is charged through the BID and CRA Plan to think about the experience of residents, visitors, and people coming into our downtown. He concluded that when you see a retail enhancement program which is more about the business plan and the activation of the street.

Committee Chair Wohlers mentioned that activating street frontage is a huge priority of the board and how it is written into the core incentive plan that a certain amount of your frontage should be outward facing. He added that you may not see the return on the balance sheet, but the activation of the street is incredibly important as well.

Committee Member Hirabayashi asked about that Snyder Hall renovation.

CEO Boyer provided an overview of the Snyder project and mentioned that DIA has been approached by many people wanting to acquire that property for a variety of uses. She added that DIA always told them that they would do a public disposition on it and make it available for consideration. She explained that people have looked at it from a historic renovation perspective and advised that the construction budgets are somewhere between \$4 to \$5 million dollars.

Committee Member Hirabayashi mentioned that the incentive is to develop that parcel and that it would be put in next year's budget, but questioned if it would happen realistically.

Downtown Investment Authority
Finance and Budget Committee Workshop, February 14th, 2025

CEO Boyer advised that they could do a public disposition and then commit to an incentive and funding would have to be set aside for the incentive. She asked if this was a priority that they wanted to try to get going.

Board Member Hooper asked if there was a band-aid type situation that could be put on the project where they wouldn't have to put as much money into it that would improve it.

CEO Boyer responded that she didn't think there was a Band-Aid and then mentioned city capital improvement projects that have repaired fire sprinkler systems to ensure that the building is preserved, but it's not usable right now.

Committee Chair Wohlers expressed that if the Board is going to focus on the core, the Snyder building is in the heart of the core and that the Board should allocate the money for the future incentives.

Steve Kelley added that people view the rehabilitation of Snyder Memorial as having the same importance as the rehabilitation of the Trio and that it's a very important project.

Mr. Guy Parola mentioned that he'd love to take them to do a one on one, so they could see what they're talking about. That it would make some sense

Committee Member Caffey asked if they were just trying to determine what to do with the \$2.5 million that that is expected to be for the Inside Out core. She added that it seemed as though everything else was either underway or a requirement for fiscal year 2025-2026. She also mentioned reallocating funds to the Inside Out Core and also pull from the Shipyards project and that it would cover the \$2 million.

Southbank CRA Budget

CEO Boyer explained that the Southbank CRA budget was simpler in comparison to the Northbank CRA budget. She advised that \$23 million was obligated to do infrastructure at Rivers Edge, that DIA made their final contribution for this year's budget, and that there is no financial obligation for next year. She also mentioned that there were \$5.5 to \$6 million above financial obligations in the future years, and then \$500,000 less than that in overhead because of possible increases for the new CEO salary. CEO Boyer mentioned matching loans for an affordable housing program and stated that the incentive programs in the Southbank are adequately funded and that a lot is not needed in next year's budget. She stated that some projects may be postponed to focus on key priorities, but she spoke of projects such as Flagler Avenue, Broadcast Place Park, Friendship Fountain Restaurant, Riverwalk Enhancements, and Parking under the Acosta Bridge.

Board Member Hooper asked, concerning Flagler Avenue, if there were plans for the Baptist parking lot.

CEO Boyer's response was no and mentioned that it was actually a prudential parking lot. She mentioned various conversations with different people about redevelopment of the lot, but nothing was on the hot burner at the moment.

Board Member Hooper also expressed that he is a believer in the South Bank and that it's at a critical massing point and about to tip over. He also expressed that it a spot where gravity really helps, and that it would only going to help the rest of our Downtown.

Committee Chair Wohler asked CEO Boyer to confirm that there was no number because they were still waiting on Florida Department of Transportation, on the broadcast Place Park.

CEO Boyer responded that that was not the reason. CEO Boyer explained that before you can get permission to use the space you have to do a preliminary design, and that DIA needed to do that. She added that staff had just gotten through the procurement process to create a pool of vendors that hasn't been scored. She concluded that once we have a vendor selected, they would do the preliminary design, and then you can talk to DOT.

III. PUBLIC COMMENTS

The following people made in-person public comments, made public comments virtually through Zoom, or provided comments that were read into the record by DIA Staff. Note: the subject matter of the comment(s) indicated to the right of each person.

Ernest Smith 400 E Bay Street LaVilla Heritage Trail

In response to Mr. Smith, CEO Boyer advised that the LaVilla Heritage Trail was already fully funded. Considering Committee Member Heavener's previous comments, she shared that the money was appropriated in previous years, but despite bidding three times, have yet to receive a responsive bid. She added that this is the kind of thing that delays project execution.

IV. ADJOURN

Seeing no further discussion, Committee Chair Wohlers adjourned the meeting at 3:49 p.m.

The written minutes for this meeting are only an overview of what was discussed. For verbatim comments of this meeting, a recording is available upon request. Please contact Ava Hill at AvaH@coj.net to acquire a recording of the meeting.