

CITY OF PALATKA
PLANNING BOARD MINUTES
May 3, 2016



Members present: Chairman Daniel Sheffield, Earl Wallace, Tammy Williams, Joseph Petrucci, George DeLoach, Edie Wilson, Anthony Harwell, and Ed Killebrew. Members absent: Vice-Chairman Joe Pickens. Staff present: Planning Director Thad Crowe, Recording Secretary Pam Sprouse, and City Attorney Donald Holmes.

Motion made by Mr. DeLoach, and seconded by Mr. Wallace to approve April 5, 2016 meeting minutes. All present voted, motion carried unopposed.

The Chairman explained appeal procedures and requested that Board members express any ex-parte communication prior to hearing each case.

OLD BUSINESS

Case 16-16 Request for a conditional use for multi-family development with more than three units within a single parcel and building in DR (Downtown Riverfront) zoning district (tabled from April 5, 2016 meeting).

Location: Parcel #42-10-27-6850-0020-0010 (a.k.a. “Century Block” or “100 Block” of N. 2nd St.).

Applicant: Riverside Development Group LLC.

(Public Hearing)

Vice-Chairman Pickens (in the audience) said he needed to recuse himself for the record, explaining that he has had ex parte communication with the Applicant, Mr. Corky Diamond, and also with people opposed to and in support of the project, some of whom were in the audience. He said he had also consulted with City Attorney Don Holmes and with internal and external counsel for the College, and that while neither him nor the College would benefit from this case, or has any involvement with Mr. Diamond, there is the possibility that this may be student housing. This is one of the most important decisions that the Board will make, and the public needs to know that the process is transparent and objective. The participation of the College president would possibly make the decision appealable, and he did not want to put the Board in that position. He wanted the College to remain neutral on this item.

Mr. Crowe proceeded to give a PowerPoint presentation. He described the location of the project in the downtown riverfront area and noted that the properties were sold to the Applicant, Mr. Diamond, in 2014 after being owned for many years by the City. Downtown Riverfront zoning requires conditional use approval for more than two residential units per property/building, which would allow for eight units in the four buildings. The Applicant is requesting 19 units including four first-floor units along Reid St. Other first-floor space would be commercial or restaurant. Mr. Crowe then showed the Board pictures of the current building exteriors (under renovation now) and the proposed exterior appearances upon project completion and reviewed the conditional use review criteria.

Evaluation criterion # 1 requires general compliance with Comprehensive Plan. This application is supported by a Future Land Use Element objective and several policies promoting infill and mixed-use development in the downtown. Mr. Crowe said that the application does not conflict with the Plan – residential uses are allowable

in the Future Land Use Map and zoning categories, and the project does not conflict with the goals, objectives, and policies of the Plan.

Evaluation criteria # 2 and 3 are concerned with ingress, egress, and parking. Residential projects downtown receive parking credits for the first three units, and additional units require two parking spaces for each unit. This results in 32 required parking spaces, and the parking lot includes 35 spaces. Therefore minimum parking standards are met. In addition, there are more than 200 on-street and other public parking available within two blocks of the project.

Evaluation criterion # 4 requires screened refuse areas, which the project provides. Evaluation criterion # 5 requires that utilities are available, and they are. Evaluation criterion # 7 deals with screening and buffering, and the project (and downtown) is exempt from such requirements. Evaluation criterion # 8 deals with signs – no signs are proposed at this time and any future signage must comply with the Sign and Zoning Codes. Evaluation criterion # 9 deals with required yards and open space, and the downtown area is exempt from these standards.

Mr. Crowe then went over Staff recommendations for the conditional use approval.

1. Recommend approval for 18 upper-floor units subject to and conforming to the site plan, floor plan, and elevations.
2. Future minor changes shall be approved by staff, with major changes requiring board approval through the conditional use permit process.
3. Major changes include increases or decreases in unit square footage that exceeds 10%; removal of kitchens, bathrooms, and other rooms; changes in the appearance of windows, doors, and exterior materials.
4. First-floor residential uses shall be prohibited.
5. Future conversion to owner-occupied condominium units shall be allowed as a minor change.
6. Balconies shall be kept free of visual clutter including towels, grills, and other items, with the exception of patio furniture.
7. Upper-floor windows must have unified/similar window coverings (blinds or curtains only), unified to each building or to all buildings.
8. Building grounds shall be kept neat and orderly, with items stored outside being secured within areas screened from public view.
9. All other applicable standards of the Municipal Code must be met, including any building or fire code life and safety requirements.

Chairman Sheffield asked Mr. Holmes to clarify the relevance of the purchase and sales contract between the City and developer, specifically the requirement that first-floor residential uses are not allowed. Mr. Holmes answered that this private contract is not relevant to this application, and the Board should focus on the zoning standards before them.

Ms. Wilson said she had a hard time understanding the floor plans layout. Mr. Crowe described the layout with front door locations, bedrooms, kitchen, and common living area. All are two-bedroom units with a kitchen, and each bedroom has a bathroom associated with it. He confirmed the Staff recommendation would allow up to 18 units, all on upper floors.

Mr. Petrucci asked about the parking in the back of the buildings – he thought this was public parking Mr. Crowe answered that the Applicant purchased around half of the parking lot and has 35 parking spaces.

Chairman Sheffield recognized the Applicant's attorney, Michael Woodward, Esq., 501 Atlantic Ave., Interlachen. Mr. Woodward said he wanted to mention a few relevant provisions of the Comprehensive Plan

and ordinance, and recognize a few points from the staff report. He said he would also answer any questions from the Board.

Mr. Woodward said that the Comprehensive Plan allows an awful lot of residential units downtown. Residential uses are allowed at an overall density of 20 units per acre, which is not calculated on a per-parcel basis, but for the whole downtown area, which envisions thousands of future downtown residential units. The City's vision is a lot of people living amongst the commercial uses, to help support those commercial uses. This modest proposal is consistent with the Plan's vision. Downtown Riverfront zoning (Sec. 94-161) permitted principal uses include residential uses, subject to development standards. The development standards note that residential shall be above the first-floor on St. Johns Ave. This was a conscious decision by the City to only make this prohibition applicable to St. Johns Ave., not other areas. He stated again that he believes this application is in keeping with this vision of multiple residential units.

Mr. Woodward said the Applicant does not know if the northernmost building will be commercial or residential on the first-floor, until the City Commission responds to the request to amend the contract to allow for first-floor residential uses in this building. He noted that there is no prohibition in the language of the agreement, but the site plan associated with the agreement notes first-floor commercial in this building. He said that in the ideal world, all would prefer commercial, but it does not make sense to have more empty commercial space – there is around a 33% downtown vacancy rate – and getting people to live in the buildings will attract commercial uses, much like a chicken and egg situation. Mr. Woodward noted that the Staff Report clarified that the Comprehensive Plan actively supported this project through several policies in the Future Land Use Element. He also noted Staff's admission that the project units in zoning terms were classified as residential units, not student housing. The units may be rented to students, but they are not dormitories, as they have their own kitchens and are independent units. Some renters may be professionals, staying here while working for the water management district or other concerns for example. He agreed with Staff's comment that it was important to bring more residential units downtown to provide for more vitality and support of commercial uses. He emphasized that the request was not for 19 units, but an additional 11 units on top of the eight that were already allowed by right.

Mr. Woodward noted that Staff recognized that the prohibition of first-floor units was directed at St. Johns Ave, but believed it was applicable in this case because of the similar nature of the buildings. He said that he appreciates the thoroughness of Mr. Crowe's staff reports, and noted that he has learned a lot from these reports such as the nature of the Art Moderne architectural style. He emphasized that the City Commission to limit this prohibition to St. Johns Ave., and Mr. Crowe was going beyond this intent. He stated that the Applicant was prepared to accept all conditions except for the first-floor prohibition of residential uses, and asked that the City Commission make that particular determination.

Chairman Sheffield asked Mr. Woodward to confirm that the developer agrees with all of Staff conditions except for the first-floor residential prohibition. Mr. Woodward confirmed this assessment.

Mr. Petrucci expressed a concern that the project now had a lower standard, as the initial intent of luxury condominiums has been changed to smaller rental apartments. Mr. Woodward said it was a market decision, but emphasized that these are not low-rent apartments as the rent will be as high as \$2,500 per month.

Mr. Killebrew asked why they wanted 117-199 N. 2nd St. to be all residential including four first-floor residential units. Mr. Woodward said that they need a higher number of residential units to make the project work, and noted again the high commercial vacancy rate. Mr. Killebrew asked if the high visibility of the property would make it more leasable for commercial uses. Mr. Woodward answered that there may be a future conversion of these units to commercial when the market calls for it, and added that the building does not have much of a "face" on Reid St. Mr. Diamond, said that they have had no success in leasing commercial space so

far, that the market is not there. He said that that they want what will work now – residential – and then in the future it can be converted to commercial. He added that the luxury condos would not work, as the price point was not realistic due to the lower housing values in the City and County.

Ms. Wilson asked if the kitchens would be shared by multiple units. Mr. Diamond described the floor plan arrangement and noted that each two-bedroom apartment would have its own full kitchen, “grandiose” living area, and private baths. He added that the Snow Building does not even need conditional use approval since it only had two units.

Chairman Sheffield asked for clarification on numbers of units. Mr. Diamond confirmed 15 upper-floor units, all connected by a central hallway, and the four first-floor units.

Ms. Wilson asked what the expectation was for the number of occupants. Mr. Diamond said it could be one person per bedroom, or two. Mr. Woodward confirmed this. Mr. Petrucci asked if the Fire Marshal has determined occupancy, and Mr. Diamond said yes they have.

Mr. Harwell asked if the life-safety factors changed from when the condos were planned. Mr. Diamond replied that they did not get that far with the former condo layout. Mr. Harwell asked if any of the stairwells need to be fire-rated. Mr. Diamond said the whole building would be outfitted with sprinklers and the stairwells would be open. Mr. Harwell said his concern was of the quality of the units, and from what he could see he could not determine such quality. He said he was also concerned about the exterior architecture. While taking the stucco off the brick has brought the buildings to life, the openings along St. Johns Avenue have circular window heads, which concerned him. Mr. Diamond explained all the windows had to be retrofitted to meet code and wind load factors. They are currently having custom louvers to go over them, similar to what is on the west side of the Winegar Building. With regard to quality, Mr. Diamond said that they would compare these rental units with any rental suites in Putnam County and encouraged anyone to come down and take a look at them. The exterior finishes will mirror the 1885 design. Mr. Harwell asked why some of the original openings were not taken advantage of. Mr. Diamond said that there were no openings on the east elevations of the Moragne Building as there was a building next to it (since demolished), the Snow building had to be torn down and rebuilt because it was unsafe, and all of the openings of the Bailey building are identical to the original windows other than those refortified on the first-floor. The Winegar Building elevations are also the same as the original windows on that building. He said they are taking something that was distraught and turning it into a gem, and working diligently with Building and Zoning staff to make sure the buildings look as good as they can.

In response to Mr. Harwell’s questions, Mr. Holmes stated for the record that concerns that about design questions can be somewhat relevant, but the focus should be on the effects of the project on public health and safety and also compatibility in terms of exceeding the number of residential units allowed by right.

Mr. Harwell asked if the Downtown design standards should be a consideration for the Board. Mr. Crowe advised that the Downtown overlay standards mostly apply to the core, which only includes buildings fronting on St. Johns Avenue (including just the Moragne Building in this case). Outside of the core area, the design standards apply only to new construction and some landscaping requirements. Staff has reviewed the Overlay standards with the applicant, and compliance is reviewed during the building design/permit process.

Mr. Harwell asked Mr. Diamond what type of glazing/framing was intended for the first floors windows. Mr. Diamond said that there will be some storefront windows and other regular windows. Mr. Holmes said that without trying to be critical of Mr. Harwell’s desire to ask questions about appearance or architecture, the conditional use that is being applied for has to do with a balance of the multi-family uses in the buildings and the area. The focus should really be on the conditional use criteria as they relate to the request, which is to increase the multifamily component from two units to more than two units per building. He expressed concern

about spending a lot of time on the record on an issue that a court might look at that as clouding the issues that a decision may have been based upon. Mr. Holmes discouraged the Board from going into great depth on appearance, other than the perspective of visual compatibility, which is a broad factor. Since these buildings are not designated as historic buildings, historic design criteria were not really in play.

Mr. Holmes asked Mr. Diamond what was the size of the smallest and the largest residential units. Mr. Diamond said the smallest was 685 square feet and the largest unit is about 800 square feet. Mr. Woodward added that the applicable development standard calls for a minimum of 650 s.f. for a two bedroom dwelling unit, which these units exceed.

Mr. Killebrew asked if the residential entrance stairwells would be open to people coming off the street. Mr. Diamond said no, they would have doors with card readers. There will also be the added security of 16 cameras that will have a panoramic view of about 300 yards and will tie into the Police Department.

Ms. Wilson asked how many condos were planned in the beginning. Mr. Diamond stated that originally nine high-end condos were planned for the second and third floors. After two years of trying to secure the commercial and retail space, they came to the conclusion that this proposed arrangement of uses was the most successful from a business standpoint.

Mr. Harwell asked what the ceiling heights were going to be and if they planned to retain the Moragne Building's three-story skylight. Mr. Diamond said the upstairs ceiling height would be 10 feet and downstairs ceiling height will be 12 feet high. He added that they hope to restore the Moragne Building skylight, they discovered rot in it but are hoping to save it.

Ben Bates, 3400 Crill Ave., said he is very interested in the betterment and growth of Putnam County but he does not believe that this project is located in the right place. He said that the greatest asset that the town and county has is the St. Johns River. The taxpayers have paid three to five million dollars to purchase the riverfront property. And with the acquisition of this space, the public was promised many things: a motel with a meeting space for mini conventions and a restaurant to draw people into our community and to enjoy our downtown area and encourage growth. Instead we have a motel that doesn't even consider the riverfront. No patios between the motel and the river, no balconies on the motel and the pool is very small barely big enough for just a few people at a time. He said as a realtor, he questions the validity of a luxury apartment with only 685 square feet priced at \$2,250 per month, he has never heard of such a thing. How big were the bedrooms, 10 by 10? How could you even get a king size bed in them? If it is going to be that kind of rent, all you can do is to limit the number of persons per bedrooms. So with 19 units that is 38 bedrooms, and with two persons per bedroom, that is 76 people. So instead of a nice condominium with 8 units, we are getting a much denser project. Mr. Bates said that he believed this was actually just one unit, since all units were connected and on one parcel. This means that the city ordinance is violated since the Downtown Overlay Zoning core standards would be in effect with no first-floor residential. He said that compatibility is a problem, and the City would be policing balconies. There are no multi-family uses in the area, so this is not compatible with the older downtown area. The third issue is parking. With 78 potential people, the parking will be taken up so that the remaining commercial property will not have available parking. Mr. Bates concluded that they had the right to build eight units, and that is the most that should be allowed. He asked if the units would be ADA compatible, could a handicapped person rent on the 2nd floor? He said that the Board was being asked to do something that they really did not know about.

Mr. Holmes asked Mr. Bates what he did for a living, and for how long. Mr. Bates answered that he was a real estate broker, for 41 years. Mr. Holmes asked him if he was familiar with the rental market in Putnam County. Mr. Bates said yes, very much so. Mr. Holmes asked if a 685 square foot apartment renting for \$2,200 a month was realistic. Mr. Bates said that was dreaming, not reality. Mr. Holmes asked how that squared with the local

market. Mr. Bates answered that a similar unit of that size would rent for \$600 to \$700 a month. Mr. Bates said he had never met Mr. Diamond, has nothing against him, but he was for downtown and wanted it to be right. He has heard the statement that something is better than nothing, and does not agree with it. In his opinion something better is better than nothing. This is the first thing you will see when you come into town, and now the City is going to have to police the balconies? That doesn't make any sense.

Chairman Sheffield told Mr. Woodward that he understood he wanted to respond, but the Board needed to hear others in the public input segment.

Terry Turner, San Mateo, said the intent of the Comprehensive Plan was not to support residential uses of this high density. He said it was pertinent to talk about the contract between the City and the developer. He reminded the Board that there were two sides, one wanting to tear the buildings down and the other wanting to restore them. He said if the developer at the outset had said he was going to put high density rentals in it is likely the City would not have made this deal. The City gave incentives in the form of taxpayer dollars. Now the developer is saying the same thing that the people on the tear-down side were saying – it would be wonderful to restore the buildings, but the dollars just don't work. You can't sell a condo in downtown Palatka for \$400,000 when there are waterfront condos across the river selling for \$89,000-\$95,000. So now the developer is asking to raise the density and lower the quality, while renting them for \$2,200 – the Board just heard an expert say this was not realistic. He said the renters would not be professionals working for Georgia Pacific or the water management district, because they can rent something for half that price that is twice as good somewhere else in the County. It is important to realized that the original deal was high end residential over commercial, and now it is low end and dense residential, including now some first-floor units. Mr. Turner said that you cannot legislate how many people will live in the apartments. So at \$2,200 they will put as many people in there as they can. Absentee landlords won't care how many people are in the apartments or about the revitalization of downtown, they just care about their bottom line. He echoed Mr. Bates statement that something better would be better than nothing. He was originally for tearing the buildings down. Whether you were for or against the hotel, it was a hotel; and whether you were for or against the environmental center; it was an environmental center. This is different, as the dense apartments are not the high-end condos that were originally promised. He agreed with Mr. Bates that the Overlay core appearance standards should apply to all the buildings, and asked Mr. Crowe why this wasn't the case. The Chairman asked Mr. Turner to address the Board. Mr. Turner said that parking has always been an issue, and if they use all the parking for residents, the commercial will not work. He added he had never heard of a situation where someone got building permits before they got zoning approval. He said let's not be the guys who are sitting here 15 years from now saying we wish we hadn't built that jail, or that high rise there.

Mr. Killebrew asked about the question put to Mr. Crowe about the Overlay core appearance standards. Mr. Crowe answered that at the time the project was initiated the buildings were on four separate parcels and for consistency and vesting purposes they have continued to be treated this way even after they were combined to one parcel. The DR zoning applies the two-unit limit to buildings before parcels. He added that the other buildings would have to meet the Major Thoroughfare design standards just like any other project in terms of required 15% windows and other elements, which he believes they meet now. Mr. Harwell asked what would make the City consider this one building. Mr. Crowe answered that if the Applicant had come in after the parcels had been combined, it would have been considered one parcel and building, particularly if the buildings were connected. He emphasized again that this was a matter of project vesting.

Dan Martinez, 320 Round Lake Rd., Palatka, said he was here as interested citizen and resident who has lived here for 58 years, and retired here from Atlanta. He agreed with Mr. Bates and Mr. Turner, and said that the original plan was for eight condos and retail downstairs, for disposable income and permanent residents, to build up the downtown area. The renters of the 19 units will be transient residents who will have no interest in

the City or County, with little disposable income. He urged the Board to keep the development with the original plan.

Carl Beck, 275 River Dr., East Palatka, said he had been here for 30 years and is one of the largest taxpayers in the City. He echoed what Ben Bates had said, and noted he was also originally for demolition of the buildings. He said this project was to the detriment of the City, and that he has invested his life and savings and everything he had into the City. He urged to Board to deny the request.

Wayne McClain, 285 West River Rd., said he was a resident for 25 years of the area. He said that he too was disappointed about the hotel turned out. He said that he was excited about Mr. Diamond's original concept of the eight condos and first-floor commercial. He asked the Board not to approve this and said it will not be what the citizens want, just like the jail and the Frank James Apartments.

Chairman Sheffield said he did not want to allow a debate, but would allow Mr. Woodward a few minutes to respond to the comments.

Mr. Woodward said he understood people's disappointment in the project changing from its original status. He said that he and his client share that disappointment and now must do what it takes to make the project work. He said he was not sure what Mr. Bates was getting to about limiting the number of persons in the units, but the plan was to limit each bedroom to no more than two persons, and they could make that restriction. They were not looking to cramming a dozen people into a small apartment. As for the higher rent for smaller size units, he said that Mr. Bates did not consider the spectacular river view. He said they planned to rent the apartments out to a variety of people, students and others. He said he was hearing a rear guard action against this entire project, and that some people are still fighting the fight to tear the buildings down. The community has to get over that and move forward, finding a way to utilize the buildings in the existing market perspective. As to the anti-balcony clutter, this is a condition they are willing to accept, and the landlord will enforce this along with the neat grounds requirement. These conditions would be written into the rental agreements, and if they were not enforced, then the City could initiate code enforcement action. Another important condition that they accept is that all applicable Municipal Code standards must be met, including building code life and safety standards. He said this discussion was outside the scope of what was before the Board – the bottom line was does the conditional use meet the criteria, not is the project a good idea, will the rooms get rented, who is going to rent them. He believes the project does meet the criteria, and the only question is does the Planning Board want to deal with the first-floor residential prohibition, or do they want to leave that decision to the City Commission through the contract amendment change request.

Mr. Turner rose to speak again, and the Chairman noted that it was not appropriate to have a debate at this point, but asked if there was anyone else who wanted to comment.

Marc Spalding, 1900 Moseley Ave., said that limiting persons per bedroom did not change the fact that they were requesting 76 residents, which would not benefit downtown. He said he had a lot of history with these buildings as his father operated a business in them for many years. He agreed with what Mr. Bates and Mr. Turner said.

Chairman Sheffield closed the public hearing.

Mr. Holmes said that he was not arguing in favor or against, but just wanted to make a few points to clarify things. First of all, the first-floor prohibition was appropriate for the Board's consideration. Leaving that decision up to the City Commission would abdicate the Board's responsibility to consider compatibility in light of the allowable first-floor uses.

Mr. Holmes said the decision to treat the property as four parcels rather than one was an interesting one. Staff said that they treated the property as four parcels since the initial request involved four buildings, each on a separate parcel. Mr. Holmes said that the case could also be made that since the project was one parcel and building when the conditional use application was made, then it should be limited to two units only. He said the Applicant is getting a benefit from Staff by this interpretation. He said that he didn't know how that would work for the parking, since the parking is all on one parcel and he wasn't sure how the parking spaces would be assigned to separate parcels/buildings. He said that appeared that the project was being treated as a blend – four separate parcels were considered for purposes of unit entitlement, and one parcel was considered for project parking. He said a third point was that while the ordinance that prohibits First-floor parking technically applies to St. Johns Ave. building frontage, it was appropriate for Staff to address this prohibition through the compatibility criterion.

Mr. Petrucci said he did not agree with the first-floor residential and that it was not compatible with the area – there are no other first-floor residential in the downtown area, at least not until you are past 9th St. He asked Mr. Crowe if he also considered parking requirements for the commercial component, particularly given the high potential number of residents and cars. Mr. Crowe responded that Staff looked at minimum parking requirements as a starting point. He agreed that using the parking for the residential uses would take away from commercial parking, but reminded the Board that there are over 200 public parking spaces within two blocks of the project site. He noted that this is a downtown area where people sometimes cannot park immediately in front of businesses, but have to walk a block or two. He said there would be an impact on parking, but he did not believe it would be a fatal blow for the businesses in the vicinity including the proposed first-floor commercial. Mr. Petrucci asked if commercial uses needed a certain number of parking spaces. Mr. Crowe answered that commercial uses were exempt from minimum parking requirements, which is why the City has made an effort to maximize public parking through on-street and small lot parking. Mr. Petrucci said that it would be better to go back to the original project intent, as the small size of the apartments would make them difficult to rent, and students could not afford the high rent. The new arrangement would more than likely result in transient rentals, people who had no ties to the area and would probably not shop downtown due to the lack of a vested interest in the City. He said that he is a booster of Mr. Diamond and still admires the work he has done, but was disappointed in this change, because the original concept was exciting and this concept of many units is not.

Mr. DeLoach said he spent 33 years working on St. Johns Ave., and his business built a new building. They did not cut any corners on that building, and it paid off in the long run as they tripled their business in the new building. He was born and raised in the South Historic District and is worried that this would compromise what we are doing with the downtown area, and he is 100% against it. If Mr. Diamond cannot make the original premise work, he needs to find a partner who can help him achieve that original goal.

Mr. Harwell said that the floor plan tells him that this is not a good layout, and he was not happy with the quality of the windows. He agreed with Mr. Bates that the quality of the project is not very good. He is not against increasing the units, but is against the poor quality.

Mr. Killebrew said that a lot of the businesses left downtown because they didn't have convenient parking. He is against the first-floor residential, and reminded the Board that the last commercial uses to leave the buildings were on that Reid St. end. This is the most important and visible location in downtown, and the buildings need to have a thriving appearance. His father, like Mr. Spalding, had offices in this building, and he has a strong connection to the properties. He asked where he trucks park to load, would they block off 2nd St.

Mr. Harwell said that these were questions that could have been answered in a thorough and detailed site plan.

Mr. Holmes said that the Board can approve based on meeting the criteria. They can also reject the project, but not on the fact that it is not high end condos. The Board could reject the project based on the finding that it was not compatible with this part of downtown. The parking problems could also be a basis for denial.

Chairman Sheffield reminded the Board that while this was an emotional issue, the decision must be made based on findings pertaining to the conditional use criteria. He said that when a motion was made, specificity was required regarding such findings.

Motion made by Mr. DeLoach and seconded by Mr. Killebrew to deny the request, noting that the project would overcrowd an already overcrowded area and off-street parking supply would be negatively impacted. Chairman Sheffield asked Mr. Crowe to assist with the findings. Mr. Crowe responded that an additional finding could relate to the conditional use definition pertaining to the number and frequency of uses, in this case that being a too-high concentration of units in one small area which overwhelms this block. Mr. DeLoach agreed with this assessment. The motion to deny the request carried 7-1, with Chairman Sheffield voting against the denial.

NEW BUSINESS:

Case 16-21 Request for conditional use for indoor entertainment facility (internet café) in a C-2 zoning district.

Location: 2801 Reid St.

Applicant: Gilbert Hartley family trust.

Mr. Crowe gave a PowerPoint presentation describing the location, a large parcel which includes another commercial building to the west and a large wooded area in the rear of the lot. In reviewing the conditional use criteria, he said that he does not see a conflict with the Comprehensive Plan. With regards to ingress and egress, vehicular access is to the front of the building allowing enough room for cars to park perpendicular to the building. The size of the parking lot is about 100 feet in width, allowing for around 10 cars to park (unstriped) which would limit the building use to around 2000 s.f., effectively limiting their use of the building unless they find room for more parking essentially. Mr. Crowe mentioned that the given the difficulty of meeting the landscape code for existing businesses, staff has followed the Board's policy of calling for a reasonable level of code compliance, he suggested in this case would include shrubs and an understory tree on each side of the parking lot. With regards to impact on public health and safety, he mentioned that there are a number of these internet cafes in the City within close proximity, some of which have opened without licensing and zoning approval. He recommended approval of the request with the following conditions:

1. Screened refuse area to be provided on the side of the building;
2. Planting of shrubs and a tree on each side of the parking lot.
3. Limit usable space to 2,000 SF or provide additional parking
4. Stripe parking area

(Public Meeting)

Chairman Sheffield commented that he had concerns regarding the number of internet cafés. He stated that he did not like the perception of Palatka getting the reputation of being the place to go for internet gambling, which is his perception of what these uses are. Discussion ensued regarding those similar type businesses that have located in the City, including those that have recently established without zoning approval. Mr. Crowe advised that when the Building Department becomes aware of these situations, unless there is an immediate safety issue, they are turned over to Code Enforcement to work with people to get them into compliance.

Mr. DeLoach commented that he would not want to limit the number of internet cafés based on whether one likes them or not. Mr. Crowe read a portion of the definition of conditional uses from the Municipal Code: *A conditional use is a use that would not be appropriate generally or without restriction throughout a zoning district, but which, if controlled as to number, area, location or relation to the neighborhood, would promote the public health, safety, welfare, morals, order, comfort, convenience, appearance, prosperity or general welfare.* He added that essentially what that means is that these are uses that the Board should take a careful look at the “number,” “area” and “location” in relation to the surrounding neighborhood (which includes all of the above considerations).

Jim Darley, Winston Salem, NC., explained that he and his wife own the business. They sell internet phone time/cards and give away prizes much like McDonalds does when you buy a burger or drink and peel off a tab and hopefully win a prize. He stated that they do not consider themselves a gambling establishment and feel a bit ambushed with the word even coming up. He spoke to the people in the church, notices were sent out and no one is here tonight complaining. Signs were posted on the property, the request was advertised. He added that they have stores in North Carolina and here that they have never had an incident in. As far as crime, if you were to close internet cafés because of robberies, it would seem that you would close banks and convenience stores. Business owners cannot control crime, that is up to law enforcement. He said that this is the same principle as the games you play in McDonalds and sweepstakes are not illegal in the State of Florida.

Discussion continued regarding the frequency of this type of business in a concentrated area.

Rolland Pacetti, 1817 Palma Ceia St. Palatka stated that he has been in the real-estate business here in Palatka for 51 years and commented that he would not want to see reputable business people turned away. He said that they are making a considerable investment here in Palatka and asked that the Board consider approving the request.

Daryl Gilbert, 208 Lige Branch Lane, Jacksonville, FL, stated that he grew up here in Palatka, his father was a developer and still owns quite a bit of property here and he has seen Palatka chase businesses away and believes the attitude of the Board is a perfect example. This is not an illegal use, but a way that people entertain themselves, simply a way of amusement. He asked if the City limits other businesses like banks, convenience stores, architects or other businesses. He said it appears that the City would rather see buildings empty. He added that when new businesses want to come to town, they see all these empty buildings and wonder what is going on here.

Ms. Williams asked staff if there are other businesses that are restricted as to the number within a certain number of feet or from a church. Mr. Holmes commented that if there were a zoning category that allowed indoor recreation by right, the city would not be allowed to restrict the number. There are some uses that are restricted to certain zoning districts that also have distance restrictions, such as adult entertainment uses, effectively restricting the number due to proximity, or alcohol serving establishments, which also have distance restrictions that trigger conditional use review where limits can be considered.

(Regular Meeting)

Chairman Sheffield stated that he does feel that these are quasi-gambling establishments and does not want this reputation for Palatka. He also said that he has great concern with including the two businesses that have opened without going through the proper procedures in the “total count,” and possibly denying this applicant who has followed the proper procedures, on the basis of this saturation. Mr. Holmes replied that the Board should disregard those that have not been approved, as that is an enforcement issue. Mr. DeLoach commented that this is a business man that is trying to do it right, he is in favor of granting the request. Mr. Petrucci stated that two of the four locations on Reid St. have not applied where this applicant has and would only make two

locations on Reid St. if approved. Mr. Holmes said that without some kind of empirical data (population size, area size in square miles, number of facilities, etc.) it is difficult to determine how many is too many, as it is perception and subjective. He suggested that Staff could possibly pull together some comparisons. Mr. Holmes added that the State may take care of the number issue for you, as the Attorney General is still looking into internet cafés, but until then they are legal uses.

Motion made by Mr. Petrucci and seconded by Mr. DeLoach to approve case 16-21 with staff recommendations. All present voted resulting in 7-1 in favor, (no vote by Mr. Killebrew) motion carried.

Case 16-23 Request to amend Future Land Use Map from OPF (Other Public Facilities) to COM (Commercial).

Location: 1001 N. State Rd 19.

Applicant: Building and Zoning Dept.

(Public Meeting)

Mr. Crowe explained that this is a housekeeping effort. This area along State Rd. 19 has commercial zoning and land use. For some reason this property has OPF (Other Public Facilities) land used which is meant for intensive public uses. This amendment would match up the land use with the zoning and surrounding area.

(Regular Meeting)

Motion made by Mr. DeLoach and seconded by Mr. Killebrew to approve the request as recommended by Staff. All present voted affirmative, motion carried.

Case 16-22 Request to annex, amend Future Land Use Map from Putnam County US (Urban Service) to COM (Commercial), and rezone from Putnam County C-2 (Commercial General Light) and Putnam County IL (Industrial Light) to C2 (Intensive Commercial).

Location: 300 N. State Rd 19.

Applicant: Clay Electric Cooperative Inc; James R. Beeler, District Manager.

(Public Hearing)

Mr. Crowe presented PowerPoint slides including the property location, zoning map, Future Land Use Map, and pointed out the enclave that this property represents. He explained that Clay Electric is building a new building and wants to annex into the City to utilize City utilities. He added that there is a small portion of this property that fronts back on Stilwell Ave., between two homes, that is currently zoned County industrial, which the applicant has agreed to place in a City residential zoning/land use designation.

Ms. Wilson asked what would happen to the existing building. Mr. Beeler replied that it would be torn down.

(Regular Meeting)

Motion made by Mr. DeLoach and seconded by Ms. Williams to approve the request as recommended by Staff. All present voted affirmative, motion carried.

Case 16-24 Request to rezone from R-2 (Residential, Two-Family) to PBG-1 (Public Buildings and Grounds).

Location: 1207 Washington St. (Central Academy).

Applicant: Building and Zoning Dept.

Mr. Crowe explained that this amendment will allow the owners to use this facility as a museum and community center, which is the intent once the building is restored. A few of the neighbors had called inquiring about the public notice and were supportive of the amendment once they understood the nature of the request. There is no conflict with the Comprehensive Plan. He recommended approval.

Motion made by Ms. Wilson and seconded by Mr. Petrucci to approve the request as recommended by Staff. All present voted affirmative, motion carried.

Other Business:

7. ADJOURNMENT