

Blueprint Intergovernmental Agency Board of Directors Budget Workshop Meeting Minutes

Date: _____
To: Board of Directors
From: Artie White, PLACE Director
Subject: Summary Minutes to Budget Workshop of May 8, 2025

MEMBERS PRESENT

COUNTY	CITY
Commissioner Brian Welch, Vice Chair	Commissioner Dianne Williams-Cox, Chair
Commissioner Nick Maddox	Mayor John Dailey
Commissioner David O'Keefe	Commissioner Jeremy Matlow
Commissioner Carolyn Cummings	Commissioner Jacqueline Porter (virtual)
Commissioner Rick Minor	Commissioner Curtis Richardson
Commissioner Bill Proctor	
Commissioner Christian Caban	

I. AGENDA MODIFICATIONS

Commissioner Williams-Cox opened the meeting at 1:00pm and recognized a request from Commissioner Porter to participate via Webex.

Commissioner Welch moved to allow Commissioner Porter to participate virtually. Motion was seconded by Commissioner Cummings. Motion passed.

Passed 10-0 (weighted: 58-0)

Commissioner Proctor was not present at the time of the vote.

There were no agenda modifications.

II. WORKSHOP ITEMS

Workshop on the Proposed Fiscal Year 2026 Operating Budget and Five-Year Capital Improvement Plan for the Blueprint Intergovernmental Agency

PLACE Director Artie White provided an introduction of the agenda item and stated that staff was presenting a balanced budget that continues the current momentum of the Blueprint Program. Director White explained the 2026 budget development process and stated that the FY 2026 budget was developed in collaboration with the City and County budget staff to ensure consistency and that the budget incorporates the past 10 years of IA Board direction. Director White also explained the next steps to accept the proposed budget required two public hearings which are scheduled for August 28th at the Blueprint Citizens Advisory Committee Meeting and September 18th at the IA Board of Directors Meeting.

Blueprint Director Autumn Calder began her presentation by summarizing the recent awards Blueprint received for several of the Blueprint 2020 projects, the Public Sector Engineer of the Year Award for Martha Hodgson, and a Department of Environmental Protection grant that was awarded to the Agency. Director Calder stated that 25 of the 27 Blueprint projects are in progress and the proposed budget supports continued funding for 12 Infrastructure projects to

begin construction in FY 2026. Director Calder summarized the project prioritization and IA Board direction since 2015 and noted that the proposed budget includes funds from a 2026 bond issuance. The proposed 2026 Bond Issuance seeks \$83 million to advance construction on several regional mobility and gateway projects. The FY 2026 budget exceeds approximately \$97 million and allocates funding to capital improvement projects, personnel, and operating expenses.

OEV Director Keith Bowers provided an overview of the proposed OEV budget for \$3.94 million. The proposed budget allocates funding to the Future Opportunity Leveraging Fund (FOLF), business expansion commitments, personnel and operating expenses, and debt repayment expenses. Director Bowers explained that OEV is seeking authorization for a proposed Air Service Incentive and Capacity Improvement Program. He explained that OEV is seeking a budget amendment for FY 2025 for an initial allocation \$670,000 to the Air Service Incentive and Capacity Improvement Program and continued \$670,000 annual allocations for the program. Director Bowers explained that the proposed program aligns with OEV's Strategic Plan, complies with FAA regulations for community-sponsored financial support for minimum revenue guarantees when recruiting new air service providers, and would benefit the local economy with a projected economic impact of approximately \$1.1 billion over the next 15 years.

Director White summarized the budget presentation, the budget ratification process, and the budget recommendations.

Commissioner Maddox spoke about the proposed budget and discussed the need for additional affordable housing in the Tallahassee community. Commissioner Maddox spoke in favor of the Air Service Incentive and Capacity Improvement Program and suggested that a similar gap funding program be created for affordable housing. **Commissioner Maddox moved to accept the Blueprint Intergovernmental Agency Proposed Fiscal Year 2026 Operating Budget and Fiscal Year 2026-2030 Capital Improvement Program with Budget Recommendations A through C and add proposed budget recommendation D with an agenda item that outlines how an Affordable Housing Program could work under the Office of Economic Vitality as follows:**

Budget Recommendation A: Approve the proposed Infrastructure and Office of Economic Vitality (OEV) FY 2026 Operating Budgets and FY 2026-2030 Capital Improvement Programs into the final FY 2026 budget plan.

Budget Recommendation B: Authorize Blueprint Infrastructure to advertise and award, pursuant to Blueprint's Procurement Policy, contracts for construction of Northeast Gateway: Welaunee Boulevard Phase 2 and contracts for design of Airport Gateway: Phase 2.

Budget Recommendation C: Authorize OEV to establish a program titled Air Service Incentive & Capacity Improvements under its "Incentives, Grants and Programs" master project and fund the program with an annual allocation of \$670,000 per year, including a budget amendment for the current Fiscal Year 2025.

Budget Recommendation D: Authorize OEV to establish a program titled Affordable Housing Gap Finance Incentive Program under its "Incentives, Grants and Programs" master project and fund the program with an annual allocation of \$250,000 per year, including a budget amendment for the current Fiscal Year 2025.

The motion was seconded by Commissioner Minor.

Commissioner Welch spoke in favor of the proposed balanced budget and acknowledged cost increases for the projects but stated that due to long term planning and investments in the major improvement and gateway projects it would not be prudent to change direction on those projects. Commissioner Welch then directed questions to Airport Director David Pollard about the proposed Air Service Incentive and Capacity Improvement Program. Commissioner Welch asked what happens to the annual \$670,000 funding if it is not used within the allocated year. Airport Director Pollard explained that the funds would roll over in the fund with the anticipation that after several years there will be enough money available to offer competitive incentive packages to airline service providers. Commissioner Welch inquired as to whether the funds could be used to expand capacity and was informed that the use of the funds would be governed by the contract terms between the City of Tallahassee and the airline service provider so long as it complied with FAA regulations. Commissioner Welch also discussed suggestions to improve the customer experience at the Tallahassee International Airport (TLH).

Commissioner Minor spoke in favor of the proposed budget and discussed that staff had accounted for a potential recession and decreased tax revenues when developing the budget for future years. Commissioner Minor then asked Airport Director Pollard about potential developments for expansion at TLH. Airport Director Pollard explained that he has been communicating with air service providers and stakeholders and the majority of the feedback he has received is that customers are seeking additional flights and destinations directly to and from Tallahassee. Airport Director Pollard is looking to meet those requests by incentivizing air service providers to come to TLH. Commissioner Minor then spoke in favor of the minimum revenue guarantees as an incentive program to recruit air service providers to TLH. Commissioner Minor concluded by stating that he supports the budget recommendation for the Affordable Housing Gap Financing Incentive Program.

Commissioner Matlow asked whether TLH already had destinations determined for the additional air services. Airport Director Pollard stated that based on the research they are looking to add additional flights to south Florida; New York City, New York; Washington, DC; and Dallas Fort Worth, Texas. Commissioner Matlow then inquired as to whether the \$670,000 annual funding would be enough to be competitive and it was explained that as the funding accumulates over time the City would be able to do more and attract more competition to TLH. Commissioner Matlow asked whether the Board would have to fund the program for the entirety of the 15-year proposal or would there be an opportunity to revisit the allocation. Director Bowers stated that the proposal anticipates providing funding for the entire 15-years but Director White explained that the allocation is annual and that the Board has the authority to re-evaluate the allocation each year.

Commissioner O'Keefe began by speaking in favor of proposed recommendation D for Affordable Housing Gap Financing Incentive Program. Commissioner O'Keefe then asked Airport Director Pollard about other incentive programs that TLH has implemented in the past and their return on investment. Airport Director Pollard explained that other programs had historically been successful. Commissioner O'Keefe discussed his concern that the incentive program may not achieve the rates of return presented in the proposal material as compared to similar programs for other airports. Airport Director Pollard explained that the project return on investment was based on data provided from the Federal Department of Transportation. Finally, Commissioner O'Keefe discussed his concern with the budget structure for projects and subprojects and the overall cost increases in project estimates.

Mayor Dailey and Commissioner Richardson both spoke in favor of the proposed budget and the Air Service Incentive and Capacity Improvement Program. Commissioner Richardson discussed his concern about proposed recommendation D for the Affordable Housing Gap

Financing Incentive Program stating that he believes funding Affordable Housing programs using surtax revenues should be an issue decided by the voters and not solely the IA Board.

Commissioner Proctor asked Airport Director Pollard about any future plans for expansion and recruitment of other businesses such as hotels. Airport Director Pollard explained that TLH does have plans for expansion consistent with the Tallahassee Master Plan. Commissioner Proctor then asked about the \$40 million reduction in the Airport Gateway project budget and where the funds are being reallocated. Blueprint Director Calder explained that funding allocations for the project are spread across future years. Commissioner Proctor requested information related to widening of the Airport Gateway from Springhill Road to Crawfordville Road.

Commissioner Porter asked whether TLH was working with other community partners and whether there were plans by TLH to recruit other community partners to assist with expansion. Airport Director Pollard explained that TLH is working with several stakeholders, the universities, and the local chambers to assess community needs for TLH. Mayor Dailey explained that representatives from both universities, all three chambers, and other community stakeholders serve on the board for TLH. Commissioner Porter then asked whether TLH was seeking funding from any other partners and how the individual contracts with the carriers would be managed. Airport Director Pollard explained that TLH is seeking funding from several sources to make the minimum revenue guarantee fund more robust, and that the City would be responsible for negotiating and managing the individual contracts with carriers. Finally, Commissioner Porter spoke about prioritizing extremely low-income housing when working on the Affordable Housing Gap Funding Incentive Program.

Commissioner Caban spoke in favor of the Affordable Housing and Airport Incentive programs recommendations and discussed his concerns about recommendations A and B. Commissioner Caban stated that he would be voting against the motion to remain consistent with his position on the Airport Gateway and the budget structure and process. Commissioner Caban stated that he believes the Board should have more oversight on the projects and the budget citing concerns about budget and cost increases. Director Calder explained that pursuant to the Interlocal Agreement and the Blueprint Procurement Policy staff continues with the approved Blueprint Projects as directed by the IA Board so long as the funding is available in the budget.

Commissioner Cummings spoke in favor of the Air Service Incentive and Capacity Improvement Program, commended staff for their work on the budget, and discussed her concern that if construction and project cost continue to increase then eventually there will not be enough funding to complete all the Blueprint Projects. Director White explained that staff reevaluates the budget and the projected revenues each year and seeks the Board's direction for implementing the Projects. He explained that if staff encounters an issue with a project they come to the Board for direction and oversight.

Commissioner Williams-Cox spoke about the motion and stated that she would have preferred to have the Affordable Housing recommendation handled separately. She stated that she would have liked to have further discussion on the gap funding and an explanation on how the program could work since the issue of Affordable Housing has already come before the Board.

The motion passed 10-2 (Weighted 60-10)

Commissioners Caban and Proctor voted in opposition to the motion.

III. ADJOURN

The meeting adjourned at 2:49 p.m.

*The next Blueprint Intergovernmental Agency Board of Directors Meeting
is scheduled for **May 8, 2025, at 3:00 p.m.***