

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

**MINUTES
CITY OF PALATKA
COMMUNITY REDEVELOPMENT AGENCY
March 12, 2009; 4:00 p.m.**

Proceedings of a called meeting of the City of Palatka Community Redevelopment Agency held on the 12th day of March, 2009.

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

Also Present: City Manager Elwin C. Boynton, Jr., City Attorney Donald E. Holmes; City Clerk Betsy Driggers, Asst. City Clerk Karen Venables; Assistant Planning Director Debbie Banks

CALL TO ORDER: Mayor Flagg called the meeting to order at 4:00 p.m. and read the following meeting call, dated March 9, 2009:

TO MESSRS: MARY LAWSON BROWN, ALLEGRA KITCHENS, VERNON MYERS, JAMES NORWOOD AND SAM DEPUTY:

You are hereby notified that a meeting of the Community Redevelopment Agency is called to be held at the regular meeting place of the Palatka City Commission, 201 N. 2nd Street, Palatka, on Thursday, March 12, 2009 at 4:00 p.m.

The purpose of the meeting is to discussion land acquisition for parking.

/s/ Karl N. Flagg
Karl N. Flagg, MAYOR

We acknowledge receipt of a copy of the foregoing notice of a special meeting on the 9th day of March, 2009.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Allegra Kitchens
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ Vernon Myers
COMMISSIONER

/s/ Sam Deputy
 PRESIDENT, DOWNTOWN PALATKA, Inc.

INVOCATION - Robert Griffith

PLEDGE OF ALLEGIANCE - Wes Larson

APPROVAL OF MINUTES – 2/17/09 – Norwood, Brown, passed

PROSPECTIVE PROPERTY PURCHASE FOR FUTURE PARKING – City Manager Boynton said several weeks ago, during the annual planning meeting, the CRA discussed the acquisition of property to address future parking needs. Several lot owners approached him about the possibility of the City purchasing their lot. He has assembled a collection of 9 parcels of property that are up for sale. He ordered an appraisal for each piece of property from Limanti Appraisals. On his memorandum (filed) he has also listed the appraised value and 2008 tax information. He'd like some direction on whether or not to move forward on the acquisition of those parcels of property the Commission desires to purchase. He has had no other discussion about the purchase of these parcels with the property owners, but they were all notified that their parcel would be discussed today. If he is directed to move forward with negotiations, he or the City Attorney will begin those negotiations with the property owners. Mr. Boynton read his memorandum into the record (filed). The lots are as follows:

<u>Description</u>	<u>Appraisal</u>	<u>2008 Taxes</u>
1. Lot behind Angel's Diner	\$ 4,000.00	\$ 131.81
2. NW Cnr St. Johns Ave. & Reid St.	\$ 75,000.00	\$1,337.52
3. SW cnr 3 rd & Reid Streets	\$ 14,000.00	\$ 836.43
4. SW cnr 3 rd & Reid Streets	\$ 14,000.00	\$ 313.28
5. 204 S. 3 rd Street	\$ 45,000.00	\$2,018.39
6. 210 S. 3 rd Street	\$ 50,000.00	\$1,873.75
7. Prosperity Bank Parking Lot	\$125,000.00	
8. SW Cnr 10 th & Oak Streets	\$ 40,000.00	\$ 322.42
9. 1101 St. Johns Avenue	\$ 45,000.00	\$ 831.39

Mr. Boynton said if the properties are purchased, the City will then apply for a neighborhood revitalization CDBG grant to develop them into parking space.

Ruth Burke, 410 Mulholland Park, said the appraisal on her on 3rd Street property is bad and much too low. This property is not for sale at that price. She has contacted Congressman Mica about this. She owns half interest in this property and wants to put a parking garage there. She'd like to keep the existing brick structure. She won't even entertain the idea of selling the (James) hotel parking lot at this price. Mr. Allen's parcel will eventually belong to her. She can't believe the Church has put the purchase of her 3rd Street property on their priority list. That the City would covet her property is against the Ten Commandments. She has a vision for each of her buildings. She wants to bring destination restaurants here; she has been contacted by three destinations restaurants that want to locate there. She has an incentive program she has discussed with several area

banks, but has yet to choose which bank to use. She can offer low rents and is a seasoned landlord. She can sell either T-bones or T-shirts cheaper than anyone else in town because of her ability to charge low rents. The hotel is in bad condition and will take millions of dollars to renovate. She will dedicate the rooms to famous people who have history connected with Palatka, like Babe Ruth or Billy Graham. Coca Cola wants to be involved with the Coca Cola building. It will house 400 and will employ 128 people and can be used for mini-conventions. She has been hindered severely by the City's alcohol ordinance and parking ordinance. This has cost her hundreds of thousands in lost rent. She can provide permanent job creation. She would present this program to the Chamber of Commerce if they will call her and invite her to do so.

It was noted that properties #'s 3, 4 and 5 belong to Mrs. Burk, who stated she will be purchasing Mr. Allen's property next week. She'd like the TIF fund pay for Mr. Allen's property at a cost of \$14,000 and she will then purchase it from the City for \$1.00 for restitution and reparation for the City allowing Mr. Allen to run a congregate living facility there.

Commissioner Kitchens asked if they really need to spend close to \$400,000 to purchase these lots, since they are changing the "downtown parking ordinance" so that parking will no longer be a hindrance to new businesses. She requested they do title searches on all these parcels. Five of these parcels will go delinquent on 2008 taxes next month. She noted taxes have been paid on only three of these parcels. She also suggested they offer the appraised value and not an inflated market value. She also wants all current and back taxes paid prior to purchase.

Jim Lee, Planner, said as to the parking requirements being removed, in his opinion, this is an ideal time to acquire parking. They are removing the parking requirements to promote downtown development. They are living in a society that requires travel by auto. They need public or private parking close to the redevelopment area. This is an ideal time to identify, purchase and landscape property for parking lots. When redevelopment comes, the City can offer plenty of parking to entice new business. There will be infill happening in downtown. Now is the time to do this.

Mayor Flagg asked Mr. Boynton if he had ranked the lots in any priority, and if any are 'must have' lots. Mr. Boynton said Lot #'s 1, 2, 3 and 4 are his first choices as they front Reid Street and are the most visible to traffic coming off Reid Street. This will also provide ample handicapped parking. He also likes #'s 5 and 6 as they are near the boat ramp. As they move forward with development, that will reinforce the fishing tournament and festival draw. As for #7, Prosperity Bank, this is already parking. To have control of the lot would be nice, but it is available as parking space now. Lot #9 is adjacent to several established businesses and is right on St. Johns Avenue. He would choose the parking adjacent to Reid Street as a priority choice.

Mr. Deputy said he has been pushing for these purchases for some time. Lot #7, Prosperity Bank, is for sale and has been for some time. In the past the City

talked about tax swaps with the prior bank manager, but that never came to fruition. If that lot sells, parking for the 600 to 800 blocks would be totally wiped out. From a business aspect, he needs five or six spaces just for employees. If they are forced to purchase their parking spaces, that would be a blow to those businesses. He believes Lot #1 should be purchased; if that lot is sold to a private owner, the business owners will no longer have access to their businesses. He likes Lot #9 as there is no public parking on the west end of St. Johns Avenue, save for McKinnon's parking lot. The blocks along St. Johns Avenue are different sizes. Instead of #6, he'd like to purchase land contiguous to the Tilghman House, i.e. the apartments abutting that land. He likes Lot #8 very much as they are pushing for a dog park, and this would be an ideal location for that. Many travelers only travel to places with dog parks; when they stop to walk their jobs, they also eat and gas up. Dog parks are an economic stimulus. He is in favor of all these except Lot #6, and he doesn't believe Lot #2 is for sale. His priority would be Lot #'s 1, 7 and 9.

Commissioner Brown said her priority is Lot #1, then Lot #6 for waterfront development. The apartments are not up for sale. She wants to bring a grocery store back downtown and Lot #8 would be suitable for that. They need adequate parking for a grocery store. The other spots would also be good to have. They do need parking on the west end for those businesses.

Commissioner Norwood said they have had parking issues downtown for many years. He'd like to see them look at what parking they need for now and in the future. He doesn't know if a committee has actually looked at this yet, but there should be a "needs assessment" done based on the City's Code and building requirements. As for the Prosperity Bank parking lot, he asked if the bank requires a certain amount of parking spaces to accommodate that business use? Mr. Lee said that would not be an issue if the Commission agrees to remove parking requirements. The only issue would then be availability of handicapped parking spaces. They would be looking at providing the economic need for parking spaces. Instead of the "1 space per 1,000 sq. ft." requirement, it would be based upon need for the redeveloped area and use. They would work with existing businesses on the number of parking spaces under the City's control. This will be key to the redevelopment of downtown. Limited parking availability adversely impacts business growth. When the County administrative offices moved out of the Courthouse that did open up some parking, but that is county-owned. The owners or future owners have a right to the use of that property. If the City has control of available parking space, they can work with owners to use that property. They could find out from the owners what kind of parking their use will require and how far away it could be. This is about being proactive. Changing the zoning code is just a first step; they still need available parking spaces. Commissioner Kitchens said she has been assured the Courthouse will never go away and asked if he has inside information on that. Mr. Lee said he just used that as an example. What happens with the County is not a definite. If he were to open a business, he would want to know the City had "x" number of spaces under its control, not what the County controls. Mr. Boynton said the County did purchase 50 acres several years ago on Hwy 17 at Hwy 19 with the goal of moving the courthouse operations there, so that possibility does exist.

Commissioner Kitchens said she has been assured by the County that they would leave the courthouse operational, even if they move the Clerk 's offices.

Commissioner Norwood said they need to look at parking as an infrastructure upgrade. When negotiating they will learn who is willing to sell and who is not. When they learn that, they can develop a procedure. They also want to follow the suggestions made by Commissioner Kitchens.

Commissioner Myers asked for information regarding the proposed amendments to the Code's parking requirements. Mr. Lee said a group of property owners will bring a proposal before the Commission on April 23, which has passed through the Planning Board. It will remove the requirement that there be 1 space available for every 1,000 sq ft of commercial space. It does not deal with residential requirements. Commissioner Myers said that is good, but they still need to look at purchasing some of these properties for public parking. He understands Mrs. Burk's reasons for not wanting to sell. His #1 priority is the Prosperity Bank lot for parking and use as a 'comfort rest area' as it is halfway through town. His 2nd priority would be Lot #6 for riverfront event parking, and his 3rd priority is #9 to have parking at the west end of St. Johns Avenue. He also sees why the City would want to purchase Lot #1 to facilitate access to the rear of those buildings.

Russell Kohuth, 167 Fighting Town Lane, Blue Ridge, GA, said this will help move Palatka forward. During its heyday, there were 38 saloons located in town between the River and Moseley Avenue. As to the Prosperity Bank parking lot, the Bank has allowed people to park there for decades as a good-will gesture. If the City doesn't have to purchase it, they shouldn't.

Commissioner Kitchens said her priorities are Lot #'s 1, 2 and 9 in that order. Commissioner Myers said Prosperity Bank has allowed parking in their lot, but if the bank should be sold, it may no longer be free parking. The City should purchase it so it will continue to be available. To his knowledge, just the parking lot is for sale, and not the bank itself. Most of their business is drive-through. Mr. Boynton said, as to the lot at the corner of 3rd and Laurel, that lot is outside the Central Business District, so that parcel is not in front of them for consideration today.

Mrs. Burk said Capital City Bank is building a new building in E. Palatka and will be moving and selling their building on Reid Street, which has a nice, big parking lot. Even though it is on the North side of Reid, people can use the boardwalk to get downtown. They'd have more fishing tournaments if there was more parking by the river. The tenants upstairs have already moved out. The City should look at purchasing that property.

Billy Ennis, 715 Reid Street, said he is a State licensed contractor and just opened up the Downtown Blues Bar and Grill in the 700 block. He thanked Mr. Deputy and Main Street volunteers for a wonderful Azalea Festival. He was offered the space in front of his business, as were many businesses, and it changed their entire outlook on the festival. Many times vendors block the fronts of their businesses. Moving the festival up to the 800 block really helped his

business. During Azalea, tens of thousands of people parked somewhere and came downtown. A movie house showing a bad movie has an empty parking lot. They need to offer a product people will park for. They should get the product and then purchase the parking space. The marina lot is a good purchase and #6 would be good for his business. They need to revisit the alcohol ordinances to attract more dining. Other historic districts have a good blend of shops, dining and entertainment that makes up a package people will come and park for.

Mrs. Burk said the Commission is pushing poverty for Palatka; those appraisals are too low and send out the wrong message. This is valuable riverfront property. Palatka has a big boating community. There should be church services on the riverfront. You can go north or south to other cities by river.

Mayor Flagg said there is a consensus that public parking is needed and Mr. Boynton has noted the priority areas. As long as there are willing property owners, the City should follow up with them. He concurs that #1, 7 and 9 are worth pursuing and should be the focus. Once Mrs. Burke's vision is realized, #3 and 4 could solve problems later. Property #6 is important provided that can be negotiated. Commissioner Myers said the City Manager should negotiate with the owners on the remaining parcels, minus Mrs. Burke's property, and come back to the CRA with the results. Mr. Holmes said they should rank the properties based upon the numbered properties and they will pursue them based upon majority ranking. Mr. Boynton said there was a question as to whether or not Property #2 is for sale, and he will check on that. There was consensus to rank the top six properties, eliminating #'s 3, #4 and #5 from consideration.

CRA members completed their ranking of the remaining six properties. The rank was tabulated as follows in the order of individual priority, beginning with highest priority:

Commissioner Norwood:	#2, #1, #7, #6, #9 and #8
Mr. Deputy:	#1, #7, #9, #8, #2 and #6
Commissioner Myers:	#7, #6, #9, #1, #8 and #2
Vice Mayor Brown:	#1, #2, #6, #7, #9 and #8
Commissioner Kitchens:	#1, #2, #9, #8, #7 and #6
Mayor Flagg:	#1, #2, #7, #9, #6 and #8

Commissioner Norwood moved to authorize the City Manager and City Attorney to assemble the rankings and based upon the results, begin negotiations with those respective property owners with the goal to ultimately use CBD TIF funds to purchase property to be utilized for downtown parking. Commissioner Myers seconded the motion. During discussion, there was consensus not to place a cap on negotiations. There being no further discussion, a roll-call vote was taken, with the following vote: Mr. Deputy, Commissioners Brown, Kitchens, Myers, Norwood and Mayor Flagg: yes; Nays, none. The motion was declared passed.

4. REMARKS/COMMENTS – There were none

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

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