

RESOLUTION 2015-05-02

A RESOLUTION OF THE DOWNTOWN INVESTMENT AUTHORITY SUPPORTING THE CITY OF JACKSONVILLE'S ("CITY") FINANCIAL CONTRIBUTION TO DOWNTOWN VISION, INC. ("DVI"), EQUAL TO 1.1 MILS OF THE ASSESSED VALUE OF PRIVATELY HELD COMMERCIAL PROPERTIES WITHIN DVI'S BUSINESS IMPROVEMENT DISTRICT; AND RECOMMENDING THAT THE CITY COUNCIL APPROVE DVI'S 2015-2016 ANNUAL BUDGET AND WORKPLAN.

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 City Council at its discretion has been financially contributing \$311,660.00; 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 Downtown; 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.

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.

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Section 2. The DIA recommends that the City Council approve DVI's Budget and Workplan, included as Attachment 'A' hereto, with a \$481,498.00 City voluntary contribution.

Section 3. This Resolution 2015-05-02 shall become effective upon its approval by the DIA this 27th day of May, 2015.

WITNESS:

DOWNTOWN INVESTMENT AUTHORITY



Oliver Barakat, Chairman

VOTE: In Favor: 6 Opposed: 0 Abstained: _____

FORM APPROVAL:

Office of General Counsel

ATTACHMENT A
Downtown Vision, Inc. FY15/16 Budget

Downtown Vision, Inc. FY15/16 Budget							BUDGETED 15/16
REVENUES							
City of Jacksonville (1)							\$481,488
Private Commercial Properties - Assessed at 1.1 mls							\$728,000
JEA Payment for Services							\$25,000
General Services Administration Payment for Services							\$13,765
Interest Income							\$600
Sponsorships/Miscellaneous							\$25,000
Special Events Income							\$42,520
FGHP Subcontract for Ambassador Services							\$184,704
TOTAL REVENUES							\$1,493,537
	Clean, safe and Attractive (2)	Mktg. Promotions, special projects (3)	Business/ Stakeholder Support (4)	Total Programs	Management & General (5)		
EXPENDITURES							
Salaries	\$67,729	\$157,384	\$67,729	\$292,842	\$38,373		\$331,215
Employee Benefits	\$3,085	\$23,086	\$3,085	\$29,216	\$2,918		\$32,134
Payroll Taxes/Workers' Comp	\$7,266	\$16,849	\$7,266	\$31,381	\$4,110		\$35,491
Total Salaries & Related Expenses	\$78,080	\$197,319	\$78,080	\$353,439	\$45,401		\$398,840
Professional Fees and Contract Services	\$623,451	\$3,810	\$1,053	\$660,323	\$1,063		\$663,385
Supplies/Equip. & Uniform Purchase & Maintenance	\$4,912	\$4,912	\$4,912	\$14,735	\$4,912		\$19,646
Telephone/IT	\$3,107	\$3,107	\$3,107	\$8,320	\$3,107		\$12,427
Computers	\$1,705	\$11,907	\$1,705	\$15,317	\$1,705		\$17,022
Insurance	\$1,625	\$1,625	\$1,625	\$4,875	\$1,625		\$6,500
Accounting/Banking Services	\$4,145	\$4,145	\$4,145	\$12,434	\$4,145		\$16,579
Postage	\$1,102	\$1,102	\$1,102	\$3,306	\$1,102		\$4,408
Travel/Conferences/Meetings	\$4,699	\$6,870	\$4,699	\$16,368	\$2,683		\$19,031
Subscriptions	\$377	\$377	\$377	\$1,131	\$377		\$1,508
Organization Dues	\$1,255	\$1,255	\$1,255	\$3,765	\$1,255		\$5,020
Program Support, including Strategic Initiatives	\$8,892	\$314,818	\$7,319	\$329,030	\$141		\$329,171
TOTAL EXPENDITURES	\$731,329	\$581,346	\$111,368	\$1,424,042	\$69,496		\$1,493,537
TOTAL EXPENDITURES							
% of Total	49%	39%	7%		5%		100%
REVENUES OVER EXPENDITURES/Gap Fund							\$0
<p>(1) The addition of the new Duval County Courthouse has increased the assessed value of City-owned properties. The proposed City contribution represents 1.1 mls of the assessed value of city-owned properties.</p> <p>(2) DVI provides ambassador services to Downtown including 4.4 FTE hospitality ambassadors, 5.2 FTE cleaners (including 2 city-funded cleaners) and a project manager, plus uniforms, supplies and equipment for program. This line item includes 50% of DVI's Director of District Services salary plus 25% of all admin costs.</p> <p>(3) Includes salaries for Director of Marketing, Communications Coordinator and Marketing and Events Coordinator. Includes 25% of the admin budget.</p> <p>(4) Includes salary for 50% of Director of District Services and 25% of admin budget.</p> <p>(5) This represents 25% of the entire admin budget and includes the Executive Director and Office Manager positions.</p>							

	City Council Adopted FY2014/2015	Proposed FY2015/2016	Difference from Prior Year	NOTES
EXPENDITURES				
Salaries	\$378,185	\$331,215	(\$46,970)	Decrease is due to elimination of Director of Strategic Partnerships position in April 2015.
Employee Benefits	\$43,635	\$32,134	(\$11,501)	
Payroll Taxes/Worker's Comp	\$40,480	\$35,491	(\$4,989)	
SUBTOTAL Salaries & Fringe	\$462,500	\$398,840	(\$63,660)	Reduction in salaries and related expenses due to elimination of Director of Strategic Partnerships position in April 2015. New CEO hired at previous Executive Director salary level.
Professional Fees & Contracts	\$498,029	\$478,591	(\$19,438)	Decrease due to reduction in marketing-related professional services. Total includes: Ambassador services contract (\$433,091), rent to COJ (\$12,500), marketing support (\$10K), Downtown map and guide (\$10,000), advertising (\$5,500), design support (\$2,500), and event and promotion supplies such as kiosks, signage, tents (\$5,000). Not Included: DVI contractually provides Ambassador services for Friends of Hemming Park effective October 1, 2014. This is not reflected in revenue/expense for DVI - it's a pass through which nets out with the associated ambassador expenses.
Supplies/Equipment/Maintenance	\$19,808	\$19,646	(\$162)	Includes office supplies, copier, equipment, maintenance
Telephone, IT, Postage & Subscriptions	\$18,864	\$18,343	(\$521)	Includes IT (phone lease, internet, local and long distance) Postage (postage meter, postage, bulk mail, UPS and courier fees) and Subscriptions for local papers and downtown-related journals.
Computers	\$15,120	\$17,022	\$1,902	Includes website management, software fees, email hosting and server maintenance; increase due to upgrades to internet and server technology.
Insurance	\$11,250	\$6,500	(\$4,750)	Includes D&O, liability, property, theft and event insurance. Reduction reflects significant cost savings from combining event coverage into general liability insurance.
Accounting/Banking Services	\$17,105	\$16,579	(\$526)	Includes audit, payroll expenses, licenses and bank fees.
Travel/Conferences/Meetings	\$17,035	\$19,030	\$1,995	Includes Board meetings, committee meetings, stakeholder meetings and annual conferences for staff plus Board member. Increase reflects additional conference for new CEO.
Organization Dues	\$5,020	\$5,020	\$0	Includes memberships in Florida Redevelopment Association, JAXChamber, JCCI, Urban Land Institute, International Downtown Association and Rotary.
Program Support	\$217,619	\$109,172	(\$108,447)	Reduction reflects cuts to events budget, marketing, administration and stakeholder support. Includes existing events such as Art Walk (\$75,000), beautification initiatives such as tree bed mulching and maintenance of 55 flower baskets (\$7,000), and information management research, reports and meetings on Downtown (\$7,000).
SUBTOTAL EXPENDITURES	\$1,282,350	\$1,088,743	(\$193,607)	
Strategic Plan Implementation	\$0	\$220,000	\$220,000	\$220K budgeted for FY15/16 placemaking initiatives in two key activity nodes - north and south bank Riverwalk activation and revitalization of The Elbow entertainment district. Implementation of new DVI strategic plan completed late 2014 for 'experience creation', dovetails directly with DIA CRA and BID plans and stated redevelopment goals.
TOTAL EXPENDITURES	\$1,282,350	\$1,308,743	\$26,393	
REVENUES				
Private Commercial Properties - Assessed at 1.1 mils	\$684,405	\$720,000	\$35,595	Based on estimated increase in assessed value of properties in the Downtown Improvement District, according to City Tax Assessor. This new total still reflects a 24% decline from pre-recession levels.
JEA Payment for Services	\$25,000	\$25,000	\$0	JEA payment to DVI.
General Services Administration Payment for Services	\$12,938	\$13,765	\$827	GSA funding for Ambassador services.
Interest Income	\$2,000	\$900	(\$1,100)	Anticipating continued low interest rates.
Sponsorships/Miscellaneous	\$28,000	\$67,520	\$41,520	
SUBTOTAL REVENUES	\$750,343	\$827,245	\$76,902	
City of Jacksonville	\$311,660	\$481,498	\$169,838	The new Duval County Courthouse increases the assessed value of City-owned properties in the Downtown district. DIA approved DVI's request for \$484,000 in FY 14/15, but City Council mandated zero increase. The proposed City contribution represents the same 1.1 mils assessed on other downtown property owners, using the assessed value of the city-owned properties.
TOTAL REVENUES	\$1,062,003	\$1,308,743	\$246,740	
Gap Funded through Special Project Reserve	(\$220,347)	\$0		