

**ECONOMIC DEVELOPMENT ADVISORY
BOARD SPECIAL MEETING
MAY 13, 2004 – 2:00 P.M.
634 N.E. THIRD AVENUE
2ND FLOOR – CITY COUNTY CREDIT UNION BLDG.
FORT LAUDERDALE, FLORIDA**

Board Members

	<u>Present</u>	<u>Absent</u>
Ruchel Louis	P	
Alan Forgea		A
Mark Budwig	P	
Andy Mittelman		A
Dr. Niara SSudarkasa	P	
Gwen Watson	P	
Tim Schiavone	P	
Cort Neimark		A
Michael F. McGinn	P	
Pat DuMont	P	

Staff Present:

Faye Outlaw, Deputy Director Community Economic Development
Lee Silver, City of Fort Lauderdale
Margaret A. D'Alessio, Recording Secretary

Call to Order

Chair Pat DuMont called the meeting to order at approximately 2:16 p.m..

Roll call was taken and a quorum was present.

Chair Pat DuMont announced that she would be out of town from May 16 to June 4, 2004, and then again from June 8 to June 13, 2004.

Chair Pat DuMont stated that today's meeting was a follow-up to the last Economic Development Advisory Board Meeting. She stated that at the Board's last meeting the Acting City Manager had attended and stated his thoughts regarding the reorganization that was not on the table at this time. He had suggested, and Ms. Outlaw agreed, that this Board meet and discuss the budget for the coming year so this Board's ideas could be shared with the Commission at the beginning of the budget process.

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Faye Outlaw stated that she had attempted to pull some background information regarding the past efforts of this Board into context as it related to actions taken in an attempt to rebuild the economic development function within the City.

Ms. Outlaw stated that the first information distributed was a matrix of the various motions made by this Board in the past, along with their outcome. She further stated that she wanted to outline a "snapshot" of the relative meetings that had been held where this Board had taken formal action.

- 2/24/03 Motion in support of economic development strategic plan

- 4/09/03 Motion recommending that the City Commission adopt the economic development strategic plan. The Board had also recommended that minimum funding for staffing levels for the Economic Development Division, as well as EDAB's role in the implementation.

- 6/05/03 Discussion by the Board as an economic development workshop held by the City Commission. Chair Pat DuMont had attended and offered comments.

- Other information distributed was an e-mail sent by the Chair of this Board to the Commission and then City Manager Floyd Johnson regarding this Board's support for the economic development budget.

- 7/25/03 Follow-up e-mail regarding the budget.

- 9/22/03 Board had recommended to the Commission that the Economic Development Department be funded. The Board was concerned regarding continuity and their focus was on having an Economic Development Manager.

Ms. Outlaw continued stating that Mike Mathias's temporary position had been sunsetted and there was concern there would not be anyone to fill such position.

Ms. Outlaw stated that some of the other information which had been distributed was a capsulated report which came out of the Economic Development Summit. She stated that this document in a bullet form outlined the actions and discussions which came out of that summit. She felt this document was important for this Board to review. She proceeded to refer the Board to page 6 of the document and explained this was a breakdown of some of the issues and suggestions that had been made during the break-out sessions. She explained that she had highlighted the items which related to the economic development function within the City. She further stated that at that summit there had been a

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lot of concern regarding economic development and the rebuilding of the department within the City. She stated that barriers had been identified and comments made on what this department's role should be, and the areas that should be concentrated on.

Ms. Outlaw continued stating that the summit report had formed the basis of the various actions which this Board had taken in regard to supporting this plan, and the rebuilding of this function within the City. She explained that what had evolved from that was the workshop Floyd Johnson had held with the City Commission. She stated that the minutes of the meeting explained what had been discussed and conceptualized for the new Economic Development Division. She stated that Mr. Johnson had held various internal meetings with the various department heads to discuss the fragment components within the City's operation that were involved with economic development. She continued stating that suggestions were made on how to restructure the operations involved in rebuilding the new division and what it would consist of.

Ms. Outlaw stated that one of the key points of the discussion was the overwhelming comments and concerns made by a number of groups within the City regarding the building permit process and the time involved to obtain one. She explained that appeared to be the biggest barrier to economic development in the City. She stated that was one of the key items to be addressed in regard to the rebuilding of the division.

Ruchel Louis stated that when the Commission had adopted the budget in October, 2002, four positions had been listed for the department. Ms. Outlaw stated that recommendation had been made by this Board. She continued stating that budget had not been adopted.

Gwen Watson asked if there was a copy of the budget that had been adopted for this year. Ms. Outlaw stated she did not have one with her at this time, and stated that it had been provided at an earlier meeting, but she would obtain additional copies for this Board. She stated that the Board presently had a copy of what had been proposed for the upcoming budget.

Ms. Outlaw stated that another document distributed to the Board had been a letter dated October 21, 2003 from Floyd Johnson to the Chair of this Board in response to an e-mail to the Commission regarding the budget. She stated that at this Board's last meeting, the Acting City Manager had brought forth his reorganization plan that was being proposed. She reiterated that such plan was not presently on the table, but the plan dovetailed well with the conceptual plan that was explained in the public workshop. She felt that was a positive step.

Ms. Outlaw further stated that in terms of the budget request for this year, the items listed were included as part of the department's budget. She explained

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they had a "target budget" which provided for the maintenance of staff and services which had been included as part of the appropriations. She explained

further that anything above that, they would have to submit as an above-base request. She stated the current year budget, as in the previous two years, did not include funding for economic development staff, and it had to be included as an above-base request. She stated the positions had not been funded last year, but she had again requested two of those positions this year. She explained that one of the positions was an Economic Development Manager which would be a permanent position that had existed about 4 years ago. She stated the other position was for an Economic Development Representative which was a position that had previously existed. She further explained that previously there had been 3 such positions which focused on business retention, business incentives, and business expansion. She stated that out of consideration for the City's financial challenges, she was only proposing one Economic Development Representative for this year. She stated they currently had an Administrative Assistant II position in the budget, and such position had been reassigned to the Financial Department. She explained that she was proposing such position be reassigned back to Economic Development. She believed they would have to phase in such positions due to the City's financial position. She explained the other piece of the plan would be if they could still identify existing personnel within other operations who could be transferred into Economic Development. She gave an example of someone from permitting being transferred who could work in a proactive fashion.

Ms. Outlaw continued stating they were trying to get to where they needed to be by looking at what new positions the upcoming budget could reasonably handle, and then what existing staff could be identified and transferred to such new division. Then, they could proceed from that point. In hearing what the Acting City Manager had in mind in his plan, the concepts were very similar, and he seemed to recognize that if they could identify internal staff, then perhaps they could be rotated as opposed to funding new positions.

Chair Pat DuMont asked how the plan Ms. Outlaw had developed differed from the Acting City Manager's plan. She felt such information would have an impact on the Board's discussions at this time.

Ms. Outlaw replied that the Acting City Manager's plan as described appeared to dovetail well with the plan Floyd Johnson had proposed which was rebuilding the function. She explained if one moved from the division level to the department level that was where the plans began to differ. Under Mr. Johnson's plan, he had looked at keeping the department intact as Community and Economic Development with a specialized division for Economic Development that would focus on the business development side. The Acting City Manager was looking at a consolidation of Community and Economic Development with the

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Construction Services component of Public Services into the new department of Planning and Development.

Chair Pat DuMont clarified that funding was available for the proposals presented today, but asked what was the time frame involved for the process.

Ms. Outlaw explained the proposed positions were considered above base requests which meant there was no funding in the adopted budget for such positions. She explained the process would be part of the budget review scheduled for May 19, 2004. She further stated that the Acting City Manager would then make a decision whether or not the above base requests would be part of the request to be taken to the next step, which was to have it considered by the City Commission.

Ruchel Louis asked if the Acting City Manager was the only voice stopping the matter before it went to the Commission. Ms. Outlaw confirmed.

Chair Pat DuMont clarified that the Board had the ability to make their interests known to the Commission. Ms. Louis stated if that was not the case, then was it up to the Acting City Manager to determine which items were moved forward to the Commission.

Ms. Outlaw explained that the Commission usually acted on a request brought forth by the City Manager. She stated that seldomly did the Commission get involved in a matter deleted from his proposed budget. She further stated that this Board had the discretion to act on the proposed budget by way of approval or denial.

Chair Pat DuMont stated that the other issue in play was that they would go back to the same scenario as last year where there were budget hearings, and then the Board would make known their concerns publicly.

Ms. Outlaw confirmed, but stated that once they reached the public hearing phase of the budget, any requests not included in the proposed budget would become even more difficult to include because it would put the Commission in the position of being a budget manager in order to review all the requests that had been submitted, but had not reached the final process.

Tim Schiavone stated that the bottom line was that they needed to approach the Acting City Manager and express the Board's support for those two positions. He further stated that it could even go to the next level, and the Board could state if such positions were not created, then they either had a department or they didn't. He believed this was a "shell game" at this time.

Ruchel Louis stated that she felt they were hoping they would stay on board and continue with "puff and smoke," and then when the budget was back again they

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would state that the department had been there all along and supported by this Board. Mr. Schiavone replied that was not the job of this Board. Ms. Louis

agreed, but felt the Commission should be put on notice regarding the existence of the department. Mr. Schiavone reiterated there would be no reason for this Board, if those two positions did not exist.

Dr. Sudarkasa asked if there was an option available and did this Board really want to disband. Chair Pat DuMont replied that if everyone reviewed the letter from Mr. Johnson and the e-mails sent to him on behalf of economic development, one of the questions asked was what was the role of this Board. If there was no Economic Development Department, then this Board did not need to exist. She advised they had "danced around" this issue during the last budget hearings.

Dr. Sudarkasa asked what would Ms. Outlaw then do. Ms. Outlaw replied that her position was different from the proposed position. Ms. Louis stated she was presently helping out because the Economic Development Division fell under the greater umbrella of Community and Economic Development.

Tim Schiavone asked who had been the last Economic Development Manager. Ms. Outlaw replied it had been Phil Bacon which was about 3 years ago, and the position and department had been in "limbo" ever since. Ms. Schiavone asked if he had made things happen. Ms. Louis replied her feedback had been that he did not have satisfactory job reviews.

Chair Pat DuMont stated then they got into the legal problems which arose with the City, and they could not legally fill the position, and therefore, had been left vacant. She further stated that not only did they have someone who had not done their job well, but there were legal ramifications for the City if the position was filled. She stated that began the demise for the department.

Ms. Outlaw further stated that if they looked at this from a functional standpoint under his administration, the division had been linked with the CRA, and was never set up as an Economic Development Division. Since then, the CRA portion had been pulled out as an independently run agency, and now they were left with the Economic Development Division which was on paper, but not in form. She reiterated that was where they were trying to get to.

Ms. Louis stated it was her impression that the Commission felt the CRA could do both jobs.

Mark Budwig stated that if the individuals were hired and a division created, what would be the return to the City. He suggested that possibly such goals needed to be determined.

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Mr. Schiavone stated that they needed to formulate the position's job description and asked who would write it.

Chair Pat DuMont stated that the budget that went to the City had each department state their measurable goals. Therefore, they could track what was projected and what had actually happened. She explained that had stopped. Ms. Outlaw explained that had stopped only for this division because it had gradually been dismantled. The other departments were still making their projections. She stated if the division was to be rebuilt, then such system would be put back in place. She reiterated there was an existing job description for the division, which could be reviewed for modifications depending on how the new division would be structured. She stated that such person would have to meet that criteria to be considered for the position. She continued stating that some of the Commissioners had stated that they needed a way to tie in performance to the money. Ms. Louis agreed.

Mr. Budwig stated that the City Manager could refuse to do it stating there was no proof they would get that money. He stated they needed to give them a reason to hire the person and know such funds would be received. Ms. Louis stated that the problem with economic development was that it was not an easy job because they were attempting to sell a "dream," and not a definite product. She felt it was hard to give a measurable goal in the first two years.

Mr. Schiavone stated he was confused and asked if that individual had never gone away and would have still been present, would his "thumb be on top" of all ongoing development in the City. Ms. Louis confirmed and stated it would have been their job to find a better way to get things done. Mr. Schiavone clarified that such a person would have worked with the developers, and then approached the City Manager with recommendations. Ms. Louis further confirmed. Ms. Outlaw confirmed. Mr. Schiavone asked if he would have also addressed condominium associations and attempt to convince them what was good for the economy. Ms. Outlaw agreed. Mr. Schiavone reiterated that someone who was passionate about the position could take a strong leadership role by being non-political, but getting the job done. Ms. Louis reiterated they had to be non-political to do so. Mr. Schiavone stated that person would take the Commissioners "off the hook" in that he was looking at things from a strict economic point of view. He stated it might not be good politics, but it would be good for the City.

Ms. Outlaw stated that was one of the roles during the past part of that person's tenure that had been played out. She stated the Konover project had been a main project which came on board at the time of that person's departure, but clearly that person had taken the lead. Mr. Schiavone asked who had taken over for that person in regard to such projects. Ms. Outlaw replied that no one actually had taken over as the point person. Ms. Louis stated the lobbyists were doing a great job at this point in time. Mr. Schiavone stated if they did not find the right

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person for the position, they could just “spin their wheels” and not accomplish anything.

Ms. Louis stated there could be a probationary period, and if that person did not accomplish what should be done, then they could look for a replacement.

Mr. Budwig stated they needed to determine how to get the Acting City Manager to approve such recommendation.

Dr. Sudarkasa asked what was the basis for the argument of having the CRA do the work. Ms. Outlaw replied that the CRA was involved with redevelopment and worked with the developer aspects of economic development. In her perspective, she felt a vacuum existed on the business development side. She stated there was no staff at this time that could sit down with a new business for the area and discuss what incentives could be supplied to them in order to attract them to the City. She explained such a person would be able to walk them through the permitting process and visit sites with them for the location of their business. She stated they did have that on the CRA side within their boundaries, but that was a fine area. She explained further if a business were to go into the CRA, there would still be a gap. She stated they could discuss TIF incentives with the CRA, but in partnering with the County in terms of the QTI incentives that was where the opportunities were being missed. She advised that she had filled in on a “hit or miss” basis such as when the Broward Alliance had called in and stated they had a company looking at the City, and they wanted someone to sit at the table in the discussions. She further advised that such calls came in on a weekly basis, but her schedule did not permit her full devotion to such discussions. She reiterated that companies would go to cities who had the staff to devote to their business because “time was money.” She reiterated that this City was not competitive at all, and most requests coming in were of the type where companies wanted to be offered incentive packages and personnel to devote to them and assistance in finding locations for their businesses. She emphasized the City did not have such available personnel to fill in that capacity. She stated they had small businesses asking for assistance in the City, and they did not even have available staff to assist those individuals and try to either help them expand or to remain in the City.

Mr. Schiavone asked for some clarification regarding businesses coming into the area and what the return would be for the City. Ms. Outlaw stated that before incentive packages could be agreed to in partnership with the Broward Alliance, an analysis was done regarding tax contributions and certain figures had to be met before such incentives were offered. Mr. Schiavone asked what percentage of property taxes were received by the City. Ms. Outlaw replied the City received about 12%. Mr. Schiavone further stated that money had to be spent in order to make it. He felt if they spent a certain amount of money on this position, they would generate additional tax base to the City because of the businesses that would possibly relocate.

Ms. Louis stated that the challenge was that there was no recognizable data for the last 3 years.

Mr. Budwig asked if there was any information available that they could show that in the past 2-3 years such opportunities were missed, and the companies had gone to other cities. Gwen Watson replied that many were going to Sunrise. Ms. Outlaw stated that such information probably could be obtained from Broward Alliance. Mr. Schiavone suggested that such information could be forwarded to the Commission in an attempt to show them what opportunities had been missed by the City.

Chair Pat DuMont referred the Board to the letter sent by Floyd Johnson, and proceeded to read the last two paragraphs on page 3. She stated that last year when they had attempted to work with the City Commission regarding the Economic Development Department and assuring its existence, they had grappled with trying to put together numbers and figures which were meaningful and could not be disputed. Part of what they had determined was that this was a leadership role they were asking the Commission to take in regard to economic development. She reiterated that one could not always define in dollars what the impacts would be, but in determining the role for the City and its public policy and retention of businesses, and helping small businesses continue to grow, they were asking the Commission to take a leadership role for the City. She stated that eventually those dollars would be received and cover the costs. She reiterated that in the long term, how could one not look at economic development and have it play a role in the City.

Chair Pat DuMont continued stating that the Board could move to approve the proposed plans, but they were not to be implemented unless each Board member was willing to go to their Commissioner and stress the importance of such plans.

Mr. Schiavone stated they needed to know what they were selling, and that was why he felt it was necessary to see a copy of the job description. He stated it was his understanding that such a manager should have a background in code issues, ordinances, building permits, and economics. He reiterated that individual would have to make things happen.

Chair Pat DuMont stated that one of her concerns was that this Board's role was to be an advisory board, and they were not in charge of job descriptions. She stated that since the position had been vacant for 3 years, she felt the existing job description might not be accurate for today's role. She stated that one of the concerns in speaking with the Commissioners was that if they tried to relate this to facts, the qualified individual would not approach this City for the money being budgeted. She felt the department had to re-grow, and what they were attempting to sell to the Commissioners was that the City needed a vision for

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economic development. She stated they could not micro-manage and tell them what type of person should be hired. She reiterated they could stress what the needs were, but they needed to address the vision. Ms. Louis agreed.

Chair Pat DuMont stated they could not sell the vision in this room, but it was what they needed to do individually based on the motion passed by this Board today that was important.

Ms. Louis stated she was concerned that in speaking with the Acting City Manager he stated that he believed in economic development and was that type of person, but if he had such beliefs he should approve this. Chair Pat DuMont reiterated that nothing happened logically. Ms. Louis stated there needed to be something to convince him that the Economic Development Division would be good for the City.

Chair Pat DuMont stated that Gwen Watson had the answer. She stated that she had sent her an e-mail stating that she had discussed economic development with Commissioner Moore, and they needed to get the Commission to this Board's meetings and ask them face-to-face about their beliefs regarding economic development, and what they proposed to do about it. She stated that such a discussion was necessary by May 19, 2004 because things would not happen by just approaching the Acting City Manager. The Commissioners needed to approach him about this matter and discuss it further.

Ms. Louis stated that the Acting City Manager did believe in economic development.

Gwen Watson stated that they needed to find out who was not in support of economic development because it would be easier to go after those individuals. She reiterated that Commissioner Moore was in favor of economic development. She stressed that they needed to find out from their individual Commissioners where they stood on this matter. She stated the biggest waste of time last year was for them to come up with a plan and then have it ignored. She stated it was a slap in the face.

Ms. Outlaw stated that when a plan was created, they needed to have staff to work on it and implement it. She felt they were at a point where there was to be a staff involved or there was not.

Mr. Schiavone stated that possibly the Acting City Manager did not feel the two proposed positions were necessary because there would be economic development any way.

Mr. Budwig stated that if they were going to approach the Commissioners regarding economic development, they needed to ask if they were in support of staffing.

Gwen Watson stated that as a politician the answer would be they were in favor of economic development. Chair Pat DuMont stated that would open the door to asking how there could be economic development, if there was no staff to implement it.

Motion made by Ruchel Louis and seconded by Gwen Watson to have the Economic Development Advisory Board support the two new staff positions requested in the proposed 2004/2005 budget in order to create an Economic Development Department that would generate proven funds back into the city.

Discussion ensued regarding the language of the motion, and the final motion read as follows:

Motion made by Ruchel Louis and seconded by Gwen Watson to have the Economic Development Advisory Board support the two new staff positions requested in the proposed 2004/2005 budget in order to create an Economic Development Department, and that the positions would be full time and such staff would not be shared with other departments. Board unanimously approved.

Chair Pat DuMont stressed the importance of speaking with the Commission as soon as possible.

Mr. Schiavone stated that when he speaks to his Commissioner he was going to ask if they were in support of full time staffing of an Economic Development Department. If so, they should contact the Acting City Manager and explain how important this was to the future of the City.

Chair Pat DuMont stated that there was to be a reception this evening for the candidates for City Manager.

Mike McGinn asked if there were any restrictions on this Board in regard to discussing this issue to the Commission. Chair Pat DuMont replied there were no restrictions. Ms. Louis clarified that they were making a request to the Commission.

Ms. Watson stated if there were more than 3 of the Board Members present, then restrictions were in place.

Ms. Outlaw stated that once the Commission funded a position, they did so for a specific division or department to perform a specific function. She stated further that the City Manager would have the discretion to restructure job duties and reassign staff, and that was how changes occurred from what the Commission approved and what was actually implemented.

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Ms. Watson asked if there was some sort of restriction that applied to Board Members not speaking with staff. Chair Pat DuMont stated that she believed the resolution creating advisory boards included some wording covering that matter. She reiterated that Board Members could not give instructions to staff members. Ms. Watson stated if they were going to lobby their Commissioners was there something that said members of this Board could not make their feelings known regarding a specific subject. Chair Pat DuMont stated there were no restrictions in that regard and that was the purpose of this Board.

Chair Pat DuMont stated that she would commit to communicating with the City Commission before she left town on this matter. Mr. Schiavone stated that he would e-mail all of the Commissioners, but would personally call his Commissioner, Dean Trantalis, and Commissioner Hutchinson who had appointed him to this Board. Chair Pat DuMont stated that when this Motion was sent to the Commission, at the end of the motion they would list the members of this Board. She reiterated then the Board Members needed to communicate with them on the question discussed. She stated that tonight they could ask the Commissioners to make sure they read the e-mail regarding the motion from this Board.

Ms. Outlaw stated that the Acting City Manager would be included in the e-mail to the Commission for the motion. She suggested that the Commission not be provided with the actual copy of the budget, but it could be part of the proposed CED's budget, and then the Commission could ask for the proposed budget.

There was consensus from this Board that Ms. Outlaw could revise the language, if necessary, of the motion. Chair Pat DuMont clarified that Ms. Outlaw felt in communicating with the Commission they should not provide any documentation.

Mr. Schiavone asked if it would be helpful that they say something to the effect that efforts had been made by the local Broward Alliance and Chamber of Commerce to attract new business to the area, but it was abundantly clear the City had lost many opportunities in the past for new businesses to relocate due to not having a working division that could dedicate time and effort to such requests.

Mr. Budwig asked if they could draw an analogy in defense to capitalize on growth.

Ms. Outlaw stated that she did not know if the Broward Alliance could run such numbers for the City regarding such expansion, but they could look to see the amount of tax monies they would have to generate, along with the number of jobs to be created, to meet certain figures and guidelines.

Mr. Schiavone stated that by creating these two positions, they would also taking stress of individuals such as Ms. Outlaw, and other individuals wearing too many

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hats. Ms. Louis reiterated that they did not want to jeopardize Ms. Outlaw's position.

Ms. Watson reiterated that permitting was the #1 problem in the City.

Motion made by Ruchel Louis and seconded by Gwen Watson to adjourn the meeting.

There being no further business to come before this Board, the meeting was adjourned at 3:33 p.m.

CHAIRMAN

Pat DuMont

ATTEST:

Margaret A. D'Alessio
Recording Secretary