

KARL N. FLAGG  
MAYOR - COMMISSIONER

MARY LAWSON BROWN  
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS  
COMMISSIONER

VERNON MYERS  
COMMISSIONER

JAMES NORWOOD, JR.  
COMMISSIONER



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

ELWIN C. "WOODY" BOYNTON, JR.  
CITY MANAGER

BETSY JORDAN DRIGGERS  
CITY CLERK

RUBY M. WILLIAMS  
FINANCE DIRECTOR

GARY S. GETCHELL  
CHIEF OF POLICE

MICHAEL LAMBERT  
CHIEF FIRE DEPT.

DONALD E. HOLMES  
CITY ATTORNEY

## **AGENDA CITY OF PALATKA COMMUNITY REDEVELOPMENT AGENCY February 11, 2010; 4:00 p.m.**

A regular meeting of the City of Palatka Community Redevelopment Agency held on the 11<sup>th</sup> day of February, 2010.

PRESENT:	Karl N. Flagg	Mayor
	Mary Lawson Brown	Commissioner
	Allegra Kitchens	Commissioner
	Vernon Myers	Commissioner
	James Norwood, Jr.	Commissioner
	Sam Deputy	President, Downtown Palatka, Inc.

Also Present: City Manager Elwin C. Boynton, Jr.; City Clerk Betsy Jordan Driggers; Finance Director Matt Reynolds; Police Chief Gary Getchell; Building & Zoning Administrator Debbie Banks;

**CALL TO ORDER** – Mayor Flagg called the meeting to order at 4:00 p.m.

**INVOCATION** – Commissioner Myers

**PLEDGE OF ALLEGIANCE** – Vice Mayor Brown

**APPROVAL OF MINUTES** – 12-10-09 – Commissioner Kitchens moved to adopt the minutes as read. Commissioner Myers seconded the motion, which passed unopposed.

**PROSPERITY BANK APPRAISAL** – Discuss whether or not to enter into agreement with Michael Limanti in the amount of \$2,700.00 for appraisal of Prosperity Bank – Mr. Boynton said there has been discussion regarding the purchase of property for parking, and one of those under discussion was the Prosperity Bank parking lot. When he approached them they said they would be interested in selling the entire parcel. He was then directed by the Board to go back to determine price and terms and conditions. The Bank suggested they begin with an appraisal. He has received a price of \$2,700 for an appraisal. The property appraiser has appraised this at \$2 million. Inasmuch as they are not prepared to purchase the building this year, he thought it prudent to delay spending money on an appraisal. Also, it is not a good idea to take this building off the tax rolls at this time. His recommendation is to continue to negotiate for only the parking lot. Commissioner Kitchens concurred, saying the Bank will likely put a price on it if they want to sell it. Commissioner Norwood concurred and said brokers are afraid to give appraisals on property due to the volatility of the market. It will be outdated in a year. Commissioner Brown said she concurs as she doesn't want to take it off the tax roll just yet. Mr.

Deputy said he is concerned that if it does sell to a private entity, the parking will sell, also. That parking takes care of the businesses on Reid Street and the 600 & 700 blocks of St. Johns Avenue. Without that parking, there would be inadequate parking for those blocks. They need to negotiate further for acquisition of the parking lot. If that is the recommendation, he concurs. Commissioner Norwood suggested the City seek a "first right of refusal." Commissioner Myers concurred with Mr. Boynton and Commissioner Norwood, and said even if someone purchases that property it wouldn't ever be used for anything other than a parking lot. Mayor Flagg said they recognize the urgency of having the parking lot in the City's ownership. There being no further discussion, Commissioner Myers moved to not enter into an agreement with Michael Limanti for an appraisal on the Prosperity Bank property. Commissioner Kitchens seconded the motion, which passed unopposed.

Commissioner Brown asked if they can begin discussions with the County about building a parking garage where the County facility is now located. Mayor Flagg said the visioning process contains a parking garage, but this will give them capacity to accommodate current needs. Commissioner Norwood moved to direct the City Manager to seek a "first right of refusal" on the Prosperity Bank property. Commissioner Brown seconded the motion, which passed unopposed.

**FAÇADE GRANT** – Approve new cycle of façade grants up to \$100,000 – Mr. Boynton said at the last two Main Street board meetings the BIG program was a major topic of discussion. It also was discussed that tenants were seeking to use the BIG program for façade improvements. The BIG program is for interior improvements to make a building more rentable. They want to separate the two programs and bring back the façade program so as not to encumber the BIG program with façade grants. The recommendation is to fund it at the \$100,000 level as in the past. It is the same program that was in place in the past. This will infuse money into the downtown area. Commissioner Kitchens moved to approve a new cycle of Main Street Façade Grants up to \$100,000 for F/Y 2010. Commissioner Norwood seconded the motion. Commissioner Myers noted \$400,000 was set aside for this purpose. Mr. Boynton said \$400,000 was set aside for economic incentives. This was a number to justify the total amount of money available with no set goal. This is one of those goals. This will leave them with \$300,000 for other incentives. Mr. Deputy said he notes an owner is only eligible to receive money from one grant program per year. If a building owner decides to put a grant in for both programs, who chooses which grant he receives? Mr. Boynton said the owner or tenant can specify which one he prefers. If the money goes unspent in the other category, they can reallocate it, possibly to a prior grant holder. Mr. Deputy noted the application date in the news release says applications will be taken until Feb. 26. Mr. Boynton said that date will be changed. Mr. Deputy said even though this will be available on-line, it should be available in hard copy also. Mr. Boynton said all applications are available at City Hall and The Chamber. Applications are being taken at City Hall only. There being no further discussion, the motion was voted upon and passed unopposed.

**REQUEST** for Central Business District Tax Increment Funds: Up to \$50,000 for 2010 Blue Crab Festival Sponsorship - C. J. Morris, Tri-Chair, 2010 Blue Crab Festival Committee, 104 Woodpecker Trail, Palatka, said she is the only chairperson at this time. At the 1/28/10 City Commission meeting they put in their request for \$50,000 in CRA funds for sponsorship of the 2010 Blue Crab Festival. She has provided a written request. Commissioner Brown thanked the Committee for all their hard work. Mrs. Morris said they have replaced committee heads but not the other two tri-chairs. There were chairpersons of the various committees that have been replaced. Mayor Flagg asked if there is a modified leadership plan and if they are going to do anything differently related to lowering expenses and increasing revenue. Ms. Morris said not having a rain-out weekend would help tremendously. They are also increasing their entertainment budget by \$5 to \$10 thousand dollars. The City can hopefully help with the cost

of the insurance. They do recruit local talent for entertainment and try to have as much as they can, especially during the day. For profitability they do need a well-known headliner that will draw an out-of-town crowd in the evenings. Commissioner Brown suggested doing a call for local talent to see who is available and have a local talent night. Ms. Morris said they are considering a local karaoke night at the amphitheater. Mayor Flagg asked if they are going to put a plan in place to make the Blue Crab once more self-sufficient. Ms. Morris said they hope this will be the last year they will need the City's assistance. They were asked by the City to reconsider cancelling this year's festival. Mr. Norton has been especially helpful and may stay on as a committee member.

Mr. Deputy said he represents the downtown business community. He'd like to know specifically what they are doing to keep the festival in the black. Mrs. Morris said there are no guarantees. Mr. Deputy noted if they didn't have rain insurance in their insurance package, they can purchase that. He noted they have to spend the funds within the district, but there is no criteria set up for deciding which festival to fund. Also, they were promised things last year that did not come to fruition. This has caused some consternation among some downtown business owners. There were several issues. The City should not allow anyone to do anything in front of his business that hurts his business. He asked how specifically Blue Crab can work with merchants to see how they can benefit from this. It's best for some businesses to close during the festival because patrons can't get to them due to the Festival. The placement of traffic cones on Reid Street cuts off access to businesses on Reid Street. Businesses in the 600 block didn't know the festival was coming their way, and their businesses were blocked. Also, local vendors should be allowed to bid on certain services, like t-shirts, bathrooms, and beer, so part of the tax money stays in the community. Maybe no one locally can provide those services, but they should be allowed to place a bid.

Mrs. Morris said she was one of three chairs last year. She was the worker; the other two chairs were handling the politics. She doesn't know what those businesses were promised. She will do what she can to make sure the downtown businesses prosper. She agrees that businesses should not be blocked by vendors. Arts and crafters are put in parking spaces. The sidewalk should remain open. It is up to the arts and crafts chairperson to make sure businesses aren't blocked. Mr. Deputy suggested she attend a merchant's meeting to discuss these issues. They meet the 4<sup>th</sup> Monday of the month at the old County Commission Chambers, and the 3<sup>rd</sup> Monday they hold an executive board meeting at the Art Shoppe. She should attend those meetings.

Mrs. Morris said the T-Shirt Chairperson, Mrs. Crabill, is talking with Atomic Tees, a local vendor. As to portable bathrooms, they get bathrooms at wholesale prices from a vendor in Orange Park. The local vendor can't rent them himself for what she gets them for. She can provide him with those prices. Some of the services they get for free. Mr. Deputy said between all the festivals, they spend a lot of money on bathrooms, maybe enough so that they can use those funds to build bathrooms at the Park. It may be possible to use CRA money to build bathrooms and allow the festivals to pay the money back. Mrs. Morris said they use United Site Services; they pay to rent six port-o-lets but they always bring 12, so they actually get six for free. Even their fee for those six is reduced from \$6,500 to \$4,100. This includes four employees who man these bathrooms, keeping them clean, stocked and sanitized, from opening to close. They also provide an extra pump truck. If Mr. Bacon is interested in providing these services, United Site will sub-contract the work out to him for this Festival. Mayor Flagg said the point is that if priority can be given to local vendors without compromising services, she should try to stay local. When she uses someone from outside the community, she report to Downtown Palatka why an out-of-town vendor rather than a local vendor was used as a courtesy.

Mayor Flagg noted correspondence from Main Street and the Chamber for the record. Both recommended use of these funds for this purpose with certain conditions as noted. For Main Street, their main concern is the vendor layout to keep local businesses open. The next is accountability of the funds. The third is to work to relieve congestion of Reid Street traffic. For the Chamber, they ask for budget oversight, competitive bidding for local vendors, and the stipulation that any profits be returned to the CRA as reimbursement of TIF funds.

Commissioner Kitchens commended the quality of restroom facilities. She believes the festival has helped the community at large, including local charities. They do talk to local vendors and go with the best price. The purpose of Blue Crab is to bring people to and showcase Palatka. People return to shop here. Her only concern is with the possibility of receiving other requests from other festivals; she hopes by this time next year they will have that policy in place for further festival requests.

Commissioner Brown said she was happy to see the festival extended further along St. Johns Avenue. Commissioner Myers congratulated Mrs. Morris for the job the Committee does for the Downtown and the City. He believes cooperation between Main Street and the Blue Crab is good. The issues cited as concerns are valid. Commissioner Norwood thanked Mrs. Morris for carrying on the festival. He noted the City Manager cited concerns about cutting festival costs, and asked if they had identified areas for cost reduction. Mrs. Morris said they believe they can cut some in the entertainment area, possibly \$10,000. She is looking at cutting out some hotel rooms. There will be other areas they can cut along the way. Commissioner Norwood said he is in favor of the request. Commissioner Myers said he hopes they are so successful this year they will be repaying the entire \$50,000.

Commissioner Myers moved to approve Blue Crab Committee's request for up to \$50,000 in CBD TIF funds to sponsor the 2010 Blue Crab Festival. Mr. Deputy seconded the motion, which passed unopposed.

Lynda Crabill, T-shirt Chairperson, said they are going forward with T-shirts, and displayed the design.

#### **UPDATE/DISCUSSION:**

**PURCHASE OF DOWNTOWN PROPERTIES** - Mr. Boynton said they spent a lot of time talking about the purchase and acquisition of downtown properties. The two top priorities were the lot at the SW corner of 11<sup>th</sup> & St. Johns Avenue, and the piece behind Angel's Diner. He and the City Attorney were asked to go forward with negotiations. They were able to negotiate the purchase of those two properties for their appraised value. They have since closed on those properties.

**BILLBOARD ADVERTISING CAMPAIGN** – Mr. Boynton said Downtown Palatka, Inc. and Palatka Main Street have been working on putting together billboard advertising plans in order to generate greater awareness of shopping and business opportunities. Downtown Palatka, Inc. has secured billboards on US 17, SR 20 and I-95 for advertising. They got two for the price of one on the US 17 and SR 20 billboards because they purchased a contract on the I-95 billboard. He will bring those contracts to the next meeting. They can change the sign up to four times during the contract period. He applauds Downtown Palatka Inc., Main Street and the City for coming together on these issues. They are moving forward in unison. Commissioner Norwood said they need to let people out of the area know what's in Palatka. He'd like to see some advertisement in the newspaper on a monthly basis so people in Palatka are informed. Mr. Deputy said they are working towards that now. They are 33 square blocks; there are 205 business addresses, including government offices. Their theme is "meet me in Downtown Palatka." It is the largest shopping area in Putnam County. Commissioner Brown said a

marketing video is a great marketing tool. That is what other cities are doing. They don't always know what is downtown. They need a video marketing campaign.

**UPDATE ON CRA NEEDS ASSESSMENTS REPORT** – Resolutions to create a new CRA and dissolve the TIF Oversight Committee -- Mr. Boynton said they completed the needs assessment report last year. Two of the items need to be taken care of tonight. One is a resolution setting up the current board structure. The Main Street Manager's position has been removed and replaced with a County Commission representative. This action will be taken by the City Commission tonight. There is also action to dissolve the TIF Oversight Committee, as that Committee hasn't met in some time and is defunct. Placing a county commissioner on this board will take care of that oversight. There has been improved transparency in the past two years. After discussion there was concurrence to amend the Resolution to specify the Putnam County District 2 Commissioner would be appointed, as his district covers the CBD.

#### **REMARKS/COMMENTS**

Commissioner Brown said if district lines are re-drawn, there are some businesses on Main Street and Laurel that will come into the TIF Districts. She asked if it matters if the County's CRA representative's district doesn't cover the entire CRA area? Mayor Flagg said there are only two County Commissioners that represent the entire city.

#### **PUBLIC COMMENTS:**

Lucy Visnaw, 819 Laurel, said as to the TIF district boundaries for the north and south districts, there are inconsistencies in the boundaries; Some South and North Historic District homes are actually in the central business district. Those homeowners are not able to get the benefit of the south historic district programs. She would like to see all the homes in the South Historic District included in the South Historic TIF area, and likewise for the North Historic District homes to be included in the North Historic TIF district. Mr. Deputy said there are many homes in the CBD that are also not eligible TIF funds because there are no programs in the CBD TIF area to benefit homes. This needs to be addressed. There are a number of homes in that area that need help. Mrs. Visnaw said many people were not aware of the availability of TIF funding, but are better educated. Mayor Flagg said the recommendation is to compare these districts, find the discrepancies and consult with the attorney as to the eligibility of TIF expenditures for historic district homes in the CBD. This needs to be agendaed on a future agenda. They need to begin dialogue with all districts. This needs to be done in a public hearing setting.

**ADJOURN** – There being no further business to discuss, the meeting was adjourned at 5:05 p.m. upon a motion by Commissioner Norwood.

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THIS 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