



CRA Board Meeting Minutes
Tuesday, August 25, 2020 – 4:00 p.m.
Virtual via Webex
Delray Beach, FL 33444

STAFF PRESENT:

Renee Jadusingh	Christine Tibbs	Tara Toto
Ivan Cabrera	Danielle Arfin	Heather Hinkle
Alexina Jeannite	Lori Hayward	

OTHERS PRESENT:

Evelyn Dobson	Karen Ronald	Jacqueline Ramirez
Stephanie Immelman	Marjorie Waldo	Winnie Edwards
Charlene Farrington	Shannon Eadon	DJ Doody

Old School Square

Ms. Jeannite stated the committee was seeking direction from the Board as to how to fund Old School Square in FY21. She explained Old School Square was requesting \$900,000 for cultural arts programming.

Ms. Jeannite reviewed services provided by the Old School Square in the past year, up to the start of COVID-19. She stated that because of the pandemic, Old School Square had had to furlough all employees except the CEO, COO, Finance Director, and Marketing Director. She noted live shows were cancelled or rescheduled, and remaining staff had been working to plan future virtual programming. She shared that Old School Square plans to rehire all staff.

Ms. Jeannite noted the request was an increase over the \$750,000 funded in FY20.

Lori Hayward, CRA Finance and Operations Director, provided a funding report, including the history of funding of Old School Square beginning in FY04, when the City asked that the CRA fund the program. She stated the A-GUIDE originally funded Old School Square at \$285,000, with the intent to reduce that amount over time.

Ms. Hayward reviewed the requested funding year-by-year since that time, and the justification given with each request. She noted the City has a \$250,000 management agreement with Old School Square, which has been paid by the CRA since FY17, and that amount was included in the \$750,000 total from the previous year.

Ms. Hayward noted the fiscal sustainability forecast for FY21-23 provided by Old School Square with their application showed a line item for \$900,000 from the CRA in each of the next three (3) years.

Ms. Jeannite summarized the funding committee comments, stating they thought the request was too high based on the limited activity level, staffing, and the CRA Board's intent to not increase A-GUIDE funding. She stated based on those concerns and the uncertainty of COVID-19, the committee had reviewed several reduced funding options.

Commissioner Boylston asked to hear from Old School Square regarding how much of the funding increase was due to COVID-19. He stated he had made a previous statement

regarding not reducing A-GUIDE funding for any of the organizations because it was too early to make an assessment, however Old School Square was the only one with a large increase requested. He noted if the increase was tied to COVID-19, there may be better avenues than increasing the A-GUIDE request.

Chair Johnson stated she was dismayed, and wondered if COVID-19 had hit Old School Square harder than other organizations. She commented on the uncertain environment and said it might be that Old School Square was the last thing to be funded.

Commissioner Petrolia said that it had been a difficult decision each year, because Old School Square didn't seem to be getting out of the cycle of needing more and more. She stated she didn't think throwing money at it had made a tremendous difference, and it seemed there was a bigger and bigger gap.

Continuing, Commissioner Petrolia stated she didn't understand how Old School Square was not able to meet their expenses if they had furloughed all but four (4) employees. She said closing in on a million dollars didn't make any sense to her.

Commissioner Petrolia added that of all the not-for-profits that the CRA was supporting, she had not seen anything come out of Old School Square during COVID-19. She said maybe she had missed it, but she didn't see how they had pivoted. She noted others were short-handed, as well.

Chair Johnson stated the events at Old School Square are typically large crowds gathering, and those were the things that were not recommended at this point.

Commissioner Petrolia asked how that was different from the Arts Garage. She stated she thought they were in the same boat as the others.

Chair Johnson said she wasn't disagreeing, but she wasn't sure if any of Old School Square's programming was included in phase one (1) of shutdowns.

Shannon Eadon, Old School Square President & CEO, asserted that they had pivoted. She stated they had done virtual programming through the schools, created virtual tours of the museum, done virtual concerts, and had more students in their school than ever. She explained the plan was to start the outdoor concert series once the community was in phase two (2), along with virtual versions of programs.

Ms. Eadon stated the budget had gone up because they planned considerably more programming for the next year, and the cost of doing business during the pandemic was dramatically higher. She outlined ways they intend to maximize viewing for outdoor events with rental equipment and stated overhead would double due to sanitation and security concerns. Ms. Eadon stated it is not financially viable to fill the theater at less than 75 percent, so it could not be opened until phase four (4).

Continuing, Ms. Eadon explained virtual classes were much larger than previous classes, with students planning trips to meet their teachers once the pandemic is over. She stated artists who travel tend to stay in an area longer than the average traveler.

Deputy Vice Chair Gray asserted that in these uncertain times, everyone has to cut back, and she doesn't see how they can ask for more money to expand programs. She said she did not want to take the chance in this uncertain time and asked what makes Old School Square stand out from others.

Deputy Vice Chair Gray asked if Old School Square received a PPP loan.

Ms. Eadon stated they had received a PPP loan, and those funds were about ready to run out. She pointed out Old School Square was 2000 percent over what they said they were going to do for programming in FY20 and said if they had the other 40 shows on their schedule, they would have had a non-deficit budget for the first time in their history.

Ms. Eadon explained the staff worked seven days a week to keep the organization going prior to furlough, and those left were working the same way.

In response to a question from Deputy Vice Chair Gray, Ms. Eadon stated they previously had a full-time staff of 21.

Deputy Vice Chair Gray stated she would like to consider staff's recommendation but would also like to review the City's maintenance budget for Old School Square. She asked if the sod replacement was included in the maintenance agreement.

Ms. Jadusingh stated it was separate and pointed to a slide outlining capital funding for Old School Square that the CRA had provided over the years, including interlocal agreements totaling \$2.5 million. She noted the CRA had paid to replace sod after renting the space for the Green Market.

Ms. Eadon pointed out the City takes care of maintenance for the outside of the building and the grounds, replacing the sod after the Christmas tree is taken down. She noted Old School Square is five (5) buildings, and they maintain the inside of the buildings. She stated donors have also made large capital improvements.

Commissioner Boylston stated the Old School Square had just gone through their largest rental season and asked how much money was lost due to not having weddings and other events on the grounds.

Ms. Eadon stated they had kept loss to approximately one (1) percent, because they worked tirelessly with the brides to reschedule.

Commissioner Boylston asserted that was tremendous news and great work, however it makes things complicated because he thought the answer would be larger. He stated he thought it was important for the Board to maintain funding and address COVID-19 issues outside of the A-GUIDE. He stated the CRA and the City would be resources for the non-profits, City entities, and businesses through difficult times.

Commissioner Boylston stated he would be aligned with staff's recommendation to give funding quarterly, rather than a lump sum that matches the largest request they had ever

been given. He said he shared concerns of the other Board members, noting the market had been good for eight (8) years and a lot of other organizations had done really well. He added that the conversation was a long time coming.

Ms. Eadon asserted Old School Square had lost \$200,000 in revenue over the year and had huge amounts of disputed tickets from people who were trying to dispute ticket purchases through their credit cards.

Continuing, Ms. Eadon stated she could not speak for her predecessors, but she could speak for the significant changes which had been made over the past 10 months. She noted it takes some time to come back around, and she was asking the CRA Board to give the new Old School Square organization a chance.

Vice Chair Frankel said this was tough for him, because he considers Old School Square the gem of the City. He noted it is the first thing people see in the downtown corridor, and it is a good partner with the City. He stated he had voted to fund Old School Square with every request that has been made since 2009, but right now he can't increase it. He said the Board is amazing, but every year they say give us a chance and we'll fix it. He noted the numbers tell the story, and he can't support \$900,000.

Vice Chair Frankel asked Ms. Jadusingh to share staff's recommendation, noting it is a necessary group for the City and its visitors.

Commissioner Casale said she was in agreement with everyone else expressing monetary concerns. She stated she wanted to commend Ms. Eadon on the things Old School Square had recently accomplished.

Ms. Jadusingh stated staff had discussed how to get this integral part of the community through this difficult time, including asking them to go back and review what realistically could be called COVID-19 relief and what was A-GUIDE. She noted another option was to fund Old School Square in quarter or half-year installments with more accountability.

Continuing, Ms. Jadusingh suggested they ask Old School Square to identify areas for reduction in funding and bring those to the workshop meeting. She stated staff would like the opportunity to locate the management agreement and determine if that would be an ask of the CRA.

Ms. Jadusingh stated the purpose of the discussion was to gauge the Board's interest in funding solutions and amounts.

Chair Johnson asserted she needed to understand the figures being discussed, and said she was in favor of moving the subject to another day.

Motion by Vice Chair Frankel, seconded for discussion by Commissioner Boylston, to bring the item back at the workshop meeting.

Commissioner Boylston asked if the Board would be amenable to approving funding flat with the previous years and adding any additional requests to the workshop.

Vice Chair Frankel accepted Commissioner Boylston's addition as a friendly amendment.

Motion by Vice Chair Frankel, seconded for discussion by Commissioner Boylston, to fund the Old School Square's A-GUIDE request at the level of the past two (2) years and discuss the additional funding request at the workshop meeting.

Commissioner Petrolia stated she would not agree to the motion because it hemmed the Board in, and she believed the entire subject deserved more discussion.

Deputy Vice Chair Gray asserted that she would like additional information on staff's recommendation before making a decision. She stated she also did not want to discuss the subject all over again.

Chair Johnson stated she was fine with the recommendations of staff until she realized funds were spread over multiple moving pieces. She said she was not in favor of going to what they had for the past two (2) years, as she didn't understand what their budget was.

Vice Chair Frankel stated he thought it was fair to fund Old School Square at exactly what it has been, not increasing it, so that they can operate for the next two (2) months.

CRA Board Attorney DJ Doody pointed out there was a motion on the floor. The Commissioners and staff discussed the wording and intent of the motion.

Ms. Jadusingh clarified that in FY20, the CRA was providing Old School Square with a total of \$750,000 broken down into four (4) quarters, with \$500,000 coming from A-GUIDE. She stated the discussion was regarding how to fund the organization in FY21.

Commissioner Boylston removed his second and the motion died for lack of a second.

Commissioner Casale stated that she wanted to appreciate Old School Square. She pointed out their ideas to pivot were amazing, and the Board wants to help them to the extent they are capable of. She asked Ms. Jadusingh if there was some sort of arrangement that could correspond to the programming presented.

Ms. Jadusingh stated the funding committee had discussed funding a lesser amount, including reimbursing for program-specific expenses and recouping unused funds in case of cancellations.

Vice Chair Frankel left the meeting at 7:25 p.m.

Motion by Commissioner Boylston to approve funding Old School Square equal to the FY20 funding of \$750,000.

Motion died for lack of a second.

Motion by Commissioner Petrolia, seconded Deputy Vice Chair Gray, to approve an amount up to the maximum cap of \$750,00, to be determined at a future meeting. In a

roll call vote, the **motion** passed (5-0). Commissioner Brooks was unable to vote due to technical difficulties.