

**OFFICE OF THE CITY COUNCIL**

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**CHARTER REVISION COMMISSION**

**CITYWIDE STRATEGIC PLANNING SUBCOMMITTEE MEETING MINUTES**

**Don Davis Room, 1st floor, City Hall**

 **January 3, 2020**

**9:00 a.m.**

**In attendance:** Commissioners Betzy Santiago (Chair), Emily Lisska, W.C. Gentry

**Excused**: Commissioner Nick Howland

**Also**: Paige Johnston – Office of General Counsel; Jeff Clements– Council Research Division; Jessica Smith and Juliette Williams – Legislative Services Division; Melanie Wilkes – Council Staff Services

**Meeting Convened**: 9:07 a.m.

Approval of minutes

The minutes of the December 16, 2019 committee meeting were **approved as distributed**.

Remarks from the Chair

Chairwoman Santiago read from written remarks submitted by Commissioner Howland on the strategic planning process in Tulsa, Oklahoma. The AIM plan attempts to tie the city’s budget to their strategic plan. The strategic planning committee is composed overwhelmingly of mayoral appointees. AIM is managed by the Office of Performance Strategy and Innovation. Community Performance Indicators measure success toward meeting the ultimate goals. The AIM Plan should guide departments in the allocation of resources and the development of detailed action plans.

Ms. Santiago said that while the various cities’ strategic plans are interesting, she is more interested in the process by which they developed those plans and the subsequent progress of those plans – what has happened, how are they measuring success, are they making any changes or revisions? The CRC can learn from others how to create a strategic planning process, independent of the plan details.

Paige Johnston of the Office of General Counsel noted that a number of the elements covered by the Tulsa strategic plan (land use, transportation, parks and recreation, etc.) are items that are covered by Jacksonville’s state-mandated Comprehensive Plan, which is available on the Planning and Development Department’s web site. She suggested talking to the Planning Department about those elements, how they relate to other city plans, and how they might relate to a broader strategic planning process.

Commissioner Lisska said that her research has shown that the strategic plans of the cities she’s reviewed are all relatively similar, covering similar topics and making similar recommendations. Ms. Santiago reiterated that plan creation, implementation and evaluation are of most interest to the committee.

Presentation – Joey Greive, Director of Finance and Administration

Mr. Greive gave a PowerPoint presentation on the City’s finances, using an abbreviated version of the presentation the City makes annually to the national bond rating agencies. He described the City’s borrowing amounts and practices and the process of only borrowing funds as projects actually get underway rather than borrowing the full authorization up-front and paying interest before project funds are needed. The City has strong financial ratings (AA by two of the three rating agencies) and has been building its financial reserves substantially over the last few years to help achieve those ratings. Jacksonville’s economy is varied and stable, unlike some other parts of Florida. The City’s General Fund budget is $1.3 billion and enterprise funds (stormwater, solid waste, public venues) add another $1 billion. The City has about $1 billion in Better Jacksonville Plan debt still outstanding and another $1 billion in General Fund debt. When the BJP debt is paid off, then the half-cent sales tax supporting that debt converts from BJP payments to pension liability purposes. The City’s defined benefit pension plans have been closed to new members and replaced with defined contribution plans.

Mr. Greive described how the financial shocks of the mid-2000s affected the City’s budget several years later and how the recovery in property values (and thus property tax collections) from the burst of the housing bubble is impacted by the restrictions in annual ad valorem tax increases imposed by state law. About half of the City’s revenue comes from property taxes. Taxing comparisons between cities and counties are problematic because they use so many different types of taxes, fees, special assessments, additional taxing districts, etc. and because Jacksonville is a consolidated city/county government being compared to separate cities and counties.

Mr. Greive described the City’s several mandated debt ratios, all of which are currently within or above their targets. The City’s pension plans are strong performers on a national basis. One weakness that the ratings agencies highlight is the City’s still relatively large debt level and its pension liability obligations. The City has plans to deal with those issues, which the ratings agencies recognize, but are still a matter of concern for the raters until the obligations are actually paid down.

In response to a question from Commissioner Lisska, Mr. Greive gave a more detailed explanation of the plan to pay down the City’s pension liabilities. A state law was needed to change the state’s tax code and allow the re-purposing of the Better Jacksonville Plan debt, which subsequently needed to be ratified by a voter referendum. A tremendous collaborative effort among the city administration, the City Council, the city’s employee unions, and the Florida Legislature was needed to make the plan work. He described how the sales tax revenues will be used to pay down the unfunded liabilities of the three pension funds once the BJP bonds are finally paid off.

In response to a question from Commissioner Gentry about environmental sustainability and its impact on bond ratings, Mr. Greive said that bond rating agencies have begun to ask questions about that in recent years and are interested in what local governments are planning to deal with the impending problems. The City has been making efforts to plan for sustainability and has been applying for federal funding to begin remediation programs. The City’s financial strength is a plus because it offers the capacity to respond to emergencies as needed. Mr. Gentry also asked about the amount of City funding for children’s issues since the Children’s Commission and Jacksonville Journey were replaced by the Kids Hope Alliance. Mr. Greive said he believes the overall funding is increased and said he would check the exact amount.

Chairwoman Santiago said that other cities that have robust strategic plans have dedicated staff and funding to ensure their success and asked how that might be addressed in Jacksonville. Mr. Greive said that the support for the development of the 5-year Capital Improvement Plan would likely play into the support for a strategic planning effort, but emphasized that every year’s budget is a balancing act of applying limited resources to multiple competing needs. Strategic planning would be yet another element in that balancing act among several priorities. He cautioned that recurring funding (needed every year) for a permanent office is a different matter than a once every five years planning effort. The FY20/21 budget is going to start being prepared in February and March, so now would be the time for the Charter Revision Commission to make its desires known. In response to a question from Commissioner Gentry about the appropriate location in the City government for a strategic planning office/effort, Mr. Greive said that his department has absorbed a variety of functions that don’t obviously fit into another department, but he would need to think about what would be most appropriate.

Chairwoman Santiago described the Commission’s timeline for adopting recommendations and presenting them to the City Council for consideration by June of this year.

Committee Discussion

Commissioner Lisska said that she has looked at information on several cities online but has not yet made contact with her target city of Austin. She agreed that the goals and objectives of the plans she’s seen are very similar, and what the committee is primarily interested in is the strategic planning process rather than the specific outcomes.

Commissioner Gentry related his conversation with a county staffer in the Pinellas County Administrator’s office who said the driving force for their strategic plan is the county commission in their commission/manager form of government. Term limits are problematic to that process. She recommended fewer, broader goals for purposes of getting widespread buy-in, and also recommended getting strong buy-in from the not-for-profit sector. Pinellas is currently going through a “refresh” on their strategic plan. The plan is staffed by the Administrator’s Office. They had a lot of community input at the start of the process, but found that holding traditional town hall meetings didn’t produce great results – few people attended, and they often heard over and over from the same group of people. They use pop-up town meetings at other events or create stand-alone events to attract attention and have staff present to solicit public input. Pinellas also uses an online community survey and statistically valid telephone surveys to get public input. Pinellas County found that 10-year plans are common in the strategic planning world. Their county commission holds a workshop early in each calendar year to review the strategic plan. The biggest challenge has been implementation, and efforts are being made to tie departmental operating decisions and budgetary decisions to the strategic plan. Mr. Gentry will write up a memo of his findings on Pinellas County for distribution.

Chairwoman Santiago has spoken to a city council member in Naples, Florida who is going to refer her to a staff members who has been intimately involved in their strategic planning process. Ms. Santiago hopes to be able to arrange a Skype conference call for the committee with that staff member. Naples has a strategic plan advisory committee composed of both governmental employees and citizens. The city hired a planning firm to help them create the original strategic plan and will hire another to do an update shortly. Commissioner Gentry noted that Pinellas County also used a consultant to help them craft their strategic plan. Ms. Santiago suggested looking at corporate strategic planning processes as well for ideas about how to tie goals to implementation and how to evaluate and report progress. She suggested the Commission will have to make a fundamental decision about who is ultimately responsible for evaluating progress on the plan – the mayor or the city council.

The next committee meeting will be on Friday, January 17th and the group will be asked to come prepared to make proposals for a strategic planning structure and process. Chairwoman Santiago will start an outline that she will circulate via staff to the committee members to mark up and enhance for discussion at the next meeting. Paige Johnston reviewed the requirements of the Government in the Sunshine Law with regard to communication outside of a meeting setting, emphasizing one-way transmission of information with no replies and the use of staff to communicate information. Commissioner Gentry suggested using the Blueprint for Improvement II recommendations as a basis to start discussion.

Public Comment

John Nooney cited former City Council Member Bill Gulliford’s comments from the last meeting about how to get the concept of a strategic plan championed by a city council member. He urged that the Charter Revision Commission recommend a charter amendment requiring all publicly-supported community redevelopment area and DIA plans to mandate public access to waterways. Resiliency of the waterways should be a strategic planning focus. The waterways should be open to the public, not controlled by private landowners.

**Meeting adjourned:** 10:45 a.m.

Minutes: Jeff Clements, Council Research Division

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