



## OFFICE OF THE CITY COUNCIL

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### FINANCE COMMITTEE BUDGET HEARING 4 MINUTES

**August 15, 2025**  
**9:00 a.m.**

**Location:** City Council Chamber, City Hall

**In attendance:** Committee Members Arias (Chair), Howland (Vice Chair), Salem, Diamond, J. Carlucci, Lahnen and Pittman; Council Members Boylan and White

**Also:** Kim Taylor, Brian Parks, Phillip Peterson, Heather Reber - Council Auditor's Office; Mary Staffopoulos - OGC; Mike Weinstein - Mayor's Office; Angela Moyer - Budget Office; Colleen Hampsey - Council Research

**Meeting Convened:** 9:00 a.m.

Chairman Arias convened the meeting, and the attendees introduced themselves for the record. He reviewed the rules of procedures for the budget hearings. Chair Arias said that at the 5<sup>th</sup> budget meeting, the Mayor's Office's budget will be revisited, and he requested a list of relevant salaries and job specifications. In response to some recent posts, he also requested a formal social media policy, in writing, for the Mayor's staff. Mr. Weinstein indicated the General Counsel may need to assess whether these requests create a separation of powers issue. Council Member Pittman noted that council members also use social media to comment on policy.

Ms. Taylor reported that after the third hearing, the budget stands at +\$ 6,504,703.

#### JPA/CIP

Heather Reber, Auditor's Office, presented the budget for the Port Authority. Joey Grieve and Eric Green spoke on behalf of JPA. There was discussion about the impact of diversification, through containers, cruise ships and auto units on Blount Island. Mr. Greive highlighted the addition of Norwegian Cruise Lines, beginning this October. Council Member Lahnen expressed support for the fact that the budget is debt neutral. Council Member Howland shared kudos related to JPA's P & L statement. Ms. Reber reviewed the JPA Proposed Capital Budget. There was discussion about the Fulton Cut Power Lines Project, other infrastructure improvements and equipment upgrades.

Auditor's Recommendations:

1. Decrease the "Shared Revenue from Primary Govt" line under Non-Operating Revenues by \$288,940 from \$11,302,709 to \$11,013,769. This amount will be in agreement with the amount the City has budgeted to be paid to JPA. We also recommend that JPA decrease the "Debt Service" line under Non-Operating Expenditures by the same amount. This will balance the revenues and expenditures for JPA's budget.

**Motion** (Howland/Lahnen): to approve Auditor's recommendation #1. **Approved unanimously.**

2. Add a contra-expense (i.e. revenue) line reflected under Non-Operating Expenses for the Trademark License Fee revenue received from Norwegian Cruise Lines in FY 25/26 and add a contra-revenue (i.e. expense) line under Non-Operating Revenues to reflect the paydown of a portion of the Line of Credit Advance taken out to provide marketing and passenger incentives to Norwegian Cruise Lines in FY 24/25.

**Motion** (Howland/Lahnen): to approve Auditor's recommendation #2. **Approved unanimously.**

Council Member Salem asked about the timeline for the power line project, and he asked about the impact of tariffs. Mr. Green said the power line project is on budget and on time, with anticipated completion at the end of 2026. He noted that tariffs are cargo specific and that JaxPort is impacted less due to a small share from the Asian market. Council Member Pittman asked about cyber-security. Council Member Arias asked about capacity for more cruise ships and dredging costs.

**Presentation on the Fulton Cut Project:** the purpose of raising the towers is to improve port access for larger vessels. The design phase is complete and under review, with all permits approved. Operational Clearance of 205 feet to be achieved by 12/31/2026 as planned.

JEA/CIP

Ms. Reber reviewed JEA's budget. Vickie Cavey, JEA CEO, was in attendance to speak on behalf of JEA. Ms. Reber talked about the budgets for the Electric, Water & Wastewater and District Energy Systems, the annual JEA contribution to the City, Revenue and Expenses Variance, and capital projects for electric and water.

Auditor's Recommendation: to replace Schedule D with a Revised Schedule D that increases the total revenue appropriations by \$23,829,000 to include reimbursements from the Jacksonville Port Authority (JPA) for the Fulton Cut project and the total expense appropriations by \$23,829,000 to show the total amount appropriated for the Fulton Cut Project in FY 2025/26.

**Motion** (Howland/Lahnen): to approve Auditor's recommendation. **Approved unanimously.**

Ms. Cavey fielded questions about the future of natural gas lines, through purchase plans or combined market plans. The committee discussed customer rates, fuel charges and Plant Vogtle. Council Member Pittman extended appreciation for JEA's support for the survivors of the Dollar General shooting.

JTA/CIP (Includes 5-Year Road Program, Local Option 1/2 Cent Transportation Tax, & Local Option Gas Tax)

Ms. Reber reviewed the budgets for JTA. JTA's CEO Nat Ford was in attendance. Ms. Reber talked about the funding budgeted in the Streets & Highways 5-Year Road Program, used for road and drainage projects and debt service in accordance with the Better Jacksonville Plan and the interlocal agreement, as amended, between the City and the Jacksonville Transportation Authority. Ms. Reber spoke about the local option half cent tax and the local option gas tax. No action could be taken at this meeting on JTA's operational budget due to a separate conflict bill for that item.

Auditor's Recommendation - local option gas tax: to reduce ADA Compliance - Curb Ramp Sidewalks and increasing Countywide Intersection Imp – Intersection by \$32,402 to comply with the Section 799.107 of the Municode which requires 80% of the funds to be spend on roadway maintenance and 20% on bicycle and pedestrian improvements. This will have no impact on the Special Council Contingency.

**Motion** (Howland/Salem): to approve the Auditor's recommendation. **Approved unanimously.**

Mr. Ford described several JTA services, including paratransit, rate reduction for seniors, apprentices and students, the urban circulator, and the St. Johns River Ferry. Council Member Boylan inquired about shuttle service for charter schools. The committee discussed the effect of the federal cuts to grant funds for the Emerald Trail. Mr. Ford indicated that the project will continue, with a different timeline based on the difference in funding.

#### JAA/CIP

Ms. Reber reviewed the JAA budget. Mark VanLoh, CEO, Ross Jones, CFO, and Devin Reed, Chief Compliance Officer, spoke on behalf of JAA. Mr. VanLoh mentioned tariff impacts and declining tourism trends.

Council Member Howland provided his review of the JAA budget and offered several proposals for action. CM Howland talked about ramping up aerospace investments, and an aviation workforce development center at Cecil Field. He suggested updating JAA's mission and amending the Charter to reflect the change related to adding aerospace to their mission statement. There was discussion about the role of a council liaison to independent authority boards, and the appointing authority for those boards. The committee discussed permissible uses for certain funding, and certain FAA restrictions on usage. Ms. Taylor, Council Auditor, explained that funds may be restructured by the committee but can't be forced to be spent. There was some pushback from the JAA representatives regarding the implementation and the timing of CM Howland's proposals.

**Motion** (Howland/Arias): to move FY 26/27 Cecil Spaceport capital projects to FY 25/26 totaling \$2,725,000.

**Motion** (Howland/Lahnen): to amend the above motion to reflect that the Cecil Spaceport capital projects be funded by Retained Earnings. **Approved unanimously.**

**Motion** (Howland/Lahnen): to approve the motion as amended. **Approved unanimously.**

**Motion** (Howland/Arias): to add \$500,000 in professional services for Cecil Aerospace growth plan with a due date by September 30, 2026 and preliminary report January 30, 2026 to be funded by Retained Earnings. **Approved 6-1** (Pittman in opposition)

**Motion** (Howland/Diamond): to add \$10 million to potentially fund JAA/FSCJ Northeast Advanced Aviation Maintenance Training Center (subject to FAA approval) to be funded by Retained Earnings. **Approved unanimously.**

Lunch recess 1:01 pm to 1:37 pm.

#### Downtown Vision Inc.

Kim Taylor reviewed the DVI budget. Jake Gordon, CEO, spoke on behalf of DVI. The committee discussed DVI services, such as their 19 downtown ambassadors and administering the JSO Homeward Bound program (99 individuals served in July).

Auditor's Recommendations:

**Motion** (Lahnen/Salem) to amend Section 8.3 of the Budget Ordinance to correct the anticipated revenue from the Assessment Roll to \$2,116,340. **Approved unanimously.**

**Motion** (Lahnen/Salem): to attach Revised Schedules AD and AE to correct a footing error. **Approved unanimously.**

**Motion** (Howland/Diamond): to provide \$200,000 for Homeward Bound program within JSO.

**Motion** (Howland/Salem): to amend the above motion to provide \$189,582 for Homeward Bound program within JSO. **Approved unanimously.**

**Motion** (Howland/Lahnen): to approve the motion as amended. **Approved unanimously.**

Downtown Investment Authority (Including Public Parking and Downtown Economic Development Fund)

Ms. Taylor reviewed the DIA budget. Steve Kelley, DIA, spoke on behalf of DIA. There was discussion about a full-time OGC attorney for DIA, with an estimated cost of \$187,403 annually with benefits. No recommendations from the Auditor.

Downtown Economic Development Fund

**Motion** (Diamond/Salem): to remove the proposed borrowing for the Related River City Brewery escrow payment of \$39 million from the budget (revenue and expense). **Approved unanimously.**

Public Parking

Council Member Pittman asked about garage maintenance and renovations. No recommendations from the Auditor.

Community Redevelopment Areas DIA & City Council CRAs

Auditor Recommendations – Northbank:

**Motion** (Lahnen/Salem): Property Tax revenue for the Northbank CRA be reduced by \$791,165 (\$629,023 due to an error in the proposed budget and \$162,142 due to the reduction in ad valorem revenue approved in meeting 1) and Unallocated Plan Authorized Expenditures be reduced by the same amount. This is to base expected revenue on the preliminary tax roll. This has no impact on the Special Council Contingency. **Approved unanimously.**

**Motion** (Lahnen/Salem): (2) Schedule V (the Budget Schedule in the Budget Ordinance for the Northbank) be amended to remove the FY 2024/25 approved amount column from the schedule and reflect the reduced property tax revenue and reduced unallocated Plan Authorized Expenditures. This will have no impact on the Special Council Contingency. **Approved unanimously.**

**Motion** (Salem/Diamond): to move \$12 million from Riverfront Plaza Pad D TO Unallocated Plan Projects. **Approved unanimously.**

Auditor Recommendations – Southbank:

**Motion** (Lahnen/Diamond): to increase Property Tax revenue for Southbank CRA by \$550,409 (\$629,023 increase due to an error in the proposed budget offset by \$78,614 due to the reduction in ad valorem revenue approved in meeting 1) and Unallocated Plan Authorized Expenditures be increased by the same amount. **Approved unanimously.**

**Motion** (Lahnen/Diamond): to amend Schedule V for Southbank CRA to remove the FY 2024/25 approved amount column from the schedule and reflect the increase in property tax revenue and the unallocated plan authorized expenditures. **Approved unanimously.**

Auditor Recommendations – Jacksonville Beach TIF

**Motion** (Lahnen/J. Carlucci): to reduce the Property Tax revenue for and distributions to USD2A Jax Beach Downtown by \$119,317 and USD2B Jax Beach South Bank by \$67,794 to reflect actions taken during meeting 1 related to Ad Valorem revenue. **Approved 5-1 (Diamond in opposition)**

Auditor Recommendations – KingSoutel TIF

**Motion** (Lahnen/J. Carlucci): the Property Tax revenue be reduced by \$53,763 due to the reduction in ad valorem revenue approved in meeting 1 and Unallocated Plan Authorized Expenditures be reduced by the same amount. This is to base expected revenue on the preliminary tax roll. This has no impact on the Special Council Contingency. **Approved unanimously.**

**Motion** (Lahnen/J. Carlucci): the Budget Ordinance Schedule for the King Soutel CRA (Schedule T) be amended to remove the FY 2024/25 approved amount column from the schedule and reflect the decrease in property tax revenue and the unallocated authorized expenditures. This will have no impact on the Special Council Contingency. **Approved unanimously.**

Auditor Recommendations – Renew Arlington TIF

**Motion** (Lahnen/Pittman): Property Tax revenue be reduced by \$33,031 due to the reduction in ad valorem revenue approved in meeting 1 and Unallocated Plan Authorized Expenditures be reduced by the same amount. This is to base expected revenue on the preliminary tax roll. This has no impact on the Special Council Contingency. **Approved unanimously.**

**Motion** (Lahnen/Pittman): Renew Arlington CRA Schedule within the Budget Ordinance (Schedule S) be amended to remove the FY 2024/25 approved amount column from the schedule and reflect the decrease in property tax revenue and the unallocated authorized expenditures. This will have no impact on the Special Council Contingency. **Approved unanimously.**

Office of Economic Development (Including Equal Business Opportunity & Cecil Field Trust Fund)

Ms. Taylor reviewed the OED budget. Ed Randolph, OED, and Gregory Grant, JSEB, were in attendance. Mr. Grant noted that the number of JSEBs has tripled in his tenure, the last 2 years.

**Motion** (Pittman/J. Carlucci): increase the funding for Professional Services within Equal Business Opportunity Office by \$206,611, which will have a negative impact to Special Council Contingency of \$206,611. **Approved unanimously.**

Cecil Commerce Center

No recommendations from the Auditor.

Ms. Taylor said the budget sub-total is now at +\$ 6,108,510.

**Meeting adjourned: 3:17 p.m.**

Minutes: Colleen Hampsey, Council Research

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Posted 8.20.25 5:00 pm