

Transit Finance Committee Workshop of the
Downtown Development Authority
Tuesday, July 6, 2010
DDA Office, 305 S. Andrews Avenue, Suite 301 @ 3:00 p.m.

BOARD PRESENT: Dennis O'Shea, Vice-Chairman (Chair of Committee)
Tim Petrillo, Treasurer
John Ropes, Board Member

ALSO PRESENT: Chris Wren, DDA Executive Director
Elizabeth Van Zandt, DDA Planning & Design Manager
John Milledge
Chuck Adams

The meeting started at 3:03 p.m.

Mr. Wren went through the upcoming Board meeting budget objectives – 1) set the preliminary millage rates for advertising purposes and 2) set the public hearing dates.

Discussion was then focused on the debt service bond payment options. Mr. Adams went through the bond history and thoroughly explained three alternatives for repayment, outlined as follows:

1. Raise the debt service millage rate to .9253 to raise the additional revenue needed, which yields the greatest tax impact to the property owners.
2. Reprogram the remaining streetscape bond funds (in the amount of approximately \$2.25 million) to a reserve fund to draw interest on and eventually use to pay down the debt service principal. In addition, raise the debt service millage rate to .6826, providing the least impact of the 3 alternatives.
3. Issue new debt in the amount of \$2 million (under existing bond program), essentially replacing streetscape funds in the amount of approximately \$2.25 million that will be reprogrammed and put into a reserve account to draw interest on, and eventually use to pay down the debt service principal. In addition, raise the debt service millage rate to .8251.

Mr. Adams said the second alternative is the one being recommended since, out of the three alternatives, it has the least impact to property owners.

Mr. Milledge brought up a phased approach under the second alternative. Instead of raising the millage rate to .6826 the first year, raise it to a rate in the .5 range and then amortize out the remaining years to make up the difference.

Mr. O'Shea brought up the need for a policy decision on the reprogramming of streetscape funds. Discussion continued on this.

Mr. Wren mentioned new revenue missions he's exploring with the agency's two assets – the PACA garage and Huizenga Plaza. The group discussed possibilities to bring in new revenues through these

sources.

Approaches to take with the bond banking institution were discussed, such as lowering the interest rate of the bond, removing the pre-payment penalty, and amending the bond note to extend the term of the loan for an additional 10 years.

Discussion was held regarding preparation for the upcoming board meeting and additional analysis needed to help budget planning into the future.

As there was no other discussion, the meeting ended at 4:05 p.m.