

RESOLUTION 2019-05-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE THE CITY'S FINANCIAL CONTRIBUTION TO DOWNTOWN VISION, INC. ("DVI") AS IDENTIFIED IN DVI'S 2019-2020 BUDGET; RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE DVI'S 2019-2020 ANNUAL BUDGET INCLUDED AS ATTACHMENT 'A'; PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, DVI provides public services within the Downtown Business Improvement District ("BID") in accordance with the Enhanced Municipal Services Agreement ("Agreement"), including, but not limited to, cleaning, marketing, event planning, and the Ambassador Program; and

WHEREAS, the City Council, pursuant to Ordinance 1999-1175-E, created the Downtown BID; authorized the imposition of Special Assessments within the BID; and made certain findings of fact as to the benefit to be derived from property owners within the BID; and authorized execution of the Agreement; and

WHEREAS, the City Council reauthorized the Enhanced Municipal Services Agreement between Downtown Vision, Inc. and the City through Ordinance 2005-785-E, Ordinance 2012-422-E and Ordinance 2019-97-E; and

WHEREAS, the Downtown Investment Authority ("DIA") has been designated by the as the Community Redevelopment Agency for community redevelopment areas within the boundaries of Downtown pursuant to Ordinance 2012-364-E, and further granted authorities via Ordinance 2014-0560-E; and

WHEREAS, the DIA finds that DVI provides valuable, enhanced public services to property owners within the BID that could not effectively be provided without financial support from the City, **NOW THEREFORE**

BE IT RESOLVED, by the Downtown Investment Authority:

Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.


Section 2. The DIA recommends that the City of Jacksonville continue its financial contribution equal to 1.1 mils of the assessed value of City property within DVI's Business Improvement District.

Section 3. The DIA recommends that the City Council approve DVI's Fiscal Year 2019-2020 Budget included as Attachment 'A'.

Section 4. This Resolution, 2019-05-02, Shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY


Craig Gibbs, Vice Chairman

May 15, 2019
Date

VOTE: In Favor: 7 Opposed: 0 Abstained: 1 (Barakat)



*Downtown
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May 3, 2019

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Teresa Durand-Stuebben
DIRTT

Vice Chair
Oliver Barakat
CBRE

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Bill Adams
Gunster Law Firm

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*Jacksonville Transportation
Authority*

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Brian Hughes
Downtown Investment Authority

Traci Jenks
Cushman & Wakefield

Asst. Chief Jimmy Judge
Jacksonville Sheriff's Office

Vince McCormack
Perdue Office Interiors

Ryan McIntyre
Vystar Credit Union

Bill Prescott
Heritage Capital Group

John Ream
The Connect Agency

Dawn Southworth
Omni Jacksonville Hotel

Kerri Stewart
JEA

Chief Don Tuten
Jacksonville Sheriff's Office

Aundra Wallace
JaxUSA Partnership

Brian Hughes, CEO
Downtown Investment Authority
117 W. Duval Street, #310
Jacksonville, FL 32202

Re: Downtown Vision budget for Fiscal Year 2019-2020 (FY19/20)

Dear Mr. Hughes,

On behalf of the Board of Directors of Downtown Vision, please accept the following budget documents for Downtown Vision for the fiscal year 2019-2020:

1. Budget Office Form Schedule AD AE
2. FY19/20 Budget for Downtown Vision
3. Budget Comparison for FY18/19 and FY19/20
4. Historic City of Jacksonville contribution to Downtown Vision

These budget documents were approved at our recent meeting of our board of directors on Wednesday March 27, 2019. We now seek approval from the DIA board of directors, and eventually Mayor's Office and City Council.

As you know, commercial property owners in our Downtown business improvement district pay a 1.1 mils assessment on the taxable value of their property to Downtown Vision. These funds are used to complete our mission of keeping Downtown clean and safe, marketing Downtown to promote investment and ensuring a better overall Downtown experience.

The City of Jacksonville is the largest landowner within the district and we provide the same services to the City as we do to private property owners, if not more. We are thrilled that since 2017, the City of Jacksonville has contributed the full amount of the assessment on its properties in the district (with a credit for the fair market value of Downtown Vision office space in the city-owned Ed Ball Building).

We also believe it's a very wise investment -- Downtown Vision leverages more than \$3 in private funds from commercial property owners for every \$1 contributed by the City. We are all working towards the same goal.

We hope the Downtown Investment Authority and the City of Jacksonville warmly receives this year's request to continue to match the same formula calculation paid

214 N. Hogan Street Suite 120, Jacksonville, FL 32202
| 904.634.0303 | Fax 904.634.8988

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by private property owners. We believe this additional support will be directly beneficial to the DIA in reaching the redevelopment goals for Downtown Jacksonville laid out in your CRA and BID Plans.

Thank you for all your hard work for our City. With you working closely with Mayor Lenny Curry, City Council and DIA, Downtown Jacksonville is improving every day.

We look forward to our continued partnership to help make Downtown Jacksonville a better place to live, work, visit and invest.

Sincerely,

A handwritten signature in black ink, consisting of a stylized 'J' and 'G' followed by a horizontal line extending to the right.

Jacob A. Gordon Esq.
CEO

Cc: Jim Bailey, Chairman, Downtown Investment Authority

**BUSINESS IMPROVEMENT DISTRICT
(DOWNTOWN VISION)
JACKSONVILLE, FLORIDA
BUDGET – FISCAL YEAR 2019/20**

ESTIMATED REVENUES

DVI PROPOSED

Assessed Properties (1)	\$ 902,587
City of Jacksonville (2)	\$ 461,884
Other Sources (3)	\$ 275,421
Total Estimated Revenues	<u>\$1,639,892</u>

Schedule AD

APPROPRIATIONS

	Clean, Safe and Attractive (4)	Marketing, Promotions, Special Projects (5)	Business & Stakeholder Support (6)	Management & General (7)	Total
Personnel Services	\$93,046	\$238,499	\$140,450	\$55,934	\$527,929
Operating Expenses	\$688,332	\$250,360	\$139,058	\$34,214	\$1,111,963
Total Appropriations	<u>\$781,377</u>	<u>\$488,859</u>	<u>\$279,507</u>	<u>\$90,148</u>	<u>\$1,639,892</u>

- (1) Commercial property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI.
- (2) This reflects a contribution from the City of Jacksonville equal to 1.1 mils of the value of the City's owned property (minus a rent credit of \$33,988 for Downtown Vision's office space in the Ed Ball Building.)
- (3) This represents all other income for Downtown Vision, including fee-for-service contracts, voluntary contributions from exempt organizations, grants, sponsorships and revenues generated from special events.
- (4) These contracted services include a team of Clean & Safe Ambassadors, a supervising project manager, uniforms, supplies and equipment. This line item includes 50% of the Director of District Services salary plus 25% of administrative budget.
- (5) Includes salaries for Vice President of Marketing, Communications Manager, Events Manager and includes 25% of the admin budget.
- (6) Includes salary for Director of Experience, 50% of Director of District Services and 25% of admin budget.
- (7) This represents 25% of the admin budget. The admin budget includes the CEO and Business Administrator positions.

Schedule AE

Downtown Vision, Inc. FY19/20 Budget

Downtown Vision FY19/20 Budget							BUDGETED 19/20
REVENUES							
City of Jacksonville Request (1)							\$ 461,884
Private Commercial Properties - Assessed at 1.1 mils (2)							\$ 902,587
Contracted Services (3)							\$ 53,189
Voluntary Contributions, Sponsorships & Event Income (4)							\$ 221,752
Interest Income							\$ 480
TOTAL REVENUES							\$1,639,892
	Clean, safe and Attractive (5)	Mktg, Promotions, special projects (6)	Business/ Stakeholder Support (7)	Total Programs	Management & General (8)		
EXPENDITURES							
Salaries	\$ 69,624	\$ 173,126	\$ 104,620	\$ 347,369	\$ 42,876		\$ 390,244
Employee Benefits	\$ 15,966	\$ 46,832	\$ 24,626	\$ 87,423	\$ 8,467		\$ 95,890
Payroll Taxes/Workers' Comp	\$ 7,457	\$ 18,542	\$ 11,205	\$ 37,203	\$ 4,592		\$ 41,795
Total Salaries & Related Expenses	\$ 93,046	\$ 238,499	\$ 140,450	\$ 471,995	\$ 55,934		\$ 527,929
Professional Fees and Contract Services	\$ 650,962	\$ 35,448	\$ 8,172	\$ 694,582	\$ -		\$ 694,582
Supplies/Equip. & Postage	\$ 5,291	\$ 5,291	\$ 5,291	\$ 15,872	\$ 5,291		\$ 21,163
Telephone & Internet	\$ 2,085	\$ 2,085	\$ 2,085	\$ 6,255	\$ 2,085		\$ 8,340
Computers	\$ 3,162	\$ 3,162	\$ 3,162	\$ 9,486	\$ 3,162		\$ 12,648
Insurance	\$ 2,690	\$ 2,690	\$ 2,690	\$ 8,070	\$ 2,690		\$ 10,760
Rent	\$ 3,153	\$ 3,153	\$ 3,153	\$ 9,458	\$ 3,153		\$ 12,610
Accounting/Banking Services	\$ 6,275	\$ 6,275	\$ 6,275	\$ 18,825	\$ 6,275		\$ 25,100
Meetings	\$ 1,500	\$ 1,500	\$ 1,500	\$ 4,500	\$ 1,500		\$ 6,000
Travel/Conferences/Professional Development	\$ 7,545	\$ 7,545	\$ 7,545	\$ 22,635	\$ 7,545		\$ 30,180
Memberships & Subscriptions	\$ 2,514	\$ 2,514	\$ 2,514	\$ 7,541	\$ 2,514		\$ 10,054
Program Support	\$ 3,156	\$ 180,698	\$ 96,672	\$ 280,526	\$ -		\$ 280,526
TOTAL EXPENDITURES	\$ 781,377	\$ 488,859	\$ 279,507	\$ 1,549,744	\$ 90,148		\$ 1,639,892
% of Total	48%	30%	17%	95%	5%		
REVENUES OVER EXPENDITURES/Gap Fund							\$0
(1) This amount reflects a full contribution from the City equal to 1.1 mils of the value of the City's owned property (minus a rent credit of \$33,988 for Downtown Vision's space in the Ed Ball Building.) (2) Commercial property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI. (3) Includes contracts with General Services Administration (GSA) for federal courthouse and JTA for Skyway Ambassador services (4) Includes all others revenue such as grants, sponsorships and event revenue plus voluntary monetary contributions from exempt organizations such as JEA, First Baptist Church, JAX Chamber and Jesse Ball DuPont Fund. (5) Includes Clean & Safe Ambassador team, a supervising operations director, uniforms, supplies and equipment and includes 50% of the Director of District Services salary plus 25% of admin budget. (6) Includes salaries for Vice President of Marketing, Communications Manager and Events Manager. Includes 25% of the admin budget. (7) Includes salary for Experience Manager, 50% of Vice President of District Services, and 25% of admin budget. (8) Includes 25% of the admin budget. The admin budget includes the CEO and Business Administrator positions.							

**Downtown Vision
FY 18/19 vs. FY 19/20**

	Adopted FY18/19	Proposed FY19/20	Increase (Decrease)	Notes
REVENUES				
City of Jacksonville	\$ 456,775	\$ 461,884	\$5,109	Represents the City's historic contribution to Downtown Vision since FY 2011
Private Commercial Properties (1.1 mils)	\$ 794,285	\$ 902,587	\$108,302	Based on increase in assessed value of properties in the Downtown Improvement District
Interest Income	\$ 480	\$ 480	\$0	Anticipating continued low interest rates
Contracted Services	\$ 41,251	\$ 53,189	\$11,938	Includes payments from General Services Administration (GSA) for assistance around Federal Courthouse. Increase is new pilot project with JTA for Ambassadors at some Skyway stations.
Other Sources	\$ 195,243	\$ 221,752	\$26,509	Includes all others revenue, including grants, sponsorships, event revenue and voluntary contributions from exempt organizations like JEA, First Baptist Church, JaxChamber, Police and Fire Pension Fund and Jesse Ball DuPont Fund. Increase due to increased revenue projected from annual DTJax Gala fundraiser.
TOTAL REVENUES	\$ 1,488,034	\$ 1,639,892	\$151,858	
EXPENDITURES				
Salaries	\$ 342,807	\$ 390,244	\$47,437	Increase due to one new staff member to oversee experience creation opportunities downtown
Employee Benefits	\$ 76,472	\$ 95,890	\$19,418	Increase due to increased cost of health insurance, benefits and increased participation in 401k program.
Payroll Taxes/Worker's Comp	\$ 36,061	\$ 41,795	\$5,734	Increase due to increase in staffing costs
Total Salaries & Related Expenses	\$ 455,340	\$ 527,929	\$72,589	
Professional Fees & Contract Services	\$ 679,291	\$ 694,582	\$15,291	Includes Ambassador contract and other costs such as Downtown Map/Guide, advertising, graphic design support, consulting, marketing support and printing reports, rack cards and marketing collateral.
Supplies, Printing & Postage	\$ 21,116	\$ 21,163	\$47	Includes office supplies, stationery, copier, water cooler, postage meter, postage, bulk mail, UPS, courier fees
Telephone & Internet	\$ 8,340	\$ 8,340	\$0	Includes phone lease, internet, local and long distance
Computers	\$ 9,670	\$ 12,648	\$2,978	Includes website management, software fees, email hosting and server maintenance
Insurance	\$ 13,160	\$ 10,760	(\$2,400)	Includes D&O, liability, property, theft and event insurance.
Rent	\$ 12,610	\$ 12,610	\$0	Includes rent for offices in Ed Ball Building
Accounting, Banking Services & Payroll	\$ 25,868	\$ 25,100	(\$768)	Includes audit, payroll expenses, licenses and bank fees.
Meetings	\$ 6,000	\$ 6,000	\$0	Includes Board meetings, committee meetings, stakeholder meetings and board retreat
Travel/Conferences/Professional Development	\$ 21,925	\$ 30,180	\$8,255	Includes conference expenses, lodging and travel expenses. Increase due to leadership initiatives/trainings including Urban Land Institute (ULI) and International Downtown Association (IDA) for CEO, Vice President of Marketing and Vice President of District Services
Memberships & Subscriptions	\$ 8,054	\$ 10,054	\$2,000	Also includes funding for membership in JaxChamber, Urban Land Institute and International Downtown Association and subscriptions for local papers and downtown-related journals such as Florida Times-Union and Jacksonville Business Journal
Program Support	\$ 226,660	\$ 280,526	\$53,866	Items include \$145,000 for events and promotions such as Art Walk, Jazz Fest After Dark, Trick or Treat on the Street and DTJax Gala. Increase is related to Lively and Beautiful Sidewalks (LABS) initiative for more experience creation" in the public realm, including placemaking and beautification initiatives
SUBTOTAL EXPENDITURES	\$ 1,488,034	\$ 1,639,892	\$151,858	
Contingency	\$ -	\$ -	\$0	
TOTAL EXPENDITURES	\$ 1,488,034	\$ 1,639,892	\$151,858	
Variance	\$ -	\$ 0	\$0	

**Downtown Vision
History of Revenues
from City of Jacksonville**

Fiscal Year	Private Assessments (Budgeted)	Assessed Value of City Property	City Assessments (Due) (1.1mils)	City Assessments (Paid)	Millage Rate Paid by COJ	Other \$ (Note 1, 2)	Actual City Contribution	Actual Millage	City Assessment Diff From Millage (Note 3)	DVI Adopted Budget (Note 4)
FY 00/01	\$778,970	\$139,318,182	\$153,250	\$153,250	1.1	\$0	\$153,250	1.1	\$0	\$983,140
FY 01/02	\$740,000	\$130,045,455	\$143,050	\$143,050	1.1	\$0	\$143,050	1.1	\$0	\$956,478
FY 02/03	\$734,000	\$156,824,545	\$172,507	\$172,507	1.1	\$0	\$172,507	1.1	\$0	\$1,090,950
FY 03/04	\$775,000	\$174,746,364	\$192,221	\$192,221	1.1	\$0	\$192,221	1.1	\$0	\$1,116,746
FY 04/05	\$781,948	\$201,148,182	\$221,263	\$221,263	1.1	\$0	\$221,263	1.1	\$0	\$1,159,737
FY 05/06	\$735,492	\$214,837,273	\$236,321	\$236,321	1.1	\$0	\$236,321	1.1	\$0	\$1,159,737
FY 06/07	\$786,284	\$219,482,727	\$241,431	\$241,431	1.1	\$0	\$241,431	1.1	\$0	\$1,132,013
FY 07/08	\$825,600	\$208,860,909	\$229,747	\$229,747	1.1	\$0	\$229,747	1.1	\$0	\$1,150,521
FY 08/09	\$892,413	\$330,055,455	\$363,061	\$229,747	0.7	\$0	\$229,747	0.7	-\$133,314	\$1,212,356
FY 09/10	\$950,000	\$310,965,455	\$342,062	\$229,747	0.7	\$39,587	\$269,334	0.9	-\$72,728	\$1,253,886
FY 10/11	\$840,000	\$295,737,273	\$325,311	\$229,747	0.8	\$79,175	\$308,922	1.0	-\$16,389	\$1,203,629
FY 11/12	\$750,000	\$270,883,636	\$297,972	\$229,747	0.8	\$81,913	\$311,660	1.2	\$13,688	\$1,183,568
FY 12/13	\$686,000	\$242,986,364	\$267,285	\$229,747	0.9	\$81,913	\$311,660	1.3	\$44,375	\$1,297,405
FY 13/14	\$686,000	\$250,729,355	\$275,802	\$229,747	0.9	\$81,913	\$311,660	1.2	\$35,858	\$1,246,962
FY 14/15	\$686,000	\$421,943,650	\$464,000	\$311,660	0.7	\$0	\$311,660	0.7	-\$152,340	\$1,242,083
FY 15/16	\$720,000	\$439,806,863	\$481,498	\$311,660	0.7	\$0	\$311,660	0.7	-\$169,838	\$1,323,699
FY 16/17	\$733,108	\$434,850,748	\$478,336	\$311,660	0.7	\$33,988	\$345,648	0.8	-\$132,688	\$1,188,133
FY 17/18	\$769,627	\$447,708,427	\$492,479	\$458,491	1.1	\$33,988	\$492,479	1.1	\$0	\$1,448,380
FY18/19	\$794,285	\$446,148,182	\$490,763	\$456,775	1.1	\$33,988	\$490,763	1.1	\$0	\$1,488,034
FY19/20 (proposed)	\$902,587	\$450,792,727	\$495,872	\$461,884	1.1	\$33,988	\$495,872	1.1	\$0	\$1,639,892

- NOTES**
1. The "Other \$" column from FY 09/10 to FY 13/14 reflects a grant from City of Jacksonville for additional ambassadors.
 2. The "Other \$" column for FY 16/17 to FY 17/18, reflects a rental credit for Downtown Vision's lower-than-market rent in the Ed Ball Building as requested by City Council in FY 16/17.
 3. From FY 08/09 through FY 16/17, the City of Jacksonville underpaid its 1.1 mil assessment by a total of \$583,376.
 4. During the past 15 years, Downtown Vision, Inc. leverages over \$3 in private assessments for every \$1 paid by the City of Jacksonville.