



PADUCAH RIVERFRONT DEVELOPMENT AUTHORITY

PADUCAH RENAISSANCE ALLIANCE

PRDA | PRA

Organization White Paper

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Purpose

In early June, with Mayor Bill Paxton engaged a small group of Paducah Renaissance Development Authority (PRDA), Paducah Renaissance Alliance (PRA) board members, and a former founding main street board member to discuss and critique the respective boards in primary terms of operations and effectiveness.

The small assembly was informally convened to address ongoing misgivings about how the two boards and hired staff perform. The fact is, a majority of PRDA board members and a significant numbers of stakeholders now doubt the efficacy of the effort and the wisdom of reorganization that occurred two years ago. The lofty results envisioned have not transpired. Furthermore, the discussion group did not focus on particular programs of the agencies such as Downtown After Dinner, but focused on the structure supporting the programming.

B R E I F H I S T O R Y L E S S O N

In the spring of 2008, Carol Gault resigned her position as the successful Paducah Main Street Manager to run for the office of City Commissioner. The Mains Street office had a full-time staff of three and one part time person to assist the staff. The Main Street program enjoyed a functional, active and representative board. Tangible results were evident with the location of several new restaurants and retail stores. Geographically, Main Street concentrated their efforts on fourteen (14) square blocks, primarily between Jefferson and Kentucky Ave., from the river to 7th Street.

About the same time Tom Barnett, the city's Planning Director announced his intention to accept a similar position in Evansville. Monica Bilak was covering the position of the Artist Relocation coordinator in the department on a part-time temporary basis. The highly successful and decorated LowerTown Artist Relocation Program was administered out of the Planning Department. The planning department¹ had eight employees. At any one time, four employees worked consistently on LowerTown issues. Barnett could also flex more employees as needed for events. A citizen board did not exist to direct policy, solicit stakeholder input, or oversee the Artist Relocation Program/Lowertown program². Geographically, LowerTown is about 26 square blocks.

In June 2007, Steve Doolittle was hired as the Downtown Development Director to work on downtown hotel recruitment for the city. And at that time, master planning on riverfront improvements were being completed and the city began moving into

¹ The Planning Dept. actually has eleven (11) employees, but three (3) are dedicated exclusively to Section 8 housing duties.

² Urban Renewal and Community Development Agency was used as conduit for acquiring and disposing of property assets used in the program.

the design phase. This effort was led by the Engineering Department with assistance from Planning and Downtown Development.

With Carol Gault and Tom Barnett leaving, then City Manager Jim Zumwalt saw an opportunity to reorganize the city's various downtown programmatic assets into more singular cohesive effort. The various efforts, while independently successful were fairly uncoordinated. To summarize the reorganization³, the PRA board was formed from the remnants of the old Main Street Board and expanded to fifteen (15) members by adding LowerTown representatives. The geographic area represented by the new board is about 100 square blocks, equaling nearly a square mile. The purpose of the board was to bring the Main Street approach to downtown, LowerTown, and the immediate areas surrounding them. This meant organizing a variety of citizen committees and finding volunteers to: assist in recruiting artists and businesses to the district, operating events and festivals, promoting and marketing the district, conduct forums for business and stakeholder advocacy, operate a Farmers Market, fundraise etc. Doolittle also continued his previous functions, e.g. hotel recruitment, develop a tax increment financing area, staff the Paducah-McCracken Convention Center Corporation (CCC), perform center operations, and manage a \$5 million renovation of the center. City management wanted LowerTown neighborhood management activities out of the Planning Department and to Main Street. This belief was buttressed by consultant commentary.⁴

Following the creation of the PRA board and using the same geographical area, the PRDA board ordinance was adopted⁵. The PRDA board was created to be an autonomous non-political instrument of continuity and growth for the accumulated successful public and private assets in downtown Paducah. This new board of seven members was principally charged with the engagement of higher-level financing, development and planning activities in the downtown, LowerTown and the riverfront of Paducah. The board is authorized by ordinance to create development plans and craft implementation strategies. The ordinance further describes PRDA has having the staffing and budgetary authority for both boards. The intent was for Paducah to have a downtown development board similar to other successful cities charged with continuing the dynamic progression present here without the constraints of short-term election cycles. It was expected that the boards would coalesce and cooperate to achieve the economic and development objectives desired for downtown Paducah. The original staff to serve both boards was Steve Doolittle, Monica Bilak, Jessica Perkins, David Boggs, and Pat Shultz.

³ Ord. No. 2008-5-7411, §§ 1--6, adopted May 6, 2008

⁴ See Kent Burns report

⁵ Ord. No. 2008-10-7467, §§ 1--8, adopted Oct. 14, 2008,

Key Process and Discussion Points

Obviously both the PRA and PRDA boards meet monthly and sometimes more often. The discussion group met a many more times to discuss successes, assess problems, and detail perceived failures of the current organizational makeup. To properly frame the issue the group reviewed a number of existing documents and invited Doolittle to answer questions.

DOCUMENTS REVIEWED

The discussion group reviewed a number of documents:

- Ordinances and legislative histories creating both PRA and PRDA.
- Tax Increment Financing state statutes.
- Job descriptions.
- Organization Charts.
- Municipal Order 1303 (Doolittle hiring)
- River City Company⁶, Chattanooga TN charter, by-laws, and strategic plan

STAFF INTERVIEWS

- Steve Doolittle

CURRENT SITUATION

While the old Main Street Board was receptive to the reorganization and its officers sanctioned the plan, the board nevertheless felt they were in no position to obfuscate the plan since it was so financially reliant upon the city. When the newly formed PRA Board started in June 2008, they experienced significant transitional issues. Its “territory” expanded by 500% and for the first time in its 20-year history its staff was effectively controlled by the city’s management structure and worked for other boards. The PRA board needed 18 months to develop a new vision to address its expanded mission, new identity, and grow comfortable with the roles of the board

⁶ See www.downtownchattanooga.org

and shared staff. While the employees worked to be responsive to the board and implement their policy agenda, at the end of the day the staff and the budget belonged to city government and was shared by others. On a number of occasions, decisions clearly within the purview of PRA were decided unilaterally in city hall without the consent or advice of the PRA board. While no slight was ever intended, nevertheless the board feels its actions can be set-aside at anytime by the city. This has left several board members feeling impotent and frequently asking the question, “Why am I here?” For all intents and purposes, PRA functions as a city department with its own citizen *advisory* board.

Unlike the PRA board, which had some structure in place to build on, the PRDA Board did not meet until May 2009. This despite the ordinance being adopted months earlier and its members appointed. Doolittle acknowledged being responsible for the delay. While he felt the purpose for PRDA was correct, but without a budget appropriation, any assignments from the City Commission, or a staff to direct, PRDA simply did not have a mission. Commissioner Kaler exerted leadership and forced the issue by organizing their first meeting. Since nothing tangible was given to the board, PRDA instead busied itself with discussing bylaws, electing officers, discussing and branding and identity packages. PRDA did, quite significantly, launch Renaissance Area Master Plan (RAMP) by selecting a consultant and negotiating a scope of services. Even that effort through was hatched in city hall and farmed out to PRDA. It has not take long for the board to feel more or less ineffectual. PRDA suffers from the same ailment that hinders PRA. It has no staff, no budget appropriation, and no real authority. For better or worth, PRA and PRDA mutually at this time are performing as a city department, a city development agency, and non-profit organization all at the same time.

Despite some of the ongoing dysfunction, both PRA and PRDA have full agenda’s and work plans. It outline includes:

1. Hotel liquidation and demolition.
2. Renaissance Area Master Plan.
 - a. Unified brand
 - b. Traffic flow studies
 - c. Streetscape design
 - d. Analysis of promoting and marketing Paducah to Heritage Tourists
 - e. Evaluation of business attraction and artists attraction strategies
 - f. Market House reuse study
 - g. Evaluation of Paducah Art School campus plan within the context of the art district
 - h. Downtown parking study
 - i. Renaissance Area Market Analysis
 - j. Highway to Downtown way finding recommendations
 - k. Hotel Site Plan
3. Continued recruitment of artists and businesses.
4. Marketing the Renaissance District (LowerTown and downtown) locally.
5. Marketing the Artist Relocation Program nationally.
6. Event management for Downtown after Dinner, Affordable Art Show, Farmers Market.

7. Management of fund raising activities such as Old Market Days, Membership Drive and breakfast.
8. Property management and marketing of PRA held sites for economic development purposes.
9. Maintenance of Main Street Certification.
10. Development of map, website, recruitment brochures and other recruitment materials.
11. Develop recruitment strategy for hotelier.
12. Revise Recruitment Plan for Downtown
 - a. Site analysis for the following:
 - i. Office
 - ii. Residential
 - iii. Restaurant
 - iv. Retail
 - b. Comprehensive pedestrian survey
 - c. Comprehensive office worker survey
 - d. Collect GIS data for psychographics trade area
 - e. Continue development for parcel on 600 block of Broadway
 - f. Develop viable site plans for Columbia Theater

KEY FINDINGS

- *Staffing.* Staffing levels are suspect when juxtaposed with the City’s adopted strategic plan. Just prior to reorganization, eight (8) staff members were engaged to perform the various Main Street Activities, LowerTown Artist Relocation program and hotel recruitment. Everyone understands that city revenues are flat, and that the city runs a tight ship, however at its low point several months ago, the entire staff of three (3) members operating with fewer marketing and operating funds, were charged with maintaining all former activities and significant new ones. During the city’s *Operational Efficiency Plan*, the “department” did not experience a “trimming of the fat”, but rather an amputation all the while being expected to meet the primary goal of growing the economic strength of the district during a dwindling economy. To their credit, the Mayor and City Board of commissioners restored one staff position (administrative) and some additional operating funds in the last fiscal year.

- *Many Chiefs.* Prior to the CCC hiring their own employee, the professional staff of three is at one time was attempting to serve the needs of a single elective body with a manager and three (3) appointed boards. Those being:

The Mayor, City Board of Commissioners, City Manager, Convention Center Corp., PRA, PRDA and seven (7) related board committees.

When all the boards and committees members are tallied, one finds that more than 80 positions are seated to help direct three (3) professional staff

persons. It's simply untenable for the staff to be responsive and accountable to this structure.

Tangentially, there are also a number of key downtown organizations and stakeholder groups that the staff attempts to provide a minimum level of support and service. They include (but are not limited to):

Kentucky Heritage Council, Convention and Visitors Bureau, River Heritage Center, Maiden Alley Theater, MHT, Yeiser, Clark Museum Farmer's Market, American Quilters Society, Carson Center, Murals Advisory Committee, Chamber of Commerce, Entrée Paducah, GPEDC, Economic Development Group, LowerTown Artists, Downtown Merchants, LowerTown Neighborhood Assoc., LowerTown Arts District Association, property owners, visitors, Paducah Arts Alliance, and the media.

We think a reasonable person can see that if the staff tried to provide great service to these organizations just one day a month, we would run out of month long before we ran out stakeholders.

Its safe to say that that all of the involved boards that contribute to the daily activity and policy formation may not have had a realistic expectation of staff capacity relative to the expansive mission of several policy boards. Its not that nobody is providing navigation, rather the case is everyone is contributing to frequent course changes. We don't seem to suffer from a lack of good ideas; there is however, an unfocussed cacophony of thoughts and ideas constantly percolating.

To add to the PRA and PRDA board frustration many stakeholders bypass the boards and go directly to the Mayor and Commission for their needs.

- *Control.* None of the policy boards and committees directed by staff have the complete picture of the staff time and resources required by the others. At this time, PRA is essentially operated as a department of city government. The employees are paid by the city. The employees adhere to policies and procedures of the city. The staff reports to the City Manager and serves at the pleasure of the Mayor and City Board of Commissioners.
- *Model Organizations.* Paducah wisely wants to emulate the success of other cities have enjoyed in their downtown and river front areas. Chattanooga is often held out as an example of the transformative power of an engaged development authority given ample resources and authority. PRDA could be that transformative agent.
- *Powerless Boards.* As previously discussed the boards are more or less relegated to advisory roles. The majority of the board members engaged do not wish to simply be well-informed passive observers.

Recommended Outcomes

So the sort of organizational tardive dyskinesia the PRA and PRDA boards suffer from is neither hopeless nor incurable. Conceptually, the reorganization work written into the ordinances is correct. The failure is in its execution.

ORGANIZATION CHARTS

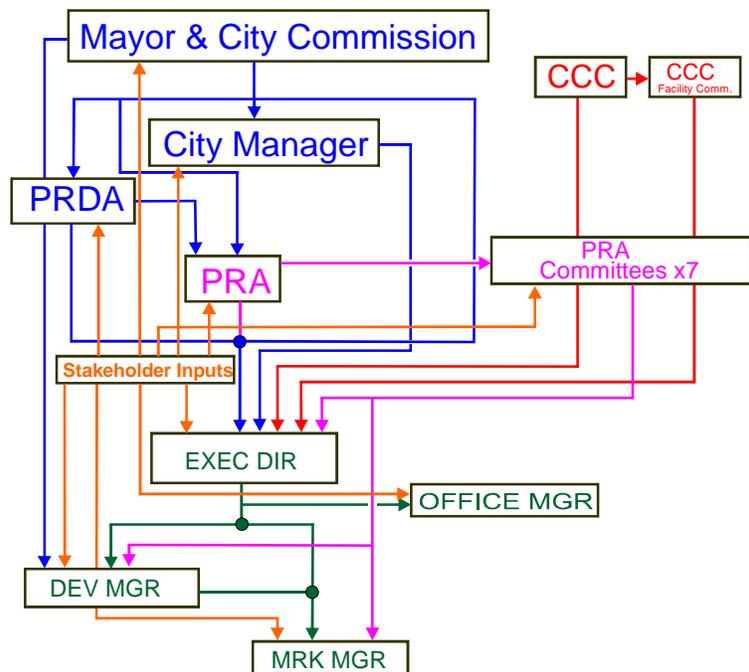


Fig. 1 | Current Organization and Flow Chart

Clearly at this point, there is, despite many parties involved, a very busy but semi-functional situation has been allowed to occur as illustrated by the chart shown in Fig. 1. This method dilutes the staff and resource effort. Our city faces a number of crucial issues that need focused strategic direction, e.g. sustainable district neighborhoods, riverfront development, hotel recruitment, RAMP, TIF creation. A

properly empowered sufficiently funded PRDA is the correct model for success. Preferably, the organization structure should be streamlined, efficient and makes the boards accountable to the commission and the community at large.

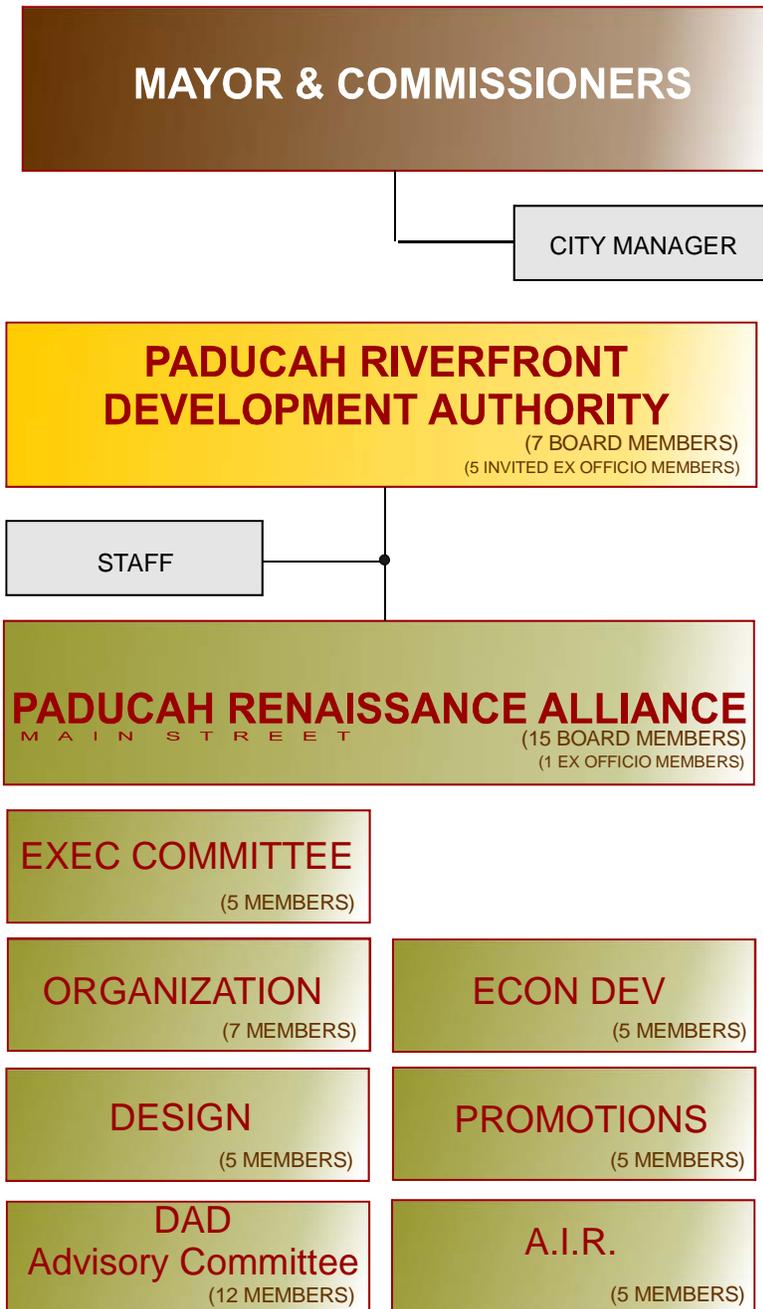


Fig. 2 | Ideal Organization Chart

KEY RECOMMENDATIONS FOR EFFECTIVENESS

1. For maximum effectiveness in the community, PRDA needs a certain level of autonomy from the city to insure success. Communities that achieve success in economic development have independent public/private entities.
2. PRDA should receive a budget appropriation commensurate with its mission and should manage its budget.
3. The staff should be managed only by PRDA. They should report to the PRDA board and be accountable to the PRDA board. PRDA working with its sister agency PRA will allocate the staffing resources to meet the priority obligations of both boards.
4. The City should take the appropriate legislative action to transfer budgetary and personnel control to the PRDA.