

Blueprint Intergovernmental Agency Board of Directors Agenda Item #2

May 26, 2020

Title:	Approval of the April 15, 2020 Blueprint Intergovernmental Agency Board of Directors Meeting Minutes
Category:	Consent
Department:	Blueprint Intergovernmental Agency
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 Autumn Calder, Director, Blueprint Cristina Paredes, Director, Office of Economic Vitality

STATEMENT OF ISSUE:

This agenda item presents the summary meeting minutes for the April 15, 2020 Blueprint Intergovernmental Agency Board of Directors (IA Board) meeting and requests the IA Board's review and approval of the minutes as presented.

FISCAL IMPACT

This item has no fiscal impact.

RECOMMENDED ACTION:

Option 1: Approve the April 15, 2020 Blueprint Intergovernmental Agency Board of Directors meeting minutes.

OPTIONS:

Option 1: Approve the April 15, 2020 Blueprint Intergovernmental Agency Board of Directors meeting minutes.

Option 2: IA Board Direction.

Blueprint Intergovernmental Agency Board of Directors Meeting

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Attachments:

1. Draft Summary Minutes of the Blueprint Intergovernmental Agency Board of Directors Meeting on April 15, 2020.

Blueprint Intergovernmental Agency Special Board of Directors Meeting Minutes

Date: May 21, 2020
To: Board of Directors
From: Benjamin H. Pingree, PLACE Director
Subject: Summary Minutes to Board of Directors Special Meeting of April 15, 2020

MEMBERS PRESENT

COUNTY	CITY
Commissioner Bryan Desloge, Chair	Commissioner Elaine Bryant, Vice-Chair
Commissioner Kristin Dozier	Mayor John Dailey
Commissioner Nick Maddox	Commissioner Curtis Richardson
Commissioner Mary Ann Lindley	Commissioner Jeremy Matlow
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

Blueprint received public comments, submitted by email, to Comments@BlueprintIA.org, until 9 a.m. on April 15, 2020, and emailed them to the IA Board in advance of the meeting. Included here as Attachment 1. No other public comments were received prior to the IA Board meeting.

III. INFORMATIONAL ITEMS

- Economic Update
 - The economic update was included in the staff presentation of agenda item 2.

IV. CONSENT

Ben Pingree noted and read into the record a correction to comments by Commissioner Minor on page four of the March 25, 2020 IA Board minutes. "Commissioner Minor noted that 2000 local non-profits account for an overall economic impact of \$3 billion a year and therefore, he was interested in seeing the COVID-19 Economic Disaster Relief (CEDR) program adapted to make the non-profits eligible."

ACTION TAKEN: Commissioner Richardson moved, seconded by Commissioner Bryant to approve the Consent Agenda as amended.

The motion passed 12-0.

1. Approval of the March 25, 2020, Emergency Board of Directors Meeting Minutes

The Board approved Option #1: Approve the March 25, 2020, Emergency Board of Directors meeting minutes.

V. GENERAL BUSINESS/PRESENTATIONS

Commissioner Desloge commended the staff at OEV for the development and administration of the COVID-19 Economic Disaster Relief (CEDR) Grant program. The entire process from creation to awarding over \$1 million to local business in 17 days was warp speed for government. The innovation and dedication shown by staff was acknowledged and appreciated.

2. Status Report on the Federal, State, and Local COVID-19 Response and Relief Efforts and Consideration on Additional Support for Service Industry Businesses

Ben Pingree and Cristina Paredes provided a brief presentation on to the IA Board on the highlights of the COVID-19 Economic Disaster Relief (CEDR) response and relief efforts, which included genera; updates on the local and state economies, reporting on state loan programs for the local and regional area, unemployment claims, supply chains, and business and ecosystem partner collaborations. Updates on the CEDR grant program included over 700 applications, awarded grants to 489 businesses that employee 2, 483 people. The majority of the businesses employee 1-10 people and were in hospitality or personal and professional services.

Cristina Paredes stated that the Grant Review Team continued to review and analyze applications that were received prior to the April 6, 2020 5 p.m. closure of the CEDR grant but after the \$1 million budget was reached. Staff determined that 71 eligible applications that total \$124,500 were received and processed during this period. She noted that it was a slight increase from the agenda item as additional grants were determined eligible after the publication of the agenda.

Ben Pingree reiterated that the staff recommendation for Option 1 reflected the amended numbers as presented.

Commissioner Williams-Cox moved, seconded by Commissioner Minor to approve Option 1 as amended through the staff presentation.

Option 1: Authorize staff to reallocate \$124, 500 from the Business Recruitment Incentive Fund (BRIF) to award the remaining 71 eligible business who applied for the COVID-19 Economic Disaster Relief grants.

Commissioner Minor requested the official metrics regarding small businesses and non-profits that applied to state and federal programs. He would like a statewide comparison and investigation into why Leon County businesses might not apply at the same rate as others to adjust the local approach and improve on the already good work. Cristina Paredes stated that information currently available, especially on the Payroll

Protection Program (PPP), was based at a national and state level. The Small Business Administration (SBA) did not currently have a mechanism in place to provide detail at the County level and the data available was provided by local lending institutions. Staff would continue to monitor that and forward any information that became available. To date however, businesses in Tallahassee-Leon County received 13 percent of funds awarded through the state administered Emergency Bridge Loan program. A significant percentage given that Tallahassee-Leon County encompassed less than 1 percent of state businesses. It was the quick activation of the standing Loan Evaluation Committee, led by the Florida Agriculture and Mechanical University Small Business Development Center (FAMU SBDC), that allowed Tallahassee-Leon County to leverage available funds and for the first two awards issued statewide to be received locally.

Commissioner Bryant questioned if the nine lending institutions listed in the agenda material were the only local bank partner and if others would be forthcoming. Cristina Paredes clarified that the identified banks were SBA affiliated lenders in Tallahassee-Leon County.

Commissioner Bryant requested that OEV ensure one on one assistance to minority communities to understand the programs available and for the completion of applications The resource guide provided by OEV was helpful however, many people could have difficulty accessing it because it was online. It was incumbent on local government to have a variety of mediums in which to share the information.

Commissioner Maddox recognized the minimal numbers of minority businesses at the \$2,500 and \$5,000 award levels. He questioned the inhibitors to achievement, what steps were needed to ensure more minority owned business were included or that the program was equitable. He acknowledged the ongoing public outreach with all of the certified Minority Women Small Business Enterprise (MWSBE) vendors about CEDR and other state and federal resources and encouraged staff to strategize on ways to increase higher dollar award recipients. Ben Pingree stated that the MWSBE Team make personal one-on-one calls to all certified MWSBE vendor offering assistance and encouraging utilization of the programs available. There were a limited number of certified MWSBE with more than 25 employees, the requirement necessary to achieve the \$5,000 award. One of the priorities of OEV was to ensure that the grant recipients was reflective of Tallahassee-Leon County business community.

Commissioner Richardson request clarification of the funding source for the \$124,500 to award the additional 71 eligible applications. Ben Pingree stated that staff recommended using previously allocated fiscal year (FY) 2020 funds as follows: \$111,504 from the Business Recruitment Incentive Fund (BRIF), \$7,000 from the Urban Vitality Job Creation Program, and \$6,000 from Business and Workforce Engagement Events.

Mayor Dailey supported the motion on the table and suggested adding more money and extending the CEDR program another week.

Commissioner Dozier requested a breakdown of loans from the local SBA affiliated lending institutions. Regarding marketing outreach, she suggested public service announcements as one method to increase the mediums for information to the broader audiences. She encouraged staff to evaluate marketing budgets and to request additional funding as appropriate. She stated that various sectors of the population

received information through multiple resources and encouraged a diversified strategy.

Commissioner Dozier also expressed a desire for increased flexibility of future programs and encouraged the elimination of the requirement that business apply for state or federal loans

Commissioner Lindley expressed her concern for minority business and supported the Mayor's suggestion for a time-limited extension of CEDR. Regarding marketing, she suggested using public service announcements on television and radio and billboards also. Commissioner Lindley also encouraged the review of marketing budgets to amplify the work on social media and the OEV websites.

Commissioner Matlow also expressed his concern for minority businesses and supported a time-limited extension of CEDR that targeted the sectors effected the most.

Commissioner Maddox acknowledged staff efforts in reaching MWSBE vendors and suggested that there could be policy changes that the IA Board could consider to make the CEDR grant more accessible for businesses in need. He recommended three modifications to the program if the CEDR grant was extended lowering the employee thresholds, allowing flexibility with utility bill payments, and relaxing the SunBiz registration requirement.

The motion passed 12-0.

Ben Pingree provided a brief presentation on to the IA Board on the highlights of the staff's analysis of the restaurant/service industry and non-profit organizations including the severe negative impact to business with many in the restaurant/bar sector reporting 90 to 100 percent loss of revenue affecting 12 percent of the total employment in Tallahassee-Leon County. Many of the restaurants impacted through mandated closure were also recipients of CEDR grant awards. Non-profit organizations were not eligible to receive funds through the original structure of the CEDR grant.

Regarding funding for a potential "phase 2" of a CEDR type grant program, Ben Pingree stated that under recent executive orders by Governor DeSantis, some flexibility existed to reallocate funds from Blueprint 2020 infrastructure projects to support COVID-19 economic development relief efforts. Specifically, Executive Order 20-52 allowed the IA Board to waive procedures and formalities pertaining to the "appropriation and expenditure of public funds" for economic development expenditures necessary to respond to the emergency and ensure the economic stability and welfare of the local community. This provision was only valid during the effective timeframe of the emergency and the Executive Order.

Blueprint staff was working with City and County Budget offices were to determine the extent of the negative impact of sales tax revenues on the Intergovernmental Agency budgets. This information would be presented in detail at the May 21, 2020, Budget Workshop thereby providing the IA Board policy options for a midyear budget adjustment. However, staff's initial projects include reduced revenues of 16.46% for OEV, 10.30% for Blueprint Infrastructure, and 11.01% overall for the agency. Furthermore, Blueprint staff identified existing projects that were thus far inactivated, could be considered by the IA Board for financial flexibility in reallocating funds.

Commissioner Dozier clarified that there was approximately \$200,000 in OEV capital budget that was available for reallocation. Ben Pingree concurred and noted that it also factored in the total estimated revenue shortfall of \$1,181,974 FY20. Commissioner Dozier appreciated the analysis and the \$200,000 start to funding another relief program. However, she was reticent to reallocate Infrastructure dollars because construction jobs, as seen in the past, were beneficial to restarting the economy. She questioned the possibility of reallocating a portion of the funds for the Convention Center Study to emergency relief programs, with the IA Board allocating additional funds to the project in FY21. Ben Pingree agreed with the assessment and stated that it would not present delays with timing of the negotiations on the Memorandum of Understanding (MOU) with Florida State University (FSU). He expressed concern with the unknown extent of sales tax revenue shortfalls.

Commissioner Dozier stated that it seemed as though the budget for a second emergency relief program was being cobbled together from many programs and strongly encouraged IA Board direction include conversations with FSU towards the possibilities of tapping into the Convention Center line item in FY20. She further suggested that OEV staff reconsider potential budget cuts for the remainder of FY20. She highlighted the Business Development: Attraction/Expansion line item and proposed that it be reallocated to emergency stimulus in order to generate sales tax revenues that could in turn, fund business recruitment in FY21 and beyond.

Ben Pingree stated that in consideration of the \$200,000 staff included the possible overages from the Convention Center Study. Secondly, the May 21, 2020, Budget Workshop would include a deeper dive into the operational budget as well as the capital. Lastly, in accordance with the City and County, Blueprint was in a hiring freeze and evaluating expenditures to mitigate the loss in revenues.

Exercising Chair's prerogative, Commissioner Desloge stated that the IA Board focus the conversation first on whether or not there would be a second stimulus before determining how to fund it or from which line item. The Moody's report from earlier that day indicated that Florida faced an \$8-\$10 billion shortfall due to the impacts of COVID-19. The federal government recently injected \$2 trillion dollars into the economy and Commissioner Desloge argued that the IA Board shift from being a provider to a navigator of funds for Tallahassee-Leon County. He felt strongly that having project funding was essential to reactivating the economy.

Commissioner Bryant expressed her support for non-profit organizations currently, not in the future. It was also important to obtain further analysis and projections before spending additional money. She agreed with Commissioner Desloge that the role of the IA Board and OEV was to become facilitators of funding already available.

Commissioner Williams-Cox appreciated the start to funding a second emergency stimulus and strongly suggested postponing or "re-dating" projects in order to reallocate funds to economic development relief efforts. It was imperative that the IA Board act to support non-profit organizations and for staff to find more than \$200,000. Ben Pingree stated that staff identified two places in the OEV and Blueprint Infrastructure budgets that funds could be reallocated from for another grant. The first was within OEV FY20 budget with \$200,000. The second was from Blueprint Infrastructure FY20 capital projects. Three inactivated projects identified there: Lake Lafayette & St. Marks Regional Park, Monroe-Adams Corridor Placemaking, and

Airport Gateway. Factoring in the projected revenue shortfalls, there was approximately \$1.3 million available.

Commissioner Richardson concurred with Commissioner Desloge and Commissioner Bryant regarding spending without knowing the outcome of the sales tax revenue projections. Projects could be delayed through the process but it could extend the economic slump. He encouraged the IA Board to stay true to the promises made to voters because the infrastructure projects would create jobs, infuse money into the economy, and benefit all. He fully supported a program to assist non-profit organizations and reminded all that support was also provided through personal contributions.

In an abundance of caution, Commissioner Maddox recused himself from discussion and vote due to a potential conflict of interest.

Commissioner Lindley expressed her support for non-profits and reminded the IA Board that infrastructure jobs pulled the economy through the last recession. She suggested using the \$200,000 previously identified by OEV and adding the \$550,000 from the Unallocated to Projects line item in order to keep the funding sources within the economic development budgets. She preferred not to use Blueprint Infrastructure funds.

Commissioner Lindley moved, seconded by Minor to fund a second grant at \$750,000 through the OEV balance and Unallocated Projects.

Ben Pingree stated that the adopted OEV capital budget did not have \$750,000 available. Referencing the capital budget table (Item #2, Page 26) in the agenda material, he stated that the total available capital budget for FY20 was \$1,415,900. That amount must also cover the projected shortfall of \$1,181,974.

Commissioner Lindley withdrew her motion.

Commissioner Minor withdrew his second.

Commissioner Matlow expressed his support for non-profits and additional funding to support small businesses. He stated that it was abundantly clear that the IA Board would not be able to do everything they thought could be done even six months earlier. With the consideration of debt services also, it could be beneficial to delay some project by three to five years in order to provide the greatest benefit to the community without terminating a project. He expected conversation at the May 21, 2020, Budget Workshop to include options to reduce project costs and reconsideration of potentially 80 percent of the total economic development program budget in the Convention Center project. Those long-term projects should be delayed six months until everyone had a better understanding of the economic impact of the COVID-19 pandemic. He also supported reallocating Blueprint Infrastructure dollars to emergency stimulus.

Mayor Dailey concurred with the comments of non-profit support and a \$750,000 program that mirrored CEDR. Regarding the capital budget for Blueprint Infrastructure, he supported delaying the start of the inactivated projects and reallocating a portion of the funds from the Lake Lafayette/St. Marks Regional Park (\$250,000) and Monroe-Adams Corridor Placemaking (\$500,000) projects into an emergency economic relief program for non-profit organizations. He suggested a framework similar to the CEDR program, which would also bring in addition federal funds and provide for continued employment and the much-needed services in the

Tallahassee-Leon County. Mayor Dailey also supported a one-week extension on the CEDR grant program, with \$100,000 from the OEV capital budget.

Commissioner Minor expressed his support for Mayor Dailey's suggestion and his own commitment to providing relief to non-profit organizations. He also encouraged the IA Board to retain the role of "bridge to the bridge" citing the limited funding resources compared to state or federal governments. The May 21, 2020, Budget Workshop would be significant in determining, which projects would provide the economic stimulus Tallahassee-Leon County needed.

Commissioner Williams-Cox questioned the criteria for the extended CEDR grant. Ben Pingree noted the criteria would remain the same. He stated that while some of the state or federal programs might be closed, there were likely businesses that applied in to one or more of them after CEDR closed on April 6, 2020, that might now be interested in applying for the "bridge to the bridge." Commissioner Williams-Cox yielded to the Mayor to make a motion from his earlier suggestion that would provide approximately \$1.5 million to non-profit organizations and an extension of CEDR.

Commissioner Dozier questioned the effect of projected revenue shortfalls on the Community Enhancement, Connectivity, and Quality of Life (CCQ) projects. Ben Pingree stated that the projected FY20 sales tax revenues for the Blueprint 2020 Infrastructure program indicated a reduction of \$3,765,950, or 16.5%, to the overall \$21.1 million capital budget numbers. He expected that adjustment to come from the as of yet inactivated CCQ and Airport Gateway projects at the May 21, 2020, Budget Workshop. The combined available budgets, approximately \$5 million, reduced by \$3.7 million, left the IA Board with approximately \$1.5 million (including \$200,000 from the OEV capital budget) to reallocate to an emergency economic stimulus program. Commissioner Dozier expressed her support for a program assist non-profits her concern with using Infrastructure money when construction jobs would be beneficial to economic recovery.

Commissioner Dozier questioned if the City intended to take up a Community Human Service Partnership similar to the County, through which they could qualify for other grant or loan program opportunities that could fund support non-profits also. Searching for alternatives to fund a non-profit focused stimulus, she also questioned if the funding could be split between OEV, the City and County. That scenario would preserve Infrastructure funds and support the IA Board in navigating the unknown factors they would not understand until May or later.

Commissioner Jackson agreed with his colleagues on the necessity to support non-profits and the people they served. He also supported the perseverance of Infrastructure projects to create jobs and help economic recovery. Looking to the May 21, 2020 Budget Workshop and further, he was concerned for greater economic shortfalls than currently projected and wanted to ensure that the IA Board took care of what was right through being fiscally responsible.

Mayor Dailey agreed with his colleague's comments regarding the preservation of jobs for economic recovery. He questioned what tasks or jobs would be activated if the Lake Lafayette & St. Marks Regional Park project were underway. Ben Pingree stated that it would be the initial planning activities. Furthermore, planning activities for the CCQ projects were currently scheduled to begin in the last quarter of FY20. Reallocation of project funds out of FY20 would only delay them by a quarter or two, into FY21.

Mayor Dailey moved, seconded by Jackson to develop and execute a program for non-profits funded at \$750,000 that was reallocated from the inactivated Blueprint 2020 CCQ projects; with \$2500 awards to applicants.

Commissioner Williams-Cox offered a friendly amendment to raise the total allocation to \$1 million from CCQ projects. Mayor Dailey and Commissioner Jackson concurred and amended the motion to \$1 million.

Commissioner Dozier felt it was optimistic to anticipate a delay of only one to two quarters for CCQ. She questioned if with the deallocation of funds from CCQ, would the Airport Gateway project endure the \$3.7 million shortfall. Ben Pingree stated that it would be predicated upon the data analysis in preparation for the May 21, 2020, Budget Workshop and the IA Board's decisions regarding project funding in FY21.

Commissioner Proctor supported the motion on the floor and requested County Administrator Long to support staff in finding \$1 million for non-profit organizations. County Administrator Long reiterated that \$1.3 million was available in the Blueprint 2020 Infrastructure capital budget. The motion and available funding aligned.

Commissioner Minor strongly encouraged a tiered structure, based on the number of employees, in order to use the dollars most effectively and keep employees on the payroll. He offered a second friendly amendment to adhere the non-profit program to the tier structure utilized in the CEDR grant.

Mayor Dailey agreed with Commissioner Proctor Mayor Dailey respectfully declined.

Citing the lop-sided number of CEDR recipients to minority owned businesses, Commissioner Proctor emphasized the need to minimize the red tape and ensure that the minority led non-profits received equal access to capital as others.

Commissioner Williams-Cox called, seconded by Commissioner Desloge, the question.

The motion passed 9-2 with Commissioners Dozier and Minor dissenting; Commissioner Maddox recused himself from the vote.

Commissioner Richardson requested that applying non-profits be required to demonstrate their registered non-profit. Ben Pingree confirmed that for purposes of eligibility, organizations must be federally defined non-profits.

Mayor Dailey's motion passed 10-1 with Commissioner Minor dissenting; Commissioner Maddox recused himself from the vote.

Commissioner Dozier expressed concern that the IA Board did not provide enough structure to define clearly, which non-profit organization qualified for the program.

Commissioner Lindley moved, seconded by Commissioner Dozier, to target state or federally qualified, local non-profit designated organizations within human services, social services, historic, arts, and cultural; no statewide organizations, foundations, or churches.

Commissioner Williams-Cox requested narrowing the non-profits to life sustaining service providers. Commissioner Lindley respectfully declined stating that quality of life programs that provided jobs and services throughout Tallahassee-Leon County.

Mayor Dailey supported the motion but was hesitant regarding churches that provided social services when the program did not promote or require participation in the religion of the organization. Susan Dawson clarified that Florida courts recognized an exemption to contracts or services provided by religious organizations. It was not a violation of the Constitution and there was no prohibition to providing aide to those non-profits.

Commissioner Proctor stated that he wanted to see the program structured so that smaller, potentially non-internet focused, non-profits had access to the application process and were included in the grant awards.

Commissioner Richardson noted the first come first served nature of the program and stated that it was crucial to disseminate broadly information related to the grant.

The motion passed 11-0. Commissioner Maddox recused himself from the vote.

3. Acceptance of the Status Report on COVID-19 Economic Relief Program (CEDR)

Commissioner Richardson moved, seconded by Commissioner Dozier, to approve Option 1.

Option 1: Accept the Status Report on COVID-19 Economic Disaster Relief Program (CEDR) and authorize staff to reallocate funding from the Urban Vitality Job Creation pilot program in the amount of \$18,500 for Covid-19 Economic Disaster Relief Grant overages.

Mayor Dailey offered a friendly amendment to add \$100,000 to the CEDR grant program as discussed earlier. Commissioner Richardson respectfully declined.

The motion passed 12-0.

Mayor Dailey moved, seconded by Commissioner Williams-Cox, to reopen CEDR with \$100,000 allocated from the OEV FY20 capital budget.

Commissioner Desloge was reticent to commit additional funds stating that the IA Board just approved a \$1 million non-profit program on top of a projected \$3.7 million revenue shortfall. He preferred to exercise caution in the short-term.

The motion failed 6-6 with Commissioners Desloge, Dozier, Jackson, Lindley, Proctor, and Richardson dissenting.

For clarification, the vote failed due to the weighted voting structure used by the IA Board. The five members of the Tallahassee City Commission had a weighted vote of seven each. The seven members from the Leon County Board of County Commissioners had a weighted vote of five each. Simply stated, a successful vote required four affirmative votes by County Commissioners for a motion to carry.

VI. CITIZENS TO BE HEARD

There were no additional comments.

VII. ADJOURN

The meeting adjourned at 4:56 p.m.

The next Blueprint Intergovernmental Agency Board of Directors Meeting

is scheduled for:

Thursday, May 21, 2020, at 3:00 p.m.