



TO: Mayor Petrolia and City Commissioners
FROM: Laura Simon, Exec. Director, Delray Beach Downtown Development Authority
DATE: August 18, 2023
RE: Fiscal Year 2023/24 Budget Detail Review with Priorities
CC: DDA Financial Administrator, Board of Directors, Hugh Dunkley and City Manager Moore
ATTACHED DOC: Draft Budget Worksheet

Overview:

On June 12, the Downtown Development Authority Board of Directors set the millage rate at 1mil assessment for the district. On July 11, the City Commission accepted DDA Millage tentative rate at the 1.0000 mills which equates to the following: \$1,711,104 for the FY23/24 budget amount. The 1 mill is the maximum that the DDA can set based on the State Statute and is recommended to fulfill the Fiscal Year budget.

Based on the outcomes and discussion that the July Goal Setting Workshop and the August Budget meeting, this memo outlines the DDA priorities along with the financials to support the operations and programs. As the board identified, the Downtown experience and sustaining the economic vitality are top priorities. As our Downtown continues to grow, we need to ensure our plan of action is socially responsible, inviting, well-placed, and that we have the commitment and buy-in of our stakeholders – businesses, residents, and visitors.

To assist in the budget process, this memo will provide an overview of the budget at the full millage assessment and detail sheets that are attached.

Revenues:	Amended FY22/23	PROPOSED FY23/24
Ad Valorem Tax Revenue +interest	\$1,485,849	\$1,712,084
**Sponsorship/Misc. Revenue	\$ 76,970	\$
Total Revenue:	\$1,562,819	\$1,712,084
Proposed Expenditures:		
Marketing the District	\$ 383,700	\$ 385,000
Economic Vitality	\$ 76,991	\$ 112,000
Place Making	\$ 400,081	\$ 515,000
District Grants	\$ 9,000	\$ 25,000
Operations/Admin	\$ 632,676	\$ 675,084
Total Expenses	\$1,501,254	\$1,712,084

****Sponsorship/Partnership Income:** this income is not guaranteed and is not included in the forecast projections.

Background Budget Detail:

At the July 19th DDA Planning Workshop the board reviewed and discussed priorities for the organization to focus on in the coming year as needs for Downtown. The DDA board agrees that a vibrant downtown is essential for the success of Delray Beach. Sustaining the success and managing a vibrant downtown is extremely important to the DDA board and team. Enhancing the Downtown experience and quality of life through the clean, safe, and beautiful initiatives will be a focus for the coming year. Resident engagement, the Set enhancements along with implementing a short-term plan and developing a long-term plan for Old School Square.

The DDA will continue to partner closely with the City of Delray Beach and the Community Redevelopment Agency along with all the partner organizations to continue to raise Downtown Delray Beach to be the top destination for all to live, work and visit in our Village by the Sea.

**DDA PROPOSED BUDGET
FISCAL YEAR 2023_24 BUDGET
Top Line Report**

Updated 8/16/23

	Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24
AD VALOREM TAXES & INTR. SPONSORSHIP RAISED	1,466,887 0	1,485,849 76,970	1,711,104 0
TOTAL REVENUES	1,466,887	1,562,819	1,711,104
EXPENDITURES:			
DEVELOPMENT DDA DISTRICT ECONOMY			
TOTAL MARKETING DDA DISTRICT	377,700	383,700	385,000
ECONOMIC VITALITY / DEVELOPMENT	75,568	76,991	112,000
PLACEMAKING/CLEAN AND SAFE	404,500	400,081	515,000
TOTAL DDA DISTRICT GRANTS	10,000	9,000	25,000
TOTAL BUSINESS DEVELOPMENT	867,758	869,772	1,037,000
DDA OPERATIONS/ADMIN:			
Payroll Expenses Total	316,943	407,501	454,058
Operational Expenses Total	70,958	96,543	96,543
Office Expenses Total	111,439	121,562	116,483
Capital Expenditure	0	7,070	8,000
Total Office/Administrative	499,340	632,676	675,084
Total Revenues	1,466,887	1,562,819	1,712,084
Less Total Expenses	1,367,098	1,501,254	1,712,084
Funds Allocated Brought Forward from Previous Financial Year	0		0
Net Income for year	99,852	61,565	(0)

DDA OSS Budget Summary	Approved Budget as of 3/15/23	APPROVED Amended Budget 2022_23 8/14/23	Proposed Budget 2023_24
Total DB Old School Square Revenue	1,000,000	1,063,500	1,325,000
Less Delray Beach Old School Square Expenses	(1,000,000)	1,036,866	(1,318,383)
OSS Net Income for the Year	0	26,634	6,617

DDA FY2023_24 BUDGET DRAFT - SUMMARY PAGE A

		Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24	NOTES FOR PROPOSED BUDGET FY23-24
A	Revenue & Expenses				
	REVENUES				
AD VALOREM TAXES & INTR.					
1	Ad Valorem Taxes	1,465,907	1,484,042	1,711,104	.95 millage forecast
2	Interest earned	980	1,807	980	intrest from account at Seacoast bank
3	AD VALOREM TAXES & INTR.	1,466,887	1,485,849	1,712,084	
SPONSORSHIP RAISED					
4	Sponsorship Income - Marketing		39,500		Do not account for Sponsorships until they are raised
5	Miscellaneous Income		18,070		
6	Downtown Guide Book Income		1,400		
7	Howard Alan Events		18,000		
8	SPONSORSHIP RAISED	0	76,970	0	
Aud	Provision of Uncollectible Receivable	0		0	
9	TOTAL REVENUES	1,466,887	1,562,819	1,712,084	
EXPENDITURES:					
DEVELOPMENT DDA DISTRICT ECONOMY					
MARKETING DDA DISTRICT TOTAL					
10	Downtown Guide Brochures	17,000	3,000	10,000	Downtown Visitor Guide Map, Restaurant & Shopping Guide
13	Website Design & Update	18,000	18,000	21,000	New Website proposed
14	Public Relations & Communication	42,000	42,000	42,000	DDA PR services
15	Misc Advertising	15,000	15,000	15,000	Non traditional advertising: Billboards, Influencers, Out of Home
16	DDA Program Marketing Totals	285,700	305,700	297,000	Total from Worksheet B
17	TOTAL MARKETING DDA DISTRICT	377,700	383,700	385,000	
18	ECONOMIC VITALITY / DEVELOPMENT	75,558	76,991	112,000	Total from Worksheet C
19	PLACEMAKING/CLEAN AND SAFE	404,500	400,081	515,000	Total from Worksheet D
20	TOTAL DEVELOPMENT DDA DISTRICT ECONOMY	857,758	860,772	1,012,000	
21	TOTAL DDA DISTRICT GRANTS	10,000	9,000	25,000	Art and Activation Grant Program
22	TOTAL BUSINESS DEVELOPMENT	867,758	869,772	1,037,000	
Expenditures Office/Administrative					
23	DDA Payroll	254,029	335,000	380,000	Reflects salaries only for DDA team
24	P/R Taxes,SUTA,FUTA	14,609	26,000	29,458	
25	Health Insurance	32,375	28,075	24,840	Health Plan (include Health, eye, dental) \$728.00
26	Worker's Comp. Ins	1,088	1,936	1,760	
27	Retirement	14,842	16,490	18,000	Retirement plan
28	Payroll Expenses Total	316,943	407,501	454,058	

DDA FY2023_24 BUDGET DRAFT - SUMMARY PAGE A

DDA FY2023_24 BUDGET DRAFT - SUMMARY PAGE A					
		Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24	NOTES FOR PROPOSED BUDGET FY23-24
A	Revenue & Expenses				
	29	Independent Contractor	16,000	0	10,000
	30	External Audit Fees	11,500	18,750	20,000
	31	Bookkeeping & Payroll Svcs	7,195	9,937	9,710
	32	Dues, Subscriptions	4,746	8,000	9,300
	33	Board Liability Ins + Office Contents	8,943	11,000	11,000
	34	Property Appraiser Fee	8,224	8,662	9,533
	35	Meetings, Conferences, Training	12,350	14,000	15,000
	36	Legal Fees	2,000	26,000	12,000
	37	Operational Expenses Total	70,958	95,349	96,543
	38	Car allowance	3,000	3,000	3,000
	39	Phones	5,467	7,125	5,560
	40	Office Supplies & repairs etc	29,151	29,000	30,000
	41	Postages & Printing	1,000	1,800	667
	42	Office rental	72,821	80,637	77,256
	43	Office Expenses Total	111,439	121,562	116,483
	44	Capital Expenditure	0	7,070	8,000
	45	Total Office/Administrative	499,340	631,482	675,084
	46	Total Revenues	1,466,887	1,562,819	1,712,084
	47	Less Total Expenses	1,367,098	1,501,254	1,712,084
	48	Less Bad Debt	0		0
	49	OSS Net Loss for the Year	0		0
	50	Funds Allocated Brought Forward from Previous Financial Year	0		0
	51	Net Income for year	99,852	61,565	(0)
	52	In Kind Revenues	0		0
DBOSS Net Summary					
OSS1	Total DB Old School Square Revenue	1,000,000	1,063,500	1,325,000	
OSS2	Less Delay Ray Beach Old School Square Expenses	(1,000,000)	1,036,866	(1,318,383)	
	OSS Net Income for the Year	0	26,634	6,617	

DETAILED MARKETING AND ADVERTISING FY23-24 FORECAST BUDGET SHEET					
		Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24	
	B MARKETING DDA DISTRICT TOTAL				NOTES ON PROPOSED BUDGET
	CREATIVE DESIGN & PRINTING				
1	All Creative	40,000	48,000	48,000	Graphic design for all marketing materials including for general ads, events, economic devel Print for general advertising, posters, rack cards
2	Printing Collateral	8,000	15,000	10,000	
3		48,000	63,000	58,000	
4	LOCAL PRINT ADVERTISING				Ad placement for Coastal Star, Palm Beach Post or Sun Sentinel
5	Newspapers	2,500	4,200	8,000	
6		2,500	4,200	8,000	
7	INTERNET ADVERTISING				All Social Media marketing and advertising all platforms for general and event adv.
8	Social Media & Online advertising	39,000	28,000	32,000	
9		39,000	28,000	32,000	
10	MEDIA ADVERTISING				Broadcast TV Ads - Summer Programs Commercial production & Event Video recaps
11	TV Commercial advertising	2,000	0	10,000	
12	Video Production	12,000	9,000	8,000	
13		14,000	9,000	18,000	
14	TOTAL MONTHLY CAMPAIGN	103,500	104,200	116,000	
15	LOCAL/REGIONAL/NTL PUBLICATIONS				Savor the Avenue ads Savor the Avenue ads Atlantic Ave Mag, Palm Beach Illustrated Visitor Guide
16	Delray Beach Magazine	5,000	7,000	7,000	
17	Boca Magazine	5,000	5,500	5,500	
18	Other Publications	7,000	9,000	5,000	
20	Visit Florida Annual Trav. Magazine/Coop	5,200	0	3,500	
21	TOTAL LOCAL/REGIONAL/NTL PUBLICATIONS	22,200	21,500	21,000	
22	DOWNTOWN PROGRAMS and EVENTS	160,000	180,000	160,000	All Event and Program Logistics: Shop Small, Holiday, Art Walk, Art & Jazz on the Ave, Savor the Avenue, Orchid Giveaway, Restaurant Month
23	Marketing Expense Miscellaneous	0	0		
24	DDA PROGRAM MARKETING TOTALS	285,700	305,700	297,000	
25	LESS EXPS - SPONSOR TO BE RAISED	0	(76,970)	0	
26	TOT MARKETING DDA DISTRICT EXPENSES BUDGET	285,700	228,730	297,000	

ECONOMIC VITALITY AND DOWNTOWN DEVELOPMENT
FISCAL YEAR 2023_2024 BUDGET PROPOSAL

	2	3	4	NOTES FOR PROPOSED BUDGET
C				
ECONOMIC VITALITY AND DOWNTOWN DEVELOPMENT	Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24	
DETAIL ITEMS				
1 DDA Annual Report	3,000	3,091	3,500	Costs for development, print, distribution
2 Email Messaging (B2B)	5,900	5,900	3,500	costs for email platform
3 Business Development Materials	5,826	1,000	8,000	City Code Handbook
4 Database and Inventory Management	11,000	5,000	30,000	Database (Ginkgo), Placer.ai (Ped traffic counter)
5 Research and Development Plans	2,000	7,000	15,000	Strategic Plan Development
6 Visitor Information Center	47,832	55,000	52,000	Reflects the Salary Adjustment for VIC Coordinator
TOTAL ECONOMIC VITALITY	75,558	76,991	112,000	

**PLACEMAKING CLEAN AND SAFE
FISCAL YEAR 2023_2024 BUDGET PROPOSAL**

		Approved Budget 2022_23	Amended Budget 2022_23	Proposed Budget 2023_24	
D					
PLACEMAKING					NOTES OF PROPOSED FY23-24 BUDGET
DETAIL ITEMS					
1	Street Pole Banner Management	25,000	33,000	30,000	New street pole banners for Pineapple Grove. Bi-weekly management
2	Decorative Lighting Annual program	20,000	15,000	30,000	Bi-weekly management of existing lighting; Proposed Café lights for NW 5th Ave
3	Holiday Lighting	40,000	37,581	40,000	December Holiday lights for the entire district (Nov. 15- Jan. 7)
4	Downtown Safety Ambassador Program	270,000	270,000	330,000	Safety Ambassador Program Additions to daytime shift and adjusting nighttime shifts on Thursdays
5	Downtown Parking	2,500	0	15,000	Specialty Parking programs for Summer
6	Signage and Kiosks	2,000	4,500	5,000	Pedestrian Kiosk Signage
7	Downtown Beautification - Clean/ Amenities/Public Art	45,000	40,000	65,000	Clean Program; Alleyway Project; Public Art Installation (Mural)
	TOTAL PLACEMAKING	404,500	400,081	515,000	

Delray Beach Old School Square **Fiscal Year 2023_24 Proposed Budget**

Updated 8/16/23

		1		2	
		Approved Budget as of 3/15/23	APPROVED Amended Budget 2022_23 8/14/23	Proposed Budget 2023_24	
		NOTES ON PROPOSED BUDGET (FY23-24)			
OSS#	Revenues				
1	Funding	\$1,000,000	\$1,025,000	\$1,000,000	FUNDING FROM CITY OF DELRAY BEACH
2	Donations		\$10,000	25,000	Cash or Credit donations at Cornell and events
3	Sponsorship		\$5,000	100,000	Event, Exhibition Sponsorships
4	Venue Rentals		\$1,500	100,000	Amphitheatre and Gym Rentals (\$1000-\$4000)
5	OSS Program Income		\$20,000	90,000	Ticket Sales, Concession Revenue, Vendor Fees
6	Museum Store		\$2,000	10,000	35% of Sales
7	Total Revenues:	\$1,000,000	\$1,063,500	\$1,325,000	
	EXPENSES				
	OPERATIONS				
8	Event/Campus Coordinator	\$27,000	\$27,000	\$65,000	Contract Services
9	Cultural Arts Director	\$60,000	\$102,211	\$93,383	Salary+taxes+benefits
10	Cornell Part Time Staff Member	\$25,000	\$25,000	\$35,000	Parttime staff
11	DDA Team Management	\$20,000	\$20,000	\$20,000	DDA Staff Support of OSS programs and events
12	Special Events Manager	\$40,000	\$40,000	\$65,000	Contract Services
13	Other Contract Staff	\$20,000	\$20,000	\$40,000	Event Labor, Museum Installation Labor
14	Campus Security (Ambassadors)	\$35,000	\$25,000	\$150,000	Special Event Security and Nighttime Security
15	Administrative and Facility Expenses	\$40,000	\$51,230	\$75,000	Office and Facility Supplies, Cleaning Services, Legal, Bookkeeping, Dues, Phones, Internet (additional for Gym and Amphitheatre, Misc Fees; wall mounts, painting interior
16	Equipment Costs	\$30,000	\$30,000	\$30,000	Cameras for Stage or Park, Concession Stand upgrade
17	Additional Insurance	\$10,000	\$10,000	\$10,000	Fine Art Insurance
18	TOTAL OPERATIONS:	\$327,000	\$350,441	\$583,383	
	MARKETING				
19	Marketing - Rebrand	\$40,000	\$40,000	\$29,000	Implementation of Marketing
20	New Website	\$20,000	\$18,000	\$18,000	New Website development and Implementation
21	Creative	\$30,000	\$30,000	\$35,000	Graphic design and development of all materials including Vintage Gym collateral, banners, aframe printing, including new for Gym
22	Printing	\$12,000	\$15,000	\$15,000	collateral, banners, aframe printing, including new for Gym
23	Advertising	\$27,000	\$27,000	\$40,000	Social, Print, Out of Home
24	Public Relations	\$24,000	\$24,000	\$48,000	PR agency

25	TOTAL MARKETING:	\$153,000	\$154,000	\$185,000	
	CORNELL EXHIBITIONS/ACTIVATIONS				
26	Museum Store Expenses	\$3,000	\$3,000	\$3,000	Misc costs for materials, taxes
27	Rotating Exhibitions	\$1,000	\$5,000	\$5,000	Artist fees
28	Museum Activations (events and activations)	\$180,000	\$170,000	\$17,000	Musicians, Lectures, Art Walk events, Live Demos
29	New Exhibition	\$31,000	\$45,000	\$15,000	Costs for special exhibition
30	TOTAL CORNELL EXHIBITIONS/ACTIVATION	\$215,000	\$223,000	\$40,000	
	AMPHITHEATRE EVENTS AND ACTIVATIONS				
31	Events and Activations	\$120,000	\$120,000	\$200,000	Production, Entertainment, Fencing, Tents, tables, lighting
32	Outdoor Art Installation	\$60,000	\$60,000	\$55,000	CREOS or other type of temporary installation for Summer
33	Summer Festivals	\$120,000	\$120,000	\$200,000	Mural Fest, Summer Concert Series
34	TOTAL:	\$300,000	\$300,000	\$455,000	
	BUSINESS PLAN				
35	Professional Advisor - Strat Plan	\$0	\$0	\$25,000	Consultant fee
36	TOTAL	\$0	\$0	\$25,000	
	SEASONAL LIGHTING				
37	Holiday Lighting	\$0	\$4,425	\$5,000	Fee for holiday décor
38	TOTAL:	\$0	\$4,425	\$5,000	
	PLACEMAKING				
39	Grounds Maintenance	\$0	\$0	\$20,000	Supplementing City Services for pre and post event cleaning (pressure spraying)
40	New Signage	\$5,000	\$5,000	\$5,000	Onsite directional signage
41	TOTAL:	\$5,000	\$5,000	\$25,000	
	TOTAL EXPENSE:	\$1,000,000	\$1,036,866	\$1,318,383	
	NET EXPENSE(INCOME)	\$0	\$26,634	\$6,617	