



Taxation, Revenue, and Utilization of Expenditures (TRUE) Commission

Dr. Keshan Hargrove, Chair

TRUE COMMISSION PRELIMINARY MEETING MINUTES

*(Note – these minutes are unofficial until reviewed and
approved by the Commission at a future meeting)*

January 9, 2025

4:00 p.m.

Lynwood Roberts Room, 1st floor, City Hall

Attendance: Commissioners Charles Barr (Vice Chair), Tony Zebouni, Ramon Day, Velma Rounsville, Stephanie Oglesby, Bruce Tyson, Kim Pryor

Excused: Commissioners Kevin Luhrs, Keshan Hargrove, Daniel Henry

Absent: Commissioners Andrea Letizia, Alexander Hoffman

Also: Jeff Clements – City Council Research; Tommy Carter – Council Auditor’s Office; Christopher Garrett – Office of General Counsel; David Johnston – Inspector General’s Office

Vice Chair Barr convened the meeting at 4:04 p.m. and the attendees introduced themselves for the record.

Approval of minutes

The minutes of the November 7, 2024 commission meeting were **approved unanimously as distributed.**

City lien foreclosure policies – Christopher Garrett, Office of General Counsel

Mr. Garrett discussed several questions posed by Commissioner Pryor about the city’s policies on which liens are foreclosed on and which are not. He said foreclosure of liens is a remedy of last resort because the City doesn’t want to become the owner of distressed properties. He cited the example of the foreclosure some years ago on the Bostwick Building (now Cowford Chophouse) which had potential buyers and the foreclosure of liens was a way to force some action from a property owner reluctant to sell an eyesore building to a willing buyer. The decision on when foreclosure is appropriate needs to take into consideration any other liens and claims on the property and the City’s place in the line of priority. He said foreclosure decisions are made case-by-case based on the particular set of circumstances involved and the desired outcome. From the perspective of the Office of General Counsel, the ultimate decision is made by their client. Administrative liens may be foreclosed when directed by the Mayor’s Office based on recommendations by the Code Enforcement Division.

Commissioner Pryor asked particularly about the recent foreclosure and demolition of three early 20th century residences on East Duval Street. She said she opposed the demolition and tried to speak to someone from the General Counsel’s Office about how to prevent it but was unable to get anyone to talk to her. She said the City owned the buildings for 8 months and did nothing to repair them before they

were demolished and asked why those properties weren't put on the affordable housing availability list for potential reuse. She is particularly interested in who makes the decisions both to foreclose on a property and what happens to properties after they are foreclosed. Mr. Garrett said the Duval Street residences were in very bad shape and something needed to be done to resolve a public safety concern. Unexpectedly, no one bid above the City's pre-set auction minimum and the City got possession of them as a result. The buildings were in the DIA's jurisdiction and they made the decision to demolish. He is unaware of what DIS's plans for the properties may be.

Commissioner Pryor said the owner submitted a "mothball" application to the Planning Department to secure those properties for potential future use, which was deferred, then the Historic Preservation Division's staff recommendation changed and demolition occurred. She feels that something seems wrong with the process. Mr. Garrett said mothball plans need to be specific about a future use and it's possible the owner didn't meet the requirements given their past history of neglect of these buildings. Ms. Pryor wanted to know who actually makes the decisions about foreclosure. Mr. Garrett recommended speaking to Thomas Register, Chief of Code Enforcement, as more knowledgeable than himself about how those decisions are made. He is the one who signs off on the foreclosure paperwork. Commissioner Day suggested making a formal inquiry to an appropriate party to get them to come and explain.

Motion (Day): TRUE Commission request that an appropriate party be invited to come to a future commission meeting and discuss the City's lien foreclosure policy and decision-making authority, including disposition of the properties after foreclosure, specifically utilizing the demolition of the East Duval Street trio of residential buildings as a specific case study.

Commissioner Tyson asked about DIA's role in the process since those buildings were within its jurisdiction.

Motion (Tyson): amend the Day motion to include addition of a DIA representative to the invitation – **approved unanimously.**

The Day motion as amended was **approved unanimously.**

Public Comment

None

Council Auditor's Report

Tommy Carter of the Council Auditor's Office reported that the office released four reports:

#886 - Budget Summary Fiscal Year 2024/25: the report describes the City Council's actions during the budget adoption process and is a good overview of the process and changes made.

#811B - Follow-up on Mobility Fees Audit: The original audit identified 12 issues, of which 7 were cleared as of the first follow-up. The 5 remaining issues have been cleared as of this follow-up so the audit is closed.

#781C - Follow-up on Animal Care and Protective Services Audit: The original audit identified 13 issues, of which 10 cleared at the time of the first follow-up. None were resolved as of the second follow-up but all 3 remaining items were cleared this time and audit is closed.

#887 - Quarterly Summary for the Twelve Months Ended September 30, 2024: Regarding the independent authorities, JEA has over \$100M of surplus and has an ordinance pending today to reduce debt by applying those surplus funds to pay-go capital in place of borrowing. Three of JTA's operating

divisions exceeded budgetary authority due to increased expenditures in excess of Council approved appropriation authority so a budget reconciliation amendment will be needed as in past year. JaxPort ended the year with a surplus of approximately \$11 million. JAA had a budget surplus of \$45.1M at year-end due to reduced expenditures caused by Concourse B construction project delays. The Special Events Fund exceeded budgetary authority by \$33,000 and has a negative cash balance of \$180,000. The Building Inspection Fund is about to hit its state law cap on retained earnings. The Solid Waste Fund has \$3.4M positive variance after an accounting situation was corrected.

Legislative Tracking Committee

None

Audit Committee

None

Chair's Comments

Vice Chair Barr welcomed everyone back for the new year and said he looked forward to a good year of work. He thanked Commissioner Zebouni for inviting interested commissioners to tour the Catty Shack Ranch large cat rescue facility in December.

Old Business

None

New Business

New commissioner Stephanie Oglesby representing the North CPAC was introduced to the group. Mr. Clements reported that the Council President will be introducing a resolution next week to appoint Chris McHugh as a new member to replace Wen Raiti who recently resigned.

Commissioner's Comments

Kim Pryor asked if the commission had any thoughts about the 29% increase in compensation approved by the City Council for Meridian Waste Hauling, given the Mayor's Office recommendation for a 5% increase. Commissioner Day explained the context of Meridian taking over another hauler's collection area after they defaulted on their contract. He said all of the waste haulers are facing rising cost pressures including increased personnel expenses to attract and keep employees in a tight labor market and higher capital costs for expanding and improving their vehicle fleets. The haulers can't keep up with those rising costs given the revenue structure of the contracts. He said former Mayor Tommy Hazouri got a solid waste fee enacted in 1990 and lost his bid for reelection as a result, after which the fee was rescinded and the cost of waste collection returned to being paid out of the General Fund. Mayor John Peyton got the current fee imposed during his term but it is insufficient to pay the escalating collection costs so is being subsidized by a loan from the General Fund to the Solid Waste Disposal Fund.

Commissioner Barr noted that Council Member Matt Carlucci has been going to CPAC meetings to explain his recent proposal to increase the solid waste fee to cover the costs. Commissioner Pryor said Mr. Carlucci emphasized at her CPAC meeting the inability of the City to use General Fund dollars as the funding source for the service due to the Interlocal Agreement the City has with the Beaches and Baldwin. She objects to paying the company far more than the contractual obligation. Mr. Day explained why the City continued to provide waste collection service with City employees in the Urban Core after consolidation. He noted that City employees cannot strike under state law while private company employees can. It's good to have a City solid waste capacity in case something happens with a private hauler. Jeff Clements explained the history of the Interlocal Agreement and why the City can't just pay the cost of solid waste out of the General Fund because that could invoke a double taxation claim by the Beaches communities that already pay for their own waste collection service. That could open up the

interlocal agreements, which have been very contentious and the subject of litigation over the years, to old grievances and new negotiations which the City wants to avoid. As a result the City makes a loan from the General Fund each year to cover the costs not covered by the fee revenue and repays the loan the following year before borrowing again to meet the next year's costs. Commissioner Barr said the companies have had to raise pay to keep enough employees to operate given the competition in the marketplace, particularly for holders of commercial driver's licenses who can earn more driving for Amazon and FedEx.

Commissioner Rounsville said the TRUE Commission needs to try to get in front of issues rather than only considering action after it's too late to have any effect. Commissioner Pryor agreed the TRUE Commission is always "behind the curve" on being able to express its opinion on issues before the City Council acts.

Commissioner Day said he believes the commission should be as formal as possible in taking action in order to create a record and provide transparency about its motivations. That's why he offers motions when he thinks action is necessary rather than just relying on a general consensus of the members during discussions.

Mr. Clements said he sends the commissioners the titles of new legislation being introduced and the Research Division's bill summaries on those bills every two weeks. Those two items provide an overview of what is coming up on the Council's agenda over the next few weeks, which commissioners can peruse to look for items of interest.

Commissioner Barr noted that individual commissioners can talk to their district council member and the 5 at-large council members about any item of interest.

David Johnston of the Inspector General's Office said the IG did an audit on the overtime costs of the City's solid waste division employees and it is available on the IG's website if anyone is interested in reading it.

Mr. Clements asked for confirmation about scheduling speakers for future meetings. He has booked Dustin Freeman, Chief of Procurement, as previously requested for the February meeting. A follow-up on the foreclosure issue discussed today will be scheduled for the March meeting.

Next meetings

Audit Committee – at the call of the Chair as needed when new audits/reports are released

Legislative Tracking Committee – at the call of the Chair as needed

Full commission – February 6, 2025

The meeting was adjourned at 5:03 p.m.

Jeff Clements, City Council Research Division

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Posted 1.14.25 11:30 a.m.