

CITY PLANNING COMMISSION
CITY OF NEW ORLEANS

LATOYA CANTRELL
MAYOR

ROBERT D. RIVERS
EXECUTIVE DIRECTOR

LESLIE T. ALLEY
DEPUTY DIRECTOR

**City Planning Commission Staff Report
Executive Summary**

Applicant: New Orleans Downtown Development District

Consideration: 2020 Downtown Development District Budget and Work Plan

Summary of Proposal:

The DDD Budget and Work Plan for 2020 proposes expenditures of \$11,956,645, which constitutes an increase of \$1,764,363, or 17.3%, from its adopted budget of \$10,191,982 in 2019. The plan proposes the same property tax millage from 14.76 mills in 2019 to 14.76 mils in 2020, which is projected to provide a net revenue of \$9,650,936.¹

“In accordance with State law, the DDD Board was required to roll back the 2020 DDD millage to be revenue neutral, less the impact of any new construction. The DDD operating budget in 2020 will operate within the limitations of the new rollback millage, in the amount of 11.95 mills. However, the Board did roll forward by 2.30 mills, an amount sufficient to fund \$1.5 million of the Mayor’s requested \$2.5 million for Downtown Infrastructure, pursuant to a cooperative endeavor agreement approved by the DDD Board at its October 24, 2019 meeting. The remaining \$1 million will come from the DDD capital fund.”²

Expenses for the district would be divided among the same eight categories that have been used in previous years, which cover the agency’s operational divisions, capital purchases and improvements, and debt service for previously issued bonds. Five of the eight budget categories would increase from the amounts approved for 2019. The increasing budget categories include Public Space Operations, Public Safety, Communications, Administration, and Capital Improvements. Infrastructure Debt Services, Economic Development & Planning budget are reduced compared to 2019. The changes to the amounts for each expenditure category result from minor adjustments to particular budget line items, the shifting of priorities within certain divisions of the agency, and the completion and starting of new projects.

¹ Including \$15,000 in interest on investments and less than \$390,643 in collection and assessor’s fees.

² Downtown Development District Work Plan and Budget 2020. 2019, p. 4.

The 2020 Downtown Development District Budget and Work Plan includes a number of elements that generally address the goals and strategies of the Master Plan. In addition, the Work Plan proposes projects that implement specific actions called for by the Master Plan. The City Planning Commission staff is confident that the Downtown Development District will continue to serve as an effective convener of downtown stakeholders and City Planning Commission staff looks forward to working with the Downtown Development District and other City departments on planning projects that impact the Central Business District.

Recommendation:

The staff recommends **APPROVAL** of the 2020 Downtown Development District Budget and Work Plan as it is consistent with the *Plan for the 21st Century: New Orleans 2030*.

STAFF REPORT

To: City Planning Commission
Date: November 13, 2019

Prepared by: Rachael Berg

Consideration: 2020 Downtown Development District Budget and Work Plan

I. GENERAL INFORMATION

In accordance with Section 33:2740.3E(4) of the Louisiana Revised Statutes, the Downtown Development District (DDD) is required to submit a plan to the New Orleans' City Planning Commission specifying the public improvements, facilities and services proposed to be furnished, constructed or acquired for the district. The City Planning Commission is required by law to review and consider the plan in order to determine whether or not it is consistent with the *Plan for the 21st Century: New Orleans 2030*, commonly known as the Master Plan. Within thirty days, the City Planning Commission must submit to the City Council its written opinion as to whether or not the plan or any portion or detail thereof is inconsistent with the comprehensive plan for the city, together with any written comments and recommendations.

II. SUMMARY

The DDD Budget and Work Plan for 2020 proposes expenditures of \$11,956,645, which constitutes an increase of \$1,764,363, or 17.3%, from its adopted budget of \$10,191,982 for 2019. The plan proposes the same property tax millage from 14.76 mills in 2019 to 14.76 mills in 2020, which is projected to provide a net revenue of \$9,650,936.³ The additional revenues are expected to come from a mixture of event proceeds, interest, and banner deposits earned.

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⁴ Downtown Development District Work Plan and Budget 2020. 2019, p. 4.

categories would increase from the amounts approved for 2019. The increasing budget categories include Public Space Operations, Public Safety, Communications, Administration, and Capital Improvements. Infrastructure Debt Services, Economic Development & Planning budget are reduced compared to 2019. The changes to the amounts for each expenditure category result from minor adjustments to particular budget line items, the shifting of priorities within certain divisions of the agency, and the completion and starting of new projects. The changes are considered in greater detail below.

III. EVALUATION

The DDD's mission remains the same, to focus on cleanliness, public safety, and economic development within the Central Business District. The 2020 DDD Budget and Work Plan maintains the focus on these areas while also increasing portions of the budget to address digital media, sidewalk/tree maintenance and replacement, police detail services and homeless outreach services. Most of the division budgets for 2020 are similar to those adopted for 2019, with several minor changes due to changing needs and programming objectives. Most significant decreases are to Economic Development and Administrative needs. Nearly all other division budgets are proposed to increase, including increases to Public Safety and Communications. Below are summaries of the 2019 accomplishments and lists of the 2020 goals for each of the District's divisions from the 2020 DDD Budget and Work Plan:

1. Public Space Operations (\$3,002,397)

The Public Space Operations division assists with the maintenance and replacement of sidewalks, trash receptacles, street landscaping, and removes litter and graffiti. In 2019, the Public Space Operations division started the design phase for the Downtown Wayfinding project to replace old signage with new, updated wayfinding information. This Division worked with the Department of Public Works (DPW) to expedite repairs to public infrastructure including light pole bases, sidewalk utility boxes, broken sidewalks, and others. The Public Space Operations division also provided temporary dog parks, tables & chairs, lighting, and other physical amenities to increase day-to-day usage of Duncan Plaza and executed a CEA to allow programming of events in Duncan Plaza with support of grant funds from Southwest Airlines. This division planted over 20 replacement trees on sidewalks throughout Downtown.

In 2020, the Public Space Operations division's goals include (see Budget and Work Plan pgs. 49-50 for full list):

- Continue successful Downtown-Home Partnership for homeless outreach by housing 78 individuals in 2020.
- Increase ranger usage of Smart system "incident reports" and "persons of interest" to catalog frequency of intervention with homeless population.

- Maintain Downtown’s impressive gains in cleanliness via the Clean Team’s continuous quality improvement system by replacing or refurbishing 50 trash receptacles, conducting quarterly refresher training for Clean Team on CQI scoring criteria and evaluating recent enhancements to sidewalk pressure walking to maximize coverage on primary retail and pedestrian corridors and traditional “hotspots”.
- Dramatically expand and improve the quality of parks & open space Downtown by activating spaces such as Legacy Park and Duncan Plaza and piloting two downtown parklet projects.
- Improve sanitation code enforcement.
- Improve quality of the pedestrian experience by implementing new wayfinding signage and drainage and sidewalk repairs along Canal Street among other specified goals.

The proposed funding for Public Space Operations represents a 4.8% increase from that adopted for 2019. The increased funds are proposed to be allocated to Landscape Maintenance, Street Furnishings and Beautification and Cleaning and Maintenance, within the proposed Public Space Operations budget.

2. Public Safety (\$2,771,209)

This division manages the public safety rangers, police details, and code enforcement activities of the District. In 2019, DDD expanded their Public Safety ranger hours in support of DDD’s homeless outreach efforts, increased the private security control from 16 to 24 hours a day, adding additional foot patrols along Canal Street. This division also developed an operating plan and budget for the low barrier shelter, housed 36 homeless individuals and served over 400 clients. Lastly, DDD partnered with New Orleans Police & Justice Foundation (NOPJF) to install additional crime cameras throughout the DDD in high profile locations.

In 2020, the Public Safety division’s goals include (see Budget and Work Plan pg. 53 for full list):

- Continue to support SafeCams Platinum program with installation of five targeted locations.
- Continue successful Downtown-Home Partnership for homeless outreach by housing 78 individuals in 2020.
- Add electronic ticketing capability for DDD Detail officers to support quality of life enforcement.
- Evaluate opportunities to automate reporting of NOPD detail activities and implement proposed solution.
- Increase ranger usage of Smart system “incident reports” and “persons of interest” to catalog frequency of intervention with homeless population.

The proposed funding for this division represents a 7.3% increase from the budget adopted for 2019. The DDD proposes to increase funding in personnel costs, enhanced public safety measures and homelessness services, within the Public Safety budget category.

3. Economic Development & Planning (\$614,484)

The Economic Development division promotes economic development within the district by supporting planning, legislative advocacy, real estate development, and business attraction and retention activities. In 2019, the Economic Development division attracted four major retailers to Canal Street, and completed the Duncan Plaza Conceptual Plan and Feasibility Analysis. In addition to those efforts, the Economic Development division is completing the construction and completion of the Low Barrier Shelter and has been working with City and the owner of Loews State Palace to move the renovation of the project forward. As in past years, this division also sponsored the Collision Conference, Entrepreneur Week, and others, and completed several Façade Grant projects.

In 2020, the Economic Development and Planning division's goals include (see Budget and Work Plan pgs. 57-59 for full list):

- Complete the design, financing, and organizational development to implement the Duncan Plaza redevelopment and management project and commence construction.
- Support the redevelopment of Old Charity Hospital into an attractive, adaptive-reuse facility, preserving the architectural and cultural importance of this asset, in concert with the Louisiana State University Real Estate and Facilities Foundation (LSUREFF), other stakeholders and selected developer.
- Develop a small area plan to activate the Charity Neighborhood, building on the DDD's work with GNOF and other stakeholders.
- Increase quality job creation within the multi-institution Downtown Academic Medical Center. Collaborate with partners such as GNO, Inc., NOLABA, LED, elected officials and business leaders.
- Continue Canal Street Catalyst Program to continue Upper Floor Redevelopment Activity bringing underutilized property back into commerce.
- Initiate and activate a housing program in Downtown to address workforce and affordable housing needs, in collaboration with City and others.

The proposed funding for this division represents a 20.6% decrease from the budget adopted for 2019. Items within the Economic Development and Planning budget proposed to have decreased funding over last year's budget include Payroll Taxes, Canal Street Development, Research and Database Management, Housing, Business

Retention and Recruitment and Façade Incentive. It should be noted that some of the goals for this division will need to go through the proper entitlement processes in order to be realized. This may include zoning changes, conditional uses and/or permitting.

4. Communications (\$768,704)

The Communications division leads the DDD's efforts to disseminate a positive image of the city's downtown through various media campaigns and at events throughout the year. In 2019, the Communications division conducted 2019 follow-up stakeholder/market research study, worked with DDD departments and City Officials to promote the development of the Low Barrier Shelter, implemented a new social media plan, produced an updated Downtown NOLA compilation video, the eighth annual "Downtown NOLA Awards" and the annual "Canal Street: Home for the Holidays" events, planned, produced and promoted Downtown NOLA Saturday Shopping Spree, planned produced and promoted the DDD's 7th Arts-Based Business Pitch held during New Orleans Entrepreneur Week.

In 2020, the Communications division's goals include (see Budget and Work Plan pgs. 66-71 for full list):

- Publicize and promote DDD and Downtown NOLA successes and priorities and establish Downtown as the premier destination for living, working and visiting.
- Work with DDD departments and City Officials to promote the benefits of the Low Barrier Shelter, Assisted Outpatient (AOT) and the new sobering center
- Work with Downtown partners to continue the development and promotion of the Downtown NOLA Saturday Shopping Spree.
- Plan, execute and promote the 9th Annual Downtown NOLA Awards
- Plan, execute and promote the 2020 Annual Canal Street: Home for the Holidays events – Canal Street Lighting Ceremony, Krewe of Jingle Parade, Movies on the Mississippi and Reindeer Run & Romp
- Continue and enhance DDD's role as the primary source for Downtown news stories
- Increase usage and followers of digital media such as updating the DDD website, increase social media channel followers and providing Instagram postings of key Downtown images.

This division also includes funds for Public Affairs efforts, including costs of travel, meetings, and other potential intergovernmental meetings to further the District's legislative agenda. In 2019, DDD participated with key transportation safety stakeholders in the successful implementation Safe Streets for Everyone Program, led by the RPC. This division also worked with state and federal elected officials and staff as well as economic development and business leaders to draft and introduce legislation

to create a Louisiana Medical Research Fund which will leverage academic medical center assets.

The proposed funding for the Communications division represents a 13.3% increase from the budget adopted for 2019. Line items receiving increases in this year's budget include Insurance, Digital Media, and Public Affairs and Policy.

5. Administration (\$1,147,801)

The Administration division includes personnel expenses for the administrative staff of the district as well as funds to support general office operations. In 2019, the Administration division obtained new funding for Homeless programs and Staff Development. This division also maintained the participation of DBE-certified firms in the provision of services and materials to the DDD.

In 2020, the Administration division's goals include (see Budget and Work Plan pg. 76 for full list):

- Work with the Communications Department to secure new recurring, sustainable sponsorship funding sources for individual projects & activities.
- Ensure the implementation of individualized professional development plans for entire staff.
- Maintain and expand participation of DBE-certified firms in the provision of services and materials to the DDD.

The proposed funding for this division represents a 1.2% increase from the budget adopted for 2019. Increases for individual line items within the Administration budget include increases to Personnel Items, Supplies and Materials, Equipment, Property and Maintenance, Office Space, and Operations (Insurance, Prof. Services, etc.).

6. Debt Service (\$ 447,050)

This item funds principal and interest debt service for bonds issued by the District. The cost for debt service in 2020 is projected a small decrease of 1.1% from 2019.

7. Capital Purchases (\$ 0)

The capital purchases category of the budget involves expenses for long-term equipment needs for the agency. For 2020 the DDD has budgeted \$0 for capital purchases, the same number budgeted for 2019.

8. Capital Improvements (\$3,205,000)

The last category of the District's Budget and Work Plan pertains to capital improvements. The 2019 DDD Budget and Work Plan totaled \$1,705,000, the majority

of which was budgeted to be available for any catalytic development that the board decided to participate in during the year. In 2020, DDD spending will increase significantly by 88% to \$3,205,000 for Districtwide Capital Improvements.

IV. COMPLIANCE WITH MASTER PLAN

The policy recommendations of the *Plan for the 21st Century* relevant to the Central Business District are found throughout the Master Plan, but are focused in the neighborhood and housing, the economic development, and land use elements of the Master Plan. The relevant goals, strategies, and recommended actions are copied below for reference, followed by a summary analysis by the staff.

Chapter 5: Neighborhoods and Housing		
Goal	Strategy	Action
Enhanced character and livability for neighborhoods, with investments to improve quality of life	Tailor policies and programs to maintain and enhance the physical, economic social and cultural character and diversity of existing residential neighborhoods.	Use zoning to guide the scale and character of new infill to fit in with the character of established residential areas, while accommodating an array of single- and multifamily housing options to meet the strong need for more housing units in New Orleans.
		Use zoning to ensure appropriate transitions between established residential areas and redevelopment of underutilized sites.

The City Planning Commission staff believes that the 2020 DDD Budget and Work Plan advances a goal of *Chapter 5: Neighborhoods and Housing*, an element of the Master Plan. The 2015 adoption of the Comprehensive Zoning Ordinance included provisions that prescribed appropriate heights of structures in the Downtown area. These height requirements help preserve the scale and character of these areas of downtown and also ensure appropriate transitions in areas that are being redeveloped. Though this was accomplished in previous years, the DDD plans to continue its work with the City Planning Commission and City Council on zoning issues, and plans to provide comments on project proposals within the downtown area. The DDD is also in the process of supporting the redevelopment of Charity Hospital and the Loew’s State Palace Property, helping to redevelop underutilized sites. The DDD also plans to initiate and activate a housing program in Downtown to address workforce and affordable housing needs

Chapter 9: Enhancing Prosperity and Opportunity		
Goal	Strategy	Action
A 24-hour downtown to support its role as an economic driver	Revitalize downtown New Orleans and Canal Street to transform downtown into a thriving, mixed-use urban center.	Provide incentives to facilitate safe and enhanced occupancy of upper floors of buildings in the CBD and nearby Vieux Carré, and other historic commercial areas.
		Continue to market the use of tax credits and other incentives to encourage the rehabilitation of historic structures and new construction.

		Continue aggressive code enforcement to ensure code compliance.
	Enhance transit, pedestrian and bicycle access to and within downtown as part of a larger equitable system of access across the city.	Implement policies that encourage efficient management of the curb space in the downtown area and along commercial corridors.
Preservation and expansion of established industries	Preserve and expand the tourism industry.	Improve Canal Street through implementation of the Canal Street Redevelopment Plan, including targeted regulatory changes and financial incentives.
		Improve connectivity and transit within and between tourist areas and attractions.
		Augment efforts to preserve public safety in tourism districts.

The City Planning Commission staff believes that the 2020 Downtown Development District Budget and Work Plan advances this section of *Chapter 9: Enhancing Prosperity and Opportunity* of the Master Plan. The Downtown Development District plans to facilitate a project to revitalize historic storefronts in Downtown and on Canal Street to renovate upper floor spaces. Revitalization of vacant upper floors on Canal Street aligns with the City Planning Commission staff’s recommendations as part of the 2018 Canal Street Study. The Downtown Development District’s Budget and Work Plan advances the Canal Street Redevelopment Plan by maintaining funding for façade grants as well as specific funding for Canal Street Development. The Downtown Development District plans to improve connectivity in downtown and among tourist areas by updating the downtown wayfinding system as well as continued support for pedestrian and bicycle friendly upgrades to downtown infrastructure and the support of the bike share program. In addition, the DDD plans to work with the City and RTA to ensure the construction of a Downtown transit terminal. Finally, the Downtown Development District Work Plan would augment the perception and reality of safety by maintaining police details and public safety rangers, and by increasing their homeless outreach.

Chapter 13: Land Use Plan		
Goal	Strategy	Action
Promote development that can strengthen the city’s tax and job base while serving citizen needs and preserving city character.	Make downtown a vibrant 24-hour neighborhood and commercial/entertainment district.	Ensure that land use categories specific to downtown are used to encourage a 24-hour live, work, and play environment. (See Downtown land use categories descriptions and the Future Land Use map)
		Encourage higher-density development around a well-organized urban form.
		Create active, attractive street corridors that promote multimodal connections between different areas of the CBD, accommodate transportation access and parking

		demand, and promote a high level of pedestrian traffic and pedestrian amenity.
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The City Planning Commission staff believes that many of the Downtown Development District’s efforts to promote downtown as an area for increased economic development will also advance the goals strategies, and actions relative to downtown in *Chapter 13: Land Use Plan*, an element of the Master Plan. Many aspects of the Downtown Development District’s Work Plan will encourage a 24-hour live, work, and play environment in downtown including facilitating the redevelopment upper story spaces along Canal Street with residential units, continued plans to renovate and activate Duncan Plaza and other downtown public spaces, bringing various events and activities downtown, supporting economic development efforts, and enhancing policing and other public safety efforts downtown. The Work Plan calls for planting street trees and repairing sidewalks, funding façade improvement grants, and continuing security provided by rangers and police details, which will enhance pedestrian amenities and create active, attractive street corridors. Additionally, future collaborative plans with the DDD and other agencies to redevelop Charity Hospital and Loews State Palace property will activate the areas in which they’re located.

In addition to *Chapter 9: Enhance Prosperity and Opportunity* and *Chapter 13: Land Use Plan*, the proposed Downtown Development District Budget and Work Plan supports other elements of the Master Plan. The Downtown Development District’s proposal to support the redevelopment of Canal Street, especially the upper floors of these buildings, helps implement *Chapter 6: Historic Preservation* element of the Master Plan. The plan to continue renovating and activating Duncan Plaza as well as planting street trees implements portions of *Chapter 7: Parks, Open/Green Spaces and Recreation*. The increased outreach to homeless individuals and the plan develop a Low Barrier Shelter support a strategy in *Chapter 8: Health and Human Services* of the Master Plan.

Thus, both in terms of broad goals and in terms of specific actions, the staff believes the proposed 2020 Downtown Development District Budget and Work Plan is **consistent** with and supported by the City’s Master Plan.

The 2020 Downtown Development District Budget and Work Plan includes a number of elements that generally address the goals and strategies of the Master Plan. In addition, the Work Plan proposes projects that implement specific actions called for by the Master Plan. The City Planning Commission staff is confident that the Downtown Development District will continue to serve as an effective convener of downtown stakeholders and City Planning Commission staff looks forward to working with the Downtown Development District and other City departments on planning projects that impact the Central Business District.

V. SUMMARY

The 2020 DDD Budget and Work Plan is consistent with the Master Plan. Staff also recognizes and supports that the DDD is allocating more of its budget in 2020 to increasing

its digital media presence and the general maintenance and/or replacement of downtown sidewalks and trees from previous years. Staff recommends continued attention to Canal Street as part of the larger effort to clean and maintain Downtown. Additionally, any development proposals the DDD would like to implement in the upcoming 2020 year will need to go through the proper entitlement processes. These may include zoning changes, conditional uses and/or permitting before realization of some of the programmatic goals for the 2020 year.

VI. PRELIMINARY STAFF RECOMMENDATION

The staff recommends **APPROVAL** of the 2020 DDD Budget and Work Plan as it is consistent with the *Plan for the 21st Century: New Orleans 2030*.

VII. REASON FOR RECOMMENDATION

1. The Downtown Development District’s 2020 Budget and Work Plan is consistent with the goals, strategies, and actions provided for the Central Business District in the Economic Development and Land Use Elements of the Master Plan.
2. The Downtown Development District’s 2020 Budget and Work Plan will promote economic development, enhance the urban environment, and improve public safety in the Central Business District.

VIII. CITY PLANNING COMMISSION MEETING (November 12, 2019)

The staff summarized the request, stating the staff’s recommendation of approval. Two representatives for the Downtown Development District were present as proponents. Commissioner Marshall made a motion for **APPROVAL** as recommended by the staff, which was seconded by Commissioner Steeg and adopted.

Motion

BE IT MOVED BY THE CITY PLANNING COMMISSION THAT THE 2020 DOWNTOWN DEVELOPMENT DISTRICT BUDGET AND WORK PLAN IS HEREBY RECOMMENDED FOR APPROVAL. BE IT FURTHER MOVED THAT THE EXECUTIVE DIRECTOR IS HEREBY AUTHORIZED TO NOTIFY THE CITY COUNCIL OF SAID ACTION.

YEAS: Brown, Flick, Lunn, Marshall, Steeg, Stewart, Wedberg

NAYS: None

ABSENT: Mobley, Witry

IX. REASONS FOR RECOMMENDATION

1. The Downtown Development District's 2020 Budget and Work Plan is consistent with the goals, strategies, and actions provided for the Central Business District in the Economic Development and Land Use Elements of the Master Plan.
2. The Downtown Development District's 2020 Budget and Work Plan will promote economic development, enhance the urban environment, and improve public safety in the Central Business District.

City Planning Commission Speaker Card

Date: 11/12/19

I would like to speak regarding CPC Docket: DDD 2020 Work Plan, Budget

IN SUPPORT

Name: Anthony Carter

Address: DDD Director of Finance

I am the applicant for this docket

I'd like to cede my time to: _____

Remarks: _____
