



BLUEPRINT

INTERGOVERNMENTAL AGENCY



PLACE

PLANNING, LAND MANAGEMENT and COMMUNITY ENHANCEMENT



OFFICE OF
**ECONOMIC
VITALITY**



**BOARD BUDGET
WORKSHOP - 1:00 PM
AUGUST 20, 2019**

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BOARD OF DIRECTORS MEETING

August 20, 2019

1:00 pm

City Commission Chambers

Chair: Bryan Desloge

Workshop Agenda

I. AGENDA MODIFICATIONS

II. CITIZENS TO BE HEARD ON NON-AGENDAED ITEMS

Citizens desiring to speak must fill out a Speaker Request Form; the Chair reserves the right to limit the number of speakers or time allotted to each

III. WORKSHOP/ PRESENTATIONS

1. Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality) and 20-Year Projection for the Office of Economic Vitality

IV. CITIZENS TO BE HEARD ON NON-AGENDAED ITEMS

Citizens desiring to speak must fill out a Speaker Request Form; the Chair reserves the right to limit the number of speakers or time allotted to each

V. ADJOURN

NEXT BOARD OF DIRECTORS MEETING: September 5, 2019 at 5:00 PM

In accordance with the Americans with Disabilities Act and Section 286.26, Florida Statutes, persons needing a special accommodation to attend this meeting should contact Susan Emmanuel, Public Information Officer, 315 South Calhoun Street, Suite 450, Tallahassee, Florida, 32301, at least 48 hours prior to the meeting. Telephone: 850-219-1060; or 1-800-955-8770 (Voice) or 711 via Florida Relay Service.

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Blueprint Intergovernmental Agency Board of Directors Workshop Agenda Item

August 20, 2019

Title:	Workshop on Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality) and 20-Year Projection
Intergovernmental Management Committee:	Vincent S. Long, Leon County Administrator Reese Goad, City of Tallahassee Manager
Lead Staff/ Project Team:	Benjamin H. Pingree, Director, Department of PLACE Cristina Paredes, Director, Office of Economic Vitality Autumn Calder, Director, Blueprint Infrastructure

STATEMENT OF ISSUE:

As the Blueprint Intergovernmental Agency Board of Directors (IA Board) requested at the June 27, 2019 IA Board Meeting, this item presents the Fiscal Year (FY) 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency and 20-Year Projection with analysis for the Office of Economic Vitality. The first public hearing for the budget will be advertised and conducted at the August 22, 2019 Citizens Advisory Committee (CAC) meeting. The second and final public hearing will be advertised and conducted at the September 5, 2019 IA Board Meeting.

FISCAL IMPACT:

This item does have fiscal impact as it presents information regarding the proposed budget for Fiscal Year 2020.

RECOMMENDED ACTION:

Option #1: Accept the Workshop Item on the Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and OEV) and 20-Year Projection for the Office of Economic Vitality.

This item is arranged in the following sections:

- I. Executive Summary
- II. Agency-Wide Projection of Sales Tax Revenues, Other Sources, and Uses of Funds
- III. Blueprint Infrastructure
 - A. Proposed FY 2020 Infrastructure Operating Budget (Attachment #2)
 - B. Proposed FY 2020-2024 Infrastructure Capital Improvement Plan Summary
- IV. Office of Economic Vitality
 - A. Twenty-Year Projection of Funds (Attachment #1)
 - B. OEV Proposed FY 2020 Operating Budget (Attachment #3)
 - C. OEV Proposed FY 2020-2024 Capital Projects and Economic Vitality Programs Budget (Attachment #4)
 - D. Summary of OEV's Proposed Uses of Funds
- V. Conclusion

I. EXECUTIVE SUMMARY:

This workshop item presents information on the FY 2020 proposed operating budget for both Blueprint Infrastructure and the Office of Economic Vitality. In addition, this item presents a schedule of 20-year sales tax revenue projections, other sources of funds, and a detailed explanation of the previously approved programmed uses of the Office of Economic Vitality funds.

The proposed FY 2020 Budget builds upon the IA Board approved prioritization and implementation processes. Over the last four years, the IA Board has prioritized the Blueprint 2020 Infrastructure projects, approved an implementation plan that includes bonding to advance key community projects, and provided direction to expedite construction on key infrastructure projects. Over the next five years, over \$257 million dollars is expected to be allocated to Infrastructure projects within the community, investing funds back into our local economy, creating jobs and enhancing the quality of life for all of Leon County's citizens.

Over the last three years, the IA Board laid the groundwork for growing our economy in a strategic, leveraged, and sustainable manner through the IA Board-adopted Economic Development Strategic Plan and Targeted Industry Study. This budget builds on prior IA Board direction providing the resources necessary to implement Economic Development projects and programs. Over the next five years, approximately \$33.75 million dollars is expected to be allocated to Economic Development projects within the community. OEV will be focusing on 18 Economic Development programs to move our local economy forward, create jobs, and stimulate economic growth. The Tallahassee-Leon County community is one of the few metropolitan areas of the state to invest sales tax dollars in this manner.

The Agency staff prepares a budget development calendar for each fiscal year. Section 102.07(3) of the Blueprint Budget Policy provides that the PLACE Director must develop a proposed budget then submit to the Intergovernmental Management Committee (IMC) for review by April 30. The proposed budget and five-year Capital Improvement Plan was presented to the IA Board on June 27, 2019, at which time the Board accepted the report and directed the scheduling of

Blueprint Intergovernmental Agency Board of Directors Meeting

Item Title: Workshop on Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality) and 20-Year Projection

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this workshop to discuss the 20-year projections for expenditures by the Agency. This workshop item covers the Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and OEV) and 20-Year Projection for the Office of Economic Vitality.

The budget may only be adopted at the close of two advertised public hearings, per Blueprint policy. The first will occur during the Citizens Advisory Committee (CAC) meeting on August 22, 2019. The IA Board will hold the second public hearing on September 5, 2019, during which time the IA Board will consider the FY 2020 Proposed Budget. The adopted budget will appropriate funds necessary for the operation of the Agency and the FY 2020 - 2024 capital program allocations. Each of the requirements described above are carried out each year as part of the normal budget development process, as approved by the IA Board.

The Second Amended & Restated Interlocal Agreement between Leon County and the City of Tallahassee, which authorizes the existence of the Blueprint Intergovernmental Agency, divides the Blueprint 2020 sales tax among the Blueprint Intergovernmental Agency, Leon County, and the City of Tallahassee in the following proportions (Table 1, below):

Table 1: FY 2020 – FY 2040 Sales Tax Allocations

	% of Sales Tax	FY 2020	FY 2020 - FY 2024	FY 2020 - FY 2040
Blueprint Infrastructure	66%	31,534,266	158,663,600	723,287,210
Office of Economic Vitality	12%	4,083,574	27,197,998	129,856,836
City of Tallahassee	10%	4,537,305	23,799,325	109,348,359
Leon County	10%	4,537,305	23,799,325	109,348,359
Livable Infrastructure for Everyone (L.I.F.E.)	2%	680,596	4,533,000	21,642,808
Total, Blueprint 2020 Sales Tax Funds	100%	45,373,046	237,993,247	1,093,483,571

The Blueprint 2000 sales tax provided 80% funding to the Blueprint Intergovernmental Agency, and 10% funding each to Leon County and the City of Tallahassee. The Blueprint 2000 tax was authorized to commence on January 1, 2004, and it will expire on December 31, 2019. The Blueprint 2020 sales tax commences on January 1, 2020 and will expire on December 31, 2039. The FY 2020 Proposed Budget will fund the final three months of the Blueprint 2000 Program and the initial nine months of the Blueprint 2020 Program.

The Proposed FY 2020 Budget was developed based on a review of project timelines to determine the level of resources that would be required over each of the five years of the Blueprint Infrastructure Capital Improvement Program and OEV Capital Projects and Economic Vitality Programs. In accordance with Blueprint budget policy, these documents were provided to City and County budget staff and to the IMC on April 30. The City and County reviewed the draft documents and provided feedback, which improved the proposed budget presented herein.

II. PROJECTION OF SALES TAX REVENUES, OTHER SOURCES OF FUNDS, AND USES OF FUNDS:

Attachment #1, the Agency's sales tax revenue projections, other sources of funds, and uses of funds, provides an estimate of sales tax revenues, other revenues, and expenditure estimates for fiscal years 2019 through 2040. Blueprint staff developed the sales tax revenue estimate in cooperation with Leon County and City of Tallahassee budget offices and the estimate is based on the base year, FY 2019, with estimated growth rates thereafter. As presented, and based on present analysis, staff anticipates \$1.02 billion in total revenues generated over the next 20 years.

Table 2: Summary of Projected Sources and Uses of Funds

BLUEPRINT INTERGOVERNMENTAL AGENCY Summary of Projected Sources and Uses of Funds First Year, Five Years, and All Years						
	FY 2020	% of Total	FY 2020 - FY 2024	% of Total	FY 2020 - FY 2040	% of Total
Sources of Funds, Infrastructure						
Sales Tax Revenue	31,534,266	96.10%	158,663,600	54.04%	723,287,210	84.28%
Bond Funding	-	0.00%	100,000,000	34.06%	100,000,000	11.65%
Loan Funding	-	0.00%	28,650,000	9.76%	28,650,000	3.34%
Grant Funding	1,280,000	3.90%	6,266,000	2.13%	6,266,000	0.73%
Total, Sources of Funds, Infrastructure	32,814,266	100.00%	293,579,600	100.00%	858,203,210	100.00%
Sources of Funds, OEV						
Sales Tax Revenue	4,083,574	74.98%	27,197,998	53.84%	129,856,836	80.45%
MWSBE City/County Funding	852,928	15.66%	2,812,911	5.57%	11,044,256	6.84%
Bond Funding	-	0.00%	20,000,000	39.59%	20,000,000	12.39%
Grant Funding	510,000	9.36%	510,000	1.01%	510,000	0.32%
Total, Sources of Funds, OEV	5,446,502	100.00%	50,520,909	100.00%	161,411,092	100.00%
Total, Sources of Funds, Blueprint IA	38,260,768		344,100,509		1,019,614,302	
Uses of Funds, Infrastructure						
Debt Service	2,183,977	6.66%	18,613,201	6.34%	174,141,157	20.29%
Operating Expenses	3,541,362	10.79%	18,064,507	6.15%	78,089,678	9.10%
Capital Projects & Reserve	27,088,927	82.55%	256,901,892	87.51%	605,972,375	70.61%
Total, Uses of Funds, Infrastructure	32,814,266	100.00%	293,579,600	100.00%	858,203,210	100.00%
Uses of Funds, OEV						
Debt Service	-	0.00%	4,407,000	8.72%	27,937,750	17.31%
Operating Expenses	2,045,047	37.55%	9,366,581	18.54%	39,957,920	24.76%
Capital Projects & Reserve	3,401,455	62.45%	36,747,328	72.74%	93,515,422	57.94%
Total, Uses of Funds, OEV	5,446,502	100.00%	50,520,909	100.00%	161,411,092	100.00%
Total, Uses of Funds, Blueprint IA	38,260,768		344,100,509		1,019,614,302	

At this time, the revenues generated from the sales tax and other sources are not sufficient to fully fund all of Infrastructure's Blueprint 2020 projects, however leveraging from external sources is a key component of Blueprint's strategy to meet project funding goals. Blueprint Policy 104 defines project leveraging as "the creation of collaborative relationships or formal agreements with others outside of the Blueprint Intergovernmental Agency and is not limited to the pursuit of grants and other available funding opportunities." The purpose of leveraging is to

maximize the resources, both financial and nonfinancial, available to Infrastructure and Economic Vitality programs. Examples of leveraging within the Infrastructure program include the federal grant funding that became available for Capital Cascade Trail, Segment 1. As part of a disaster recovery program, the IA Board made the decision to reprioritize this segment because of the significant amount of funding that became available specifically for this project. Planned leveraging may occur when a funding opportunity is anticipated for a future fiscal year, but matching funds from a partner agency have not been specified in the agency's capital improvement plan. A leveraging opportunity specific to OEV would be the Leon County Research and Development Authority Incubator project that came before the IA Board in September 2018.

Sales Tax Revenue

Available revenues for budgeting purposes are calculated at 95% of expected total revenues. The Blueprint Infrastructure program receives 80% of expected revenues for FY 2019 and the first three months of FY 2020, with the remaining 20% of revenues divided evenly between the City and County. The Blueprint 2020 sales tax, which begins in January 2020, allocates 66% of revenue to Blueprint Infrastructure, 12% to the Office of Economic Vitality, 10% each to the City and County, and 2% to the County to fund Livable Infrastructure for Everyone (L.I.F.E.) programs.

The last year of the Blueprint 2000 sales tax (beginning with FY 2019 as presented in Attachment #1) and all years of the Blueprint 2020 sales tax are preliminarily projected to provide \$1.07 billion in revenue to Blueprint Intergovernmental Agency, Leon County and the City of Tallahassee. Of this total amount, Blueprint Infrastructure is projected to receive \$759 million and OEV is projected to receive \$130 million from sales tax revenues. It should be noted that these preliminary revenue forecasts are based off the most recently available data on future projections on sales tax revenues. The first five years show an average growth of 2.4% per year and the following 15 years estimate the growth of revenue at 1.5% annually.

Bond and Loan Funding

Additionally, Blueprint Infrastructure and OEV have planned to receive funds from two bond issues based on prior actions by the IA Board. At the June 21, 2018 IA Board meeting, the IA Board adopted the Blueprint Infrastructure Implementation Plan, which calls for \$100 million of bond funding to be issued in FY 2022. At the September 20, 2018 OEV Workshop, the IA Board authorized staff to commence the bond financing process for the issuance of up to \$20 million toward the convention center as early as October 2020 (FY 2021), subject to the IA Board's final approval of the scope, size, and operations plan for the hotel and convention center. State Infrastructure Bank Loan funding is anticipated to fund approximately \$28.7 million of costs associated with the Northeast Gateway: Welaunee Boulevard project.

Grant Funding

Blueprint Infrastructure also anticipates \$6.3 million in the grant funding category over the five-year Capital Improvement Plan beginning in FY 2020. It is likely that Blueprint Infrastructure will receive additional grants or other funding from state or federal sources during fiscal years 2020-2039. However, those sources and leveraging opportunities are not known at this time. This fund category also includes Significant Benefit District funds from the City for the

Bannerman Road and Tharpe Street projects and the \$3,000,000 partnership with FSU for the Airport Gateway.

MWSBE Funding

OEV presents a budget that shares the costs of the MWSBE division between OEV, City, and County, as detailed on page 13. MWSBE's procurement services and programs benefit all three local governments, therefore the budget presents sharing costs of the program among the governments. MWSBE expenses during the twenty-year projection period total \$16.5 million, with the City and County contributing \$11 million and OEV absorbing \$5.5 million. Expenses for the program are expected to grow at one percent annually.

III. BLUEPRINT INFRASTRUCTURE

At the June 21, 2018 meeting, the IA Board approved a FY 2019 – 2024 Implementation Plan (Attachment #7). The proposed FY 2020 Blueprint Operating Budget for the Infrastructure Program (Attachment #2) results from an analysis of project and programmatic needs to implement the approved plan. The proposed FY 2020 Operating Budget of \$3.54 million for the Infrastructure Program reflects not only the growth in number of projects managed compared to prior years (7 beginning projects in FY2020 compared to 3 ending projects in FY 2019 resulting in a net growth of 4 projects), but also the additional staff required to manage and to implement those projects. The Budget Narrative, which provides additional information on line items, is included as Attachment #5.

Table 3: Infrastructure Sources and Uses of Funds

BLUEPRINT INFRASTRUCTURE Summary of Projected Sources and Uses of Funds, FY 2020-2024						
Sources of Funds	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Sales Tax Revenue	31,534,266	30,844,596	31,461,488	32,090,718	32,732,532	158,663,600
Bond Funding	-	-	100,000,000	-	-	100,000,000
Loan Funding	-	-	14,325,000	-	14,325,000	28,650,000
Grant Funding	1,280,000	-	3,000,000	1,500,000	486,000	6,266,000
Total, Sources of Funds	32,814,266	30,844,596	148,786,488	33,590,718	47,543,532	293,579,600
Uses of Funds	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Debt Service, Bonds	-	-	-	3,899,000	7,795,000	11,694,000
Debt Service, Loans	2,183,977	-	-	2,367,612	2,367,612	6,919,201
Operating Expenses	3,541,362	3,576,776	3,612,544	3,648,669	3,685,156	18,064,507
Annual Allocations	7,426,875	9,902,500	9,902,500	9,902,500	9,902,500	47,036,875
Infrastructure Projects	19,662,052	15,031,889	134,776,055	12,013,388	23,779,038	205,262,422
Addition to Reserve	-	2,333,431	495,389	1,759,549	14,226	4,602,595
Total, Uses of Funds	32,814,266	30,844,596	148,786,488	33,590,718	47,543,532	293,579,600

Listed below are key highlights of this budget:

- 8.96 percent increase compared to the adopted FY 2019 operating budget.
- Average Merit pay increases for employees is budgeted with final amount determined by the approved budget for the jurisdiction in which the employee's benefits are provided.

- Provides for a new Right of Way manager to replace ROW services currently under contract to meet growing project needs. The cost of this position will be offset by the elimination of service contracts that currently provide these services.
- The budget eliminates the web support technician position because the City of Tallahassee's IT services department will be providing the service in future years.
- Continuation of key service provisions provided by the City of Tallahassee (Allocated Costs in Blueprint Operating Budget) with an increase for IT services as Blueprint transitions to a shared service model with the City of Tallahassee.

A. Proposed FY 2020 Infrastructure Operating Budget

The FY 2020 Proposed Operating Budget for the Infrastructure Program supports the implementation of the Blueprint 2020 FY 2019 – 2024 Implementation Plan (Attachment #7) as directed by the IA Board at the June 21, 2018 meeting. The approved Implementation Plan includes the administration of 18 infrastructure projects and a total capital investment of \$257 million through FY 2024.

Table 4: Infrastructure Operating Budget

BLUEPRINT INFRASTRUCTURE	
Proposed FY 2020 General Fund Operating Budget	
	FY 2020 Proposed
Sources of Funds	
Sales Tax Revenue	31,534,266
City/County Funding	1,280,000
Interest Income	-
Miscellaneous Revenue	-
Total, Sources of Funds	32,814,266
Uses of Funds	
Debt Service	2,183,977
Personnel Services	2,603,475
Operating Expenses	812,791
Other Services/Charges	50,000
Capital Outlay	55,000
Allocated Costs	159,289
Administrative Allocations	(139,193)
Capital Projects Transfer	27,088,927
Total, Uses of Funds	32,814,266
Sources Less Uses of Funds	-

Throughout FY 2020, the Blueprint Infrastructure Program will also continue the transition from the 2000 program to the 2020 program. This entails closing out the 2000 program projects (primarily Capital Cascades Trail Segments 3 and 4, and Magnolia Drive) and implementation of 2020 projects, including the Northeast Gateway: Welaunee Boulevard, Airport Gateway, Northeast Connector Corridor: Bannerman Road, Orange Avenue/Meridian Road Placemaking, Market District, Monroe-Adams Corridor Placemaking, Lake Lafayette and St. Marks Regional Park, and two greenways projects.

Blueprint Infrastructure Program, FY 2020 Personnel Services

The FY 2020 Proposed Operating Budget for the Infrastructure Program currently reflects an 12.4% increase in personnel costs, primarily due to the creation of 1 new position. This singular position will assist in the management and implementation of Blueprint 2020 infrastructure projects. These proposed staffing changes support the IA Board approved Implementation Plan and provide for the advancement of 18 projects through FY 2024. The following section provides detail regarding new proposed position necessary for the successful implementation of the approved Implementation Plan. Infrastructure will share five positions with OEV, for which the two divisions will allocate total personnel and operating costs. The proposed FY 2020 Operating Budget identifies one OPS position, a part time web support position, for elimination (see Allocated Costs section on following page for further description of IT costs).

New Position to Support the Blueprint 2020 Infrastructure Program

The following new position is required for successful implementation of the Blueprint infrastructure projects approved through the Implementation Plan. Attachment #6 provides the proposed FY 2020 Staffing Table. The purpose and duties of the new proposed position are below.

- **Right of Way Manager:** The primary responsibilities of this new position in FY 2020 will be to manage right-of-way acquisition services for the remaining Blueprint 2000 project, Cascades Trail Segment 4, and the Blueprint 2020 projects. This position would replace professional services contracts for right-of-way acquisition services and would be offset by the cost of those contracts. The primary responsibilities of this position is to be a single point of contact for right-of-way acquisition for all Blueprint 2020 projects, including property analysis, valuation, compliance, acquisition, and property disposition, including transfer of property as may be appropriate to the maintaining entity and surplus of available property at the conclusion of projects. In FY 2020, this position will manage the right-of-way needs for the Market District, Bike Route, and Greenways projects, assist with easement negotiations with the property owners for the Northeast Gateway: Welaunee Boulevard project, and develop an acquisition program for the Airport Gateway and Northeast Corridor Connector: Bannerman Road projects.

Additional Personnel Expenses

The FY 2020 proposed budget will include pay adjustments for City or County benefit-based employees consistent with the final budget of jurisdiction providing the employees' benefits. The FY 2020 Proposed Infrastructure Operating Budget reflects a pay increase of 3% that will adjust according to action by the City and County, respectively.

Allocated Costs

The City of Tallahassee provides several services to Blueprint including Technology, Human Resources, City Auditor, Records Management, and Purchasing. Blueprint provides a payment to the City of Tallahassee based on the services provided from each department, as determined by the City of Tallahassee. The total budgeted allocated costs for FY 2020 is \$159,289, which is a \$82,324 increase from the FY 2019 budget. In FY 2018, allocated costs were \$116,958 due to the allocation of accounting services.

The proposed FY 2020 Operating Budget for the Infrastructure Program implements IA Board direction at the September 20, 2018 meeting to transition Information Technology (IT) services to the City of Tallahassee. Blueprint anticipates that the transition will be complete by the end of FY 2020. Benefits achieved from this transition include enhanced information security, 24-hour operational support, and increased business continuity due multiple backups in hardware and personnel.

Blueprint staff is currently reviewing the City's proposed allocated cost of \$72,262 for IT services to ensure there is no duplication between Blueprint services and City services in FY 2020. Any duplication in software licensing and related IT expenses will reduce the allocation made to the City by an amount equal to Blueprint's direct vendor payments. The proposed budget includes an allocation to the City and the continuation of the part-time IT Manager position to assist with desktop and application support during the transition to City services.

Elimination and Reclassification of Existing Positions

The transition to City IT, as discussed above, results in a move from internal staff managing information technology infrastructure to a City IT managed system beginning FY 2020. As a result of the transition, one, part time OPS position, web support, is proposed for elimination through the FY 2020 proposed budget.

B. Proposed FY 2020-2024 Infrastructure Capital Improvement Plan Summary

Annual Allocations

Capital Project Allocations for Blueprint Infrastructure include annual funding for projects implemented by the City and County identified in the Interlocal Agreement as well as funding for Bike Routes and Greenways programs administered by Blueprint. These project costs were evenly spread over the 20 year period.

Infrastructure Projects

The infrastructure project funding is dedicated to projects that are not funded on an annual basis. The funding schedule reflects the IA Board approved FY 2019-2024 Implementation Plan approved at the June 21, 2018 meeting.

Addition to Reserve

The IA Board approved a creation of a reserve account for Blueprint Infrastructure in 2005 to fund unanticipated project expenditures related specifically to infrastructure projects (current balance is \$2,000,000). The reserve fund will be a resource as the original 2013 project cost estimates are updated, market conditions fluctuate (construction costs, sales tax revenues, and

financing costs), and new leveraging or project opportunities rise. However, each year as part of the budget process, the IA Board will consider and approve the annual project allocations, which will be based on the full use of sales tax revenues for the applicable year. As seen in the proposed FY 20 allocation of sales tax funds, there is no allocation to the Reserve Fund.

IV. OFFICE OF ECONOMIC VITALITY

Section IV address the A) twenty-year preliminary projection of funds; B) the proposed FY 2020 proposed operating budget; C) the FY 2020-2024 proposed capital projects and economic vitality program budget and; D) a summary of OEV's proposed usage of funds.

A. Twenty-Year Preliminary Projection of OEV's Uses of Funds:

Over the 20-year planning horizon, OEV preliminarily projects \$161 million in available resources. Of this amount, \$56 million (35%) is projected to be available for economic vitality grant programs, business expansion/recruitment, and incentives, \$20 million bond funding for the convention center (12%), \$14 million (8%) has been identified for annual allocations to the International Airport, \$28 million (17%) will be used to service debt on the FY 2021 bond issue for the convention center, and \$3 million will be used to repay advance funding from Leon County and the City of Tallahassee. These projects represent \$122 million (or 75%) of total program expenses over the next 20 years. Operating costs of the program are projected to be \$41 million (equal to approximately 25% of total program expenses) over the 20-year period.

Table 5: OEV Summary of Projected Sources and Uses of Funds

OFFICE OF ECONOMIC VITALITY Summary of Projected Sources and Uses of Funds First Year, Five Years, and All Years						
Sources of Funds	FY 2020	% of Total	FY 2020 - FY 2024	% of Total	FY 2020-FY 2040	% of Total
Sales Tax Revenue	4,083,574	74.98%	27,197,998	53.84%	129,856,836	80.45%
City/County Funding	852,928	15.66%	2,812,911	5.57%	11,044,256	6.84%
Bond Funding	-	0.00%	20,000,000	39.59%	20,000,000	12.39%
Other Funding	510,000	9.36%	510,000	1.01%	510,000	0.32%
Total, Sources of Funds	5,446,502	100.00%	50,520,909	100.00%	161,411,092	100.00%
Uses of Funds						
Debt Service	-	0.00%	4,407,000	8.72%	27,937,750	17.31%
Operating Expenses	2,045,047	37.55%	9,366,581	18.54%	39,957,920	24.76%
Capital Projects Allocations	528,750	9.71%	23,348,750	46.22%	34,100,000	21.13%
Economic Development Programs	1,872,705	34.38%	10,398,578	20.58%	56,415,422	34.95%
Repayment of Advance Funding	1,000,000	18.36%	3,000,000	5.94%	3,000,000	1.86%
Total, Uses of Funds	5,446,502	100.00%	50,520,909	100.00%	161,411,092	100.00%

OEV presents a budget that shares the costs of the MWSBE division between OEV, City, and County, as discussed in detail on page 14. MWSBE's procurement services and programs benefit all three local governments, therefore the budget presents sharing costs of the program among the governments. MWSBE expenses during the twenty-year projection period total \$16.5

million, with the City and County contributing \$11 million and OEV absorbing \$5.5 million. Expenses for the program are expected to grow at one percent annually.

Similar to the Blueprint Infrastructure, OEV is committed to searching for opportunities to leverage funds when available, such as through Florida Jobs Growth Grant Fund. Staff anticipates that additional grants or other funding sources will become available during fiscal years 2025-2040; however, those leveraging opportunities are not known at this time. In addition, staff regularly research and evaluate industry best practices and listen to local business needs in order to position Tallahassee-Leon County as Florida's Capital for Business.

Approximately \$34 million is available over the next 20 years for future investment in the International Airport and Convention Center and \$56 million is available for Economic Development Programs (includes Future Opportunity Leveraging Fund totaling \$40 million). Forecasts will change over the life of the sales tax extension as the strategic plan is implemented, business expansion opportunities arise, and new programs are developed. The IA Board may direct changes over the next twenty years of the program.

B. FY 2020 Proposed OEV Operating Budget

In accordance with the terms of the First Addendum to the Second Amended and Restated Interlocal Agreement, as approved July 13, 2016, funding for the Office is split evenly between the City and County. In the budget schedules presented as attachments to this item, the Leon County and City of Tallahassee annual budgets generate funding for OEV until January of FY 2020 when the local option sales tax extension proceeds are available to fund OEV. The City and County will continue to fund OEV during the first three months of FY 2020. Attachment #3 provides the detail budget. The analysis is on the following page.

For FY 2019, the City and County funded OEV's \$1.26 million of operating costs. The IA Board approved this budget during the September 20, 2018 IA Board meeting. The proposed FY 2020 OEV budget is \$2.05 million and represents a 61.73% increase from the FY 2019 adopted budget, which directly corresponds to a total of \$730,415 in budgeted costs for office space and shared employees. The budgeted costs align directly with the beginning of the first year of Blueprint 2020 sales tax revenues. Funding is included for all division activities: business vitality, research, and minority, women, and small business enterprise programs.

The FY 2020 Operating Budget accomplishes the following:

- Provides funding for health and retirement costs and merit-based salary increases
- Assumes personnel and operating costs associated with shared positions to support OEV as detailed above in the amount of \$139,193.
- Relocation costs of office space to the first floor of the Leon County Government Annex building which is in progress and anticipated to be complete in January 2020.
- Assumes rent and equipment for office space in the amount of \$163,542 as well as \$25,000 for direct legal services.
- Assumes that the MWSBE program will be funded equally by contributions from the City, County, and through OEV's share of the 2020 Sales Tax.

- Staff continues to research and track industry standards and listen to business needs in order to position all resources for promoting Tallahassee – Leon County as Florida’s Capital for Business.

Table 6: OEV Proposed Operating Budget

OFFICE OF ECONOMIC VITALITY	
Proposed FY 2020 General Fund Operating Budget	
	FY 2020 Proposed
Sources of Funds	
Sales Tax Revenue	4,083,574
City/County Funding	852,928
Interest Income	-
Miscellaneous Revenue	510,000
Total, Sources of Funds	5,446,502
Uses of Funds	
Personnel Services	1,229,722
Operating Expenses	455,570
Other Services/Charges	30,000
Capital Outlay	163,542
Allocated Costs	27,020
Administrative Allocations	139,193
Capital Projects Transfer	3,401,455
Total, Uses of Funds	5,446,502
Sources Less Uses of Funds	-

Office of Economic Vitality Personnel Services

Personnel Services budget is \$1.23 million. This represents an increase of \$159,261, or 14.88%, from the FY 2019 adopted budget. The increase in salaries is a result of the addition of 2 positions (an Administrative Assistant and a Business Outreach and Marketing Coordinator). Attachment #6 includes the proposed FY 2020 Staffing Table. The FY 2020 proposed operating budget will include pay adjustments for Agency employees consistent with the final budget of jurisdiction providing employees’ benefits. The proposed FY 2020 OEV Operating Budget reflects a pay increase of 3% that will adjust according to action by the City and County, respectively. This proposed budget also includes a request for two additional positions, detailed below:

- Administrative Assistant: This position will directly support OEV upon the relocation of offices to the Leon County Government Annex lobby. This position will be responsible for reception and administrative functions to support the entire OEV team.

- **Business Outreach and Marketing Coordinator:** This position will directly support the communications and marketing needs for OEV, which include the cross-cutting strategy identified in the economic development strategy plan to market and promote the six cornerstones and four target industries. In the last two years, OEV has sponsored or partnered in events ranging in scale from site visit hosting with fifteen attendees to Leon Works with 450 attendees. OEV hosted the Americas Competitiveness Exchange (ACE) 8, which included 50 global economic leaders who participated in cross-sector dialogue and partnership building throughout north Florida and our community. Additionally, OEV has led many engagements including the Training Our Talent series, Power Forward events, Working Class Wednesdays, Opportunity Zone Workshops, International Economic Development/Small Business Week activities, MSWBE Industry Academies and Workshops and the recently held Entrepreneurial Expo. In addition to live events, OEV staff launched an electronic newsletter and a full social media platform during this time to promote and celebrate economic growth and diversity in Florida's Capital community. OEV staff is developing a robust marketing plan to project Tallahassee-Leon County into the regional, national, and international marketplace. The position will be responsible for all day-to-day communications and marketing efforts for the Business Vitality and Intelligence department and Minority Women Small Businesses Enterprise department, which includes: distribution of newsletters, social and digital media, website updates, coordination of OEV events, and special projects. This position will work closely with City, County, and community partners to promote and evaluate Tallahassee-Leon County's diverse and vibrant economy, businesses, and workforce development efforts. Currently this work is performed by four different people. This addition maximizes the efficiency of staff and aligns the activities under one position.

Office of Economic Vitality Operating Expenses

OEV's operating expense budget for FY 2020 is \$455,570 and represents a 169.0% increase over the FY 2019 adopted budget. The budgeted costs align directly with the beginning of the first year of Blueprint 2020 sales tax revenues. Funding is included for all division activities such as business vitality, research, and minority, women, and small business enterprise programs. As noted previously, the increase in costs is primarily due to OEV's lease of office space on the first floor of the Leon County Government Annex (Bank of America building). Annual rent expense is approximately \$111,500, equipment and furnishings total \$163,542, additional insurance totals \$30,000, and the remainder includes equipment rental, telephones, supplies, software, and services to bring the program online for FY 2020. The cost of equipment and furnishings, \$163,542, is a one-time expense in FY 2020.

Minority, Women and Small Business Enterprise Program Funding:

It is important to note that in the spring of 2016 when the City and the County consolidated their MWSBE offices under the OEV, the City and County agreed that the IA Board may wish to consider utilizing future economic development sales tax proceeds to fund the MWSBE program. In FY 2019 (and for the last two fiscal years) the City and County funded all the costs associated with the program at 50% each. The total FY 2020 proposed personnel and operating costs of the MWSBE program is \$716,891. Staff recommend that the IA Board consider committing funds for the operations of the MWSBE program by contributing 1/3 of annual operating costs each

paid by the City, the County, and OEV in the amount of \$238,964 per entity. This FY 2020 Proposed Operating Budget assumes that the MWSBE program will be funded equally by contributions from the City, County, and through OEV's share of the 2020 Sales Tax. Future year funding shall also be divided equally in this manner. Currently, MWSBE staff is working with County and City staff to develop consolidated MWSBE procurement policies and procedures which could lead to staffing efficiencies and streamlining of resources.

In addition to supporting local businesses as part of OEV, the MWSBE program serves as a shared service for the City, County, and the Intergovernmental Agency by acting as a procurement and contract management service. The MWSBE program staffing levels are predicated on the procurement needs of each participating entity. The City and County award a substantial number of contracts that require MWSBE participation and compliance, so it follows that the costs of the program would be borne by the entities participating in the program.

C. FY 2020 – 2024 Proposed OEV Capital Projects and Economic Vitality Programs Budget

Attachment #4 provides the FY 2020–2024 Proposed OEV Capital Projects and Economic Vitality Programs Budget (CPEVP), which serves as the basis for project funding allocations for the next five years. The OEV CPEVP budget reflects projected sales tax revenues through the remaining three months of the Blueprint 2000 program and the first four years and nine months of the Blueprint 2020 program. Once approved, the CPEVP budget will allocate funding for OEV capital projects for FY 2020. Table 7 on the following page shows the proposed capital funding allocations/deallocations for the capital projects in FY 2020:

Table 7: OEV Detail of Capital Projects and Economic Vitality Programs

OFFICE OF ECONOMIC VITALITY Detail of Annual Allocations, Capital Projects, & Economic Vitality Programs						
Annual Allocations	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
International Airport	528,750	705,000	705,000	705,000	705,000	3,348,750
Capital Projects						
Convention Center Bond	-	20,000,000	-	-	-	20,000,000
1) Economic Vitality Programs						
Incentives, Grants and Programs						
Qualified Target Industry Tax Refund	14,000	38,500	42,000	42,000	31,500	168,000
Target Business Program	194,705	156,631	172,294	188,536	206,370	918,536
Urban Vitality Job Creating Pilot Program	25,000	25,000	-	-	-	50,000
ARPC EDA Revolving Loan Fund	225,000	25,000	25,000	25,000	25,000	325,000
Magnetic Technologies Recruitment	121,000	121,000	121,000	121,000	121,000	605,000
Business Development: Attraction/Expansion	48,000	33,000	33,000	33,000	33,000	180,000
FSU Partnership for Business Intelligence	10,000	-	-	-	-	10,000
Business2Business Engagement Actions						
Workforce Development	100,000	100,000	100,000	100,000	100,000	500,000
Business and Workforce Engagement Events	40,000	40,000	40,000	40,000	40,000	200,000
MWSBE Academies and B2B Outreach	10,000	10,000	10,000	10,000	10,000	50,000
Economic Vitality Sponsorships	35,000	35,000	35,000	35,000	35,000	175,000
Economic Vitality Studies						
MWSBE Disparity Study	-	-	-	-	500,000	500,000
Target Industry Study	-	-	-	100,000	-	100,000
Updates to Economic Vitality Studies	-	-	120,000	-	-	120,000
2) Future Opportunity Leveraging Fund	1,050,000	2,498,529	1,014,824	1,118,650	815,039	6,497,042
Total, OEV CPEVP Budget	2,401,455	23,787,660	2,418,118	2,518,186	2,621,909	33,747,328

1. FY 2020 Proposed Capital Projects and Economic Vitality Programs Budget Allocations by Project

- **Qualified Target Industry Tax Refund** – The Qualified Target Industry Tax Refund is a state incentive that is available for companies that create high wage jobs in targeted high value-added industries. The state provides 80% of funds and requires a 20% local match. This state incentive includes refunds on corporate income, sales, ad valorem, intangible personal property, insurance premium, and certain other taxes. New or expanding businesses in selected targeted industries or corporate headquarters are eligible. This project provides funding for companies who qualify for this incentive. Current obligations notwithstanding, staff anticipates future expansion and recruitment efforts may lead to increased funding in this incentive program. (\$14,000 allocated for FY2020)
- **Target Business Program** – This local program seeks to incentivize businesses to locate in designated target areas for economic growth and development; build environmentally sensitive projects; work with other local businesses; and that practice good corporate citizenship while ensuring a sound return on investment to the public. Awarded funds may reimburse 100% of the cost of development fees and a portion of the capital investment of the business project based on ad valorem taxes paid. This project provides funding for companies who qualify for this incentive. Current obligations notwithstanding, staff anticipate future expansion and recruitment efforts may lead to increased funding in this incentive program. (\$194,705 allocated for FY2020)

- **Urban Vitality Job Creation Pilot Program** – The Urban Vitality Job Creation Program is a locally-based program designed to spur job creation, encourage employment stability, and promote economic vitality in the Promise Zone area. The Program is designed to give eligible businesses that create jobs a pay-for-performance refund by the number of jobs they create and the average annual wage of the created jobs. Businesses must submit an application to determine if they are eligible for the refund, and each approved firm can receive no more than \$7,000 per fiscal year. This project provides funding for companies who qualify for this incentive. (\$25,000 allocated for FY 2020)
- **Magnetic Technologies Recruitment** – This project covers costs associated with the contract for services rendered by Research on Investment (ROI), who on behalf of OEV is conducting targeted business outreach in the magnetic and applied sciences field to better identify, connect with, and recruit prospective companies to the Tallahassee-Leon County area. ROI also provides ongoing recruitment efforts on behalf of OEV and the Magnetics Taskforce. (\$121,000 allocated for FY 2020)
- **Business Development: Attraction/Expansion** – This project includes costs associated with targeted outreach programs and initiatives focused on the remaining targeted industries, including healthcare, logistics, and information technology. The project covers business recruitment for prospective businesses considering the Tallahassee-Leon County market, as well as supporting the expansion efforts of existing businesses. (\$48,000 allocated for FY 2020)
- **Tallahassee International Airport** – As stated in the Interlocal Agreement, up to \$14.1 million for the International Airport Growth and Development Project (Parts 1 and 2), may help upgrade existing hangar facilities, provide the necessary utility infrastructure to construct additional hangars, and develop 1,000 acres of Airport property for lease. In addition, funding would help to create an international passenger processing facility, support international user fee expenses, and provide additional training support to Airport staff in accordance with Tallahassee International Airport's 20-year Growth and Development Plan. (\$528,750 allocated for FY 2020)
- **LCRDA Incubator: \$2.5 Million Pledge** – On September 20, 2018, IA Board pledged \$2.5 million as matching funds toward Leon County Research and Development Authority's (LCRDA) grant application to construct a business incubator at Innovation Park. This pledge, combined with all other commitments, and a matching award from the EDA will provide the \$17 million necessary to build a 40,000 GSF, mixed use (wet and dry lab) incubator to serve the region. (\$0 allocated for FY 2020)
- **Workforce Development** – This project covers funding for the Elevate Fund. The Elevate Fund provides funding to local organizations that demonstrate new, innovative strategies or replicate effective, evidence-based strategies that align available assets, organizations, and resources toward shared economic growth objectives and strengthen the foundation for future growth and opportunities. (\$100,000 allocated for FY 2020)
- **Business and Workforce Engagement Events** – This project provides funding for major workforce engagement events, wherein OEV provides a platform for job seekers and

employers to connect and to create synergies between our educational entities and local businesses. These events include Training Our Talent and Leon Works, held annually. (\$40,000 allocated for FY 2020)

- **MWSBE Industry Academies and B2B Outreach** – This project funds a series of workshops designed to provide instruction and capacity building for OEV-Certified Minority and Women Small Business Enterprises (MWSBE). Through their participation, certified MWSBEs can operate with the greatest efficiency and efficacy to meet the supplier diversity targets of the City of Tallahassee, Leon County, the Blueprint IA, and other organizations within local government and private industry. (\$10,000 allocated for FY 2020)
- **Economic Vitality Sponsorships** – Funding for activities created and managed by local partners and organizations, including small business, entrepreneurship, and the creative economy. These events and awards help support the community's role in creating economic vitality for all businesses. (\$35,000 allocated for FY 2020)
- **Repayment to City and County for Advance Funding** – The City and County contributed approximately \$2 million each to fund the operations of the Office of Economic Vitality. The City and County will be repaid the amounts that were advanced over the first five years of the Blueprint 2020 sales tax. The repayment amount programmed for FY 2020 is \$1,000,000. Future repayments in the amount of \$500,000 will be made annually through FY 2024.

2. Creation of a Future Opportunity Leveraging Fund for the Office of Economic Vitality

The proposed FY2020 budget seeks creation of a Future Opportunity Leveraging Fund for OEV. The primary purpose of the Fund would be to provide a funding source in the event that leveraging opportunities arise, triggering a project to be funded earlier than anticipated. The fund would also serve as a risk management vehicle in the event of unforeseen claims, contingencies, or legal actions. IA Board direction would be required to use Fund resources. For example, The IA Board pledged matching funds up to \$2.5 million for the Leon County Research and Development Authority Incubator at the September 20, 2018 OEV Workshop. If the remaining required funding were to materialize for this project, the Q Fund could be used, under IA Board direction, as OEV's funding source for the Incubator project. The Fund could also provide capital to opportunities that arise and are in alignment with local business expansion, the Strategic Plan, and the Target Industries.

D. FY 2020 – 2024 Proposed OEV Budget Summary

In summary, the proposed FY 2020 Operating Budget for the OEV is for \$2.05 million and represents a 61.73% increase from the FY 2019 adopted budget, which directly corresponds to a total of \$730,415 in budgeted costs for dedicated office space designed to serve the business community and ecosystem partners and two new positions.

The FY 2020-2024 Proposed Capital Projects and Economic Vitality Programs Budget for the Office of Economic Vitality is built upon prior direction from the IA Board. Over the next five years, approximately \$33.75 million dollars is expected to be allocated to Economic

Development projects within the community. OEV will focus on 20 Economic Development programs (Attachment #4) to move our local economy forward in an equitable manner, create jobs, invest funds back into our local community, and enhance the quality of life for all Leon County citizens.

Of the \$163 million in total revenue projected to be available to the Office through FY 2040, \$91 million, or 56% of revenue, is programmed directly into Capital Project allocations and Economic Development programs. Debt service on the bond issue for the convention center project totals \$28 million, or 17% of revenue, over the twenty-year period. Operating expenses to support all of OEV's programs utilize 25% of revenues over the period and the remaining \$3 million is programmed to repay the City and County for advance funding of the BRIF Fund and initial operating expenses. Additional information and details are provided in Attachment #1.

Table 8, below, provides an alternative way of understanding the projected sources and uses of funds over the five-year FY 2020-2024 OEV Capital Projects and Economic Vitality Programs Budget. This table excludes the matched inflow and outflow of \$20 million for the Convention Center project that is budgeted for FY 2021, and the debt service for the bond in future years is included. Specific details of the Office of Economic Vitality FY 2020 Operating Budget and FY 2020-2024 Capital Projects and Economic Vitality Programs Budget may be found on pages 12 and 15, respectively.

Table 8: OEV Summary of Projected Sources and Uses of Funds

OFFICE OF ECONOMIC VITALITY Summary of Projected Sources and Uses of Funds, FY 2020-2024 (Excluding Convention Center Bond Equal Revenue & Expenditure)						
Projected Revenues	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Sales Tax Revenue	4,083,574	5,608,108	5,720,271	5,834,676	5,951,369	27,197,998
City/County Funding	852,928	482,707	487,534	492,409	497,333	2,812,911
Other Funding	510,000	-	-	-	-	510,000
Total, Sources of Funds	5,446,502	6,090,815	6,207,805	6,327,085	6,448,702	30,520,909
Projected Expenses	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total
Amounts Previously Committed						
International Airport	528,750	705,000	705,000	705,000	705,000	3,348,750
Advance Funding	1,000,000	500,000	500,000	500,000	500,000	3,000,000
QTI & TBP Programs	208,705	195,131	214,294	230,536	237,870	1,086,536
Total, Budgetary Commitments	1,737,455	1,400,131	1,419,294	1,435,536	1,442,870	7,435,286
Future Plan Updates	-	-	120,000	100,000	500,000	720,000
Estimated Debt Service	-	-	1,468,500	1,469,500	1,469,000	4,407,000
Total, Previously Committed	1,737,455	1,400,131	3,007,794	3,005,036	3,411,870	12,562,286
Amounts for Future Allocation						
Recruitment & Development	169,000	154,000	154,000	154,000	154,000	785,000
Workforce Development	100,000	100,000	100,000	100,000	100,000	500,000
Urban Vitality Program	25,000	25,000	-	-	-	50,000
Business Engagement	85,000	85,000	85,000	85,000	85,000	425,000
Total, Existing Programs	379,000	364,000	339,000	339,000	339,000	1,760,000
Available for New Incentives						
ARPC EDA Revolving Loan Fund	225,000	25,000	25,000	25,000	25,000	325,000
FSU Partnership for BI	10,000	-	-	-	-	10,000
Future Program Leveraging Fund	1,050,000	2,498,529	1,014,824	1,118,650	815,039	6,497,042
Total, Available Funds	1,285,000	2,523,529	1,039,824	1,143,650	840,039	6,832,042
Operating Expenses to Administer Programs						
Economic Vitality	1,328,155	1,157,952	1,169,532	1,181,227	1,193,039	6,029,905
MWSBE Program	716,892	645,203	651,655	658,172	664,754	3,336,676
Total, Operating Expenses	2,045,047	1,803,155	1,821,187	1,839,399	1,857,793	9,366,581
Total, Uses of Funds	5,446,502	6,090,815	6,207,805	6,327,085	6,448,702	30,520,909

V. CONCLUSION

The budget development process, informed by the FY 2019-2024 Infrastructure Implementation Plan adopted by the IA Board in June 2018 as well as the Long-Term Economic Development Strategic Plan adopted by the IA Board in October 2016, generated this proposed operating budget, five-year CPEVP budget, and twenty-year projection. The operating budget presented herein sets the agency on the path to achieve the IA Board's goals of implementing 18 infrastructure projects and 18 economic development projects over the next five years.

At their core, successful Blueprint projects have rigorous engagement and input from the public, such that the end product is a true reflection of the community's vision. The operating budget presented herein provides the resources necessary for Infrastructure and OEV to effectively engage with the public and facilitate public involvement in the development of all planned projects and economic development programs.

Over the last three years, the IA Board provided clear direction regarding the prioritization of Infrastructure projects through the Infrastructure Implementation Plan (Attachment #7) and also laid the groundwork for growing our economy in a strategic, leveraged, and sustainable manner through the IA Board-adopted Economic Development Strategic Plan and Targeted Industry Study. This budget seeks to build on prior Board direction by providing the resources necessary to implement Blueprint Infrastructure and Economic Development projects and programs. This proposed budget is designed to leverage and maximize job creation opportunities, and empower community responsiveness for future job creation and economic development opportunities as related to the implementation of strategic/work plan and target industry. Moreover, the strategic plan contemplates flexibility for capitalizing on emerging prospects as a living document in order maintain competitive for future economic development opportunities.

Recognizing the need for investing in and cultivating the evolving economic landscape through a sales tax initiative, on February 29, 2016 the IA Board directed the County Administrator and City Manager to establish the Tallahassee-Leon County Office of Economic Vitality by consolidating the City and County's economic development offices within the Blueprint structure and under the direction of the Department of Planning, Land Management, and Community Enhancement (PLACE). In addition, OEV was designated as the economic development organization of record for Tallahassee and Leon County effective March 1, 2016. Since inception OEV, under the leadership and guidance of the IA Board, has taken significant action to strategically advance economic development efforts in Tallahassee-Leon County, act as the front door for business development opportunities, assist minority and women business enterprises, and create a data center that tracks key economic indicators and business intelligence. Finally, staff continues to research and track industry standards and listen to business needs in order to best position all resources for promoting Tallahassee – Leon County as Florida's Capital for Business.

Since that time, the IA Board has created a series of programs, initiatives, and incentives to match state dollars, incentivize local job creation in targeted industry sectors, such as Magnetic Technologies, stimulate job growth in urban areas, grow minority and women owned businesses, leverage workforce development, and incubate emerging technologies. All of this has been conducted before the first dollar of the new sales tax has been received, and as OEV establishes itself as the hub of the economic ecosystem focused on enhancing vitality for all citizens by growing our shared economic engine.

Therefore, staff recommends that the IA Board accept the Workshop Item on the FY 2020 Proposed Operating Budget and FY 2020-2024 Office of Economic Vitality Capital Projects and Economic Vitality Programs Budget.

Action by CAC and EVLC: The CAC and the EVLC received a presentation on the proposed budget at their meeting on June 13, 2019, but no action was taken. The first public hearing for the proposed FY 2020 Blueprint Intergovernmental Agency Operating Budget and proposed FY 2020 – 2024 Capital Budget is scheduled to be held at the August 22, 2019 CAC meeting. The EVLC will also review the budget at their August 22, 2019 meeting.

Next Steps: The information incorporated in this FY 2020 proposed budget will be presented at two public hearings, the August 22, 2019 CAC meeting and at the IA Board meeting scheduled for September 5, 2019. The FY 2020 proposed budget will be updated to include any modifications made by the IA Board at this workshop.

OPTIONS:

- Option 1: Accept the Workshop Item on Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality) and 20-Year Projection for the Office of Economic Vitality
- Option 2: IA Board Direction

RECOMMENDED ACTION:

- Option #1 Accept the Workshop Item on Fiscal Year 2020 Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality) and 20-Year Projection for the Office of Economic Vitality

Attachments

- Attachment #1: Draft Sales Tax Revenue Projections, Sources of Funds, Uses of Funds
- Attachment #2: Blueprint Infrastructure Operating Budget
- Attachment #3: Office of Economic Vitality Operating Budget
- Attachment #4: OEV Capital Projects and Economic Vitality Programs
- Attachment #5: Budget Narrative
- Attachment #6: Proposed FY 2020 Staffing Table
- Attachment #7: FY 2019 – 2024 Implementation Plan, Approved June 21, 2018

BLUEPRINT INTERGOVERNMENTAL AGENCY PROPOSED SALES TAX REVENUE PROJECTIONS, OTHER SOURCES OF FUNDS, AND USES OF FUNDS FISCAL YEARS 2019 - 2040																											
SALES TAX REVENUE PROJECTIONS	1	SALES TAX REVENUE PROJECTIONS																									
	2	Projected Sales Tax Funds (A) Base Year:	Growth Rate:	3.00%	3.00%	2.00%	2.00%	2.00%	Total	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	FY20-40		
	3		FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	FY20-24	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	Total	
	4		46,370,000	47,761,100	49,193,933	50,177,812	51,181,368	52,204,995	250,519,208	52,988,070	53,782,891	54,589,634	55,408,479	56,239,606	57,083,200	57,939,448	58,808,540	59,690,668	60,586,028	61,494,818	62,417,240	63,353,499	64,303,801	65,268,358	16,561,846	1,151,035,334	
	5	95%	44,051,500	45,373,045	46,734,236	47,668,921	48,622,300	49,594,745	237,993,247	50,338,667	51,093,746	51,860,152	52,638,055	53,427,626	54,229,040	55,042,476	55,868,113	56,706,135	57,556,727	58,420,077	59,296,378	60,185,824	61,088,611	62,004,940	15,733,754	1,093,483,568	
	6	L.I.F.E. (Leon County) Sales Tax Funds (2%)	-	680,596	934,685	953,378	972,446	991,895	4,533,000	1,006,773	1,021,875	1,037,203	1,052,761	1,068,553	1,084,581	1,100,850	1,117,362	1,134,123	1,151,135	1,168,402	1,185,928	1,203,716	1,221,772	1,240,099	314,675	21,642,808	
	7	Leon County Sales Tax Funds (10%)	4,405,150	4,537,305	4,673,424	4,766,892	4,862,230	4,959,475	23,799,325	5,033,867	5,109,375	5,186,015	5,263,806	5,342,763	5,422,904	5,504,248	5,586,811	5,670,614	5,755,673	5,842,008	5,929,638	6,018,582	6,108,861	6,200,494	1,573,375	109,348,359	
	8	City of Tallahassee Sales Tax Funds (10%)	4,405,150	4,537,305	4,673,424	4,766,892	4,862,230	4,959,475	23,799,325	5,033,867	5,109,375	5,186,015	5,263,806	5,342,763	5,422,904	5,504,248	5,586,811	5,670,614	5,755,673	5,842,008	5,929,638	6,018,582	6,108,861	6,200,494	1,573,375	109,348,359	
	9	Blueprint Infrastructure: (B)																									
	10	80% of Blueprint 2000 Tax	35,241,200	9,074,609	-	-	-	-	9,074,609	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	9,074,609
	11	66% of Blueprint 2020 Tax	-	22,459,657	30,844,596	31,461,488	32,090,718	32,732,532	149,588,991	33,223,520	33,721,872	34,227,700	34,741,116	35,262,233	35,791,166	36,328,034	36,872,955	37,426,049	37,987,440	38,557,251	39,135,609	39,722,644	40,318,483	40,923,260	10,384,278	714,212,605	
	12	Total, Blueprint Infrastructure	35,241,200	31,534,266	30,844,596	31,461,488	32,090,718	32,732,532	158,663,600	33,223,520	33,721,872	34,227,700	34,741,116	35,262,233	35,791,166	36,328,034	36,872,955	37,426,049	37,987,440	38,557,251	39,135,609	39,722,644	40,318,483	40,923,260	10,384,278	723,287,210	
	13	Economic Vitality (12% of Blueprint 2020 Tax)	-	4,083,574	5,608,108	5,720,271	5,834,676	5,951,369	27,197,998	6,040,640	6,131,250	6,223,218	6,316,567	6,411,315	6,507,485	6,605,097	6,704,174	6,804,736	6,906,807	7,010,409	7,115,565	7,222,299	7,330,633	7,440,593	1,888,050	129,856,836	
	14	Total, Blueprint Intergovernmental Agency	35,241,200	35,617,840	36,452,704	37,181,759	37,925,394	38,683,901	185,861,598	39,264,160	39,853,122	40,450,918	41,057,683	41,673,548	42,298,651	42,933,131	43,577,129	44,230,785	44,894,247	45,567,660	46,251,174	46,944,943	47,649,116	48,363,853	12,272,328	853,144,046	
	15	Total, All Sales Tax Funds	44,051,500	45,373,046	46,734,237	47,668,921	48,622,300	49,594,746	237,993,247	50,338,667	51,093,747	51,860,151	52,638,056	53,427,627	54,229,040	55,042,477	55,868,113	56,706,136	57,556,728	58,420,078	59,296,378	60,185,823	61,088,610	62,004,940	15,733,753	1,093,483,571	
	AGENCY-WIDE SOURCES OF FUNDS	16	BLUEPRINT INTERGOVERNMENTAL AGENCY, SOURCES OF FUNDS																								
17		Infrastructure Sales Tax Revenue (from Line 12)	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Total, 20-24	FY2025	FY2026	FY2027	FY2028	FY2029	FY2030	FY2031	FY2032	FY2033	FY2034	FY2035	FY2036	FY2037	FY2038	FY2039	FY2040	Total 2020-40	
18		Known Federal Grants	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
19		Known State Grants	-	-	-	-	1,500,000	-	1,500,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,500,000	
20		Known Local Grants	750,000	1,280,000	-	3,000,000	-	486,000	4,766,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,766,000	
21		Known Other Grants	75,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
22		Transfers In From Other Funds (C)	8,417,675	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
23		Bond Funding (D)	-	-	-	100,000,000	-	-	100,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	100,000,000	
24		SIB Loan Funding	-	-	-	14,325,000	-	14,325,000	28,650,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	28,650,000	
25		Total, Infrastructure, Sources of Funds	44,483,875	32,814,266	30,844,596	148,786,488	33,590,718	47,543,532	293,579,600	33,223,520	33,721,872	34,227,700	34,741,116	35,262,233	35,791,166	36,328,034	36,872,955	37,426,049	37,987,440	38,557,251	39,135,609	39,722,644	40,318,483	40,923,260	10,384,278	858,203,210	
26		OEV Sales Tax Revenue (from Line 13)	-	4,083,574	5,608,108	5,720,271	5,834,676	5,951,369	27,197,998	6,040,640	6,131,250	6,223,218	6,316,567	6,411,315	6,507,485	6,605,097	6,704,174	6,804,736	6,906,807	7,010,409	7,115,565	7,222,299	7,330,633	7,440,593	1,888,050	129,856,836	
27		City/County Funding (Operating & MWSBE)	-	852,928	482,707	487,534	492,409	497,333	2,812,911	502,306	507,329	512,402	517,526	522,701	527,928	533,207	538,539	543,924	549,363	554,857	560,406	566,010	571,670	577,387	145,790	11,044,256	
28		Known Local Grants	1,264,541	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
29		Known Other Grants	-	510,000	-	-	-	-	510,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	510,000	
30		Bond Funding (D)	-	-	20,000,000	-	-	-	20,000,000	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20,000,000	
31		Total, OEV, Sources of Funds	1,264,541	5,446,502	26,090,815	6,207,805	6,327,085	6,448,702	50,520,909	6,542,946	6,638,579	6,735,620	6,834,093	6,934,016	7,035,413	7,138,304	7,242,713	7,348,660	7,456,170	7,565,266	7,675,971	7,788,309	7,902,303	8,017,980	2,033,840	161,411,092	
32		Total, Agency-Wide Sources of Funds	45,748,416	38,260,768	56,935,411	154,994,293	39,917,803	53,992,234	344,100,509	39,766,466	40,360,451	40,963,320	41,575,209	42,196,249	42,826,579	43,466,338	44,115,668	44,774,709	45,443,610	46,122,517	46,811,580	47,510,953	48,220,786	48,941,240	12,418,118	1,019,614,302	
AGENCY-WIDE USES OF FUNDS		33	BLUEPRINT INTERGOVERNMENTAL AGENCY, USES OF FUNDS																								
	34	Infrastructure, Uses of Funds	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024	Total, 20-24	FY2025	FY2026	FY2															

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BLUEPRINT INFRASTRUCTURE PROGRAM
Proposed FY 2020 GENERAL FUND OPERATING BUDGET

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change
Sources of Funds:				
310000-Sources of Funds				
312600-Sales Tax	35,643,079	34,808,000	31,534,266	
337400-County Transportation Proj.	-	375,000	-	
337402-City Transportation Proj.	-	375,000	1,280,000	
361001-Interest Income	250,673	-	-	
362008-Rental of Buildings	28,800	-	-	
366901-Donations	-	75,000	-	
369940-Fund Balance Transfer	2,970,371	8,417,675	-	
310000-Sources of Funds Total	38,892,923	44,050,675	32,814,266	-25.51%

Uses of Funds:

611300-Debt Service Transfer				
611300-Debt Service Transfer	18,634,223	18,635,585	2,183,977	
611300-Debt Service Transfer Total	18,634,223	18,635,585	2,183,977	-88.28%
510000-Personnel Services				
511000-Salaries	994,739	1,509,241	1,740,131	
511200-Capitalized Wages	(732)	-		
511300-Salary Enhancements	-	13,000	44,288	
511500-Temporary Wages	173,842	174,637	63,440	
512000-Overtime	663	3,000	3,000	
512100-Capitalized Overtime	(27)			
512400-Other Salary Items	7,717	15,000	13,580	
515000-Pension- Current	136,428	299,184	392,502	
515100-Pension- MAP	31,054	83,383	92,919	
515500-Social Security	14,852	7,000	3,933	
515600-Mandatory Medicare	16,444	21,439	24,808	
516000-Health Benefits	100,838	135,867	162,949	
516001-Health Benefits-Retirees	19,425	20,396	25,000	
516100-Flex Benefits	14,703	34,198	36,925	
510000-Personnel Services Total	1,509,947	2,316,345	2,603,475	12.40%
520000-Operating Expenses				
521010-Advertising	12,856	15,000	10,000	
521030-Reproduction	10,711	12,000	10,000	
521040-Unclassified Professional Fees	110,481	134,150	238,581	
521100-Equipment Repairs	720	1,500	2,000	
521130-Engineering Services	4,500			
521160-Legal Services	3,487	45,000	45,000	
521180-Unclassified Contractual Svcs	19,400	100,600	77,000	
521190-Computer Software	49,745	55,280	75,000	
522080-Telephone	46,723	48,000	50,000	
523020-Food	2,875	4,000	5,000	
523030-Gasoline	1,550	2,000	1,500	
523050-Postage	815	1,000	1,000	
523060-Office Supplies	9,408	17,900	13,210	

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BLUEPRINT INFRASTRUCTURE PROGRAM
Proposed FY 2020 GENERAL FUND OPERATING BUDGET

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change
523080-Unclassified Supplies	3,896	5,500	5,000	
523100-Vehicle- Non-Garage	1,724	4,000	4,000	
524010-Travel & Training	23,441	50,500	35,000	
524020-Journals & Books	10,095	3,450	8,000	
524030-Memberships	5,391	10,050	11,000	
524040-Certificates & Licenses	-	750	2,000	
524050-Rent Expense- Building & Offic	144,334	200,979	200,000	
524070-Rent Expense- Machines	4,925	8,500	8,500	
524080-Unclassified Charges	9,221	10,000	11,000	
520000-Operating Expenses Total	476,299	730,159	812,791	11.32%
540000-Other Services/Charges				
540040-Liability Insurance Premium	32,784	42,800	50,000	
541040-Insurance		-		
540000-Other Services/Charges Total	32,784	42,800	50,000	16.82%
550000-Capital Outlay				
550040-Computer Equipment	2,000	59,000	55,000	
550060-Unclassified Equipment		25,000		
550000-Capital Outlay Total	2,000	84,000	55,000	-34.52%
560000-Allocated Costs				
560010-Human Resource Expense	13,368	13,368	23,229	
560020-Accounting Expense	30,679			
560030-Purchasing Expense	28,859	28,947	31,536	
560040-Information Systems Expense	5,306	5,307	72,262	
560070-Revenue Collection			1,012	
560120-Indirect Costs	38,747	29,343	31,250	
560000-Allocated Costs Total	116,958	76,965	159,289	106.96%
611100-Admin Allocations				
611100-Admin Allocations			(139,193)	
611100-Admin Allocations Total			(139,193)	
Total Operating Costs	2,137,987	3,250,269	3,541,362	8.96%
612400-Capital Projects Transfer				
612400-Inter-Fund Ops Transfer	18,193,981	22,164,821	27,088,927	
612400-Capital Projects Transfer Total	18,193,981	22,164,821	27,088,927	22.22%
Total Uses of Funds	38,966,191	44,050,675	32,814,266	-25.51%
Sources of Funds Less Uses of Funds	(73,268)	-	-	

- (1) Blueprint administrative staff members will be shared between the infrastructure program and the Office of Economic Vitality. These staffing costs are classified as an internal service transfer and are listed in a separate line item. These expenses reduce the overall costs of the infrastructure program and increase the costs of the business development and MWSBE programs.

OFFICE OF ECONOMIC VITALITY
Proposed FY 2020 GENERAL FUND OPERATING BUDGET

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change
Sources of Funds:				
310000-Sources of Funds				
312600-Sales Tax			4,083,574	
341902-County OEV Funding	718,282	1,264,540		
361001-Interest Income	(6,632)	-		
369901-Miscellaneous Revenue			510,000	
337412-County OEV Funding			426,464	
337411-City OEV Funding			426,464	
310000-Sources of Funds Total	711,650	1,264,540	5,446,502	330.71%

Uses of Funds:

510000-Personnel Services				
511000-Salaries	625,860	717,662	855,042	
511300-Salary Enhancements	-	21,530	22,352	
511500-Temporary Wages	20,741	14,000		
512000-Overtime	36	-		
512400-Other Salary Items	10,821	21,372	1,560	
514100-Unemployment Compensation	-			
515000-Pension- Current	96,307	136,242	201,349	
515100-Pension- MAP	26,788	34,777	39,920	
515500-Social Security	8,182			
515600-Mandatory Medicare	9,220	8,941	10,263	
516000-Health Benefits	86,754	102,161	81,224	
516100-Flex Benefits	11,293	13,777	18,012	
510000-Personnel Services Total	896,002	1,070,462	1,229,722	14.88%
520000-Operating Expenses				
521010-Advertising	12,916	8,000	19,840	
521030-Reproduction	5,297	15,000	15,400	
521040-Unclassified Professional Fees	2,427	10,000	68,000	
521130-Engineering Services		-		
521160-Legal Services			25,000	
521180-Unclassified Contractual Svcs	7,850	31,450	24,750	
521190-Computer Software	49,422	44,360	27,870	
522080-Telephone	2,048	2,880	30,000	
523020-Food	5,641	1,000	18,500	
523030-Gasoline	52	300		
523050-Postage	58	600		
523060-Office Supplies	135	2,000	15,000	
523080-Unclassified Supplies	1,496	-	11,700	
523100-Vehicle- Non-Garage	463	-		
524010-Travel & Training	50,318	35,600	54,500	
524020-Journals & Books	1,151	-		
524030-Memberships	3,822	7,100	7,450	
524040-Certificates & Licenses			860	
524050-Rent Expense- Building & Offic			111,500	
524070-Rent Expense- Machines			8,500	

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OFFICE OF ECONOMIC VITALITY
Proposed FY 2020 GENERAL FUND OPERATING BUDGET

	FY 2018 Actual	FY 2019 Adopted	FY 2020 Proposed	Percent Change
524080-Unclassified Charges	10,635	11,066	16,700	
520000-Operating Expenses Total	153,730	169,356	455,570	169.00%
540000-Other Services/Charges				
540040-Liability Insurance Premium		-	30,000	
541040-Insurance		2,020		
540000-Other Services/Charges Total		2,020	30,000	1385.15%
550000-Capital Outlay				
550040-Computer Equipment			62,000	
550060-Unclassified Equipment			101,542	
550000-Capital Outlay Total			163,542	100.00%
560000-Allocated Costs				
560010-Human Resource Expense	6,684	7,000	14,934	
560020-Accounting Expense	8,431	7,020		
560030-Purchasing Expense	8,354	8,630	8,146	
560040-Information Systems Expense			3,804	
560070-Revenue Collection	2		136	
560000-Allocated Costs Total	23,470	22,650	27,020	19.29%
611100-Admin Allocations				
611100-Admin Allocations			139,193	
611100-Admin Allocations Total			139,193	
Total Operating Costs	1,073,202	1,264,488	2,045,047	61.73% (1)
612400-Capital Projects Transfer				
612400-Inter-Fund Ops Transfer	-	-	3,401,455	
612400-Capital Projects Transfer Total	-	-	3,401,455	100.00% (2)
Total Uses of Funds	1,073,202	1,264,488	5,446,502	330.73% (3)
Sources of Funds Less Uses of Funds	(361,552)	52	-	

- (1) Blueprint administrative staff members will be shared between the infrastructure program and the Office of Economic Vitality. These staffing costs are classified as an internal service transfer and are listed in a separate line item. These expenses reduce the overall costs of the infrastructure program and increase the costs of the business development and
- (2) This is the first year that OEV will generate its own revenue to make capital projects transfers. Prior project funding came from contributions from Leon County and the City of Tallahassee. These funds will be allocated to OEV's Capital Projects and Economic Vitality Programs Budget.
- (3) The significant increase in total uses of funds is a direct result of the increase in total sources of funds due to the initiation of the Blueprint 2020 sales tax on January 1, 2020. Over \$3.4 million will be transferred to OEV's programs. The initial setup of OEV's offices, a one-time expense, totals \$164,000 for FY 2020.

Proposed FY 2020 Office of Economic Vitality Capital Projects and Economic Vitality Programs Budget						FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	Total, FY 2020-2024	Amount Remaining to Complete Project Based on Estimated Cost to Complete
							Blueprint 2020 Program Funding					
1 Sources of Funds												
2	Allocation of Net Sales Tax Revenues					2,038,527	3,804,953	2,430,584	2,525,777	2,624,576	13,424,417	
3	City, County, State and Federal Funding (1)					852,928	482,707	487,534	492,409	497,333	2,812,911	
4	Bond Proceeds					-	20,000,000	-	-	-	20,000,000	
5	Grants and Miscellaneous Funding					510,000	-	-	-	-	510,000	
6 Total Sources of Funds for Office of Economic Vitality Projects						3,401,455	24,287,660	2,918,118	3,018,186	3,121,909	36,747,328	
7 Uses of Funds							Blueprint 2020 Program					Total Projected FY 2020-2024 Allocations

NOTE: The Capital Improvement Program allocates net sales tax and other sources of funds to capital infrastructure projects and economic development projects; only funding identified in FY 2020 will be allocated toward any projects. Funding identified in the outlying years (2021 - 2024) is based on current estimates of future net sales tax revenues for capital projects and other anticipated funding sources.

(1) Budgeted revenue from City, County, State and Federal funding consists of equal funding shares from the City of Tallahassee and Leon County to support the operations of the Minority, Women and Small Business Enterprise program. Each government has committed to fund one-third of the program's operating costs while the Office of Economic Vitality will fund the remaining amount from its dedicated sales tax revenue.

(2) The estimated costs to complete each project is based on the five-year time horizon presented in this Capital Projects Budget. Many of OEV's projects are of an ongoing nature and will not be considered "complete" until the IA Board provides direction to discontinue the project. Other projects, such as contributions to the Convention Center and LCRDA Incubator will be complete upon OEV's provision of funding. The annual airport allocation is ongoing for the life of the Blueprint 2020 sales tax.

Fiscal Year 2020 Budget Narrative

Sources of Revenues

- 312600 **Sales Tax** - Revenues collected for the local option surtax.
- 337400 **County Transportation Proj.** – Funds received from Leon County for joint projects or projects that will benefit Leon County.
- 337402 **City Transportation Proj.** – Funds received from City of Tallahassee for joint projects or projects that will benefit the City of Tallahassee.
- 361001 **Interest Income** – Blueprint's share of interest collected on funds held in banking and investment accounts by the City of Tallahassee.
- 362008 **Rental of Buildings** – Blueprint currently owns a church building that is leased to a local congregation. The building is in the process of being transferred to surplus property in order to sell in an open market transaction.
- 366901 **Donations** – Additional revenues, such as grants, and community partnerships for Blueprint Intergovernmental Agency projects and programs.
- 369940 **Fund Balance Transfer** – Transfers from Blueprint's prior year remaining fund balance or from the Debt Service Fund to the Operating Fund after retirement of Blueprint 2000's debt obligations.

Personnel Services

- 511000 **Salaries**- Includes all permanent, full time positions. Changes from the previous year include the seven new positions as outlined in the agenda item and pay increases as determined by the jurisdiction in which the employee's benefits are provided (i.e., if the employee receives City benefits, then City salary adjustments would control).
- 511200 **Capitalized Wages**- Reduction for amounts paid in current year for the previous year's wages.
- 511300 **Salary Enhancements**- This cost is related to pay increases for employees relating to promotions during the fiscal year.
- 511500 **Temporary Wages**- Wages for temporary employees: One part-time IT support staff, EDMS Technician, Graduate Intern during the school breaks, Summer Youth Intern, and Summer law clerk.
- 512000 **Overtime**- Administrative staff and para-professional overtime compensation.
- 512100 **Capitalized Overtime**- Reduction for amounts paid in current year for the previous year's overtime.
- 512400 **Other Salary Items**- These costs are determined by the City and County to cover the cost of their respective senior management fringe benefit packages.
- 515000 **Pension-Current**- Amount of expense in the current year owed to the employee pension fund. Agency employees may choose employment with the City of Tallahassee or Leon County and both governments contribute to pension funds on behalf of their respective employees.
- 515100 **Pension-MAP**- Employees of the City of Tallahassee have the option to contribute up to 5% of their salary to a pension plan that is matched by the employer. This expense is for the employer's share of the match.
- 515500 **Social Security**- Permanent employees are exempt from contributing to Social Security because of the local government option to contribute to defined benefit retirement programs. Temporary employees are not

- 515600 **exempt and this account includes the employer share of Social Security.**
Mandatory Medicare- Employees are not exempt from contributing to the Medicare Trust Fund through payroll taxes. This account captures the employer's share of Medicare expense.
- 516000 **Health Benefits-** This account captures health insurance premium expenses paid for by the employer. Employee premiums are deducted from employee compensation.
- 516001 **Health Benefits-Retirees-** Employees of the City of Tallahassee are covered by an Other Post-Employment Benefits Plan (OPEB) that provides assistance with health insurance premiums during retirement. This expense covers the annual contribution to the OPEB trust.
- 516100 **Flex Benefits-** Benefits for all full time, permanent City of Tallahassee employees to help offset healthcare and insurance expenditures.

Operating Expenses

- 521010 **Advertising-** Public hearing notices, news releases, and neighborhood outreach materials.
- 521030 **Reproduction-** Printing of Annual Financial Reports, letterhead, agenda items, copies, etc.
- 521040 **Unclassified Professional Fees** –Annual Financial Audit, Performance Audit, Bond Services and Counsel, strategic communications services, and misc.
- 521100 **Equipment Repairs** - Recording equipment, Office equipment repairs and maintenance.
- 521130 **Engineering Services-** Services provided by engineers for items that are not directly related to current agency projects.
- 521160 **Legal Services** – Contract attorney services for Blueprint
- 521180 **Unclassified Contract Services** –FSU Graduate Intern contract, Westlaw, development of a new Blueprint website, and misc. services.
- 521190 **Computer Software** - Annual software maintenance and licenses, including records retention software for emails and text messages.
- 522080 **Telephone-** Blueprint office telephone / internet services, telephone equipment maintenance, and cell phone.
- 523020 **Food** - Five CAC meetings, workgroup meetings, lunch meetings, and one evening IA Board meeting.
- 523030 **Gasoline-** Fuel purchases for Blueprint's three vehicles.
- 523050 **Postage-** Postage expense for routine mail unrelated to projects.
- 523060 **Office supplies** – Office supplies, printer toner, paper, and general office needs.
- 523080 **Unclassified Supplies-** Office space supplies (lights, kitchen supplies, etc.), service awards, computer peripherals, and safety supplies such as work boots and vests.
- 523100 **Vehicle - Non Garage** - Repairs and service on three vehicles.
- 524010 **Travel and Training** –Continuing education training to maintain professional planning and engineering certification, professional development of staff, and professional association conferences, including conferences where staff are asked to present on Blueprint projects and best practices.
- 524020 **Journals and Books** – Professional books and subscriptions to support

- staff development and access to relevant information.
- 524030 **Memberships** – Legal, engineering, planning, and other professional association dues for 20 staff members.
- 524040 **Certifications and Licenses**- Cost for professional certifications and engineering license renewals.
- 524050 **Rental Expense-Building & Office**- The amount reflected is based on lease with Leon County for 315 South Calhoun Street, including parking.
- 524070 **Rent Expense-Machines**- Lease for two copiers.
- 524080 **Unclassified Charges** – Office photographs, promotional items, office events.
- 540040 **Liability Insurance** - Workers Compensation and General Liability premiums.
- 550060 **Unclassified Equipment**- Office assets (equipment and Furniture above \$1,000)
- 550640 **Computer Equipment** – Cost of new computers associated with new positions as outlined in the agenda item, as well as the costs of transitioning IT services to the City of Tallahassee throughout FY 2019.
- 560010-40
and 560120 **Blueprint's share of Allocated Costs to the City of Tallahassee** for services provided by the City.
- 611100 **Admin Allocations**- Costs of shared employees split evenly between Blueprint Infrastructure and Office of Economic Vitality.
- 612400 **Capital Projects Transfer**- Transfer of sales tax revenue to Capital Projects Budget.

**Existing and Proposed Staffing
for the Blueprint Intergovernmental Agency
FY 2018 – 2020**

Table A. Blueprint Infrastructure Staffing Summary: Full-Time Employees

Staffing Summary (FTE)	FY 2018 Actual	FY 2019 Adopted	FY 2020 Budget	# of In/Decrease
Director	1.0	1.0	1.0	0.0
Design and Construction Manager	1.0	1.0	1.0	0.0
Planning Manager	1.0	1.0	1.0	0.0
Planner I	0.0	1.0	1.0	0.0
Right-of-Way Support	0.0	1.0	1.0	0.0
Public Information Officer	1.0	1.0	1.0	0.0
Project Manager	1.0	5.0	5.0	0.0
Right of Way Manager	0.0	0.0	1.0	1.0
Executive Assistant	1.0	1.0	1.0	0.0
Principal Planner	1.0	1.0	1.0	0.0
Total	7.0	13.0	14.0	1.0

Note: FY 2018 budgeted for three General Engineering Consultant staff.

Table B. Joint Infrastructure and OEV Staffing Summary: Full-Time Employees

Staffing Summary (FTE)	FY 2018 Actual	FY 2019 Adopted	FY 2020 Budget	# of In/Decrease
Attorney	1.0	1.0	1.0	0.0
Assistant Attorney	0.0	1.0	1.0	0.0
Legal Secretary	1.0	1.0	1.0	0.0
Administration Supervisor	1.0	1.0	1.0	0.0
Senior Accountant	1.0	1.0	1.0	0.0
Total	4.0	5.0	5.0	0.0

Note: Shared positions are included above and indicate those employees shared between Blueprint Infrastructure and the Office of Economic Vitality. FY 2020 includes 9 months of 50/50 ratio for cost sharing.

Table C. Office of Economic Vitality Staffing Summary: Full-Time Employees

Staffing Summary (FTE)	2018 Actual	2019 Adopted	2020 Budget	# of In/Decrease
Director	1.0	1.0	1.0	0.0
Deputy Director, Business Vitality and Intelligence	1.0	1.0	1.0	0.0
Deputy Director, MWSBE	1.0	1.0	1.0	0.0
Business Vitality Manager	1.0	1.0	1.0	0.0
Business Development Manager	1.0	1.0	1.0	0.0
Business Intelligence Manager	1.0	1.0	1.0	0.0
Research Coordinator	1.0	1.0	1.0	0.0
MWSBE Coordinator	1.0	1.0	1.0	0.0
MWSBE Coordinator	1.0	1.0	1.0	0.0
Marketing and Business Outreach Coordinator	0.0	0.0	1.0	1.0
Administrative Assistant	0.0	0.0	1.0	1.0
Total	9.0	9.0	11.00	2.0

Table D. Staffing Summary – OPS/Temporary Positions

Staffing Summary OPS/Temporary Staff	FY 2018 Actual	FY 2019 Adopted	FY 2020 Budget	# of In/Decrease
IT Manager*	0.5	0.5	0.5	0.0
Web Support	0.5	0.5	0.0	-0.5
Administration Support	0.5	0.5	0.5	0.0
Communications Intern	0.5	0.5	0.5	0.0
Planning Intern	0.5	0.5	0.5	0.0
Attorney	1.0	0.0	0.0	0.0
Certified Legal Extern	0.0	0.5	0.5	0.0
Total	3.5	3.0	2.5	-0.5

Blueprint FY 2019 -2024 Funding Schedule and Implementation Plan								
Option C: SIB Loan (\$28.7 M) FY2022 Bond (\$100 M) Total Debt Service (18 years): \$53.8 M								
1	Blueprint Infrastructure Program - Income ¹							
2	Description	FY2019	FY2020 ³	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total
3	Sales Tax Revenues ²	\$ 34,808,000	\$ 30,885,900	\$ 30,244,000	\$ 31,151,200	\$ 32,085,500	\$ 33,047,900	\$ 192,222,500
4	Additional Funding							
5	Bond Proceeds				\$100,000,000			\$ 100,000,000
6	Significant Benefit District Funds	\$ 750,000	\$ 1,280,000				\$ 486,000	\$ 2,516,000
7	State Infrastructure Bank (SIB) Loan ⁴				\$ 14,325,000		\$ 14,325,000	\$ 28,650,000
8	Other Funding Sources ⁵				\$ 3,000,000			\$ 3,000,000
9	Subtotal - Available Funding	\$ 35,558,000	\$ 32,165,900	\$ 30,244,000	\$148,476,200	\$ 32,085,500	\$ 47,858,900	\$ 326,388,500
10	Blueprint Infrastructure Program - Expenses							
11	Description	FY2019	FY2020 ³	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total
12	Debt Service - BP2000 Bond & FY2022 Bond	\$ 9,957,094	\$ 2,183,977			\$ 3,902,000	\$ 7,809,750	\$ 23,852,821
13	SIB Loan Payment					\$ 2,367,612	\$ 2,367,612	\$ 4,735,224
14	Infrastructure Program - Operating Expenses	\$ 3,300,000	\$ 3,600,000	\$ 3,700,000	\$ 3,800,000	\$ 3,900,000	\$ 4,000,000	\$ 22,300,000
15	Contingency Funds for Infrastructure Projects			\$ 2,000,000				\$ 2,000,000
16	Annual Allocations ^{6,7} - City of Tallahassee		\$ 3,365,625	\$ 4,487,500	\$ 4,487,500	\$ 4,487,500	\$ 4,487,500	\$ 21,315,625
17	Annual Allocations ⁶ - Leon County		\$ 2,906,250	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 3,875,000	\$ 18,406,250
18	Subtotal - Expenses	\$ 13,257,094	\$ 12,055,852	\$ 14,062,500	\$ 12,162,500	\$ 18,532,112	\$ 22,539,862	\$ 92,609,920
19	Blueprint Infrastructure Program - Capital Improvements							
20	Description	FY2019	FY2020 ³	FY 2021	FY 2022	FY 2023	FY2024	FY19-24 Total
21	Projected Funding - Blueprint Capital Projects	\$ 22,300,906	\$ 20,110,048	\$ 16,181,500	\$136,313,700	\$ 13,553,388	\$ 25,319,038	\$ 233,778,580
22	Blueprint 2000 -Infrastructure Projects ⁸							
23	Water Quality Project/City	\$ 2,207,360	\$ 385,835					\$ 2,593,195
24	Headwaters of St. Marks	\$ 2,617,303	\$ 982,831					\$ 3,600,134
25	Capital Cascades Trail - Segment 2							\$ -
26	Capital Cascades Trail - Segments 3 & 4	\$ 4,437,178						\$ 4,437,178
27	Capital Cascades Trail - Segment 4	\$ 4,787,365	\$ 3,891,763		\$ 8,262,126			\$ 16,941,254
28	Magnolia Drive Trail	\$ 2,476,700						\$ 2,476,700
29	Blueprint 2020 - Infrastructure Projects							FY19-24 Total
30	Annual Allocations ⁶ - Blueprint 2020 - Bike Route Network (\$750k annually) - Greenways Plan (\$790k annually)	\$ 300,000	\$ 1,155,000	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000	\$ 1,540,000	\$ 7,615,000
31	Regional Mobility & Gateway Projects (listed in order per the CRTPA's Proposed Project Priority List)							Adjusted Project Cost ¹²
32	(State) Southside Gateway: Woodville Highway ^{9,10}						\$ -	\$ 36,204,134
33	(State) Capital Circle Southwest (W1) ⁹					\$ 2,500,000	\$ 2,500,000	\$ 5,000,000
34	(State) Orange Avenue: Adams to Springhill ⁸⁹						\$ -	\$ 40,348,715
39	(State) Westside Student Gateway: Pensacola Street ^{9,10}						\$ -	\$ 36,492,792
35	Airport Gateway	\$ 1,000,000	\$ 3,500,000	\$ 2,200,000	\$ 61,532,194		\$ 68,232,194	\$ 68,232,194
36	Northwest Connector: Tharpe Street ¹⁰						\$ 486,000	\$ 64,850,503
37	Northeast Connector: Bannerman Road ¹⁰	\$ 750,000	\$ 3,300,000	\$ 2,500,000	\$ 33,246,583		\$ 39,796,583	\$ 39,796,583
38	Northeast Gateway: Welaunee Boulevard ⁸	\$ 1,725,000	\$ 2,394,619	\$ 2,731,889	\$ 24,185,152	\$ 7,263,388	\$ 17,119,441	\$ 55,419,489
40	North Monroe Gateway ⁸						\$ -	\$ 11,458,548
41	CCQ Projects (in rank order)							
42	Orange Avenue/Meridian Placemaking	\$ 1,000,000	\$ 1,500,000	\$ 2,209,611			\$ 4,709,611	\$ 4,709,611
43	Market District ⁹	\$ 1,000,000	\$ 1,500,000	\$ 3,500,000	\$ 4,797,645		\$ 10,797,645	\$ 10,797,645
44	Lake Lafayette and St. Marks Regional Park		\$ 500,000		\$ 750,000	\$ 500,000	\$ 1,750,000	\$ 19,260,112
45	Monroe-Adams Corridor Placemaking		\$ 1,000,000	\$ 1,000,000	\$ 2,000,000	\$ 1,000,000	\$ 3,201,616	\$ 8,201,616
46	Midtown Placemaking					\$ 750,000	\$ 471,981	\$ 1,221,981
47	Fairgrounds Beautification & Improvement						\$ -	\$ 14,627,933
48	Northeast Park						\$ -	\$ 12,189,944
49	College Avenue Placemaking						\$ -	\$ 8,532,961
50	Florida A&M Entry Points						\$ -	\$ 1,828,492
51	Alternative Sewer Solutions						\$ -	\$ 2,838,842
52	Tallahassee-Leon County Animal Service Center						\$ -	\$ 8,532,961
53	DeSoto Winter Encampment ¹¹			\$ 500,000			\$ 500,000	\$ 500,000
54	Total Allocated	\$ 22,300,906	\$ 20,110,048	\$ 16,181,500	\$136,313,700	\$ 13,553,388	\$ 25,319,038	\$ 203,730,119
55	Remaining Funds to Be Allocated	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
56	Total Active Blueprint-Managed Projects by Year	11 Projects	12 Projects	12 Projects	10 Projects	12 Projects	12 Projects	
57	Notes 1/ Income includes sales tax revenues (80% for Blueprint 2000 and 66% for Blueprint 2020) 2/ Projections based on 3% increases for FY20-22; FY23 and 24 assume 2% increase in revenues 3/ FY20 reflects BP2000 revenue collection (Oct. 1 - Dec. 31, 2019) & BP2020 revenue collection (Jan. 1 - Sept. 30, 2020) 4/ SIB (State Infrastrucutre Bank) Loan will be applied for in FY2020 for 50% of project costs for Welaunee Boulevard 5/ Other Funding Sources: FY2022 - \$3 million FSU contribution to Airport Gateway project 6/ Annual allocations for FY2020 prorated to reflect only 9 months of revenue collection 7/ StarMetro only difference in annual allocations between City & County; County manages LIFE (2% revenues) 8/ Total FY 19-24 expenditures & project cost does not include all expenditures on this project prior to FY2019 9/ Portions of these projects in progress and funded by the City, County, CRTPA, or FDOT 10/ Significant Benefit Project; City & County funds included in first year of project - as of May 2018 11/ Project Complete - Repayment to the City of Tallahassee 12/ Project estimates increase 2% annually through the first year of construction for each project or FY 2024 13/ Assume state funding for capacity projects on state roads; any remaining local improvements will be funded thru Bluperint						Project Phases - Legend <div><div></div>Planning /PD&E</div> <div><div></div>Design</div> <div><div></div>Right-of-Way Acquisition</div> <div><div></div>Construction</div> Note: Project phases are approximate and reflect projected general timeframes for these project phases. Project phases will likely overlap in adjacent years. Funding is not necessarily corresponded to the project phase identified in that year.	