

Chaffin, Lacey

To: Hartman, Clare; Manis, Dina
Subject: RE: [EXTERNAL] PFA meeting tomorrow

From: Hugh Futrell <hf@hughfutrellcorp.com>
Sent: Wednesday, September 13, 2023 1:58 PM
To: Hartman, Clare <CHartman@srcity.org>; De La Rosa, Raissa <RdelaRosa@srcity.org>; Dunston, Daryel <ddunston@srcity.org>
Subject: [EXTERNAL] PFA meeting tomorrow

Daryel, Clare and Raissa:

Looking forward to the first PFA meeting. Here are brief questions/observations I expect to raise; wanted to give you a heads-up. Items 1-4 are more or less procedural; items 5 and 6 are especially substantive and critical. Please share with other appropriate staff and also distribute to PFA members prior to meeting.

- (1) As I read the timeline, buildings placed in service in 2023 may not fall under the district authorization umbrella and provide increment to the District. It will be helpful to know whether they will be in or out, as this is a subject that has commanded a lot of attention.
- (2) Who is paying for the third party consultants and legal counsel? (If it is intended that the District will ultimately reimburse these start-up costs, then it would be appropriate that the PFA has the opportunity to know, and possibly confirm, these financial/contractual obligations.)
- (3) When adopted, the By-Laws will presumably establish how the Chair is appointed. In the meantime, though, someone will need to conduct the meeting.
- (4) It is important that downtown business and property owners, and community generally, is aware of PFA meetings. I would encourage distribution of agendas to Cadance Hinkle, ED of the DAO, promptly once they are posted, and to Mike Montague, chair of the Railroad Square Association as well. Consistent communication to affected owners that no tax increase whatsoever is triggered needs to be emphasized.
- (5) A key consideration for the success of the District is allocation of a sufficient percentage of tax increment. Presumably the PFA will make a recommendation to the BOS and Council and if so, this recommendation will need to be finalized in October or November so timely decisions can be made by the two bodies. Until this is done, meaningful discussion about the content of the IFP is premature. But in order for such a decision to be made, an accurate preliminary analysis of how much tax increment can be produced under various scenarios will need to be done. Who will do that? (The pro forma percentage increases calculations introduced by consultants earlier this year are inadequate.)
- (6) The second key consideration is the IFP itself, and when we discuss the Timeline tomorrow we will need (all this, obviously, in my opinion) to consider, at least in a preliminary way, *how* the Plan will be prepared – What are the improvement objectives? How is it ensured that the District funds do not simply supplant capital replacements that the City is already obligated to fund? Will other city – or independent grant sources – be folded into the EIFD (such as park and recreation impact fees, already under Council policy restricted to use in the downtown core)? How will these questions be resolved – will there be a technical advisory subcommittee, for example, on an ad hoc basis, including some PFA members and others, so that the necessary work can actually be accomplished swiftly and effectively?

Thank you! Hugh

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