

VERNON MYERS
MAYOR - COMMISSIONER

MARY LAWSON BROWN
VICE MAYOR - COMMISSIONER

ALLEGRA KITCHENS
COMMISSIONER

PHIL LEARY
COMMISSIONER

JAMES NORWOOD, JR.
COMMISSIONER



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

BETSY JORDAN DRIGGERS
CITY CLERK

MATTHEW D. REYNOLDS
FINANCE DIRECTOR

GARY S. GETCHELL
CHIEF OF POLICE

MICHAEL LAMBERT
CHIEF FIRE DEPT.

DONALD E. HOLMES
CITY ATTORNEY

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

MINUTES
CITY OF PALATKA
COMMUNITY REDEVELOPMENT AGENCY
April 30, 2012; 4:00 p.m.

Proceedings of a special called meeting of the City of Palatka, Florida Community Redevelopment Agency held on the 30th day of April, 2012.

PRESENT:

Vernon Myers	Mayor
Allegra Kitchens	Commissioner
Phil Leary	Commissioner
James Norwood, Jr.	Commissioner
Angela Murtagh	President, Downtown Palatka, Inc.

ABSENT: Mary Lawson Brown Commissioner

Also Present: City Manager Elwin C. Boynton, Jr.; City Attorney Don Holmes; City Clerk Betsy Jordan Driggers; Assistant Police James Griffith

CALL TO ORDER – Mayor Myers called the meeting to order at 4:00 p.m. and read the following meeting call, dated April 19, 2012

TO MESSRS: MARY LAWSON BROWN, ALLEGRA KITCHENS, PHIL LEARY, JAMES NORWOOD, Jr., AND ANGELA MURTAGH:

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 Monday, April 30, 2012 at 4:00 p.m.

The purpose of the meeting is to consider an application for Recruitment Program Grant Funds in the amount of \$55,840.00 for 211 St. Johns Avenue, made by Ruth Burk, building owner.

Isl Vernon Myers

Vernon Myers, MAYOR/Chairman

We acknowledge receipt of a copy of the foregoing notice of a special meeting on the 19th day of April, 2012.

/s/ Mary Lawson Brown
COMMISSIONER

/s/ Allegra Kitchens
COMMISSIONER

/s/ James Norwood, Jr.
COMMISSIONER

/s/ Phil Leary
COMMISSIONER

/s/ Angela Murtagh
PRESIDENT
DOWNTOWN PALATKA, Inc.

(vacant)

REQUEST FOR RECRUITMENT PROGRAM GRANT FUNDS in the amount of \$55,840.00 for 211 St. Johns Avenue – Ruth Burk, owner - Mr. Boynton said at the last CRA meeting the CRA approved a Recruitment Fund process and application to make infrastructure repairs and renovations for downtown buildings. They also saw a Building Improvement Grant (BIG) application for 211 St. Johns Avenue from Ruth Burke. Mrs. Burk's application was denied with a recommendation she re-apply through the Recruitment Fund method. The application was received after the last meeting on April 12, and the Review Committee, consisting of himself, Mayor Myers and Main Street Board Chairman John Browning, met to review the application on April 18 and consider the request for funding. He's included a memo with five points highlighted (filed).

The funding request is for \$55,840.00; the recruitment fund grant program is capped at \$50,000. The total cost of the renovations is \$69,800.00. Ms. Burke provided information that \$13,960 in-kind and cash match is included, and provided proof of around \$12,000 in improvements over the past five years. Due to the necessity of the repairs, they accepted that \$12,000 for in-kind improvements. The total match at that point, including the additional money above the \$50,000, increases the in-kind cash match to \$30,960.00. The grant requires 50% of the cost of improvements be included. There was another \$20,000 reportedly spent on upgrades to the building over the past few years, but no records were included for those repairs. They couldn't include this amount in their review. They believe the additional match will be provided by the tenant in equipment funding going into the building and a well-below fair market value of the lease being provided by the owner. This comes to well over \$40,000 in the first year. The grant subsidy she is providing is the reason businesses will relocate in the Main Street area. They recommend including the rent subsidy in year one only and equipment improvements should be included. This totals around \$70,000; therefore, they recommend awarding a \$50,000 grant through the Recruitment Fund. Ms. Burke indicated she needed the entire \$55,840.00, but they can only recommend a maximum of \$50,000 under the terms of this program. They believe this application meets the objectives of the Program. They recommend approval as this will generate jobs and the building improvements are necessary for any tenant, and not just this tenant.

Mayor Myers said in their meeting they agreed this is a worthwhile project and it will bring activity to Downtown. This is a very large, empty building and getting it marketable will be an advantage to Downtown.

Ruth Burk, 510 Mulholland Park, said she put three grant applications in the past for the McCrory's building, and those were grand funds that didn't have to be returned, but they

were turned down. These are surely in her file. Commissioner Leary asked if she can move forward if the \$50,000 grant is approved. She said she will accept that. Mayor Myers said this is the maximum amount under this program and is a substantial amount. Mr. Boynton said this recruitment fund is specifically targeted for larger buildings downtown with the expectation that jobs will be created. The BIG program does not guarantee jobs will be created. These improvements are necessary to put this building back into use whether a month from now or five years from now, and this is one of the largest buildings in Downtown. Mayor Myers said they are supportive of her reopening this building.

Mrs. Murtagh said this will be the anchor building for that block; it's a good move to fix this building and make it marketable. Mrs. Burk said a local heart doctor met with the owner of the business that will be going into that building and she answered questions to his satisfaction and he endorses her qualifications. She takes Medicaid and Medicare.

Commissioner Norwood moved to approve the \$50,000 Recruitment Grant for 211 St. Johns Avenue. Commissioner Leary seconded the motion. Commissioner Kitchens said she concurs that this is a good project and concurs it will bring people to downtown. They also just approved a \$10,000 façade grant for this building. There being no further discussion, the motion was voted upon and passed unopposed.

Mrs. Burk said the criteria should be based upon square footage of the building; that makes a big difference in the amount of the repairs. This is a 12,000 square foot building. Mr. Boynton said they also took into account the rent subsidy; this is important to get these big buildings downtown occupied, and is money the landlords put up front. If not for the rent subsidy, this tenant would have looked elsewhere. They need to modify this grant to add rent subsidy as an acceptable match. This means the owner has a stake in the business being successful over the course of several years. Commissioner Kitchens said they also need to consider the number of square feet, whether there are mortgages which would hinder rent subsidies, etc. Mrs. Murtagh said once you do a grant on a building, the rent should stay at a rentable level. When you renovate a building the taxes go up. Maybe a tax abatement program would help the renter after the first year. Commissioner Norwood concurred. Commissioner Kitchens said the tax assessor has "upped" the effective year built on many of the older buildings, especially in downtown and older areas of the City, based upon the effective year of renovations. Someone in the Property Appraiser's office, not Mr. Parker, increased the "year built" to the year renovated; therefore, the new renovations may not make that big a difference. As taxpayers they need to check their own assessments.

ADJOURN – There being no further business to discuss, the meeting was adjourned at 4:15 p.m. upon a motion by Commissioner Norwood.

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.