

**DOWNTOWN DEVELOPMENT AUTHORITY  
MINUTES**

**June 28, 2011**

There was a meeting of the Downtown Development Authority held Tuesday, 28, 2011 at 8:00am in the Conference Room 149-B at 301 South Ridgewood Avenue, Daytona Beach, Florida. The following people were present:

**Board Members**

Mr. Bob Abraham, Chair  
Ms. Sheryl Cook  
Mr. Joseph Hopkins  
Ms. Stacey Lipton  
Ms. Kelly White

**Staff Members Present**

Mr. Reed Berger, Redevelopment Director  
Mr. Jason Jeffries, Project Manager  
Mr. Ben Gross, Assistant City Attorney  
Ms. Jeanne Tolley, Redevelopment Technician  
Ms. Cathleen Olson, Recording Secretary

**1. Call to Order**

Mr. Abraham called the meeting to order at 8:07am.

**2. Roll Call**

Ms. Olson called the roll and noted members present as stated above.

**3. Approval of the Minutes of May 24, 2011**

Mr. Abraham noted a change in the configuration of the meeting room in an effort to obtain clearer audio recordings.

Ms. White noted that the minutes seemed sparse in places, due possibly in part to inadequate audio quality.

Mr. Hopkins clarified a comment he made in the first paragraph on page four, noting that he had been referring to the DBPA, and not the DDA as indicated in the minutes.

**Board Action**

Ms. White made a motion to approve the minutes of May 24, 2011 with corrections. Mr. Hopkins seconded the motion and it was approved unanimously (5-0).

**4. Discussion: Concierge Book Advertising**

Mr. Jeffries introduced Ms. Deb Smith who had a proposal regarding concierge book advertising. He stated that the item was a discussion item only seeking Board feedback.

Ms. Smith stated that she specialized in tourism publications, noting samples she had provided for the Board, including the Daytona Beach guidebook in local hotels and other locations, with maps, general information, and coupons, as well as hardbound in-room concierge books covering St. Augustine and Daytona Beach, located in three-to-five-star hotels in accordance with a partnership with TripAdvisor.com. She stated that with an average of 7 million yearly visitors, and only approximately 500,000 locals, it was important to reach the tourists as well as residents, and noted that currently the Daytona Beach and St. Augustine hardbound concierge books were combined into a single book.

Ms. White asked if businesses were individually contracting with Ms. Smith.

Ms. Smith stated yes.

Ms. Lipton stated that the price to advertise was cost-prohibitive for many individuals and businesses. She recommended working to co-op or otherwise help support advertisements.

Ms. Smith noted that there was a supporting website in addition to the book with reciprocal hyper-linking, including shopping, dining, entertainment, etc., with banner ads and a video spread to maximize visual exposure. She outlined the distribution, including over 90 hotels, condos, etc., and noted that a two-page spread was \$9,075 for one year, with discounting available for pre-pay.

Ms. Lipton asked when the book was printed.

Ms. Smith stated that the book was printed once a year in October. She also noted a comprehensive calendar of events, as well as 500,000 copies of a smaller booklet at a wider distribution throughout the City, such as at grocery stores and the airport.

Ms. White asked for clarification as to the co-op idea for the in-room concierge book.

Ms. Smith clarified that the normal rate was higher for full ads, with discounts offered for Downtown addresses, and noted that no hotel or condo-type advertisements were allowed out of respect for distributors.

Mr. Abraham asked if the DBPA had any input or comments on the proposal.

Ms. Weiss stated that the proposal was new to the DBPA, noting concern that the Promotions Committee had not been addressed prior to the presentation to the DDA.

Ms. Lipton asked about the distribution of the book.

Ms. Smith stated that 10,000 books were published each year.

Ms. Lipton stated that the previous year, there had been attempts to work with the DBPA on the book, but no coordination had taken place.

Ms. Ritzi noted a lack of funding to put towards the book proposal.

Ms. Smith noted some miscommunications as to the effectiveness of the book and magazines.

Mr. Abraham acknowledged the importance of the magazines, reiterating that this was only a discussion item. He stated that it could have an impact on the budget, and asked the Board for input as to whether to approve the proposal, and if approved, how and to what extent.

Ms. White stated that a comprehensive marketing plan was necessary, including an analysis of whether print advertising was effective or only perceived as effective.

Mr. Abraham stated that the decision would focus on whether to allocate money for the books, and if so how much, and to keep that in mind when discussing the annual budget.

Ms. Cook asked for clarification as to deadlines, given an October print date.

Ms. Smith stated that a decision by July and August would be ideal for the October print date.

Mr. Jeffries stated that a formal decision would be made at the July DDA meeting.

**5. Discussion: Merchant Survey Report**

Mr. Jeffries outlined the results of the merchant survey, noting that most Downtown marketing efforts fell in a neutral range, except a high rating for the News-Journal advertising page. He stated that he did not think lower-rated advertising efforts should be discontinued, but possibly reconsideration for how they were implemented.

Mr. Abraham asked what percentage of Downtown merchants provided survey results.

Mr. Jeffries stated that slightly under half of the Downtown merchants turned in the survey.

Mr. Abraham expressed concern that the survey results could be more reflective of the attitude of Downtown merchants than the actual effectiveness of marketing.

Mr. Jeffries stated that the survey results were likely reflective of both. He noted that Think Downtown magazine represented 23% of advertisements, with 54% in the News-Journal, and 8% in the Table Topper. He outlined the perceived effectiveness of Downtown events, with the Halifax Art Show and the French Market being rated very highly, while the Downtown Barbecue and the First Friday events were rated more neutrally. He stated that events spanning all three core blocks of the Downtown area were generally highly rated.

Ms. Cook asked who had not yet been approached to become a member of the Downtown merchants.

Mr. Jeffries stated that he could put a list together outlining the merchants, but contact information was still needed for the database for newer businesses.

Mr. Abraham asked for clarification as to the numbers of merchants responding as opposed to percentages.

Mr. Jeffries stated that 20 merchants had responded.

Mr. Abraham asked if the percentage was representative of how many merchants were members or only respondents.

Mr. Jeffries clarified that the percentage was 38% of the 20 respondents.

Ms. Ritzi noted that some merchants that were heavily involved with Downtown were reluctant to fill out the merchant survey due to possible bias.

**6. Discussion: Preliminary 2011/12 DDA Budget**

Mr. Abraham stated that the current budget discussion dealt with categories of expenses. He stated the grant would be presented to the DBPA, whose funds would come from the general categories. He also emphasized that funds could be adjusted between categories after the budget was adopted.

Mr. Jeffries outlined the budget numbers as presented in the Board packet, noting an overall revenue decrease of 13%, and stated that the budget was down 19% to \$120,000 as per the DDA's decision to reduce the budget gradually over a number of years instead of one large single reduction in a single year. He noted the DDA's mission statement, "The DDA taxing authority supports activities and programs to market, brand and promote Downtown Daytona Beach and Downtown businesses," and outlined the DDA's established goals. He outlined the proposed budget as presented on page 22 of the staff report, comparing the proposed 2011/12 budget to the approved budgets of the two prior years and the projected 2012/13 budget, noting a continued decline, and noted specific projects detailed on pages 23 and 24, such as developing a Downtown brand and a Downtown website. He stated that he had matched the DDA goals to budget line items and then made recommendations on funding. He stated that the overhead expenses of the organization were \$2,250, approximately 2% of the overall budget. He stated that Staff recommendation was to zero the Projects line item, since there were no new projects in the works, while the current major project, the Downtown branding, should be completed during the current fiscal year. Mr. Jeffries outlined the ongoing Downtown events, with the recommended focus on the Halifax Art Show and the Art of the Automobile, in addition to providing assistance for the French Market as well as events on Manatee Island. He also outlined the proposed budget for Downtown Holidays, with a recommended budget of \$17,000 to fund street decorations and advertising Downtown, and Downtown Marketing, directed to both tourists and Downtown residents, including Downtown retail brochures and the in-room concierge books. He also noted a reduction in the support of the Main Street Program, as it was not in the core mission of the DDA.

Mr. Abraham asked if it was Staff recommendation to take \$17,000 from the reserve funds, leaving \$21,667.

Mr. Jeffries stated yes.

Ms. White noted the results of the merchant survey, which showed more positive results for advertising media such as the News-Journal ads and events such as the French Market. She asked if the DDA should focus more on funding effective advertising and events and why there were no funds allocated to the News-Journal advertisements in the budget.

Mr. Jeffries stated that the News-Journal had not been included because it had not been included as a request from the DBPA. He stated that the DDA could work with the DBPA regarding the News-Journal as a part of the grant agreement.

Mr. Abraham stated that it was difficult to accurately interpret the results of the merchant survey, as most of the responses were somewhat neutral.

Ms. Lipton stated that the News-Journal Gang Page had impacted events and provided a means for Ms. Weiss to put out information about events.

Mr. Abraham asked about the potential effectiveness of TV advertising, questioning how many people actually watched the relevant channel.

Ms. Lipton stated that she had analyzed the budget by percentages to make sure there were no glaring imbalances in budget allocation.

Ms. Cook asked if it would be helpful to obtain more detailed information from Brighthouse regarding the advertising.

Mr. Abraham noted that radio advertisements could also be beneficial, and stated that it was important to consider if too much money was going to any one advertising category. He also noted that the DBPA was listed as the “responsible entity” for a number of items and asked if the total of those items equaled the total being recommended for the DBPA grant.

Mr. Jeffries stated that that was not the case, as the details of the DBPA grant were still being worked out in order to set the overall DBPA grant budget based on DDA goals. He stated there were three meetings remaining to finalize the grant budget for the upcoming year, but noted that the DBPA grant budget would likely end up less than the requested \$90,000. He stated that certain DDA expenses were already committed to, such as Downtown decorations, while other items were more up in the air, such as Brighthouse advertising and the See Magazine proposal. He also acknowledged the need for a more streamlined process in dealing with permits.

Ms. Cook asked Ms. Lipton to share the percentages she had come up with from her breakdown of the budget numbers.

Ms. Lipton outlined the percentages she had reached by pulling the numbers from the recommended budget, comparing advertising funding to event funding: DDA fixed expenses - 2%; Holiday expenses - 14%; event funding - 26%; print and TV marketing - 26%, with TV marketing being 15% of that 26%; Naomi’s office and meeting funding - \$4,000, with salary being 32%; and tourism funding - 32%.

Ms. Cook asked that the information regarding how much of the budget for the current year was still available be emailed to the Board before the next meeting.

Mr. Jeffries stated that there would be a quarterly budget update at the next meeting with that information, noting the need for the DBPA's next quarterly submittal.

Mr. Abraham asked what the deadline for adoption of the budget was.

Mr. Jeffries stated that he would like to have a recommended budget for the broad categories at the current meeting.

Ms. Cindy Ritzi stated that the DBPA was seeing the proposed budget for the first time and had not had any input on it. She stated the DBPA had substantial changes and comments regarding the budget as presented. She noted that the DBPA had money allocated for the News-Journal advertising, which was not reflected in the budget. She also noted that the Main Street Program had rules and regulations that could not be accommodated within the current budget as proposed, and stated the need for a workshop dedicated to budget issues.

Ms. Weiss expressed concern about the lack of communication regarding the budget, noting that some things that the DBPA did were not reflected in the budget. She stated the need to establish if it was the will of the DDA to support the DBPA and reiterated the need for a workshop to discuss what the DBPA provided. She noted that the Downtown Plaza had received no contributions from the DDA, and emphasized that much was leveraged via the DBPA that would disappear without DDA support.

Mr. Abraham stated that it was his impression that funding to the DBPA would be substantially more than \$40,000. He asked if the DBPA had any input on the \$120,000 budget as a whole and the general categories as presented.

Ms. Weiss stated that the DBPA understood the necessity for budget cuts and supported the general categories overall, with the possible exception of supporting events on Manatee Island. She questioned if Manatee Island was actually within the boundaries of the DDA and noted that she had never received positive feedback from merchants regarding events on Manatee Island.

Mr. Jeffries affirmed that Manatee Island was within the boundaries of the DDA.

Mr. Abraham asked if the DBPA would recommend removing funding from events on Manatee Island and dedicating it towards holiday funding.

Ms. Ritzi stated that would be the recommendation of the DBPA, and noted that they agreed with the overall budget categories but had some problems with the details.

Mr. Abraham emphasized that the DDA would not be acting on the details at the current meeting.

Ms. Cook noted a conflict between avoiding micromanaging the DBPA and not knowing the budget and where specifically the money went.

Ms. Weiss emphasized that the DBPA would like to demonstrate the results of the DDA funding, and show a comprehensive budget.

Mr. Abraham recommended scheduling the discussion at a regular meeting with a light agenda instead of a separate workshop.

Ms. Cook asked if the Board could get budget information earlier, with a more detailed budget.

Ms. Weiss stated that she would like to do a comprehensive presentation of the DBPA, in which detailed budget information could be included.

Mr. Abraham asked if the Board could take action on the general budget categories, shifting money away from Manatee Island and increasing the Holiday budget to \$20,000 and the marketing budget by \$4,500.

### **Board Action**

Ms. White made a motion to adopt the proposed 2011/12 budget with the following changes: increasing the Downtown Holidays budget to \$20,000 and increasing the marketing budget to \$42,750, with Downtown event funding decreased correspondingly. Ms. Cook seconded the motion and it was approved unanimously (5-0).

Mr. Hopkins noted concern that 75% of the budget categories involved the DBPA, but they had not been involved in preparing the budget. He stated he would like to see a budget presented that reflected communication between the City and the DBPA.

## **7. Adoption of Millage Rate for Fiscal Year 2011/12**

Mr. Jeffries stated that the taxable revenue had declined by 11% to an estimated \$102,189 at a 1 mill tax rate. He stated Staff recommended the Board establish the millage rate for the 2011/12 fiscal year.

### **Board Action**

Ms. White made a motion to accept a tax rate of 1 mill. Ms. Cook seconded the motion and it was approved unanimously (5-0).

**8. Independent Review of DBPA Grant Finances**

Mr. Jeffries provided follow-up information regarding the previous month's motion to conduct an independent review of DBPA financial records pursuant to paragraph 4(e) of the grant agreement with the DBPA, stating that "All financial records of the DBPA shall be made available at any reasonable time for inspection by any City employee or agent for the purpose of auditing use of CRA grant funds". He stated that Staff had contacted four potential CPAs to perform the audit, and asked the Board to select a preferred CPA and authorize \$3,000 for the audit, as well as provide direction on the audit procedure. He noted that proposals and information regarding each CPA was included in the staff report: Bradley Douglas from New Smyrna Beach, Daniel O'Keefe from Winter Park, Dennis Raposa from Port Orange, and Merry Joy Rawls from Orlando.

Mr. Abraham asked if all of the potential CPAs would be able to work within the \$3,000 budget.

Mr. Jeffries stated that all of the CPAs could work within the \$3,000 budget, but noted that it would be easier for smaller, independent firms.

Ms. White recommended eliminating Mr. O'Keefe, as his firm did the audit work for the City.

Ms. Lipton asked which CPAs were more experienced in nonprofit auditing and if there were any time constraints

Mr. Jeffries stated that all CPAs had a similar level of experience, while only the City auditor had time constraints. He noted that Mr. Raposa had provided very detailed recommendations, as did Ms. Rawls, and both seemed very informed and comfortable working with nonprofits, while Mr. Douglas was recommended by the City's new CFO. Mr. Jeffries suggested taking a poll of the Board's preferred CPAs by paper vote.

The results were as follows:

Joe Hopkins: Dennis Raposa

Bob Abraham: 1. Dennis Raposa, 2. Merry Joy Rawls

Stacey Lipton: 1. Dennis Raposa, 2. Merry Joy Rawls

Kelly White: Merry Joy Rawls

Sheryl Cook: 1. Dennis Raposa, 2. Merry Joy Rawls

**Board Action**

Ms. Cook made a motion to contract with Dennis Raposa to undertake an independent audit of the DBPA grant finances. Ms. White seconded the motion and it was approved unanimously (5-0).

Ms. Cook made a motion to authorize Mr. Abraham to sign an engagement letter for services proposed up to \$3,000, and to undertake negotiations if necessary. Mr. Hopkins seconded the motion and it was approved unanimously (5-0).

**9. Downtown Branding**

Mr. Jeffries stated the intent was to have one-on-one meetings with Board members regarding Downtown Branding, most of which had taken place. He suggested a special meeting of the DDA on Tuesday, July 12 at 8:00am, although Ms. White was unavailable at that time.

Ms. White stated that she could likely rearrange her schedule to attend the meeting if the date and time worked for the other Board members.

Ms. Weiss noted that the Town Hall meeting was scheduled to take place that same morning, but could possibly be moved, as it would be useful for the branding workshop to take place before the Town Hall meeting.

Mr. Abraham asked if the workshop could take place on Monday, July 11 instead.

Ms. Lipton noted that it was difficult for her to attend midday meetings, but she could attend either morning meetings or late in the day.

Mr. Hopkins stated that it was important to have the workshop prior to the Town Hall meeting.

Mr. Jeffries noted that if the workshop took place late on Monday afternoon, there would be little to no opportunity for Mastando Media to make any changes to the brand as per Board discussion.

Mr. Abraham asked if the meeting could take place the previous Thursday.

Mr. Jeffries noted that the City was somewhat understaffed over the next several weeks.

Ms. White stated that the Board had met with Mastando Media and had two discussions regarding the Brand. She stated that Board members were also free to contact Mr. Mastando directly.

It was the consensus of the Board that the workshop would be Monday, July 11, at 5:00pm.

Mr. Hopkins stated that he had not yet met with Mr. Mastando but would do so prior to July 11.

**10. DBPA Update**

Ms. Weiss noted that DBPA updates were included in the Board packet and outlined the highlights, including the summer recess schedule of events, noting that the names of the involved organizations would be added to the marketing information. She also highlighted the brochures that she had distributed to the Board, and that the photographs were placeholders, with a distribution of 15,000 for \$1,000. She stated that Independent Printing had offered the best price, and asked the Board for any changes or recommendations.

Ms. White asked about the marketing for the summer recess series.

Ms. Weiss stated that the general marketing was similar to the marketing plan for all of the seasonal events, including radio, posters, email, etc., and noted that the marketing would commence the following Tuesday.

Ms. Lipton stated that the Downtown brochure established the Downtown area as a destination and commended the quality of the map. She recommended centering and justifying the word "Downtown". She also emphasized that with the necessary budget cuts that utilizing addresses and emails was critical to marketing success.

Ms. Ritzi noted that the DBPA had been gathering emails for the Downtown Plaza project.

Ms. Weiss stated that one method of small-scale fundraising was to provide donation change jars at businesses. She stated it raised little money but had great effect on promoting the project and was useful for gathering customer emails.

**11. Staff Update**

Mr. Jeffries stated that at the last Downtown/Balough Road Redevelopment Area Board meeting, the only thing discussed had been the prohibited uses, with a Board recommendation to focus on homeless services, which the Planning Board had accepted. He also updated the Board on the Downtown kiosks, with a directory and map of all first-floor merchants Downtown, which should be ready by mid-July pending corrections and the printing of the map.

Ms. Cook asked for clarification as to how Code Enforcement was involved with Code violations on Beach Street.

Mr. Jeffries stated that Code administratively fell under the Police Department, but there was also a dedicated Code officer Downtown that was funded through the CRA. He stated Officer Danny Garcia was the new Code Officer for Downtown Redevelopment. He stated that it was important for Code to try to work with property owners first before taking property owners before the Code Enforcement Board.

Ms. White asked for an update on 166 Beach Street.

Mr. Jeffries stated that the City needed to come to a decision regarding the Downtown Public Market in order to address issues at 166 Beach Street. He also noted that the International Speedway Boulevard Streetscape project was proceeding, with a workshop to be held with stakeholders in the near future. He emphasized that construction would not be done during the peak retail months in order to minimize impact on Downtown businesses. He noted that in terms of follow-up on the budget, he would provide budget information to the City's finance officer for inclusion in the City budget book, then would sit down with Ms. Weiss to work out budget details.

**12. Public Comments**

There were no public comments.

**13. Other Business**

There were no Board comments.

**14. Adjournment**

There being no further business to come before the Board, the meeting was adjourned at 10:46am.

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Bob Abraham, Chairman

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Cathleen Olson, Board Secretary