

West Palm Beach Downtown Development Authority
Supplemental Schedules

January 31, 2017

	Gross								
	Month	Year-to-Date	Annual Budget		Work Plan	Trolley Services	Marketing	Security	Incentives
SCHEDULE 8 - PROFESSIONAL SERVICES					Y-T-D	Y-T-D	Y-T-D	Y-T-D	Y-T-D
Accounting	2,000	6,000	24,000	25.0%	6,000				
Professional Services	1,081	5,601	50,000	11.2%	5,601				
Audit	0	0	25,000	0.0%	0				
Legal	794	1,231	40,000	3.1%	1,231				
Total Professional Services	3,875	12,832	139,000	9.2%	12,832	0	0	0	0

Some rounding error may occur.

No CPA provides any assurance on these financial statements.



MEMO

TO: **DDA Board**
Upendo Shabazz, Chair
Robert Samuels, Vice Chair
Howard Pincus
Clint Fowlkes
Mary Hurley Lane
Bob Sanders
James Hansen

FROM: Raphael Clemente

RE: DDA Office Relocation

DATE: Tuesday, February 21st, 2017

Staff has worked with the owner's representative for 300 Clematis Street as well as with our current property owner and others to identify the best possible options for the DDA's next lease term. As a result, there are two potential options within the core of Downtown: remain in the current location with an addition of approximately 1,800 square feet of adjacent square feet; or relocate the office to 5,500 square foot space at 300 Clematis Street, Suite 200.

At the time of the distribution of this board packet staff had not yet received a proposed lease for 300 Clematis as it is currently being reviewed by our attorney. However, the LOI describing the proposed terms is attached to this memo.

Staff anticipates a proposal from our current landlord very soon and will distribute this document to Board members as soon as it is received.

All available details will be presented at the board meeting to allow a full analysis of options. Considering the limited time that is available to get a space ready and sign a new lease, staff requests board direction that will allow a final decision to be made at the board meeting.

January 18, 2017

Raphael Clemente, Executive Director
Downtown Development Authority
West Palm Beach
301 Clematis Street, Suite #200
West Palm Beach, Florida 33401

Re: Proposal to lease the second floor of the Dana Building, 300 Clematis Street, West Palm Beach, Florida.

Dear Raphael,

Based on your interest of the building at 300 Clematis Street, West Palm Beach, Florida we submit the following proposal. Currently the second floor is split into two spaces, part restaurant and part office/gym. Our intentions are to separate the floors and connect the units to make a large office space on the second floor (5,500 SF) and a smaller retail space for the first floor. We will have two access points for the second floor. The second floor office space will be delivered as per building plans to be drawn up by architect. We have had a preliminary proposal for this build out at \$181,000, see attached sketch. Based on the size of the space and the work needed, we are going to estimate the build out at \$150,000. If this changes the landlord has right to adjust pricing. The cost of this build out will be assumed by the landlord and the tenant will reimburse the landlord, 50% at permitting and 50% upon Certificate of Occupancy from City of West Palm Beach. The initial term of the lease will be ten (10) years. The Downtown Development Authority is a 501c3 non-profit organization. Therefore, no sales tax will be charged. The rental rates below reflect a modified gross rate which includes all expenses as of the base year. If the expenses in the building increase above the base year the tenant would be responsible for their pro-rata share of the overage. The pricing we are proposing is as follows;

Year 1:	\$18.50/SF
Year 2:	\$19.00/SF
Year 3:	\$20.00/SF
Year 4:	\$20.60/SF (+3%)
Year 5:	\$21.22/SF (+3%)
Year 6:	\$21.87/SF (+3%)
Year 7:	\$22.51/SF (+3%)
Year 8:	\$23.19/SF (+3%)
Year 9:	\$23.88/SF (+3%)
Year 10:	\$24.60/SF (+3%)



The approximate start date would be August 1, 2017.

Two (2) Options to renew for 5 years each. The first option will continue at 3% per year till expiration. The second option to renew will be adjusted to market rate based on office rentals in the Clematis area and downtown West Palm Beach.

The cost of the buildout is just an estimate based on a sketch, that's attached. Figures are all subject to change once estimates are received based on architect's finished plans. The landlord is to pay for the build-out, and the tenant will reimburse the landlord as follows; 50% at permitting and 50% at CO (Certificate of Occupancy).

The architectural plans are to be supplied by tenant and not included in the build out cost.

The preceding proposal is subject to change due to approval from Landlord (George Jay I). Once LOI is signed, we will move forward with preparing a Lease.

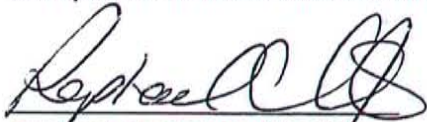
We are very excited about the possibility of having the DDA as one of our tenants. If you have any questions or concerns please contact me.

Best Regards,



Paul Snitkin, Manager, George Jay I

Acceptance to move forward with preparing Lease



Raphael Clemente, Director
DDA City of West Palm Beach

1/24/2017
Date





MEMO

TO: **DDA Board**
Upendo Shabazz, Chair
Robert Samuels, Vice Chair
Howard Pincus
Clint Fowlkes
Mary Hurley Lane
Bob Sanders
James Hansen

FROM: Raphael Clemente

RE: WPB Arts and Entertainment District 501c3 Designation

DATE: Tuesday, February 21st, 2017

Since the formation of the Arts and Entertainment District in November of 2014, staff has been successful in raising funds from non-tax sources to augment the funding allocated to placing art in the public realm of the Downtown area. This has included installations such as the Musical Swings as well as performance art, murals, and other projects. Based on survey data and stakeholder input, the efforts the DDA has made with art have been some of our most impactful programs.

In light of this success, and considering the funding opportunities from foundations and art-specific organizations, staff is recommending that the Arts and Entertainment District be formalized as a 501c3 corporation. The 501c3 would work hand in hand with the DDA to further develop the programming already underway by leveraging non-tax sources of funding to significantly increase the resources available to produce free, public, art-based projects in the Downtown area.

Staff has done the initial work of creating articles of incorporation and by-laws, as well as a general budget for the first three years of operation. Should the Board grant approval for this proposal, the next step would be the selection of a board of directors for the 501c3. Once this is completed these initial documents would be refined, finalized, and adopted.



MEMO

TO: **DDA Board**
Upendo Shabazz, Chair
Robert Samuels, Vice Chair
Howard Pincus
Clint Fowlkes
Mary Hurley Lane
Bob Sanders
James Hansen

FROM: Raphael Clemente

RE: Carryforward Budget Amendment

DATE: Tuesday, February 21st, 2017

Attached, please find Resolution 1-17 adopting the 2016-2017 Amended Budget incorporating carryforward funding from the previous budget year. This budget includes necessary adjustments and corrections based on input from staff, the DDA's accountant, and auditors.

Staff requests approval and adoption.



RESOLUTION NO. 1-17

A RESOLUTION OF THE WEST PALM BEACH DOWNTOWN DEVELOPMENT AUTHORITY AMENDING THE ADOPTED 2016/2017 FISCAL YEAR BUDGET; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

WHEREAS, the West Palm Beach Downtown Development Authority adopted its Final 2016/2017 Fiscal Year Budget on September 22, 2016 by Resolution No. 5-16; and

WHEREAS, the Downtown Development Authority desires to amend its adopted budget to add the final carry forward amount from the 2015/2016 Fiscal Year DDA Budget and to allocate those funds for specific purposes as outlined in Exhibit A Final Budget.

NOW, THEREFORE, BE IT RESOLVED BY THE WEST PALM BEACH DOWNTOWN DEVELOPMENT AUTHORITY THAT:

Section 1: The recitals set forth above are true and correct and are incorporated herein and are a part hereof by this reference.

Section 2: This Resolution amending the adopted 2016/2017 Fiscal Year Budget shall be attached to and made a part of said budget.

Section 3: This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED THIS 21st day of February, 2017.

DOWNTOWN DEVELOPMENT AUTHORITY

UPENDO SHABASS, CHAIRWOMAN

ATTEST: _____

CERTIFICATE

I the undersigned, Executive Director of the West Palm Beach Downtown Development Authority, do hereby certify that the foregoing is a true and correct copy of the Resolution adopted by said Authority on the 21ST day of February, 2017.

RAPHAEL CLEMENTE
EXECUTIVE DIRECTOR

EXHIBIT "A"

West Palm Beach Downtown Development Authority
FY 2016/2017 Amended Budget
With Carryforwards

2016-2017 Downtown Development Authority Budget									
	2016-2017 DDA	2016-2017 CRA	CRA/City Project Fund	CRA Carry Forward	DDA Carry Forward	Grand TOTAL			
Tax Revenues	\$ 1,642,509	0	0	0	0	\$ 1,642,509			
TIF	(1,460,523)	0	0	0	0	(1,460,523)			
DDA/CRA Interlocal Agreement	0	3,103,032	0	0	0	3,103,032			
CRA Project Funding	0	0	580,000	0	0	580,000			
Marketing/Sponsors/Dues	0	0	0	0	0	0			
Interest - First Bank	100	0	0	0	0	100			
CityPlace Shuttle	123,205	0	0	0	0	123,205			
City Docks Crew	0	0	0	0	0	0			
Grants	0	0	0	0	0	0			
Fees/Services	0	0	0	0	0	0			
Sponsorships	0	0	0	0	0	0			
	0	0	0	745,583	570,570	1,316,153			
Total Revenue	\$ 305,291	\$ 3,103,032	\$ 580,000	\$ 745,583	\$ 570,570	\$ 5,304,476			
	2016-2017 DDA	2016-2017 CRA	CRA/City Project Fund	CRA Carry Forward	DDA Carry Forward	Grand TOTAL			
Business Development									
Property Incentives	0	0	0	150,000	0	150,000			
Business Incentives	0	0	0	0	0	0			
Façade Improvement Programs	0	70,000	0	69,860	0	139,860			
Leasing/Brokers Meetings	0	2,500	0	463	0	2,963			
Business Training and Support	0	20,000	0	26,865	0	46,865			
Value Added Events	0	100,000	0	25,000	12,745	137,745			
Retail Promotions	0	25,000	0	15,205	0	40,205			
Grand Openings/New Business Training	0	10,000	0	9,104	0	19,104			
Historic Projects	0	0	0	509	0	509			
Totals	0	\$ 227,500	0	\$ 297,006	\$ 12,745	\$ 537,251			

EXHIBIT "A"

West Palm Beach Downtown Development Authority
 FY 2016/2017 Amended Budget
 With Carryforwards

	2016-2017 DDA	2016-2017 CRA	CRA/City Project Fund	CRA Carry Forward	DDA Carry Forward	Grand TOTAL
Physical Environment						
Pressure Washing/Street Cleaning & Maintenance	0	\$ 200,000	\$ 150,000	60,003	357	\$ 410,360
Graffiti Maintenance	0	0	0	1,711	0	1,711
Landscape Maintenance	0	50,000	200,000	20,891	11,912	282,803
Studies and Surveys	0	0	50,000	0	0	50,000
District Lighting	0	0	0	0	0	0
Security Contract	0	550,000	0	56,935	0	606,935
CPTED	0	0	0	0	0	0
Transportation	0	675,000	0	82,942	0	757,942
Signage and Pedestrian Wayfinding	0	75,000	25,000	13,342	0	113,342
Capital Projects	0	100,000	0	108,918	0	208,918
Totals	0	\$ 1,650,000	\$ 425,000	\$ 344,742	12,269	\$ 2,432,011
Marketing /Public Relations						
Survey	0	\$ 50,000	0	2,453	0	\$ 52,453
Marketing Postage	0	3,500	0	3,578	0	7,078
PR/Marketing	0	100,000	0	9,067	0	109,067
Advertising	0	150,000	0	8,133	0	158,133
Holiday Lights/Promotions	0	60,000	15,000	0	0	75,000
Community and Cultural Promotions	0	24,000	140,000	0	0	164,000
Tourism Development	0	0	0	0	0	0
Totals	0	\$ 387,500	\$ 155,000	\$ 23,231	0	\$ 565,731
Residential Quality of Life						
Meetings	\$ 1,000	0	0	0	496	\$ 1,496
Communication/Newsletter	2,000	0	0	0	3,085	5,085
Residential Services	30,000	0	0	0	16,573	46,573
Totals	\$ 33,000	0	0	0	\$ 20,154	\$ 53,154

EXHIBIT "A"

General Office	2016-2017		2016-2017		CRA/City		CRA		DDA		Grand	
	DDA		CRA		Project Fund		Carry Forward		Carry Forward		TOTAL	
General Office	0	\$	20,000		0		6,663		20,482	\$	47,145	
Equipment, Computers & Programs	0		60,000		0		8,496		396		68,892	
General Postage	0		2,000		0		2,257		125		4,382	
Office Supplies	0		20,000		0		8,740		0		28,740	
Totals	0	\$	102,000		0		26,156		21,003	\$	149,159	
Operations	2016-2017		2016-2017		CRA/City		CRA		DDA		Grand	
	DDA		CRA		Project Fund		Carry Forward		Carry Forward		TOTAL	
Auto	\$	6,000	0		0		0		0		6,000	
Dues		7,000	0		0		0		2,670		9,670	
Hospitality		9,791	0		0		0		4,719		14,510	
Board Meetings/Retreat/Training		3,000	0		0		0		2,670		5,670	
Publications		0	700		0		0		641		1,341	
Telephone		10,000	0		0		0		7,001		17,001	
Totals	\$	35,791	700		0		0		17,701	\$	54,192	
Professional Services	2016-2017		2016-2017		CRA/City		CRA		DDA		Grand	
	DDA		CRA		Project Fund		Carry Forward		Carry Forward		TOTAL	
Professional Services	0		50,000		0		0		11,852	\$	61,852	
Accounting	24,000		0		0		0		0		24,000	
Audit	0		25,000		0		0		1,550		26,550	
Legal	40,000		0		0		0		13,475		53,475	
Totals	\$	64,000	75,000		0		0		26,877	\$	165,877	
	2016-2017		2016-2017		CRA/City		CRA		DDA		Grand	
	DDA		CRA		Project Fund		Carry Forward		Carry Forward		TOTAL	
Personnel	50,000	\$	595,332		0		44,352		0	\$	689,684	
Insurance	0		30,000		0		0		6,088		36,088	
Rent	110,000		0		0		0		33,632		143,632	
Tax Collection	12,000		0		0		0		0		12,000	
Marketing Programs, Equipment & Web	0		20,000		0		7,909		14,543		42,452	
Travel & Training	0		15,000		0		2,187		4,831		22,018	
Reserves	500		0		0		0		400,727		401,227	
Totals	\$	172,500	660,332		0		54,448		459,821	\$	1,347,101	
Total Expenses		305,291	3,103,032		580,000		745,583		570,570		5,304,476	