



REGULAR BOARD MEETING
Downtown Development Authority
Tuesday May 16, 2017
8:30 A.M.
301 Clematis Street
Suite 200
West Palm Beach, FL 33401

CALL TO ORDER

Upendo Shabazz

PUBLIC COMMENTS AND QUESTIONS

Upendo Shabazz

- Welcome Ed Davis, Parking System Administrator

PRESENTATION

- Marketing Presentation

Tiffany Faublas

CONSENT CALENDAR

Upendo Shabazz

- Minutes of Board Meeting of April 18, 2017
- Financial Statements of April 30, 2017

OLD BUSINESS

- Floorplan of new office space

Raphael Clemente

NEW BUSINESS

- Police Athletic League Presentation
- Downtown Enhancement Team/Partnership
with The Lord's Place

Raphael Clemente

Raphael Clemente

ANNOUNCEMENTS

ADJOURNMENT

Upendo Shabazz



**301 Clematis Street, Suite 200
West Palm Beach, FL 33401
MINUTES
Regular Board Meeting
Downtown Development Authority
April 18, 2017**

ATTENDANCE

Board Members in attendance included Chairwoman Upendo Shabazz, Vice Chairman Rob Samuels, Clint Fowlkes, James Hansen, Mary Hurley Lane, Howard Pincus, and Robert Sanders, Esq. DDA staff in attendance included Raphael Clemente, Penny Destefano, Catherine Ast, Samantha Murrell, Max Lohman Esq. and Abigail Jorandby Esq. (Lohman Law Group). Guests in attendance included William Roger Cummings, Brittny Quinn, Carey O'Donnell, Marlee Brannock, Paul Snitkin, Marlon Nembhard, Anthony Pizzarelli, and Steve Daniels.

CALL TO ORDER

Chairwoman Shabazz called the meeting to order at 8:30 a.m.

PRESENTATION

Carey O'Donnell and Brittny Quinn gave presentation to the Board on PR program throughout the year. Together they provided an overview of what they have done and continue to do for The DDA and The A & E districts.

Highlights of the presentation include:

- Over 300 positive media placements over 12 months
- Coordinating meetings for Raphael and Teneka with various local TV stations and local NPR stations
- News Releases highlighting appointment of new DDA board members
- Providing publicity for special events such as The Musical Swings, Truth Booth, Harmony, Hokulea, and the ULI Investment Forum
- Grand Opening coverage for new Downtown Businesses in Palm Beach Post, Florida Weekly, Palm Beach Illustrated, and local news channels.
- CANVAS secured over 100 positive media placements, which generated more than 58,000,000 media impressions. Extensive Media coverage both locally and nationally. Multiple live interviews with Nicole Henry.
- Looking ahead will continue to grow relationship with Discover the Palm Beaches and FAM Trips, support of The A & E 501c3, Pairings 2017, and Glass Quest 2017.

Pincus thanked O'Donnell and team and stated that the DDA is very pleased with their work.

Hansen asked if there is a way for the Downtown to benefit from the weekend visits of President Trump. O'Donnell said that we are already benefiting from it, with calls from interested investors daily.

Clemente stated Quinn is everywhere and in everything, the O'Donnell Team has had a dramatic positive impact.

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Regular Board Meeting
April 18, 2017

CONSENT CALENDAR

Minutes of Regular Board Meeting of March 21, 2017

Board Action: Sanders made a motion to approve the Minutes of March 21, 2017.
Hansen seconded the motion. The motion passed unanimously.

Financial Statements of March 31, 2017

Board Action: Sanders made a motion to approve the Financial Statements of March 31, 2017.
Hansen seconded the motion. The motion passed unanimously.

OLD BUSINESS

Lease Review

Clemente said Lohman put a lot of time and work into this lease. He asked that Lohman explain details and answer any questions the board has.

Lohman stated that this is a 10 year contract with an option to extend another 5 years. Rates of increase are at 3%. Article 1.16 gives appearance that this is a gross lease, this is not. Exhibit H breaks down costs. The terms and rent do not commence until the DDA gets a Certificate of Occupancy on the property. Lohman stated he also negotiated cost of A/C unit replacement down to a maximum of \$1,500 per unit per year over the length of the lease term. The DDA is responsible for maintenance of the A/C units.

Snitkin stated that they are very happy with the progress the General Contractor has made. The contractor has already completed the demolition and the first floor has been separated from the second.

Lohman asked if The DDA is going to specify a maximum build out cost.

Clemente stated we don't have a guaranteed maximum price on the lease. Our initial estimate was adjusted up to \$200,000. Even with the cost to buildout over the term of the lease, we will still come out ahead.

Samuels expressed concern over the actual cost of the build out.

Shabazz stated she thought the maximum was \$150,000 and that change orders would need to be approved by the Board.

Board Action: Hansen made a motion to add to the lease a guaranteed maximum build out cost of \$200,000 and that the DDA will have say in change orders. Hurley Lane seconded the motion. The motion passed unanimously.

NEW BUSINESS

DDA Boundary

Clemente stated that the DDA has been approached multiple times throughout the years by interested parties to be included in the DDA boundaries. Lohman and Jorandby have done the research and created a summary of the legislative requirements to amend the DDA boundary. Clemente does not feel the DDA should initiate the process of boundary expansion, the interested parties could initiate if they choose to.

Hurley Lane asked what the Board thinks of expanding the boundaries.

Sanders asked under what circumstances it would be a bad idea to expand.

Samuels stated that with a larger area to cover the DDA would have more responsibility. The property taxes could also be lower which could affect the DDA negatively.

Lohman explained that the Florida State Legislature would have the ultimate decision. The boundary can be expanded or contracted without our say so, The DDA does not have the deciding vote.

Fowlkes asked if the DDA could end up with an area that is not shared with the CRA.
Lohman said yes that is correct it could happen.

The DDA Board decided after discussion it would not be interested in expanding its boundaries.

Ground Floor Code Requirements

Clemente stated that for a number of years the Ground Floor Code requirement has been restricted to "active" uses. Active uses generally means retail shops, restaurants, or nightclubs. There have been many challenges recently confronting traditional retail establishments which in turn has made it more difficult for property owners to recruit and keep retail tenants.

In response to the market changes the Downtown Master Plan code requirements may need to be revisited. The current Downtown Master Plan says Clematis to Rosemary must have 80% retail. For example Fitness Hub must have retail presence in the store front, taking away from gym space.

Clemente gave a presentation regarding the challenges of traditional retail.

Highlights of the presentation

- Online and mobile sales continue to increase while brick and mortar retail has declined.
- Since 2009 dining out has surpassed retail sales.
- Last year dining out expenses exceeded the amount spent on groceries.
- Peoples preferences are changing it's not about stuff but about the experience.

Clemente requested direction from the board on how to proceed.

Pincus stated that this presentation should be made at a City Commission Meeting.

Hurley Lane commented that in the last 3 to 5 years she has seen an increase of walk-in clients to her business. She has found that her clients become frustrated with the online options and come in for the experience and service.

Samuels commented that the key words are experience and service for a successful business. He stated that even if we change the code the DDA should not go after any retail that does not provide that and it's important to get the right businesses downtown.

Clemente will present to the City as requested by the Board.

ANNOUNCEMENTS

Clemente introduced Marlon Nembhard, security ambassador, to show the Board the new uniforms and thanked him and his associates for all the work they do.

Clemente also informed the Board of a recent experience one of our security ambassadors, Ulysse Hidalgo, had going above and beyond. Ulysses noticed a young woman that clearly needed help in the downtown area. After talking to her he discovered she was stranded here and helped her buy lunch and a bus ticket to return home.

Hurley Lane commented that she sees our security ambassadors always engaging with the community, handling situations professionally, and appreciates the work they do.

ADJOURNMENT

There being no further business to discuss, Shabazz called for a motion to adjourn.

Board Action: Sanders made a motion to adjourn the meeting at 10:25 a.m. Hurley-Lane seconded the motion. The motion passed unanimously.

West Palm Beach Downtown Development Authority

Balance Sheet

April 30, 2017

ASSETS

Current Assets	
PNC Bank - Operating	3,107,619
First Bank - Money Market	203,152
Petty Cash	50
Due from Employees	<u>0</u>
Total Current Assets	3,310,821
Other Assets	
Lease Security Deposit	6,876
Last Month Lease Payment	<u>7,960</u>
Total Other Assets	<u>14,836</u>
Total Assets	<u><u>3,325,657</u></u>

CURRENT LIABILITIES

Accounts Payable	
Deferred Revenue	3,889
Total Current Liabilities	<u>3,889</u>

FUND BALANCE

Fund Balance at Beginning of Year	1,518,601
Net Excess Income (Expense) Year-To-Date	<u>1,803,167</u>
Total Fund Balance	<u>3,321,768</u>
Total Liabilities and Fund Balance	<u><u>3,325,657</u></u>

No CPA provides any assurance on these financial statements.

West Palm Beach Downtown Development Authority

Statement of Revenues And Expenditures

April 30, 2017

	Gross Annual			Budget %	Trolley				
	Month	Year-to-Date	Budget		Work Plan Y-T-D	Services Y-T-D	Marketing Y-T-D	Security Y-T-D	Incentives Y-T-D
Current Year Revenues - Schedule 1	81,194	3,869,996	3,988,323	97.0%	3,869,996	0	0	0	0
Expenditures									
Business Development - Schedule 2	18,184	157,702	537,251	29.4%	157,346				356
Physical Environment - Schedule 3	197,951	908,785	2,432,011	37.4%	405,985	256,671		246,129	
Marketing/Public Relations- Schedule 4	74,390	399,498	565,731	70.6%	0		399,498		
Residential Quality of Life - Schedule 5	2,208	13,488	53,154	25.4%	13,488				
General Office - Schedule 6	3,721	32,376	149,159	21.7%	32,376				
Operations - Schedule 7	1,642	15,228	54,192	28.1%	15,228				
Professional Services - Schedule 8	14,223	60,932	165,877	36.7%	60,932				
Personnel Expense	56,107	382,912	689,684	55.5%	382,912				
Insurance Expense	44	19,863	36,088	55.0%	19,863				
Rent Expense	9,506	62,432	143,632	43.5%	62,432				
Tax Collection	120	8,073	12,000	67.3%	8,073				
Marketing Program, Equipment, Web	531	4,841	42,452	11.4%	4,841				
Travel and Training	329	699	22,018	3.2%	699				
Reserves	0	0	401,227	0.0%					
Total Expenditures	378,956	2,066,829	5,304,476	39.0%	1,164,175	256,671	399,498	246,129	356
Current Year Surplus (Deficit)	(297,762)	1,803,167	(1,316,153)	0.0%	2,705,821	(256,671)	(399,498)	(246,129)	(356)
Carry Forwards From Prior Years									
DDA Carryforward	5,990	107,099	570,570	18.8%	50,164		0	56,935	
CRA Carryforward	53,297	445,704	745,583	59.8%	362,762	82,942	0		
Total Carry Forwards	59,287	552,803	1,316,153	42.0%	412,926	82,942	0	56,935	0
Net Total Surplus (Deficit)	(238,475)	2,355,970	0	0.0%	3,118,747	(173,729)	(399,498)	(189,194)	(356)

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West Palm Beach Downtown Development Authority
Supplemental Schedules

April 30, 2017

SCHEDULE 1 - CURRENT YEAR REVENUES

Current Year Revenues	Month	Year-to-Date	Gross		Budget %	Work Plan Y-T-D	Trolley Services Y-T-D	Marketing Y-T-D	Security Y-T-D	Incentives Y-T-D
			Annual Budget	Budget						
Tax Revenues	76,585	1,609,335	1,642,509		98.0%	1,609,335				
TIF	0	(1,460,523)	(1,460,523)		100.0%	(1,460,523)				
DDA /CRA Interlocal Agreement	0	3,103,032	3,103,032		100.0%	3,103,032				
CRA Project Funding	0	580,000	580,000		100.0%	580,000				
Interest - Money Market - First Bank	100	704	100		704.0%	704				
Checking - Wells Fargo	0	0	0		0.0%	0				
Retail Loans	0	0	0		0.0%	0				
Sponsorships	3,889	27,222	0		0.0%	27,222				
Fees	620	3,500	0		0.0%	3,500				
Grants and Contributions	0	5,000	0		0.0%	5,000				
Reimbursements	0	1,726	0		0.0%	1,726				
CityPlace Shuttle	0	0	123,205		0.0%	0				
Total Current Year Revenues	81,194	3,869,996	3,988,323		97.0%	3,869,996	0	0	0	0

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West Palm Beach Downtown Development Authority

Supplemental Schedules

April 30, 2017

	Gross		Budget %	Trolley					
	Month	Year-to-Date		Annual Budget	Work Plan Y-T-D	Services Y-T-D	Marketing Y-T-D	Security Y-T-D	Incentives Y-T-D
SCHEDULE 2 - BUSINESS DEVELOPMENT									
Property Incentives	0	356	150,000	0.2%	356				356
Facade Improvements	14,952	49,118	139,860	35.1%	49,118				
Leasing/Brokers Meeting	0	545	2,963	18.4%	545				
Business Training and Support	1,700	3,350	46,865	7.1%	3,350				
Value Added Events	1,532	88,544	137,745	64.3%	88,544				
Retail Promotion	0	12,178	40,205	30.3%	12,178				
Historic Projects/Tours	0	0	509	0.0%	0				
Downtown Events	0	3,611	19,104	18.9%	3,611				
Grand Opening/New Bus Training	0	0	0	0.0%	0				
Total Business Development	18,184	157,702	537,251	29.4%	157,702	0	0	0	356
SCHEDULE 3 - PHYSICAL ENVIRONMENT									
Studies and Surveys	0	24,369	50,000	48.7%	24,369				
Pressure Washing/Street Clean	52,096	177,881	410,360	43.3%	177,881				
Graffiti Maintenance	0	0	1,711	0.0%	0				
Landscape Maintenance	20,393	146,642	282,803	51.9%	146,642			246,129	
Security Contract	82,167	246,129	606,935	40.6%					
Trolley Contract	21,732	256,671	757,942	33.9%		256,671			
Trolley Signs & Ped Wayfinder	0	0	113,342	0.0%		0			
Capital Projects/Alleys	21,563	57,093	208,918	27.3%	57,093				
Total Physical Environment	197,951	908,785	2,432,011	0	405,985	256,671	0	246,129	0

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West Palm Beach Downtown Development Authority

Supplemental Schedules

April 30, 2017

	Month	Year-to-Date	Gross Annual Budget	Work Plan Y-T-D	Trolley Services Y-T-D	Marketing Y-T-D	Security Y-T-D	Incentives Y-T-D
SCHEDULE 4 - MARKETING/PR								
Survey	0	0	52,453			0		
Marketing Postage	0	3,500	7,078			3,500		
PR/Marketing	10,260	79,884	109,067			79,884		
Advertising Campaign	7,635	101,951	158,133			101,951		
Holiday Lights	32,500	65,294	75,000			65,294		
Community & Cultural Promotion	23,995	148,869	164,000			148,869		
Total Marketing/PR	74,390	399,498	565,731	0	0	399,498	0	0
SCHEDULE 5 - RESIDENTIAL QUALITY OF LIFE								
Meetings	106	499	1,496	499				
Communication/Newsletter	1,860	1,860	5,085					
Residential Events/DNA Sponsor	243	11,129	46,573	11,129				
Total Residential Quality of Life	2,208	13,488	53,154	11,628	0	0	0	0

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West Palm Beach Downtown Development Authority

Supplemental Schedules

April 30, 2017

	Month	Year-to-Date	Gross Annual Budget	Work Plan Y-T-D	Trolley Services Y-T-D	Marketing Y-T-D	Security Y-T-D	Incentives Y-T-D
SCHEDULE 6 - GENERAL OFFICE								
General Office Expense	0	3,032	47,145	3,032				
Equipment	0	1,083	68,892	1,083				
General Postage	0	35	4,382	35				
Computer and Programs	3,540	25,593	0	25,593				
Office Supplies	181	2,633	28,740	2,633				
Total General Office	3,721	32,376	149,159	32,376	0	0	0	0
SCHEDULE 7 - OPERATIONS								
Automobile Expense	500	3,500	6,000	3,500				
Dues	0	4,570	9,670	4,570				
Hospitality	403	1,637	14,510	1,637				
Board Mtgs/Retreat/Training	31	1,307	5,670	1,307				
Publications	0	387	1,341	387				
Telephone Expense	708	3,827	17,001	3,827				
Total Operations	1,642	15,228	54,192	15,228	0	0	0	0

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West Palm Beach Downtown Development Authority

Supplemental Schedules

April 30, 2017

	Gross		Trolley				Security		Incentives	
	Month	Year-to-Date	Annual Budget	Work Plan Y-T-D	Services Y-T-D	Marketing Y-T-D	Y-T-D	Y-T-D	Y-T-D	Y-T-D
SCHEDULE 8 - PROFESSIONAL SERVICES										
Accounting	2,000	12,000	24,000	12,000						
Professional Services	10,000	21,432	61,852	21,432						
Audit	0	21,850	26,550	21,850						
Legal	2,223	5,650	53,475	5,650						
Total Professional Services	14,223	60,932	165,877	60,932	0	0	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: Police Athletic League Youth Programs

DATE: Tuesday, May 16th, 2017

As the summer months approach and the school year ends, staff has been in conversation with CityPlace, Related Group, the Police Department, and others regarding programs and projects that provide evening activities for juveniles in the Downtown area.

The DDA has previously been involved with issues related to juvenile activities in the Downtown area. This includes not only supporting programs that provide activities for young people, but also in the creation and enforcement of policies like the juvenile curfew ordinance. One program, which has historically been an effective service provider for young people in the Downtown area, is the Police Athletic League, located at 720 North Tamarind Avenue.

Staff has invited Chief Sara Mooney to join us for a discussion of how the DDA can support the work of the Police Department and the Police Athletic League.



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: Partnership with Lord's Place for enhanced district services

DATE: Tuesday, May 16th, 2017

Two of the DDA's most important programs are the landscape maintenance and "downtown clean team" programs that provide enhanced services within the Clematis District. Considering the increased investment in and growth of Downtown, DDA staff has been exploring options to increase the reach and impact of our programs to enhance the public realm.

One program that has come to out attention is the Miami DDA's Downtown Enhancement Team (DET). The DET is a collaboration between the Miami DDA and Camillus House, a homeless outreach and services non-profit in Miami, which provides landscape maintenance and janitorial services for the entire Miami DDA district. An additional benefit of the program is that members of the DET are trained to perform outreach to homeless individuals, encouraging those experiencing homelessness to enter the program.

Staff will present details of the Miami program as a possible template to create a similar program for Downtown West Palm Beach in partnership with The Lord's Place.