

**OFFICE OF THE CITY COUNCIL**

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**CITY COUNCIL LUNCH AND LEARN MEETING MINUTES**

 **August 8, 2016**

**12:00 p.m.**

**Location:** Lynwood Roberts Room, 1st floor, City Hall – St. James Building; 117 West Duval Street,

**In attendance:** Council Members Lori Boyer (President), Danny Becton, Anna Lopez Brosche, Reggie Brown, John Crescimbeni, Al Ferraro, Reginald Gaffney, Tommy Hazouri, Scott Wilson

**Also**: Peggy Sidman , Paige Johnston and Susan Grandin – Office of General Counsel; Carol Owens– Legislative Services Division; Steve Cassada – Council Staff Services; Jeff Clements – Council Research Division; Cheryl Brown – Council Director/Secretary

See attached attendance sheet for additional attendees

**Meeting Convened**: 12:04 p.m.

Council President Boyer convened the meeting and introduced Assistant General Counsel Susan Grandin to lead the discussion on community redevelopment areas (CRAs).

Ms. Grandin informed the council members that they wear two hats – as city council members and as members of the governing boards of several of the City’s CRAs. The Downtown Investment Authority board of directors serves as the governing body for the two downtown CRAs (Northbank and Southbank) while the City Council is the governing body for the Jacksonville International Airport, King/Soutel, and Renew Arlington CRAs. CRAs are created under the provisions of Chapter 163 of the *Florida Statutes* for community redevelopment purposes. Creation of a CRA requires several mandated steps: 1) a finding of necessity by virtue of the existence of slum and blight conditions; 2) creation of a CRA governing board, either appointed citizens or the city/county governing body; 3) creation of a CRA redevelopment plan, which should be updated every 5 years and should contain capital improvement and other programmatic improvement elements; and 4) establish a tax increment fund (TIF) trust fund for the CRA revenues, which can only be spent in the CRA area.

Ms. Grandin explained that Chapter 189 of the *Florida Statutes* (Special Purpose Districts) was amended in 2014 in a way that applies new regulations to CRAs, which are defined as special purpose districts under the chapter. Beginning October 1, 2016, CRA boards, even if comprised of a city or county governing body, must hold separately noticed meetings, keep separate minutes of those meetings, have their own web sites, and must have detailed annual budgets separate from the budget of the city or county that created them. All expenditures a CRA contemplates must be for purposes included in the CRA’s development plan. Each CRA board must annually elect a chair and vice-chair (not necessarily the same as the chair and vice-chair of the city/county governing board), must adopt by-laws, and must establish budgets both for any TIF funds remaining unspent from FY15-16 and for all expenditures for FY16-17. One board may act as the governing body for multiple CRAs, but must have separate agenda items and vote separately on actions for each of the CRAs.

The *Florida Statutes* say that at the end of each fiscal year all remaining TIF funds in a CRA budget shall be swept to the city or county general fund for allocation. Jacksonville’s Ordinance Code provides that the funds are swept into a contingency fund and can thereafter be reprogrammed for other uses via a Code waiver.

Ms. Grandin and President Boyer reiterated that CRA board decisions do not go to the City Council for ratification, nor does the CRA budget require subsequent approval of the Council – the board’s decisions are final for the CRA. Ms. Boyer announced that she will attempt to schedule a meeting on August 22nd or 23rd for the City Council to convene in its capacity as the governing body for the 3 CRAs for the purpose of electing officers, adopting by-laws and talking about redevelopment plans and budgets. She will poll the council members for their availability and time preference on those two days, needing to get at least a majority of the membership to constitute a quorum.

In response to a question from Council Member Wilson, Ms. Boyer said that CRAs have a life term of 30 years if not renewed by the city/county. CRAs may be decommissioned earlier if their redevelopment plans have been accomplished. Mr. Wilson advocated for closing out CRAs when their goals have been achieved and moving on to create CRAs in other eligible parts of the city rather than extending existing CRAs for additional years. Council Member Gaffney said that the JIA CRA advisory board recommends spending all of its revenues every year on a first-come, first served basis; he would prefer to see a reserve account funded for potential future opportunities. Council Member Crescimbeni requested information on how much bonded debt the existing CRAs are obligated to repay and expressed concern about the DIA’s role in allocating TIF funds from cash positive to cash negative funds for the CRA’s under its jurisdiction. He questioned whether the DIA could make CRA spending decisions that might obligate the City to subsidize projects if TIF revenues are insufficient to meet project obligations. Ms. Grandin noted that CRA funds cannot be used to pay for projects that are already in a city or county’s CIP program; projects must be off of the CIP listing for 3 years before they can receive CRA funding.

Council Member Crescimbeni advocated for better information on the City’s CRA-related web sites about what CRAs are and what they’re supposed to do – basic information for the general public to understand the concepts. The web sites of the CRAs governed by the City Council and the DIA board should be cross-linked.

President Boyer said that the proposed budgets for each of the CRAs must be published on the CRA web sites for at least 2 days before the meeting at which those budgets are adopted. At the meeting as the CRA boards on August 22nd or 23rd the Council will consider the CRA budgets as proposed in Mayor Curry’s FY16-17 budget proposal and decide whether to make changes before advertising. Additionally, the CRAs’ decision regarding funds, if any, remaining in the CRA accounts for the current FY15-16 will be finalized. She especially encouraged the council members to familiarize themselves by the next meeting with the King/Soutel CRA redevelopment plan which is the subject of pending Ordinance 2016-441 that proposes to appropriate $125,000 for an update of the plan.

In a public comment, Ysryl said that banks need to be involved in investing financially in the community – merely providing financial literacy training isn’t enough.

**Meeting adjourned:** 12:50 p.m.

Minutes: Jeff Clements, Council Research

8.9.16 Posted 9:00 a.m.

Tapes: Council Lunch and Learn meeting – LSD

 8.8.16

Materials: CRA-related handouts - LSD

 8.8.16