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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.*

**AGENDA**  
**CITY OF PALATKA**  
**COMMUNITY REDEVELOPMENT AGENCY**  
December 12, 2013 at 5:00 p.m.

**CALL TO ORDER:**

- a. Invocation
- b. Pledge of Allegiance
- c. Roll Call

1. **APPROVAL OF MINUTES** – 10/10/13 Regular & 10/24/13 Called Meeting
2. **PUBLIC COMMENTS** - (Speakers limited to three minutes – no action taken on items)
3. **CBD TAX INCREMENT FUND EXPENDITURES/BUSINESS:**
  - \*a. **REQUEST** to Approve the Transformational Redevelopment Incentive Program
  - \*b. **CONSIDER** Amending the membership of the Palatka Community Redevelopment Agency to appoint a representative of Downtown Palatka, Inc. as one of the two additional members, with confirmation of appointment by the CRA & City Commission (currently the member is the President of Downtown Palatka, Inc.) – Michael J. Czymbor
  - c. **UPDATE** – Redevelopment Areas 1 and 2 (100 Block) – Joseph C. Diamond, Riverfront Development Group
4. **OTHER BUSINESS/REPORTS**
  - \*\*a. Small Business Development Center Quarterly Report – Cheryl Lynch, Director
5. **ADJOURN**

\*Attachment \*\*Separate Cover

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 PERSONS WITH DISABILITIES REQUIRING ACCOMMODATIONS IN ORDER TO PARTICIPATE IN THIS MEETING SHOULD CONTACT THE CITY CLERK'S OFFICE AT 329-0100 AT LEAST 24 HOURS IN ADVANCE TO REQUEST ACCOMMODATIONS.

# **Agenda Item**

**3a**



AGENDA ITEM

SUBJECT: Approve the Transformational Redevelopment Incentive Program

DEPARTMENT: City Hall

ATTACHMENTS:     Ordinance                       Resolution                       Motion  
                           Support Documents                       Other

**SUMMARY:** The Community Redevelopment Agency currently has three (3) programs or tools to facilitate redevelopment. They include the Façade Grant, Building Improvement Grant and Recruitment Grant. In an effort to address goals outlined in the CRA plan staff has been researching additional programs utilized by other successful CRA's. One of those mechanisms used to incentivize redevelopment is offering the reimbursement of additional tax increment derived from redevelopment projects. Most agencies use this to facilitate larger redevelopment projects. Staff believes that this mechanism could be useful throughout all of the CRA districts to spur transformational or catalytic projects. Transformational redevelopment projects are those that advance goals of the CRA plan, strengthen district integrity, improve the livability of an area and create marked change to the area. The program is not specific to a type of project (i.e. single family, multi-family, mixed use infill or renovation, large retail box stores, restaurants, smaller retail stores). Projects will be evaluated on a case by case basis and must meet specific criteria before they are presented to the CRA/City for consideration.

**Alignment with the CRA plan:**

*"Alternative Economic Development programs for cooperative merchant leased and/or owned properties and space" (page 77, CRA Plan)*

*"mid and long range goals are establishing and revising programs that can act as additional layers of support that have an impact on the downtown investment, the deterioration of structures and employment." (page 137, CRA Plan)*

**Alignment with the City's 2013 priorities:**

*"Solidify, strengthen and enhance the City's economic development to assist in the re-development of our downtown." (2013 Priorities)*

In the near future staff will be presenting additional mechanisms for your consideration that will help us to achieve the goals and objectives outlined in the CRA plan. This program was distributed at the October 24<sup>th</sup> CRA meeting for review. It was also distributed to multiple stakeholders and realty professionals for feedback. Based upon the feedback received, staff is requesting the CRA approve the proposed program.

**RECOMMENDED ACTION:** Staff is requesting the CRA approve the Transformational Redevelopment Projects Incentive Program.

DEPARTMENT HEAD	Submitted: Jonathan Griffith Requested Agenda: CRA	Date: 11-28-13 Date: 12-12-13
FINANCE DEPARTMENT	Budgeted <input type="checkbox"/> Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A	Date: _____
CITY ATTORNEY	Approved as to Form and Correctness	Date: _____
CITY MANAGER	Approved Agenda Item For:	Date: _____

COMMISSION ACTION:

- Approved as Recommended  Disapproved  
 Approved With Modification  Tabled To Time Certain  
 Other
- 

DISTRIBUTION: CA CC CM CD FI FD GC HR MD PD PR UD



## OPEN INVITATION FOR DEVELOPMENT PROPOSALS

### Transformational Redevelopment

#### Incentive Program (TRIP)

The City of Palatka and the Community Redevelopment Agency (hereinafter referred to as “the City”) hereby invite the submission of redevelopment proposals from potential developers and/or end users for projects to be located within the CRA’s three districts. The Transformational Redevelopment Incentive Program (TRIP) is intended to encourage redevelopment projects that are transformational or catalytic in nature by reimbursing a portion of the additional tax increment derived from the completed project and/or by granting or loaning funds equal to the estimated additional increment to be derived from the completed project. **Transformational redevelopment projects advance goals identified in the CRA plan, strengthen district integrity, improve the livability of an area and create a marked change to the area.** To be eligible for consideration projects must be located within one of the three CRA districts (South, Central and North), advance the goals outlined in the CRA plan and meet other minimum eligibility criteria. Applications are accepted year round and if deemed complete and eligible, will be considered at the next regularly scheduled CRA meeting. The City reserves the right to waive any irregularities submitted, reject any and/or all submittals, accept any submittals deemed to be in the best interest of the City, request additional information, amend the program documents without notice, display and advertise properties receiving incentives and use this program for projects already initiated by the City.

Projects shall be evaluated on a case by case basis. The criteria that the City shall use in evaluating proposals include, but are not limited to;

- project financial and practical feasibility and documentation of financial incentive need;
- furtherance of the goals and objectives in the CRA plan;
- impact on historic resources;
- conformance with Comprehensive Plan;
- availability of funds;
- the degree to which the project is catalytic or transformational in nature (i.e. job creation, creation/assistance of entrepreneurship, leveraging of additional private or public resources, effect on “critical mass” or positive example for others); and
- the projects ability to strengthen the character and/or integrity of the CRA districts.

To obtain additional information please view the City of Palatka website at [www.palatka-fl.gov](http://www.palatka-fl.gov) or contact Jonathan Griffith, Project Manager/Grants Administrator at 386 329 0103 or [jcgriffith@palatka-fl.gov](mailto:jcgriffith@palatka-fl.gov).

## **Transformational Redevelopment Incentive Program**

### **I. Program Description**

The Transformational Redevelopment Incentive Program (TRIP) is intended to encourage redevelopment projects that are transformational or catalytic in nature by reimbursing a portion of the additional tax increment derived from the completed project and/or by granting or loaning funds equal to the estimated additional increment to be derived from the completed project. **Transformational projects advance goals identified in the CRA plan, strengthen district integrity, improve the livability of an area and create a marked change to the area.**

To be eligible for consideration projects must be located within one of the three CRA districts, advance the goals outlined in the CRA plan and meet other minimum eligibility criteria. Applications are accepted year round and if deemed complete and eligible, will be considered at the next regularly scheduled CRA meeting. The City reserves the right to waive any irregularities submitted, reject any and/or all submittals, accept any submittals deemed to be in the best interest of the City and CRA, request additional information, amend the program documents without notice, display and advertise properties receiving incentives and use this program for projects already initiated by the City.

In combination with offering additional tax increment generated by the project, the City may offer financial assistance during the initial phase of the project to cover all or part of the costs associated with demolition, site preparation, and infrastructure improvements (i.e. storm-water, potable, sanitary, streetscape enhancements, undergrounding of utilities).

Annual payments shall be made at the beginning of each tax year and shall be limited to a percentage of the additional tax increment generated from the project as follows:

- 75% for up to five (5) years;
- 37.5% for up to ten (10) years; or
- 25% for up to (15) years.

Additional tax increment generated by the project shall be calculated by subtracting the tax increment revenue derived from the property(s) during the tax year when construction commenced from the tax increment revenue derived from the property(s) from the previous tax year. No payments shall be made unless all property taxes are paid in full and the project receives a certificate of completion and written certification from the Putnam County Property Appraiser that the property was reassessed after issuance of a Certificate of Occupancy from the City of Palatka Building Department.

For instance, if an applicant is awarded 75% of the additional tax increment for a five (5) year period and makes improvements to the property(s) resulting in a property value increase of \$40,000 the annual estimated additional increment for that property would be \$528.48.

If an applicant is awarded 25% of the additional tax increment for a fifteen (15) year period and makes improvements to the property(s) resulting in a property value increase of \$3,025,000 the annual estimated additional increment for that property would be \$13,322.22.

If an applicant is awarded a grant/loan of \$30,000 and then sells the property after completing the improvements, the CRA/City shall receive a pro-rata share, to be based upon the investment of all parties, or other negotiated share of the proceeds not to exceed the grant/loan amount.

## Transformational Redevelopment Incentive Program

### II. Eligibility

For a project to be eligible it must:

- be located within a CRA district;
- submit a written request and application fee;
- not have been issued a building permit prior to submission of written request; and
- be qualified as a transformational project based upon criteria outlined below.

### III. Application Process

- a. Applicants interested in participating in the program must submit a completed and signed application along with supporting documentation and an application fee of \$300 to:

City of Palatka Community Redevelopment Agency  
Attention: Project Manager / Grants Administrator  
201 North Second Street  
Palatka, FL 32177

If a project qualifies and receives an incentive; the application fee shall be refunded at the time of the first annual payment.

- b. Applications must include:

- contact information (i.e. primary contact, phone, email, mailing address)
- proof of ownership or agent authorization;
- project description including location, work plan, construction estimate, schedule, design and square footage of uses (i.e. residential, commercial);
- current taxable value;
- estimated taxable value after construction;
- list of items/project components to be funded by the incentive program;
- the amount and type of award requested;
- documentation of the type and source of all project funds;
- description of how the project implements the redevelopment plan;
- acknowledgement applicant has read and understands grant requirements; and
- other information as requested by staff.

- c. Applications must be received at least four (4) weeks prior to a regularly scheduled CRA Board meeting to be placed on the agenda for consideration.

The Palatka Main Street Manager, Project Manager/Grants Administrator and Planning Director will review applications and a recommendation will be made to City Manager and then the CRA Board. The City and CRA reserve the right to present projects for input to the CRA district advisory groups, prior to consideration at a CRA board meeting. Applications deemed to be incomplete or ineligible will not be considered.

Appeals must be filed with the City of Palatka City Clerk at 201 North Second Street, Palatka, FL 32177 and will be considered at the next regularly scheduled meeting.

**Transformational Redevelopment Incentive Program**

**IV. Selection Criteria**

Projects shall be evaluated on a case by case basis. The criteria that the City shall use in evaluating proposals include, but are not limited to;

- project financial and practical feasibility and documentation of financial incentive need;
- furtherance of CRA plan;
- impact on historic resources;
- conformance with Comprehensive Plan;
- availability of funds;
- the degree to which the project is catalytic or transformational in nature (i.e. job creation, creation/assistance of entrepreneurship, leveraging of additional private or public resources, effect on “critical mass” or positive example for others); and
- the projects ability to strengthen the character and/or integrity of the CRA districts.

Upon approval of a grant, the applicant and any affected contractor will be required to sign a Grant Agreement and a Release and Hold Harmless Agreement with the City of Palatka Community Redevelopment Agency, as permitted by the laws of the State of Florida.

I hereby acknowledge that I have read, understand and agree to the terms of this document.

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Signature \_\_\_\_\_ Date \_\_\_\_\_

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Printed Name \_\_\_\_\_ Title \_\_\_\_\_

# **Agenda Item**

**3b**

Adopted 2-11-10

RESOLUTION No. 8 - 66

Entitled

**A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, ABOLISHING THE DOWNTOWN REDEVELOPMENT AGENCY; ESTABLISHING A COMMUNITY REDEVELOPMENT AGENCY; DECLARING ITSELF PLUS TWO ADDITIONAL MEMBERS AS THE COMMUNITY REDEVELOPMENT AGENCY TO CARRY OUT THE COMMUNITY REDEVELOPMENT PURPOSES OF CHAPTER 163, PART III, FLORIDA STATUTES IN THE CENTRAL BUSINESS DISTRICT, THE SOUTH HISTORIC DISTRICT AND THE NORTH HISTORIC DISTRICT; PROVIDING FOR TERMS OF OFFICE, A REGULAR MEETING DATE, AND AN EFFECTIVE DATE.**

**WHEREAS**, on November 10, 1983, by Resolution No. 4-11, the Palatka City Commission found a need to create a Downtown Redevelopment Agency to carry out the community redevelopment purposes of Chapter 163, Part III, Florida Statutes, subject to all responsibilities imposed thereof; and

**WHEREAS**, on November 10, 1983, by Resolution No. 4-12 the Palatka City Commission declared itself as the downtown redevelopment agency for the City of Palatka, Florida; and

**WHEREAS**, on March 22, 1984, by Ordinance No. 84-4 the Palatka City Commission established boundaries for the North and South Historic Districts for Tax Increment Purposes and on October 25, 1994, incorporated these districts into the Community Redevelopment Area; and

**WHEREAS**, a Community Redevelopment Area Needs Assessment Report, adopted by the Palatka City Commission on September 10, 2009, recommended rescinding the current Downtown Redevelopment Agency, also known as the CRA, and establishing a new Community Redevelopment Agency comprised of the Palatka City Commission, the President of Downtown Palatka, Inc. and one (1) member of the Putnam County Board of County Commissioners whose district included the Central Business District, the North Historic District and the South Historic District; and

**WHEREAS**, The City of Palatka deems it appropriate to exercise its authority under F.S. Chapter 163.357 and declare itself to be the Agency; and

**WHEREAS**, the City of Palatka also deems it appropriate to exercise its authority under F. S. Chapter 163.357 and appoint two additional persons to act as members of the Community Redevelopment Agency, who shall serve four year terms, except that the first additional member appointed shall serve a term of two years initially.

**NOW, THEREFORE, BE IT RESOVED** by the City Commission of the City of Palatka, Florida, as follows:

1. That the Downtown Redevelopment Agency is hereby abolished;
2. That the Community Redevelopment Agency, is hereby created and established to carry out the community redevelopment purposes of Chapter 163, Part III, Florida Statutes, in the Central Business District, the North Historic District and the South Historic District;
3. That the City Commission of the City of Palatka, Florida is hereby declared as the Community Redevelopment Agency for the City of Palatka, Florida;

4. That the City Commission hereby appoints the President of Downtown Palatka, Inc. to serve as an additional member of the Community Redevelopment Agency for an initial term of two (2) years effective immediately and expiring December 31, 2011, and every four years thereafter. Should the individual holding that position cease to hold that office, he/she shall be deemed no longer eligible to serve on the Community Redevelopment Agency and his/her membership shall terminate immediately, and his/her successor shall be appointed to hold this office.
5. That the City Commission hereby appoints one (1) member of the Putnam County Board of County Commissioners, that member who is elected to represent District 2, whose district encompasses the Central Business District, to serve as an additional member of the Community Redevelopment Agency for a term of four (4) years effective immediately and expiring on December 31, 2013. Should the individual holding that office cease to hold that office, he/she shall be deemed no longer eligible to serve on the Community Redevelopment Agency and his/her membership shall terminate, and his/her successor shall be appointed to hold this office.
6. The Community Redevelopment Agency shall have all the rights, powers, duties, privileges and immunities granted by Chapter 163, Part III, Florida Statutes subject to all responsibilities and liabilities thereof.
7. The Community Redevelopment Agency shall carry out the community redevelopment purposes authorized by Chapter 163, Part III, Florida Statutes.
8. That commencing February 11, 2010, the regular meetings of the Community Redevelopment Agency shall generally be held at 4:00 p.m. on the 2<sup>nd</sup> Thursday of each even month (February, April, June, August, October and December) unless otherwise noticed in compliance with FS 187.417.
9. This Resolution shall become effective immediately upon its passage.

**PASSED AND ADOPTED** by the City Commission of the City of Palatka, Florida, this 11<sup>th</sup> day of February, 2010.

**PALATKA CITY COMMISSION**

By: \_\_\_\_\_  
Its MAYOR

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:**

\_\_\_\_\_  
**CITY ATTORNEY**

Adopted 3/14/13

RESOLUTION No. 2013 - 9 - 88

Entitled

**A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, AMENDING THE MEMBERSHIP OF THE PALATKA COMMUNITY REDEVELOPMENT AGENCY (CRA); AMENDING THE TERMS OF THE TWO ADDITIONAL MEMBERS OF THE CRA; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, on November 10, 1983, by Resolution No. 4-11, the Palatka City Commission found a need to create a Downtown Redevelopment Agency to carry out the community redevelopment purposes of Chapter 163, Part III, Florida Statutes, subject to all responsibilities imposed thereof; and

**WHEREAS**, on November 10, 1983, by Resolution No. 4-12 the Palatka City Commission declared itself as the downtown redevelopment agency for the City of Palatka, Florida; and

**WHEREAS**, on March 22, 1984, by Ordinance No. 84-4 the Palatka City Commission established boundaries for the North and South Historic Districts for Tax Increment Purposes and on October 25, 1994, incorporated these districts into the Community Redevelopment Area; and

**WHEREAS**, a Community Redevelopment Area Needs Assessment Report, adopted by the Palatka City Commission on September 10, 2009, recommended rescinding the current Downtown Redevelopment Agency, also known as the CRA, and establishing a new Community Redevelopment Agency comprised of the Palatka City Commission, the President of Downtown Palatka, Inc. and one (1) member of the Putnam County Board of County Commissioners (BOCC) whose district included the Central Business District, the North Historic District and the South Historic District; and

**WHEREAS**, on February 11, 2010 by Resolution No. 8-66 the Palatka City Commission exercised its authority under FS Chapter 163.357 and declared itself to be the Agency plus two additional members, those two members being (1) the current president of Downtown Palatka, Inc., and (2) the Putnam County BOCC District 2 Commissioner, whose district encompassed the Community Redevelopment Area; and

**WHEREAS**, due to 2012 Redistricting by the Florida Legislature, Putnam County BOCC District 3 now encompasses the Community Redevelopment Area, therefore making it necessary to amend the membership of the CRA to reflect said changes in Putnam County BOCC District boundaries.

**NOW, THEREFORE, BE IT RESOVED** by the City Commission of the City of Palatka, Florida, as follows:

1. That the membership of the Community Redevelopment Agency is hereby amended as to the (1) additional member of the Putnam County Board of County Commissioners, to be the member who represents District 3, whose district encompasses the Central Business District; and
2. That the four-year term of office for the County Commission District 3 Member shall coincide with his elected term of office, and shall be amended to expire on December 31, 2016; and
3. That the term of office for the member who is the current President of Downtown Palatka's term shall be extended for one (1) year, and shall expire on December 31, 2014; and
4. This Resolution shall become effective immediately upon its passage.

**PASSED AND ADOPTED** by the City Commission of the City of Palatka, Florida, this 14<sup>th</sup> day of March, 2013.

**PALATKA CITY COMMISSION**

By: \_\_\_\_\_  
Its **MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**

**APPROVED AS TO FORM AND CONTENT:**

\_\_\_\_\_  
**CITY ATTORNEY**