

RESOLUTION 2017-03-03

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 2017-2018 BUDGET; RECOMMENDING THAT THE JACKSONVILLE CITY COUNCIL APPROVE DVI'S 2017-2018 ANNUAL BUDGET INCLUDED AS ATTACHMENT 'A' TO RESOLUTION 2017-03-03; 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 re-confirmed the BID and continuation of the original Agreement via Ordinances 2005-785-E and 2012-422-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; and

WHEREAS, the BID is completely located within DIA's boundaries; and

WHEREAS, the DIA finds that DVI provides valuable, enhanced public services to property owners within the BID; and

WHEREAS, the DIA finds that these public services could not be effectively provided by DVI without continued financial support from the City, NOW THEREFORE

BE IT RESOLVED, by the Downtown Investment Authority:

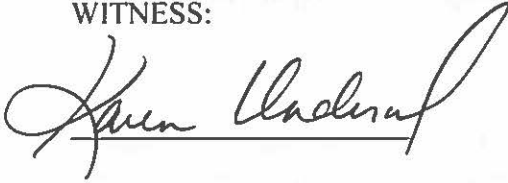
Section 1. The DIA finds that the recitals set forth above are true and correct and are incorporated herein by this reference.

Section 2. The DIA recommends that the Jacksonville City Council approve a City contribution of \$ 1.1 MILLS towards DVI's Fiscal Year 2017-2018 Budget.

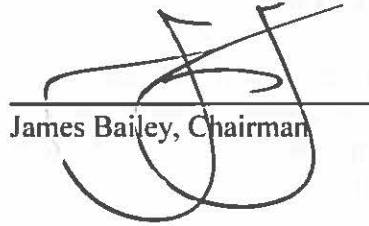
Section 3. The DIA recommends that the City Council approve DVI's Fiscal Year 2017-2018 Budget with the City contribution identified in Resolution 2017-03-03, Section 2.

Section 4. This Resolution, 2017-03-03, Shall become effective on the date it is signed by the Chair of the DIA Board.

WITNESS:



DOWNTOWN INVESTMENT AUTHORITY


James Bailey, Chairman

3/15/2017
Date

VOTE: In Favor: 8 Opposed: 0 Abstained: 01

FORM APPROVAL:

Office of General Counsel



*Downtown
Vision,
Incorporated*

March 8, 2017

Chair
Teresa Durand-Steubben
Auld & White Constructors

Vice Chair
Oliver Barakat
CBRE

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Jacksonville City Council

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Purdue Office Interiors

Bill Prescott
Heritage Capital Group

John Ream
The Connect Agency

Numa Saisselin
Florida Theatre

Asst. Chief Jackson Short
Jacksonville Sheriff's Office

Chief Don Tuten
Jacksonville Sheriff's Office

Aundra Wallace
Downtown Investment Authority

Aundra Wallace, CEO
Downtown Investment Authority
117 W. Duval Street, #310
Jacksonville, FL 32202

Re: Downtown Vision budget for fiscal year 2017-2018

Dear Mr. Wallace,

On behalf of the Board of Directors of Downtown Vision, please accept the following budget documents for Downtown Vision for the fiscal year 2017 – 2018:

- Budget Office Form Schedule AD AE
- FY17/18 Budget for Downtown Vision
- Budget Comparison for FY16/17 and FY17/18
- History of City of Jacksonville contribution to Downtown Vision

As you know, property owners in our Downtown Business Improvement District (BID) 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.

Since 2000, in support of the private property owners, the City of Jacksonville pays a similar assessment on city-owned property in the district. 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.

Our FY17/18 budget includes \$458,491 in City funding which is higher than the \$311,660 in City funding paid in previous years. When factoring in a rent credit of \$33,988 for Downtown Vision's space in the Ed Ball Building, this additional \$146,831 would bring the City to a full 1.1 mils contribution. These additional dollars will be paired with over \$10,000 in strategic initiative dollars to directly add 4 full time Clean & Safe Ambassadors which could focus on the Northbank and Southbank Riverwalks. The urban core is growing rapidly given the significant investment by Downtown Investment Authority and the City of Jacksonville.

We hope the Downtown Investment Authority and the City of Jacksonville warmly receives our request for additional funding to match the same calculation paid by

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private property owners. We believe this additional support will be directly beneficial to the DIA in reaching the redevelopment goals for Downtown laid out in your CRA and BID Plans. It is also a wise investment -- Downtown Vision leverages more than \$3 in private funds for every \$1 contributed by the City.

Thank you for all your hard work for our City. With you and your agency working closely with Mayor Lenny Curry and City Council, Downtown Jacksonville is improving every day. We look forward to our continued partnership to help make Downtown 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 2017/18**

ESTIMATED REVENUES

Assessed Properties
City of Jacksonville (1) (2)
Other Sources
Total Estimated Revenues

DVI PROPOSED

\$ 769,627
\$ 458,491
\$ 165,261
\$1,393,379

Schedule AD

APPROPRIATIONS

	Clean, Safe and Attractive (3)	Mktg, Promotions, Special Projects (4)	Business & Stakeholder Support (5)	Management & General (6)	Total
Personnel Services	\$93,705	\$232,031	\$91,949	\$50,096	\$467,781
Operating Expenses	\$660,713	\$188,093	\$46,776	\$30,016	\$925,598
Total Appropriations	\$754,418	\$420,124	\$138,725	\$80,113	\$1,393,379

- (1) Commercial property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI. This amount reflects a 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) This contribution includes an increase of \$146,831 from the City's historic contribution of \$311,660 to reflect a full 1.1 mils contribution. These additional funds (\$146,831) would result in 4 more full time Clean & Safe Ambassadors that could focus on the Northbank and Southbank Riverwalks in support of the Downtown Core, which is growing rapidly given the significant investment by Downtown Investment Authority and the City of Jacksonville.
- (3) Contracted services include an existing ambassador team of 4.4 FTE safety ambassadors, 5.2 FTE cleaning ambassadors, a supervising project manager, uniforms, supplies and equipment. This line item includes 75% of the Director of District Services salary plus 25% of admin budget.
- (4) Includes salaries for Vice President of Marketing, Communications Coordinator, Events Manager and 50% of Director of Experience salary. Includes 25% of the admin budget.
- (5) Includes salary for 25% of Director of District Services and 50% Director of Experience salary and 25% of admin budget.
- (6) This represents 25% of the admin budget, which includes the CEO and Business Administrator positions.

Schedule AE

Downtown Vision, Inc. FY17/18 Budget

Downtown Vision FY17/18 Budget						
						BUDGETED 17/18
REVENUES						
City of Jacksonville Historic Contribution						\$311,660
City of Jacksonville Additional Request (1)(2)						\$146,831
Private Commercial Properties - Assessed at 1.1 mils						\$769,627
Contracted Services						\$14,602
Voluntary Contributions (3)						\$39,849
Interest Income						\$480
Sponsorships/Special Events/Miscellaneous (4)						\$110,330
TOTAL REVENUES						\$1,393,379
	Clean, safe and Attractive (5)	Mktg, Promotions, special projects (6)	Business/ Stakeholder Support (7)	Total Programs	Management & General (8)	
EXPENDITURES						
Salaries	\$ 73,714	\$ 174,916	\$ 70,784	\$ 319,414	\$ 39,964	\$ 359,378
Employee Benefits	\$ 12,148	\$ 38,666	\$ 13,636	\$ 64,449	\$ 5,905	\$ 70,354
Payroll Taxes/Workers' Comp	\$ 7,843	\$ 18,450	\$ 7,529	\$ 33,822	\$ 4,228	\$ 38,049
Total Salaries & Related Expenses	\$ 93,705	\$ 232,031	\$ 91,949	\$ 417,685	\$ 50,096	\$ 467,781
Professional Fees and Contract Services	\$ 466,937	\$ 24,076	\$ 6,060	\$ 497,074	-	\$ 497,074
Supplies/Equip. & Postage	\$ 5,279	\$ 5,279	\$ 5,279	\$ 15,837	\$ 5,279	\$ 21,116
Telephone & Internet	\$ 2,056	\$ 2,056	\$ 2,056	\$ 6,168	\$ 2,056	\$ 8,224
Computers	\$ 4,382	\$ 4,382	\$ 4,382	\$ 13,146	\$ 4,382	\$ 17,528
Insurance	\$ 2,225	\$ 2,225	\$ 2,225	\$ 6,675	\$ 2,225	\$ 8,900
Rent	\$ 3,063	\$ 3,063	\$ 3,063	\$ 9,188	\$ 3,063	\$ 12,250
Accounting/Banking Services	\$ 5,680	\$ 5,680	\$ 5,680	\$ 17,039	\$ 5,680	\$ 22,719
Meetings	\$ 1,563	\$ 1,563	\$ 1,563	\$ 4,688	\$ 1,563	\$ 6,250
Travel/Conferences/Professional Development	\$ 3,773	\$ 3,773	\$ 3,773	\$ 11,318	\$ 3,773	\$ 15,090
Memberships & Subscriptions	\$ 1,997	\$ 1,997	\$ 1,997	\$ 5,991	\$ 1,997	\$ 7,988
Program Support	\$ 6,704	\$ 134,000	\$ 10,700	\$ 151,404	-	\$ 151,404
Strategic Plan/Public Realm Initiatives (9)	\$ 157,056	-	-	\$ 157,056	-	\$ 157,056
TOTAL EXPENDITURES	\$ 754,418	\$ 420,124	\$ 138,725	\$ 1,313,267	\$ 80,113	\$ 1,393,379
% of Total	54%	30%	10%	94%	6%	
REVENUES OVER EXPENDITURES/Gap Fund						\$0

(1) Commercial property owners in DVI's Downtown district pay 1.1 mils of their property's assessed value to DVI. 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) This contribution includes an increase of \$146,831 from the City's historic contribution of \$311,660 to reflect a full 1.1 mils contribution. These additional funds (\$146,831) would be used to hire 4 more full time Clean & Safe Ambassadors that could focus on the Northbank and Southbank Riverwalks in support of the Downtown Core, which is growing rapidly given the significant investment by Downtown Investment Authority and the City of Jacksonville.

(3) Includes voluntary monetary contributions from exempt organizations such as JEA, First Baptist Church and Jesse Ball DuPont Center.

(4) Includes all others revenue, including sponsorships and revenues generated from special events like ArtWalk and the DTJax Gala

(5) Contracted services include an existing Clean & Safe Ambassador team of 4.4 FTE safety ambassadors, 5.2 FTE cleaning ambassadors, a supervising operations director, uniforms, supplies and equipment. This line item includes 75% of the Director of District Services salary plus 25% of admin budget.

(6) Includes salaries for Vice President of Marketing, Communications Coordinator, Events Manager and 50% of Director of Experience salary. Includes 25% of the admin budget.

(7) Includes salary for 25% of Director of District Services and 50% Director of Experience salary and 25% of admin budget.

(8) This represents 25% of the admin budget, which includes the CEO and Business Administrator positions.

(9) Includes the hiring of additional 4 full time Clean & Safe Ambassadors as referenced in Note 2 above, contingent on additional \$146,831 being sought from City of Jacksonville

**Downtown Vision
FY 16/17 vs. FY 17/18**

	Adopted FY16/17	Proposed FY17/18	Increase (Decrease)	Notes
REVENUES				
City of Jacksonville	\$ 311,660	\$ 311,660	\$0	Represents the city's historic contribution to Downtown Vision since FY 2011
<i>Additional City of Jacksonville</i>	\$ -	\$ 146,831	\$146,831	Includes the increase of \$146,831 from the City's historic contribution above to reflect a full 1.1 mils contribution (when accounting for a rent credit to COJ of \$33,988 for Downtown Vision's lower than market rate rent in the Ed Ball Building.) These additional funds would be used to hire 4 more full time Clean & Safe Ambassadors that could focus on the Northbank and Southbank Riverwalks in support of the Downtown Core.
Private Commercial Properties - Assessed at 1.1 mils	\$ 726,686	\$ 769,627	\$42,941	Based on increase in assessed value of properties in the Downtown Improvement District
Interest Income	\$ 960	\$ 480	(\$480)	Anticipating continued low interest rates
Contracted Services	\$ 14,178	\$ 14,602	\$424	Includes payments from General Services Administration (GSA) for assistance around Federal Courthouse
Voluntary Contributions	\$ 37,849	\$ 39,849	\$2,000	Includes voluntary contributions from exempt organizations JEA, First Baptist Church, Jesse Ball DuPont Center and other donations
Special Events/Sponsorships/ Miscellaneous	\$ 96,800	\$ 110,330	\$13,530	Includes all others revenue, including sponsorships and revenues generated from special events like ArtWalk. Increase due to increased revenue projected from annual DTJax Gala fundraiser
TOTAL REVENUES	\$ 1,188,133	\$ 1,393,379	\$205,246	
EXPENDITURES				
Salaries	\$ 334,905	\$ 359,378	\$24,473	Increase due to hiring additional entry level employee
Employee Benefits	\$ 52,985	\$ 70,354	\$17,369	Increase due to increased cost of health insurance and increased participation in 401k program.
Payroll Taxes/Worker's Comp	\$ 35,672	\$ 38,048	\$2,376	Increase due to hiring additional entry level employee
Total Salaries & Related Expenses	\$ 423,562	\$ 467,780	\$44,218	
Professional Fees & Contract Services	\$ 485,994	\$ 497,074	\$11,080	Includes Ambassador contract (\$467K total), Downtown Guide (\$10k), advertising (\$5.5k), graphic design support (\$6k), marketing support (\$2.5k) and printing reports, rack cards and marketing collateral (\$6k). Increase due to 2.375% increase in Ambassador costs.
Supplies, Printing & Postage	\$ 21,116	\$ 21,116	\$0	Includes office supplies, stationary, copier, water cooler, postage meter, postage, bulk mail, UPS, courier fees
Telephone & Internet	\$ 8,224	\$ 8,224	\$0	Includes phone lease, internet, local and long distance
Computers	\$ 17,222	\$ 17,528	\$306	Includes website management, software fees, email hosting and server maintenance
Insurance	\$ 7,900	\$ 8,900	\$1,000	Includes D&O, liability, property, theft and event insurance.
Rent	\$ 12,250	\$ 12,250	\$0	Includes rent for location in Ed Ball Building
Accounting, Banking Services & Payroll	\$ 23,013	\$ 22,719	(\$294)	Includes audit, payroll expenses, licenses and bank fees.
Meetings	\$ 6,250	\$ 6,250	\$0	Includes Board meetings, committee meetings, stakeholder meetings and board retreat
Travel/Conferences/Professional Development	\$ 14,895	\$ 15,090	\$195	Includes conference expenses, lodging and travel expenses
Memberships & Subscriptions	\$ 5,508	\$ 7,988	\$2,480	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 Times Union and Jax Biz Journal. Increase is for increased participation in JaxChamber & ULI and new dues for Downtown Rotary.
Program Support	\$ 147,852	\$ 151,404	\$3,552	Items include \$144k for events and promotions such as Art Walk, JazzFest After Dark, Trick or Treat on the Street and DTJax Gala, \$7.5K for beautification initiatives such as tree bed mulching and maintenance of flower baskets hangers. Increase is related to costs for DTJax Gala.
<i>Strategic Plan Implementation/Public Realm</i>	\$ 14,347	\$ 157,056	\$142,709	Includes funding for 4 full time clean and safe ambassadors for Downtown, Northbank and Southbank Riverwalks, contingent on additional City of Jacksonville contribution referenced above
SUBTOTAL EXPENDITURES	\$ 1,188,133	\$ 1,393,379	\$205,246	
Contingency	\$ -	\$ -	\$0	
TOTAL EXPENDITURES	\$ 1,188,133	\$ 1,393,379	\$205,246	
Gap Funded through Special Project Reserve	\$ -	\$ (0)	(\$0)	

**Downtown Vision
History of Revenues**

	Private Assessments (Budgeted)	Assessed Value of City Property	City Assessments (Due) (1.1mils)	City Assessments (Paid)	Millage Rate Paid by COJ	Other \$	Actual City Contribution	Actual Millage	City Assessment Diff From Millage	DVI Adopted Budget
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
FY17/18 (proposed)	\$769,627	\$447,708,159	\$492,479	\$458,491	1.1	\$33,988	\$492,479	1.1	\$0	
Total FY 00/01 through FY 16/17	\$13,100,815		\$4,885,117	\$3,903,252		\$398,489	\$4,301,741		-\$583,376	\$19,901,043

- NOTES**
1. During the past 15 years, Downtown Vision, Inc. has leveraged \$4.69 in private assessments for every \$1 paid by the City of Jacksonville.
 2. From FY 08/09 through FY 16/17, the City of Jacksonville underpaid its 1.1 mil assessment by a total of \$583,376.
 3. The "Other \$" column from FY 09/10 to FY 13/14 reflects a grant from City of Jacksonville for additional ambassadors.
 4. 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.