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Delray Beach Downtown Development Authority

Memorandum

TO: Delray Beach Downtown Development Authority Board Members

FROM: Quentin E. Morgan, General Counsel

DATE: August 18, 2025

RE: Delray Beach Downtown Development Authority ("DDA") / Proposed Revisions to the Bylaws

Based on request from the Board Chair and the change in budget/millage process with the City, the attached draft amendment includes the following revisions to the DDA bylaws:

Section 4.3 "Officers"

The revision to this section removes the provision that the Mayor may attend meetings of the Board as an ex officio member.

Section 7.2 "Remit to City"

Removes "City treasury".

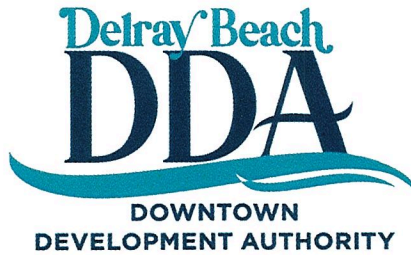
Section 7.3 "Holding of funds by City"

Currently the city does not hold our funds. DDA has own banking and financial system.

Section 7.4 "Annual Budget"

The Board shall prepare and adopt an annual budget and supervise and control its accounts.

QEM:jc



BY-LAWS

OF

DELRAY BEACH DOWNTOWN DEVELOPMENT AUTHORITY

ARTICLE I **Governance**

The Delray Beach Downtown Development Authority (the Authority) is established through the enactment of Chapter 2003-314, Laws of Florida 2003 (the Act) which codified, amended, re-enacted and repealed chapters 71-604, 72-524, 80-495, 87-520, 89-477, 91-385, 92-263, 94-476, and 98-503, Laws of Florida to establish a single, comprehensive special act Charter for the Authority, including all current legislative authority granted to the Authority by its several legislative enactments. All activities of the Authority shall be governed by the Charter, known as the "Delray Beach Downtown Development Authority Act" (the Act).

ARTICLE II **Fiscal Year**

The fiscal year of the Authority Board shall coincide with that of the City and shall be October 1 through September 30.

ARTICLE III **Creation of the Authority**

3.1 Composition and Provisions Relating to Members. The board shall be composed of seven members and to be known officially as the "Delray Beach Downtown Development Authority" and referred to herein as the "Authority". The Authority is a body corporate and an agency of the City. Performance by the Authority of its duties and exercise of its powers are municipal functions and shall be so construed.

3.2 Appointment and Removal of Members. The City Commission shall by vote of a majority of its entire membership appoint the members of the Authority, and by vote of four-fifths of its entire membership, after notice specifying the charges and a hearing held not earlier than ten days after personal delivery of notice or mailing thereof by registered or certified mail addressed to the member at his or her latest known residence, the City Commission may remove a member of the Authority for good cause, including willful neglect of duty, incompetence or unfitness to perform his or her duty, or conviction

of an offense involving moral turpitude. A member so removed shall be entitled to review by the circuit court of the action taken.

3.2.1 Before assuming the duties of the office, each member shall qualify for taking and subscribing to the oath of office required of officials of the City.

3.2.2 Removal for Inadequate Attendance. Except as may be otherwise provided by law or the Act, the Executive Director shall certify to the City Commission the inadequate attendance of a Member of the Board. The removal shall be effective as of the date that the Executive Director provided certification to the City Commission and shall be served by personal delivery or by ordinary first-class mail to the Member.

3.3 Term. Each member shall be appointed for a term of three years beginning July. Term limits shall be governed by the City of Delray Beach Code of Ordinances, Section 32.08(C) and (D), as may be amended from time to time, except that a member who has been appointed to fill an unexpired term shall remain eligible to serve two (2) full three-year successive terms.

3.4 Qualifications. To qualify for appointment to the Authority, and to remain qualified for service on it, a prospective member or a member already appointed shall reside in or have his or her principal place of business in the City and shall not be serving as a City officer or employee. At least four of the members shall be owners of realty within the Downtown area, a lessee thereof required by the lease to pay taxes thereon, or a director, officer, or managing agent of an owner or of a lessee thereof so required to pay taxes thereon. To the extent that it is possible, appointments to the Authority shall be made so that the members shall be geographically proportioned as evenly as is possible within the Downtown area as described in the Act. The City shall notify to the Authority of the results of all appointments and removals. Each member shall be required to certify that s/he remains qualified for service on the Authority by May 1 of each year of his or her term. In March of each year the Board shall host an informational session for potential Board member candidates at a regular or special Board meeting.

3.5 Vacancy. A vacancy in office, which shall be filled within thirty days of its occurrence for the remainder of the unexpired term, shall occur whenever a member is removed from office, becomes disqualified or otherwise unable to serve, resigns, or disappears without explanation for a period of six months. The City Commission shall fill any vacancy in office for the unexpired term.

3.6 No Compensation, Bond, Liability. Each member of the Authority shall serve without compensation for services rendered as a member but may be reimbursed by the Authority for necessary and reasonable expenses actually incurred in the performance of duty. The Authority need not but may require that all of its members or any or all of its officers or employees be required to post bond for faithful performance of duty, and the Authority shall pay bonding costs. No member of the Authority shall be personally liable for any action taken in attempting in good faith to perform his or her duty, or for a decision not to act, except in instances of fraud or willful neglect of duty.

3.7 Voting. No member or employee of the Authority shall participate by vote or otherwise on behalf of the Authority in any matter in which he or she has a direct financial interest or an indirect financial interest other than that of the benefits to be derived generally from the development of the Downtown area. Participation with knowledge of such interest shall constitute malfeasance and shall result, as regards a member, in automatic forfeiture of office or, as regards an employee, in prompt dismissal.

ARTICLE IV **Authority Bylaws and Internal Government**

4.1 Bylaws. The Authority shall formulate and may amend its own rules of procedure and written bylaws consistent with the Act.

4.2 Quorum, Voting, and Attendance. A majority of its entire membership shall constitute a quorum for the transaction of business. All action shall be taken by at least four affirmative votes of the members of the Authority, and each member present shall vote on each matter unless barred from voting as herein provided or pursuant to law.

(a) If a member is unable to appear at a meeting in person due to extraordinary circumstances, the member may participate in the meeting using electronic means, such as videoconferencing tools, where the member is clearly visible and where the meeting location has the requisite technology to foster such participation. A member who attends a meeting electronically shall not count toward establishing a quorum for that meeting but shall be able to vote on each matter unless barred from voting as herein provided. A member shall not attend more than four (4) meetings electronically in each fiscal year.

(b) A member's absence from three (3) or more consecutive regular meetings of the Authority or absence from at least thirty (30) percent or more of the regularly scheduled meetings of the Authority during the twelve (12) month period immediately preceding the most recent absence shall be considered to be inadequate attendance in accordance the City of Delray Beach Code of Ordinances, Section 32.15, as may be amended from time to time.

4.3 Officers. The Authority shall elect one of its members as Chair, Vice Chair, Treasurer and Secretary. No one may hold more than one office. ~~The Mayor of the City, or his or her representative, may attend meetings of the Board as an ex officio member, but he or she shall not have any vote or power over the Board except that he or she shall be entitled to speak on any issue or question before the Board.~~ The officers of the Authority shall be elected at the regular meeting to be held on the second Monday in August of each year.

(a) Chair. The Chair shall preside at all meetings of the Board and perform such other duties consistent with his or her office as may be imposed by the Authority. He or she shall have a vote in the proceedings of the Board, but shall not have any veto power. He or she shall be considered the official head of the Authority for

ceremonial purposes and shall also execute in the name of the Authority contracts and other legal documents as may be authorized by the Board, unless Board authorization is given to the Executive Director to execute such documents.

(b) Vice-Chair. The Vice-Chair, in the absence or disability of the Chair, shall exercise the powers and perform the duties of the Chair. The Vice-Chair shall also assist the Chair generally and exercise such other powers and perform such other duties as shall be prescribed by the Authority.

(c) Secretary. The Secretary or designee shall keep the minutes of all proceedings of the Authority. The Secretary or designee shall prepare and serve all notices required by these By-Laws and the laws of the State of Florida. In addition, the Secretary or designee shall take, record, maintain and preserve the minutes and other official records of the proceedings and actions of the Authority. In addition, the Secretary or designee shall perform all other duties incident to the office of Secretary, and those that may be required by the Authority. Unless decided otherwise by the Board, the Executive Director shall appoint the designee, or act as the Designee.

(d) Treasurer. The Treasurer shall provide assistance to the Executive Director and Finance Director with respect to keeping the financial books of the Authority in a manner consistent with good accounting practices, and provide such professional assistance as the Authority may request in this regard. The Treasurer shall also perform such other duties as are incident to his office and this may be required by the Authority. The Treasurer shall be responsible for oversight of the financial affairs of the Authority, including all bank accounts, review of all payables and ensuring compliance with the Budget on a monthly basis. Upon direction of the Board, or upon request of an officer, the internal supervision and control of the Authority may be referred to the appropriate City fiscal officers. All checks must be signed by the Executive Director and co-signed by one (1) of the board officers. An external audit shall be performed at least annually by an independent certified public accountant who has no personal interest, direct or indirect, in fiscal affairs of the Authority.

4.4 Meetings. The Authority shall hold regular meetings at least once a month.

(a) Place of Authority Meetings. Meetings of the Authority shall be held at the place as specified by the Chair and set forth by the Secretary in the notice of meeting. All meetings shall be open to the public.

(b) Robert's Rules. The meeting shall be conducted in accordance with Robert's Rules of Order; however, deviations from such parliamentary procedure shall not constitute a substantive defect as to any action taken by the Board, and shall be deemed utilized for procedural convenience only. The Board by an affirmative vote of four members may waive Robert's Rules.

(c) Regular and Workshop Meetings. Unless otherwise agreed to by the Board, the Authority shall hold its regular meetings monthly on the second Monday

of each month at 12:00 Noon. Regular and workshop meetings may be scheduled at other times so long as proper notice is provided.

(d) Special Meetings. Special meetings may be held upon the call of the Chair or upon the request of not less than four members of the Board. The call or request for a special meeting shall be communicated to the secretary of the Authority and the subject or subjects of the proposed meeting shall be specified.

(e) Notice.

(1) Regular and workshop meetings. The Authority shall annually file a notice with the City Clerk for the City of Delray Beach as to the time and place of the Regular and Workshop Meetings. The Chair of the Authority shall cause notices to be sent out to all Commissions of the Board members with the Agenda at least one (1) week prior to the meeting. No notice other than these by-laws shall be required for a regular monthly or workshop meeting of the Authority.

(2) Special meetings. Except in the case of an emergency situation, notice of special meetings shall be in writing, specifying the subject or subjects of the meeting posted at City Hall Delray Beach, Florida, and received by the individual Board members no later than forty eight (48) hours prior to the scheduling of the meeting; however, with respect to any meeting at which amendments to these by-laws will be considered, notice of such a meeting shall be given to each of the individual board members no less than fourteen (14) days prior to the meeting. Nothing in this paragraph, however, shall prohibit the holding of a meeting of the Board provided a quorum is present, and members of the Board constituting a quorum at the meeting execute a waiver of notice.

(f) Agenda. The Executive Director shall place upon the Agenda those matters requiring action of the Board which the Executive Director, in his/her best judgment, believes requires a formal presentation before the Board, and shall provide to the Board, and Board shall have received, as part of the Agenda package, all available documentation and a recommendation for action by the Executive Director at least seventy-two (72) hours prior to the meeting.

(g) Order of Business. The order of business at regular meetings of the Board shall be finalized by the DDA Board Chair and Executive Director and subject to change by a majority vote of the Board.

ARTICLE V

Functions of the Authority

The allowable functions of the Authority are as follows:

5.1 Analysis. Preparation of an analysis of the economic conditions and changes occurring in the Downtown area, including the effect thereon of such factors as metropolitan growth, traffic congestion, lack of adequate parking and other access facilities, and structural obsolescence and deterioration.

5.2 Planning. Formulation of long-range plans for improving the attractiveness and accessibility to the public of Downtown facilities, promoting efficient use thereof remedying the deterioration of Downtown property values, and developing the Downtown area.

5.3 Recommendations. Prepare recommendations to the City Commission and to Downtown businesspersons and residents the actions deemed most suitable for implementing the Downtown development plans, including removal, razing, repair, renovation, reconstruction, remodeling, and improvement of existing structures, addition of new structures and facilities, relocation of any of those existing, and changes in patterns of and facilities for getting thereto and therefrom.

5.4 Implementation. Active participation in the implementation and execution of Downtown development plans, including establishment, acquisition, construction, ownership, financing, leasing, licensing, operation, and management of public facilities deemed feasible and beneficial in effecting implementation, but this paragraph shall not give the Authority any power or control over any City property unless and until assigned to it by the City Commission in accordance with the Act.

5.5 Economic Development. Participation in plans and programs to encourage economic development and promotion of the Downtown as a prosperous Downtown Area.

5.6 All Other Functions. Carry on all projects and undertakings authorized by law and within the limits of the powers granted to it by law, and such additional public projects and undertakings related to the Downtown area as the City Commission may assign to it with its consent.

ARTICLE VI

Powers of the Authority

In the performance of the functions vested in or assigned to the Authority, it is hereby granted the following powers:

6.1 Agreements. To enter into contracts and agreements, and to sue and be sued as a body corporate.

6.2 Seal. To have and use a corporate seal.

6.3 Property. To acquire, own, convey, or otherwise dispose of, lease as lessor or lessee, construct, maintain, improve, enlarge, raze, relocate, operate, and manage property and facilities of whatever type, and grant or acquire licenses, easements, and options with respect thereto.

6.4 Grants. To accept grants and donations of any type of property, labor, or other thing of value from any public or private source.

6.5 Taxes.

(a) To receive the proceeds of the tax hereby imposed.

(b) To receive the revenues from any property or facility owned, leased, licensed, or operated by it or under its control, subject to the limitations imposed upon it by trusts or other agreements validly entered into by it.

(c) To have exclusive control of all funds legally available to it, subject to limitations imposed upon it by law or by any agreement validly entered into by it.

(d) To make to or receive from the City or Palm Beach County conveyances, leasehold interests, grants, contributions, loans, and other rights and privileges.

6.6 Interlocal Agreements. To cooperate and enter into agreements with any governmental agency or other public body.

6.7 Eminent Domain Limitations. To request by resolution that the City exercise its municipal power of eminent domain in specific instances for the use and benefit of the Authority and, if the City complies with the request and the property involved is acquired, the Authority shall take over and assume control of such property on terms mutually agreed upon between the City and the Authority, but the Authority shall not thereafter be authorized to sell, lease, or otherwise dispose of such property so acquired without the formal consent of the City Commission.

6.8 Revenue Certificates. To issue and sell revenue certificates as hereinafter provided, or in any other manner permitted by law and not inconsistent with the provisions hereof, and to take all steps deemed by it necessary or expedient for efficient preparation and marketing of the certificates at public or private sale at the best price obtainable, including the entry into binding agreements with corporate trustees, underwriters, and the holders of the certificates, and the employment and payment, as a necessary expense of issuance, for the services of consultants on valuations, costs, and feasibility of undertaking, revenues to be anticipated and other financial matters, architecture, engineering, legal matters, accounting matters, and any other fields in which expert advice may be needed to effectuate advantageous issuance and marketing.

6.9 Charges. To fix, regulate, and collect rates and charges for facilities and services furnished by it or under its control and to pledge the revenue to the payment of revenue certificates issued by it.

6.10 Borrow. To borrow money on its unsecured notes, for a period not exceeding nine months, in an aggregate amount for all outstanding unsecured notes not exceeding fifty percent of the proceeds received during the immediately prior fiscal year from the tax hereby imposed, and at an annual rate of interest not exceeding the rate being charged at the time of the loan by banks in the City on unsecured short-term loans to local businesses.

6.11 Office. To acquire by rental or otherwise and to equip and maintain a principal office for the conduct of its business.

6.12 Employment. To employ, when deemed necessary, and prescribe the duties, authority, compensation, and reimbursement of expenses of the Director of the Authority, who shall act as its chief executive officer, a general counsel, who shall be an attorney with at least two years of experience in active Florida practice and so engaged at the time of appointment, and such other personnel as it may, after consultation with the Director, deem necessary from time to time; provided, its personnel shall not be under civil service regulations and shall be employed to serve at its pleasure. Its personnel shall not while employed by it serve as City officers or employees, and, with the exception of its Secretary, shall not while employed by it serve as a member of it.

6.13 All Powers. To exercise all powers incidental to the effective and expedient exercise of the foregoing powers to the extent not in conflict with or inconsistent with the Act.

ARTICLE VII Tax, Budget, Exemptions

7.1 Levy of Ad Valorem Tax. For the fiscal year of the Authority beginning within the calendar year 1972, and for each fiscal year thereafter, an ad valorem tax in addition to all other ad valorem taxes is hereby levied annually for the purpose of financing the operation of the Authority on all property in the Downtown area that is subject to ad valorem taxation for City operation expenses. The tax base shall be the assessed valuation made annually by the County tax assessor. The rate shall be one mill on each dollar of tax base in 1972 and each year thereafter; provided, for each year after the first year of levy the Authority, by written notice to the County tax collector at such time as he or she shall specify, may set a rate of less than one mill for the ensuing fiscal year.

7.2 Remit to City. The County tax collector shall collect the tax when and in the same manner in which he or she collects the City ad valorem taxes, with the same discounts for early payment, and shall pay the proceeds into the ~~City treasury for the~~ account of the Authority.

7.3 Holding of Funds by ~~City~~ Authority. All funds of the Authority shall be received, held, and secured like other public funds by the appropriate fiscal officers of the ~~City~~ Authority. The funds of the Authority shall be maintained under a separate account, shall be used for only the purposes herein authorized, and shall be disbursed only by the direction

of or with the approval of the Authority pursuant to requisitions signed by the Director or other designated chief fiscal officer of the Authority and countersigned in such instances and manner as the Authority bylaws may prescribe. ~~The Authority may pay the City, as an operating expense, a reasonable amount for the services rendered by the City to it at its request.~~

7.4 Annual Budget. The Authority ~~bylaws shall provide for maintenance of minutes and other official records of its proceedings and actions, for preparation and adoption of an~~ shall prepare and adopt an annual budget for each ensuing fiscal year. ~~for internal~~ The Authority shall maintain supervision and control of its accounts, ~~which function and coordinate with~~ the appropriate City fiscal officers ~~may perform for it at its request to carry out the required statutory functions of the Authority. The Authority, shall perform and for~~ an external audit at least annually by an independent certified public accountant who has no personal interest, direct or indirect, in its fiscal affairs. ~~The bylaws shall specify the means by which each of these functions is to be performed and, as to those functions assigned to Authority personnel, the manner and schedule of performance.~~

7.5 Exemptions. All income, donations, property, and facilities of the Authority are hereby dedicated to the effectuation of essential municipal purposes, their use is declared an essential municipal function, and they are granted the same exemptions from taxation as are afforded to income, property, and facilities of the City.

ARTICLE VIII **Amendment of the By-Laws**

8.1 Notice. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which the proposed amendment is to be considered.

8.2 Proposal of Amendments. Any Board member may propose an amendment to these By-Laws by written proposal to be sent to all members of the board, and the proposed amendment shall be considered at the next regular or special meeting of the Authority. Notice of any proposed amendment, and a copy of the amendment shall be provided to each Board member no later than fourteen (14) days prior to the meeting at which the amendment will be considered. The vote required to pass an amendment to the By-Laws shall be a majority vote of the members of the Board.

Adopted this ~~10th~~ ____ day of ~~July~~August, ~~2024~~2025.

~~Brian Rosen~~Alan Costilo, Chair
Delray Beach Downtown Development Authority