

VERNON MYERS
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

PHIL LEARY
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



MICHAEL J. CZYMBOR
CITY MANAGER

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

Regular meeting 2nd and 4th Thursdays each month at 6:00 p.m.

MINUTES
CITY OF PALATKA
COMMUNITY REDEVELOPMENT AGENCY
April 10, 2014 at 4:00 p.m.

Proceedings of a regular meeting of the City of Palatka, Florida Community Redevelopment Agency held on the 10th day of April, 2014

PRESENT:

Vernon Myers	Mayor
Mary Lawson Brown	Commissioner
Allegra Kitchens	Commissioner
Phil Leary	Commissioner
James Norwood, Jr.	Commissioner
Karl N. Flagg	Commissioner, Putnam County BOCC

ABSENT: Alex Sharp President, Downtown Palatka, Inc.

Also Present: City Manager Michael J. Czymbor; City Attorney Donald E. Holmes; City Clerk Betsy Jordan Driggers; Assistant City Clerk Vicki Young; Finance Director Matthew Reynolds; Fire Chief Mike Lambert; Planning Director Thad Crowe; Main Street Manager Charles Rudd; and Projects Manager Jonathan Griffith

CALL TO ORDER: Mayor Myers called the meeting to order at 4:00 p.m. and read the following Meeting Notice, issued on April 3, 2014

TO CRA MEMBERS: MARY LAWSON BROWN, ALLEGRA KITCHENS, PHIL LEARY, JAMES NORWOOD, Jr., ALEX SHARP AND KARL N. FLAGG:

You are hereby notified that the time of the regular April 10, 2014 meeting of the Palatka Community Redevelopment Agency has been changed to begin at 4:00 p.m. on that date. The regular meeting place at City Hall, City Commission Chambers, 201 N. 2nd Street, Palatka, has not changed.

Please govern yourselves accordingly.

/s/ Vernon Myers
Vernon Myers, MAYOR/Chairman

We acknowledge receipt of a copy of the foregoing notice of meeting time change on the 4th day of April, 2104.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Allegra Kitchens
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ Phil Leary
COMMISSIONER

/s/ Alex Sharp
PRESIDENT
DOWNTOWN PALATKA, Inc.

/s/ Karl N. Flagg
PUTNAM COUNTY BOCC
DISTRICT 3 COMMISSIONER

INVOCATION – Reverend Karl Flagg

PLEDGE OF ALLEGIANCE – Mayor Myers

APPROVAL OF MINUTES: 12/12/13 Regular Meeting and 2/13/14 – Commissioner Kitchens made a motion to approve the minutes as presented. Commissioner Norwood seconded the motion, which passed unopposed.

PUBLIC COMMENTS: There were none.

1. **CBD, NHD, SHD, TAX INCREMENT FUND EXPENDITURES/BUSINESS:**
 - a. **AWARD CBD FAÇADE GRANTS** per Ranking/Review Committee recommendations as follows:

Shelly Trust Management - \$9,000.00 for 322, 324 and 326 St. Johns Avenue - Charles Rudd, Main Street Manager, said this applicant desires to put an awning over three store fronts on St. Johns Avenue. One store currently has an awning and the other two have frames. These awnings would replace the one existing awning and take them back to the way they previously looked.

Mayor Myers opened the floor for public comments.

Commissioner Brown recused herself from discussion, stating E. W. Lawson & Son Funeral Home is owned by her sons, Maurice and Theodore Brown.

Johnny Maurice Brown, co-owner of E. W. Lawson Funeral home, stated that he had applied for a Façade Grant. He first applied in 2011 and it took them two years to learn that they did not get it. Then they reapplied and the scoring was 58 or 59. The reason they scored lower than anyone else is because someone determined that they could not pay the matching fund part of the application; however, no one asked if they could pay it. Mr. Brown said out of the three applications granted, there is still enough money left to fund his grant. He was aware that if you couldn't match the funds, you couldn't get the grant money. He doesn't understand how they scored so low and everyone else scored so high. When he came to the meeting today, his plans were pulled from the trash and he was told, "I'm glad I didn't empty the trash". He talked to his friend, who is an Architect, who said he would certify his plans for \$4,500.00 and seal the engineering drawings. The Evaluation Committee also wanted them to take the stucco off the building, which would look funny as there is also stucco on both sides. They have a mural on one side of the building, and have signed an Agreement with the Mural Committee guaranteeing that it won't be removed. He said he didn't have the plans signed and sealed as it wasn't required. Another item on the application stated if you have a mortgage on the building, you are required to show it; however, they don't have a mortgage. He said the application referenced taking the building back to its original state. The reason they are closing the door in is due to

the flooding on Highway 20 and 9th Street. The road is about 3 inches higher than the door, so when it rains the water flows into the front door and they cannot stop it. It has ruined all of the drywall around the bottom of the building. FDOT has been telling them that they were going to address this issue since 1989. Now FDOT says they will get to it in about two years. Mr. Brown said he believes they were unfairly disqualified for this particular grant. They made changes in the design to take the building back to its original state of 45 years ago, but not to 1922. He said he hopes the Board will reconsider their application as he does not believe the answers they received as to why the application was scored as it was were appropriate or fair.

Mr. Brown said they were also told they did not qualify because their business was not primarily retail or a restaurant. Under the City Code, there are two categories – retail and general services. Restaurants fall under general services – the same as funeral homes. He asked how they can pull only restaurants out of “general services” and disqualify the other 22 classifications? Mr. Brown said they are retail; they sell urns, flowers, hats, clothing, caskets, etc. The change in the funeral business is trending towards cremations so to survive you must sell merchandise. They have one room that is dedicated solely to merchandise for sale, and all items have price tags. You cannot say they are not retail - they report to the Federal Credit Commission and pay sales tax on the merchandise that they sell. They meet the definition of “Retail.” They purchase a large amount from a vendor and resell it in smaller quantities for a profit. He understands the prioritization – last year the CRA said they wanted to put the prioritization on restaurants and retail to incentivize people. No one applied except him; he doesn’t understand how they could be turned down. He has done everything that has been asked of him for the past four years. He thinks they were unfairly disqualified; they have met every requirement. He is asking the CRA to reconsider his grant application.

Commissioner Kitchens asked when the stucco was put on the building. Mr. Brown said it was put on in the 1970’s. Southern Brick and Stone did it around 40 years ago. Commissioner Kitchens asked what the CRA can do from a legal standpoint. Mr. Holmes said there is a procedure established as to how you consider each application for a Façade Grant. The procedure has each application being considered by a committee. Mr. Holmes asked Mr. Griffith what the name of the committee was. Mr. Griffith replied that it is the Evaluation Committee. Mr. Holmes said the Evaluation Committee scores the grant applications. Mr. Griffith said if they have multiple applications, then they rank them and then make a recommendation for funding, depending on the amount of funding allocated. Mr. Holmes said that the recommendation being made for the Façade Grant for this cycle was to fund the Façades on the Badcock and Shelley Buildings. He said in order to do anything else, if you are going to override the Evaluation Committee’s decision, those grounds will have to articulate why you are overriding the Committee; otherwise you have rendered your process nullity, and this is something he does not recommend doing. If you want to abandon the Evaluation Committees’ recommendation and say you are going to award them as you want, you can do so, but as long as you have this process in place you are bound to it. You do not have to accept the recommendation of the committee, but if you override it, you will have to articulate the grounds as to why you are overriding the Evaluation Committee.

Commissioner Kitchens she is concerned about the assumption the Committee made that the applicant did not have the matching funds available. She asked if this is done arbitrarily without first contacting the applicant to inquire?

Mr. Holmes said if you are going to debate this, then you need to hear from the Committee. Mr. Czymbor said as a point of order Mr. Brown’s application is not on the agenda. There is a process where Mr. Brown can file an appeal of the recommendation of the Evaluation Committee and he has not done that. He is here during Public Comment; he was given the

official evaluation and results of his application and he does have a right to appeal to the CRA Board. They should not debate this topic as the board doesn't have his application, only a copy of the evaluation results. He has not filed a formal appeal to the Evaluation Committee.

Commissioner Kitchens asked if the letter dated April 8th was the only notification Mr. Brown has received on the denial. Mr. Brown said it was emailed to him on the 8th and he received the letter today. He spoke to the Clerk who told him he could talk to the CRA under Public Comments, but he could not file an appeal at this meeting. Mr. Brown said if the City has to re-advertise this and he has to reapply, these applications are getting expensive. Mr. Holmes said an appeal does not require them to re-advertise.

Betsy Driggers, City Clerk, said she did speak with Mr. Brown about this when he asked if he could get on today's CRA agenda to appeal this decision. She advised him it was too late to get on the agenda, but that he could speak under Public Comments if he wished to address the Commission on any non-agendaed matter.

Jonathan Griffith, Grants Manager, said Mr. Brown could file an appeal at any time. Even if they advertise concurrently for a second cycle, he could be considered under the first cycle at the next regularly scheduled meeting. Commissioner Kitchens asked what the procedure would be. Mr. Griffith said Mr. Brown needs make a written request to be placed on the next CRA Agenda.

Mr. Holmes asked if this process was controlled by an Ordinance. Mr. Griffith said it is actually established in the program document, which states the applicant can appeal to the CRA Board. This is in the Façade and BIG grant documents. Mr. Holmes said they need to establish some ground rules now. Mr. Czymbor asked Mr. Griffith to go over the process. Mr. Griffith deferred to Charles Rudd, Main Street Manager, as Mr. Griffith is a representative on the Design Committee; his position with the City and the CRA; and as chair for this committee that issued the letter of deficiencies.

Mr. Rudd explained part of the issue was making the agenda deadline. They did receive the application by the deadline, which was March 14th. He didn't have exact dates of emails he exchanged with Mr. Brown, but said he needed a Letter of Determination of Eligibility from the funeral home for the grant. Also, they needed to advertise the date of the Review Committee meeting; it was advertised as a Tuesday morning public meeting. At that time, they didn't even know if the applicant was eligible for a grant. They scored the grant application poorly on the match because there was no match offered. It states there is a 20% match required and all other applicants supplied how much they were applying for and their match. He said he believed that Mr. Brown was requesting \$20,600.00 and was asking for \$20,000.00; therefore, the match was not met, as in the other applications. It wasn't their ability to match, but no match was documented.

Mr. Rudd noted in the Badcock grant they did not recommend the entire amount requested.

Mr. Rudd said Mr. Brown was notified that they would not be eligible unless they received a letter attesting that Commissioner Brown in no way receives compensation or any benefits from the funeral home. By the time they received this letter, the deadline for the agenda had already passed. They talked about opening a second grant cycle with the balance of the funds; there is enough money to fund the grant application. He said they wanted the look of the building improved; a further remodel of the historical building with the hope of bringing back as many of the original elements as possible; stone, put in a porch on the front rather than an awning. They wanted to work with the applicant and come back under the second cycle.

Mr. Holmes said this shouldn't turn into an appeal on the merits. He said the only reference he found in the grant documents was a single sentence stating "Ranking and fund decisions of the Evaluation Committee may be appealed to the City of Palatka Community Development Agency Board". There is no reference of timeframe. An appeal would be timely if filed at this point, and then the appeal could be agendaed for the next CRA meeting, and then they can consider all sides and all aspects of it. The CRA Board has the authority to make whatever decisions they feel are appropriate at that time. They would be better advised to handle this in that manner. Mayor Myers said it should go through the appeal process and they are not in the position to do that now. Mr. Brown would need to file the appeal first.

Commissioner Kitchens inquired as to the letter dated March 28th from Holmes and Young referencing an affidavit signed by Ms. Brown on March 12th, which was two days before the deadline. She asked if Mr. Brown failed to provide the affidavit stating that Commissioner Brown was not involved in the business, or if the Committee needed the clarification from Mr. Holmes before accepting the affidavit? Mr. Rudd said he didn't receive the affidavit until the end of that week. Mr. Holmes said he has consistently advised the CRA that no business in which a board member is affiliated (receives any benefit, direct or indirect from a business or property) is not eligible for a grant. That is based upon the Attorney General's opinion, the Division of Ethic's opinion, and a memorandum that he did a couple of years ago which very recently was forwarded to the Department of Community Affairs, and the League of Cities' Chief Counsel, because there was question about the legal opinion – they have indicated that they believed that it is applicable and is the current law. That's been the opinion that has been held. It has been his understanding that Commissioner Brown held or received some benefit from that property or the operation of business. Traditionally, it has been understood that this business would not be eligible for a grant. In this case, the application was made, the City Manager brought it to his attention and he offered the same opinion as the last 4-5 years, he wrote a letter to Mr. Brown advising him of that opinion and provided a copy of the memorandum. Mr. Brown contacted Mr. Holmes' office and stated that Commissioner Brown no longer had an interest in the business and she would sign an affidavit stating so. Mr. Holmes' stated after Commissioner Brown signed the affidavit, then the business would be eligible to file a grant application like any other applicant. After Commissioner Brown went to Mr. Holmes' office and signed the affidavit, he forwarded it to Mr. Rudd.

Commissioner Kitchens suggested to Mr. Brown that he file the appeal and request to be put on the agenda for the next meeting. Mr. Czymbor asked who the committee members were. Mr. Rudd replied that the committee members are: Mr. Griffith, Ms. Robbie Correa, and Mr. John Rowe. Mr. Czymbor said after the committee scored all of the applications, it was his understanding that either Mr. Rudd or Mr. Griffith met with Mr. Brown and went through those applications verbally and gave him the result rankings of the committee's evaluation. Mr. Griffith sent a detailed analysis of the applications to Mr. Brown.

Mr. Griffith stated he would like to provide some clarification that Mr. Brown never filed a pre-application, which was available for an evaluation ahead of time. It was not solely because of the match requirement that he was declined; that is just one of the things that was identified in the deficiency letter. They cannot meet with the applicants prior to reviewing the applications because they would be affording one applicant an opportunity that is not afforded to another. There are two fields to fill out: total project costs and the match. If you get it wrong, then you cannot get the points.

Badcock and More Furniture - \$3,290.00 for 1000 St. Johns Avenue - Mr. Rudd said the committee did not fund the gutters, and wants them to paint, replace the sign, put some period lighting over the sign, and to repair the fence.

Commissioner Kitchens moved to approve Façade Grants in the amount of \$9,000 to Shelly Trust Management at 322, 324 and 326 St. Johns Avenue and \$3,290.00 to Badcock and More Furniture at 1000 St. Johns Avenue. Commissioner Norwood seconded the motion, which passed unopposed.

- b. **FUNDS FOR RIVERFRONT PARK ELECTRICAL UPGRADE PROJECT** – not to exceed \$15,000.00 (CBD Budget Amendment) - Jonathan Griffith, Project Manager, said this includes some improvements for the upcoming Blue Crab Festival with the impending developments on areas 1 and 2 of the redevelopment site. They need to include some additional infrastructure to accommodate festivals. The work is being done in-house by the newly hired electrician; he is working with FPL and said this estimate is actually high; they are well under that number, based on some numbers that came in from FPL. They are installing electrical outlets below ground for festival vendors. Commissioner Norwood asked if the electrician was licensed and Mr. Griffith replied yes, and noted the work can be done as an owner/builder. Mr. Czymbor clarified that this is not only for the Blue Crab Festival, but all festivals, and can be charged as part of the application process. Commissioner Norwood moved to approve this item as presented. Commissioner Brown seconded the motion, which passed unopposed.
- c. **REQUEST TO FUND PURCHASE BRONSON HOUSE HISTORICAL MARKER** (\$600.00 NHD-TIF, \$600.00 PHNNA, and \$1,200.00 Putnam County Historical Society) - Florida Historical Marker Program – NHD Budget Amendment - Commissioner Flagg moved to approve this item as presented. Commissioner Kitchens seconded the motion, which passed unopposed.
- d. **REQUEST TO FUND THE DESIGN, FABRICATION AND INSTALLATION OF EIGHT (8) INTERPRETIVE KIOSKS** and Supporting Brochures, not to exceed \$9,229.00 - North Historic District Budget Amendment - Jonathan Griffith, Project Manager said the PHNNA approached the City about this project; after reviewing the CRA Plan he determined it is supported and the CRA recommends the installation of historic way findings and signage in the north Historic District. This is an extension of what was done last year when 5 kiosks were installed around town, there is one at the corner of Third and Main Street for that District and these will serve as a guided tour around the neighborhood. Commissioner Kitchens moved to approve this item as presented. Commissioner Norwood seconded the motion, which passed unopposed.

Commissioner Brown said as they look at putting in kiosks around town, she would like to put the 11th Street Corridor on the radar. This was a black business district and a great part of Palatka history for many years. The businesses deserve to be recognized. Mr. Griffith said that area is within the CBD. He asked if Commissioner Brown could help find some content to go on the kiosks. She replied that she had plenty and would get it to him.

- e. **REQUEST TO PURCHASE AND INSTALL DECORATIVE STREET SIGN POLES for the Central and North Historic Districts** (\$3,000.00 North and \$4,000.00 Central) – CBD and NHD Budget Amendment - Commissioner Flagg moved to approve this item as presented. Commissioner Kitchens seconded the motion, which passed unopposed.
2. **DISCUSSION/ACTION:**
CONCUR ON APPOINTMENT OF KATHY GRIFFIN to the CRA as the DPI, Inc. Board of Director's Representative - Commissioner Flagg moved to approve the appointment of Kathy Griffin as DPI, Inc. Board of Director's Representative. Commissioner Kitchens seconded the motion, which passed unopposed.

NATIONAL ENDOWMENT FOR THE ARTS SCULPTURE LOCATION (Bass Sculpture) - Jonathan Griffith, Project Manager, showed pictures of the Bass Sculpture and noted that the lily pads are approximately 13 feet high and 10 feet wide. He is asking for the CRA's final input on the location of the sculpture. The CRA funded this through a National Endowment of the Arts Grant. The original location in the application for the grant was at the terminus of the dock. This location was proposed because the sculpture is a fish and is adjacent to all of the fishing amenities on the riverfront park. After people began seeing it, they wanted it in a more prominent location. Mr. Griffith showed several alternative locations. After discussion, Mr. Griffith said that the St. Johns River Center Advisory Board has requested it be located in the plaza by the center. He has verified with the Grant Officer that it can be located anywhere in downtown Palatka. Commissioner Norwood said the art exhibit would attract people to the educational center and vice versa. Commissioner Brown suggested by the water taxi terminal, but said it needs to be in the most visible location. Commissioner Norwood moved to locate the sculpture by the St. Johns River Center at the corner of St. Johns Avenue and Memorial Drive. Commissioner Kitchens seconded the motion, which passed unopposed.

WATER TAXI TERMINAL BUILDING DESIGN (Preliminary Rendering) - Jonathan Griffith, Project Manager, said they have been working with the perspective operator, The Boathouse Marina, and architects Smith and McCreary and a secondary consultant, which would be the kitchen operator, to finalize the site plan and layout of the building. They went before the Historic Preservation Board for a Certificate of Appropriateness with a previous plan and got some positive feedback and were granted a conditional COA. They sat down with the architect to revisit the building design – the previous one had a flat roof, a brick structure with not much prominence. They looked back historically and around the area of downtown and saw sloped roofs, use of brick, and use of wooden columns. Mr. Griffith presented a drawing showing a simple façade, a gable roof, and porches. Commissioner Brown expressed appreciation for the roof design and asked if there would be shower facilities and restrooms. Mr. Griffith said he believes a boater could stay up to 6 days. Per Commissioner Norwood's question, Mr. Griffith said the building is around 5,000 square feet. They are still refining the details. Leroy's Café in St. Augustine is the restaurant they are currently negotiating with about running the restaurant.

3. VERBAL UPDATE:

COMMUNITY GREENPRINT/MASTER PLAN – Mr. Griffith said there will be a series of public workshops that will be held at regularly scheduled meetings with the SHNA, Palatka Historic Neighborhood Association, the Main Street Board, and a fourth workshop with the CRA Board to get input and will bring it back for consideration after that. This will happen over a two month timeframe. April 16th following the Main Street Board will be the first workshop.

POTENTIAL TRIP APPLICATION SHNA - 300 South 9th Street – Mr. Griffith, Project Manager, said they have ordered a sign for installation at 300 South 9th Street showing what the perspective residence could look like if improvements were made and what potential incentives are available for this property because it falls within the CBD. Mr. Griffith said the Public Works Inmate Squad will start cleaning up the property next week. Commissioner Kitchens asked if they were going to list this property with a realtor. Mr. Griffith said they will have the property declared surplus; this will be on the April 24th agenda. Mr. Czymbor said it could be listed with a realtor once it has been surplussed.

4. OTHER BUSINESS/REPORTS

SMALL BUSINESS DEVELOPMENT CENTER 1ST QUARTER REPORT - Cheryl Lynch, Director, 1100 Reid Street, stated they had received the survey information back and were hoping to include it in this report but weren't able to do so. This quarter there were 5 jobs created; 15 jobs retained; \$55,000 capital investment; \$10,000 in loans; and sales increased to

\$1.169 million dollars for 2013 coming from 15 companies. That is money being generated from these companies; 98% came from companies within the city. Commissioner Leary asked what her relationship was with the Chamber and what does the Chamber do to help her with businesses coming into the City. Ms. Lynch said her relationship with the Chamber is that she is housed there; as far as what they do to assist, they give her card to people making inquiries if she is not available. Commissioner Leary said when the budget process starts he is going to recommend putting the money into this program instead of giving it to the Chamber.

Commissioner Norwood asked if there is a way to tailor the report for the City of Palatka. Ms. Lynch said she would try; her report is from all clients and is not broken down by clients inside or outside the city limits. Commissioner Brown said Ms. Lynch had her boss come and speak to her, Mr. Czymbor and Mr. Griffith regarding a business incubator. They are looking at visiting the Beaver Street Incubator in Jacksonville soon.

NORTH HISTORIC DISTRICT UPDATE – Elizabeth Van Rensburg, Spokesperson, PHNNA, 310 North Third Street, stated that they have new neighbors which have joined their neighborhood association. She thanked the CRA board the action they took today on their requests. She noted Ashleigh Boice at the Bronson-Mulholland House is doing an exceptional job and encourages visitors to tour the neighborhood when they leave the Bronson-Mulholland House. The Occupation of Palatka - Civil War Living History event is coming up the end of September. They received TDC funding in the amount of \$2,000.00 for out-of-county advertising. They are working with St. Marks in hopes of taking the St. James house and getting it moved, and plan to approach the CRA for a loan to start working on the house with the goal of putting it on the market and getting it back on the tax role. Commissioner Leary asked if Mr. Van Rensburg has looked at the house to determine if it would survive being moved. She stated that he has looked at it several times and he believes it be could be moved. As negotiations go forward, they will certainly go back in the house to make sure it is safe to move.

SOUTH HISTORIC DISTRICT UPDATE – no update was provided.

VOTING - Commissioner Leary asked if he could be shown as voting affirmative for items 3 (a) through (e).

5. **ADJOURN** – There being no further business to discuss, the meeting was adjourned at 5:14 p.m. upon a motion by Commissioner Kitchens.

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE COMMUNITY REDEVELOPMENT AGENCY WITH RESPECT TO ANY MATTER CONSIDERED AT SUCH MEETING WILL NEED A RECORD OF THE PROCEEDINGS, AND FOR SUCH PURPOSE MAY NEED TO INSURE THAT A VERBATIM RECORD OF THE PROCEEDINGS IS MADE, WHICH RECORD INCLUDES THE TESTIMONY AND EVIDENCE UPON WHICH THE APPEAL IS TO BE BASED. FS 286.105