

MEMORANDUM

TO: Downtown South Improvement District Exploratory Committee

FROM: Mildred Beam

DATE: August 20, 2010

RE: Summary of Meetings conducted on July 14, 2010 and August 9, 2010

The purpose of this memorandum is to set forth a brief summary outlining our progress to date against what we have been charged to do as the Downtown South Neighborhood Improvement District Exploratory Committee (the "Committee") pursuant to the Resolution adopted by the City Council for the City of Orlando on June 7, 2010 which established the Committee (the "Resolution"). As you are aware, we have had two (2) of our four (4) scheduled meetings to date, and we have made a fair amount of progress reviewing and analyzing the items set forth in the Resolution. However, we still have a fair amount of work to do going forward and I appreciate your willingness to help finalize our review and make an appropriate recommendation to the City Council regarding this matter. I felt it would be productive and beneficial to provide this summary to the Committee at this stage in the process.

Pursuant to Section 4 of the Resolution, there are nine (9) items described that the Committee should review, consider and discuss in the form of a recommendation to City Council in a written report (the "Action Items"). As you are aware, some of these items are more general in nature than others. All of these items are described below together with a summary of our discussions and findings to date. Any items that have not been discussed at this point are scheduled for discussion in the next meeting and are indicated as such below. The items are as follows:

a. **A description of the goals and purposes of the proposed district.**

We have discussed this matter generally, and will continue to do so throughout our review process.

b. **Which of the districts authorized by the Safe Neighborhoods Act, Part IV, Chapter 163, Florida Statutes, is most advisable.**

During the meeting on August 9, 2010, Kyle Shephard, Assistant City Attorney, provided a detailed summary of the four (4) different types of Neighborhood Improvement Districts described in Chapter 163, Florida Statutes. Local Government NID (§ 163.506, Fla. Stat.); Property Owners' Association NID (§ 163.508, Fla. Stat.); Special NID (§ 163.511, Fla. Stat.); and Community Redevelopment NID (§ 163.512, Fla. Stat.).

We discussed the pros and cons of the four different types of districts, and it appears that the consensus was that the **Local Government NID** is likely the most appropriate for our purposes and we will continue to refine our dialogue in this regard as we continue to work through the balance of the Action Items. Our discussions involving the four types of districts is and their characteristics is provided below:

1. Local Government NID:

- May levy an ad valorem tax of up to 2 mills annually
- Governing Board is typically City Council
- Advisory Council of property owners in the district
- Advisory council can be granted significant authority
- No automatic sunset
- Council may appoint board of directors (3 to 7)
 - Board members must own property and be subject to ad valorem taxation

2. Property Owners Association NID:

- Property Owners' Association exists representing at least 75% of all property owners within the district
- No authority to levy ad valorem tax
- Governing board represents the officers of the association
- District continues in perpetuity, as long as the association exists

3. Special NID:

- Established by referendum (business or residential)
 - Approved by freeholders representing >50% of assessed value of property within the district
- May levy an ad valorem tax of up to 2 mills annually
- 3-member board appointed by City Council
 - Board members must reside in the district (and pay taxes)
- District sunsets after 10 years unless reauthorized

4. Community Redevelopment Agency NID:

This district is not applicable as the Downtown South Neighborhood Improvement District is not a community development agency.

c. **Whether, and if so, to what extent, the City's Growth Management Plan must be amended to accommodate the establishment of the proposed district.**

Discussion regarding this item took place on both July 14 and August 9, and it was determined that growth management plan amendments would **NOT** be necessary for purposes of creating and establishing a proposed district.

d. **The proposed district's boundaries and size.**

We discussed the general boundary as 408 to the North, Orange Avenue to the East, I-4 to the West, and Michigan Avenue to the south. The question regarding the proposed district's boundaries and size that needs to be discussed and addressed at future meetings is ***whether or not the Downtown South - Main Street should be included in the Downtown Improvement District.***

e. **The proposed district's name.**

It appears that "Downtown South" would be an appropriate name if the Downtown South - Main Street Area is included in the proposed district's boundary. If not, it may be important to differentiate the district and the Downtown South – Main Street with a separate name. The Committee seemed to concur that answering the boundary question presented above in paragraph d. would be the most appropriate first step in the process of choosing the name for the district.

f. **The composition of the proposed district's governing board, and if applicable, the composition of an advisory council to the governing board.**

For discussion on August 26, 2010

g. **The duties, responsibilities, and powers of the district's governing board, and if applicable, of the advisory council to the governing board.**

For discussion on August 26, 2010

h. **Which of the powers authorized by section 163.514, Florida Statutes, should be granted or prohibited to the proposed district.**

For discussion on August 26, 2010

i. **Other information that the Committee finds would be useful to the Council in making a determination of whether to authorize the formation of a neighborhood improvement district.**

For discussion on August 26, 2010

It is our goal to engage in another productive discussion on August 26, 2010, to complete the above-referenced Action Items (f-i) and formulate a consensus on most if not all of the Action Items set forth in the Resolution.

The formation of the written report containing the District's findings and recommendations to City Council will be drafted in concert with City Staff. We will circulate the draft written report to the Committee following the August 26, 2010 Committee meeting, but prior to the September 13, 2010 Committee meeting. This will give the Committee the opportunity to review and consider the isolated issues (if any) needing further discussion on the final meeting on September 13. In addition, during the final meeting, we intend to come to a consensus on the form of the report to be provided to City Council.

Thank you so much for your participation on the Committee, and I look forward to seeing you at the next meeting.