

Blueprint Intergovernmental Agency Board of Directors Budget Workshop Minutes

Date: September 5, 2019
To: Board of Directors
From: Benjamin H. Pingree, PLACE Director
Subject: Summary Minutes to Board of Directors Budget Workshop of August 20, 2019

MEMBERS PRESENT

COUNTY	CITY
Commissioner Bryan Desloge, Chair	Mayor John Dailey
Commissioner Kristin Dozier	Commissioner Elaine Bryant
Commissioner Nick Maddox	Commissioner Jeremy Matlow
Commissioner Mary Ann Lindley	Commissioner Curtis Richardson
Commissioner Bill Proctor	Commissioner Dianne Williams-Cox
Commissioner Jimbo Jackson	
Commissioner Rick Minor	

I. AGENDA MODIFICATIONS

There were no agenda modifications.

II. CITIZENS TO BE HEARD ON NON-AGENDAED ITEMS

3-minute limit per speaker; there will not be any discussion by the Commission

Speakers:

Stanley Sims, 1320 Avondale Way, requested the inclusion of fruit trees to the landscaping at the Orange-Meridian project site. He also requested the Board direct OEV staff to empower local entrepreneurs to expand employment efforts to the under-employed segments of the community.

Michael Rosenthal, 4045 Kilmartin Drive, spoke in opposition of road construction or the increased capacity of roadways due to environmental impacts.

Vivian Scott, 1526 Patrick Avenue, spoke in opposition to the roadway construction in Boynton Stills neighborhood and issues with roundabouts.

Jenny Grimsley, 3018 Blairstone Court, spoke in opposition to the removal of the trees in the Boynton Stills neighborhood.

Edward Hollifield, spoke in opposition to collaborating with developers and on reducing poverty.

Barbara Wescott, 520 Middlebrooke Circle, spoke on the Shop Tally initiative to increase community spending by 5%.

Linda Miklowitz, spoke in opposition to funding the removal of trees and people in the Boynton Stills neighborhood.

Jonathan Lammers, spoke in opposition to Segment 3D stormwater pond and FAMU Way construction, removal of trees, and relocation of people.

III. WORKSHOP / PRESENTATION

1. Fiscal Year 2020 (FY20) Proposed Operating Budget for the Blueprint Intergovernmental Agency (Infrastructure and Office of Economic Vitality (OEV) and 20-year Projection for the Office of Economic Vitality

Ben Pingree provided a presentation to the Board on the proposed operating budget for the Blueprint Intergovernmental Agency, which included background, prioritization process, implementation and funding schedules, sales tax revenue projections, funding sources and uses, and annual allocations, capital projects and programs. A copy of the presentation is on file at the Blueprint Intergovernmental Agency.

Commissioner Dozier acknowledged the public speakers and, given time constraints and the Chair's direction to focus on the budget, the issues raised by citizens were discussion for future meetings. Her primary focus was the OEV budget and projected sales tax revenues. She stated that the material confused rather than simplified the total projected revenues and additional funding sources, bonds and debt services costs. The agenda item documented that staff continuously met the requirements of the past. However, her concern was if the gold standard of the past would be sufficient moving forward with the beginning of a new program, the inclusion of OEV, and the beginning of the 2020 sales tax. In addition, she wanted a clear plan for review of the OEV strategic plan.

Cristina Paredes stated that OEV traced all work and programs developed back to the Strategic Plan and the Targeted Industry Report. Agenda items presented to the IA Board included information on how they related to the Strategic Plan. Following each Board of Directors meeting, staff added the recommended actions and policy updates to the Strategic Plan and workflow. Furthermore, with the passage of the FY20 budget, the OEV team would be reviewing the plan and bringing recommended updates to the Board in February 2020.

Commissioner Williams-Cox questioned how local, small business owners could receive money from OEV to stand up or sustain their businesses. Furthermore, provided material needed to be broadly available and designed at an eight-grade reading level. Ben Pingree stated that staff met with Mr. Barber, Mr. Sims, Ms. Wescott, and others and those meetings have informed a forthcoming agenda item for the September 5, 2019 IA Board meeting outlining microloan opportunities

identified by staff. OEV is proud to serve as the one-stop shop constantly creating and reviewing programmatic opportunities to bring forward to the IA Board that supports the creation of a menu of business opportunities with easy to understand application documentation.

Ben Pingree stated that staff's intention with Attachment 1, was to layout clearly the funds available over 20-years, within the 12% of sales tax fund allocated to OEV, new and emerging opportunities. Based on current data, the table lays out program categories and the fungibility and flexibility of the funds through the continual updates to the Strategic Plan and IA Board guidance.

Commissioner Lindley clarified that sales tax revenue, as voted on by citizens, allocated 12% to OEV, which funded 18 programs, some of which could be of interest to the individuals requesting support. There seemed to be a misconception that OEV was a source of all growth in the community and funds to underwrite business ventures. In an effort to break down the source of funds and what, specifically, they were going to, governed in accordance with the three years of work by the Sales Tax Committee with multiple public hearings and the work of the IA Board over many years.

Commissioner Lindley expressed her concern for global recessions and questioned how Blueprint monitored the impact of this on sales tax revenue. Ben Pingree stated that there was close collaboration with the leadership of Blueprint, OEV, PLACE, the Intergovernmental Management Committee (IMC), and the executive leadership of the budget offices of both City and County. Staff tracked data monthly, continually evaluating trends, and scanning the market for occasions to leverage funds. Beyond each annual budget cycle, staff constantly reviewed the data for the main driving revenue source of Blueprint Intergovernmental Agency and should there be any drastic shifts in the economy staff would bring forward the analysis, out of cycle, to the IA Board. Commissioner Desloge noted that the IA Board faced that with the Blueprint 2000 program making adjustments through the recession.

Commissioner Bryant stated that through the review of the Strategic Plan, she expected there would be trends and conditions to hint at the trajectory of the economy that would allow OEV and Blueprint to plan accordingly. She questioned how companies, persons, etc. would know about the availability of incentive funds or grants, how to access them, or how she could communicate that information to others.

Commissioner Maddox stated that when the IA Board was first determining how to allocate OEV's funds, they established a process whereby citizens could submit ideas that were evaluated by the Competitive Projects Cabinet (CPC) and the IA Board. He inquired if that was an ongoing process. Furthermore, he questioned if it was realistic to think that OEV would have any remaining funds for such process.

Cristina Paredes confirmed that it was an ongoing process and offered two examples of programs that OEV provided grants through. The Workforce Development Grant process would begin in the fall of 2019 to leverage \$100,000 through local organizations for innovative or evidence-based strategies that align assets toward

shared economic growth objectives. Distribution of information on the application process goes out through social media platforms, electronic newsletters, and press release. OEV also turned to partners and collaborators to share and promote programs through direct outreach. For the Urban Jobs Program, OEV staff provided promotional material to partners and to the IA Board to refer business to OEV.

Commissioner Minor questioned if that would also apply to the Future Opportunity Leveraging Fund. Cristina Paredes stated that IA Board direction was required for use of those resources.

Commissioner Bryant questioned if programmatic funds returned to OEV, for any reason, how the public would know that happened and that the funds were once again available. Ben Pingree stated that should that happen, if Qualified Target Industry Tax Refund or Target Business Program funds were not expended, the money would flow into the Future Opportunity Leveraging Fund, which the IA Board would see that reflected year over year in that line item. As well as in the Comprehensive Annual Financial Report (CAFR) and staff updates in the bimonthly IA Board meetings.

Commissioner Bryant stated that she did not feel it was the IA Board's responsibility to disseminate that information following staff updates. She wanted to understand if a structured process existed to inform the public about available funding. Commissioner Maddox added to that, how the public would access the funds.

Ben Pingree stated that any program that OEV put forth, through the IA Board, had an application process. If submitting as a Competitive Economic Vitality project it moved through the CPC prior to reporting to the IA Board. Once approved by the IA Board, staff bore the responsibility of seeking out applicants and disseminating the information through certified minority business, a variety of social media and electronic platforms, and City and County communications. Commissioner Desloge requested that the IA Board be included in those correspondences, in layperson's terms, so that the IA Board was equipped with walking around knowledge.

Commissioner Matlow stated that he requested, through the City Manager, to modify Blueprint's budgeting process similar to the City's so that it was more familiar. Regarding OEV specifically, he understood that good programs were in place, however, he was not certain that in 20 years he could explain the return on a \$130-million investment. He questioned how the IA Board determined what impact OEV had and what would have happened anyway. He also inquired on Tallahassee's economic vitality compared to other cities or the nation, what metrics staff used and the return; specifically hard numbers rather than the overall economic picture of the City.

Commissioner Matlow further stated that many questions about OEV came down to specific and individual issues important to the IA Board. He stated that there seemed to be differing opinions based on the conversations about programs and access to funds. He felt that it deserved a larger conversation based on what the IA Board wanted to see from OEV and what that return would be.

Commissioner Maddox stated that he did not think the community at large knew or understood the process and recommended increasing access through broader public relations efforts.

Commissioner Maddox expressed concern that as policy makers for the City of Tallahassee-Leon County there existed a perception of confusion with the priorities of the 12% of sales tax revenues for economic develop. The Blueprint infrastructure projects were well-defined and mitigated questions because the outcome was clear. However, many years of IA Board discussion precipitated what OEV would be, up to and including the development of OEV's Strategic Plan, which provided clear guidance on what the IA Board understood was important for OEV. He recommended that any misinterpretation of what the IA Board deemed important warranted a review of that document followed by IA Board discussion to provide clarity to the implementation of it. The metrics of evaluation in 20-years should be the successful completion of the Strategic Plan that was in place prior to OEV's access to sales tax revenues.

Commissioner Richardson echoed Commissioner Maddox and suggested a workshop to review the Strategic Plan and incorporate any updates by new Commissioners.

Commissioner Minor spoke in favor of a workshop to review the Strategic Plan to review past IA Board decisions and to reiterate that the fairness and transparency of the process.

Commissioner Williams-Cox concurred and requested that the workshop include public comment to gain citizen input to the plan. She also reiterated that the material be clearly and simply presented to be easily understood by all readers.

Commissioner Dozier spoke to the phenomenal accomplishments of OEV and praised staff for their hard work. In the process of that work however, she stated, no one incorporated Economic Development 101 for the IA Board. That could come through a review of the Strategic Plan that included an ongoing review of policies, as thoroughly as has been done on the Infrastructure side, and a plan for greater public involvement.

Commissioner Dozier requested the September 5, 2019 IA Board agenda include an item that established a workshop to review the Strategic Plan and outlined an ongoing review process at regular intervals. Ben Pingree stated that the draft agenda item for the 2020 meeting schedule proposed two additional meetings intended to serve as workshops for the budget, in the spring, and a review of the Strategic Plan in the fall. This provided opportunity to evaluate the performance of approved programs and projects to gauge citizens served, jobs created, and return on investment.

Commissioner Dozier requested that the item outline how Commissioners could add items such as the Innovation Park project or a revolving or microloan program as well as the timing of items. Additionally, as the one stop shop for economic development, information on OEV grants and programs with the application process clearly outlined

on one page. She also suggested that it include how to request an agenda item or how to initiate an incentive conversation.

Commissioner Maddox moved, seconded by Commissioner Richardson, to approve Option #1 and for the two additional meetings added to 2020 to be workshops on budgets and the Strategic Plan.

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.

The motion passed 12-0.

IV. CITIZENS TO BE HEARD ON NON-AGENDAED ITEMS

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Speakers: None

Lennorris Barber, 802 Old Bainbridge Road, spoke on what he considered an insufficient balance in the Apalachee Regional Council Revolving Loan Fund and that all programs be competitive.

Michael Rosenthal, 4045 Kilmartin, spoke on the faces of capitalism.

V. ADJOURN

The meeting adjourned at 3:14 p.m.

*The next Blueprint Intergovernmental Agency Board of Directors Meeting
is scheduled for
September 5, 2019 at 5:00 p.m.*