

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

October 14, 2010; 4:00 p.m.

Proceedings of a regular meeting of the Palatka Community Redevelopment Agency of the City of Palatka, Florida, held on the 14th day of October, 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.

ABSENT: Chip Laibl Commissioner, BOCC

Also present: City Manager Elwin C. Boynton, Jr.; City Clerk Betsy Jordan Driggers; Finance Director Matthew Reynolds; Assistant to the City Manager Jonathan Griffith

CALL TO ORDER: Mayor Flagg called the meeting to order at 4:15 p.m.

INVOCATION - Commissioner Vernon Myers

PLEDGE OF ALLEGIANCE - Commissioner Allegra Kitchens

1. **APPROVAL OF MINUTES** – 6/10/10; 8/26/10 – Commissioner Brown moved to adopt the minutes as read. Commissioner Kitchens seconded the motion, which passed unopposed.
2. **PUBLIC COMMENTS** – There were none
3. **REQUEST TO APPROVE** a South Historic District TIF Funds Transfer in the amount of \$21,000.00 to reallocate additional funds for the SHD TIF Home Improvement Program – Mr. Boynton read his memorandum into the record (filed). Commissioner Kitchens moved to approve the SHD TIF funds transfer in the amount of \$21,000.00 to reallocate additional funds for the SHD TIF Home Improvement Program. Commissioner Myers seconded the motion, which passed unopposed. Commissioner Brown asked if the City could make people aware of what District they are located in. Commissioner Kitchens said the historic district boundaries aren't the same as the TIF boundaries, and not all of the historic district homeowners may be eligible for TIF funds under the current programs.

4. **REQUEST TO APPROVE** the Main Street Board request to approve a Building Improvement Grant in the amount of \$10,512.00 to fund the Elks Lodge Roof Repairs, per Building Improvement Grant Guidelines – Mayor Flagg noted the letter from the Chairman of Main Street (filed). Commissioner Kitchens moved to approve a Building Improvement Grant in the amount of \$10,512.00 to fund the Elks Lodge Roof Repairs, per Building Improvement Grant Guidelines. Commissioner Brown seconded the motion. Commissioner Brown said in doing this, the people who put money into the Fund should be taken care of first. The Elks is a non-profit organization and doesn't pay into the TIF fund. She was told the building belongs to the City. Mr. Boynton said it does not. Commissioner Kitchens noted this is not prohibited under the program. Mayor Flagg said the points system should keep those who pay into the program at the forefront. Mr. Deputy said there is nothing that distinguishes non-profits from those who pay in, according to the points system. His concern is there are 13 churches in the CRA district, and if St. James United Methodist Church wants to redo the stained-glass windows, that will cost \$25,000 per window. This could mean churches with huge projects coming to the CRA for this money. The fund could be drained by this. There are no distinguishing criteria. If they grant one, they can't change the criteria after the fact. They didn't provide notice to churches that they could do this. He knows of several churches that intend to apply. Mr. Boynton said there is no reason they can't amend the program going forward. The BIG program is coming through Main Street and back to the CRA for other modifications for the 2011 cycle. They can consider this change during their December or January 2011 meeting. The review committee takes all of this into account when ranking submissions. They were not ranked near the top. They can re-do the application to modify the scoring. They have not opened up another cycle yet and won't until more money is allocated. Mr. Deputy said he attends the Elks Lodge for various events. It is a private organization with a paid membership; not all taxpayers can attend events there. Maybe they can get points for community outreach if they can document it. He is concerned about the paid membership.

Commissioner Norwood asked, once this is approved, if the Committee is prepared to grant these same grants to all nonprofits. This could be construed as doing for one that they don't do for others if modifications are made. Commissioner Brown said she wants to be sure people who pay into this fund are considered above anyone who doesn't. There are many houses in this area that need repairs. Once homeowners pay taxes, they can't afford necessary repairs. She wants to be certain those who pay in get first consideration. They should get first priority. Mr. Boynton agreed with both comments, saying they fix ordinances all the time. The Elks Lodge was the only one that applied for this money. Regarding housing, the economic restructuring committee is looking at doing a modified trial HIP program within the CBD for next year. That will likely come to the CRA in December, as will BIG application and program revisions. The Elks Lodge application was submitted and reviewed in accordance with existing rules. They couldn't find anything within the governing statute that precluded the grant. Commissioner Brown said if there is a large portion of their membership in the district that could be a mitigating factor.

Wayne McClain, Vice Chairman, Main Street Committee, said he submitted a letter detailing comments that were discussed at the meeting (filed). He read the last sentence of the 3rd paragraph of his letter into the record, as follows: "To ensure that future funds distributed under the Building Improvement Grant are primarily distributed to those entities that contribute to TIF, Main Street will look into fully resolving this issue in future revisions to the program." Mr. McClain said they are going to revise the guidelines for the grant. The Elks Club did everything they needed to do, per grant guidelines.

Michael Gagnon, 713 Emmett Street, said it is his understanding that in years past there was a difference in non-profit and not-for-profit. He was involved with the Elks in the past in other areas and they paid taxes. They do membership drives to pay their taxes and the overage is given away to other organizations. Commissioner Kitchens clarified that the Palatka Elks Lodge pays no taxes.

Ruth Burke, 510 Mulholland Park, said it is completely illegal for any non-profit to get anything from the TIF fund. She can provide the City with a phone number of the person she contacted to verify this information. It is completely illegal. Commissioner Kitchens said she had checked on this with the City Attorney, who is not in attendance. Mr. Holmes told her he was not aware of any illegality, but he would look into it. While they are a non-profit, one of the purposes of the BIG program was to help the appearance of Downtown Palatka. The people that attend the Elks Lodge also shop in Downtown Palatka. Regarding whether or not they can give money to non-profits or people who don't pay taxes, under Item 6 they will take up the matter of a \$10,000 allocation to upgrade the Putnam County parking lot, and they don't pay taxes. Mayor Flagg said they either need to table this again and check the legality, or deny it. Commissioner Kitchens withdrew her motion. Commissioner Brown withdrew her second. Commissioner Brown moved to table the request to time certain. Commissioner Kitchens seconded the motion. A roll-call vote was requested and taken with the following results: Mr. Deputy, Commissioner Brown, Kitchens, Norwood and Mayor Flagg; yes. Nays, none. Commissioner Myers abstained. The motion was declared passed. Mayor Flagg noted this would be tabled to time certain of December 9, 2010. Mayor Flagg said information they need regarding statutory requirements, or information from local/state organizations should be obtained. Mr. Boynton said he will get a statement from Carol Westmoreland.

ORDERS OF THE DAY - Mayor Flagg requested and received consensus to move Item 7 up to the front of the Orders of the Day.

7. **REPORT** - Blue Crab Festival Update – C. J. Morris, 104 Woodpecker Trail, Palatka, 32177, said when they started planning the 2010 Blue Crab Festival they had little time and budget. She was asked to take the festival and “make it fly.” They reduced cost in every area they could and cut expenses to the bone. They accepted more vendors than they ever had in commercial and food categories. They lost sponsors due to the economy, but due to Ms. Mary Mackie Connor’s advertising skills they were able to get more sponsors. The camel rides were a big draw, as was the 1/2 price helicopter rides. Mr. Ennis coordinated efforts from the 700 block and they tried to meet the festival in the 600 block. They were quite happy with the results and plan to continue including those merchants. They had no problems and no incidents. The festival was hugely successful. Without notice they lost the parade chair and Mr. Deputy took over that chairmanship and did a great job. From profits, they used \$5,000 to rebuild a new stage, as the old one was no longer useable. They put \$5,000 in savings for contingencies. They have start-up funds for next year so they will not be making an additional request for more money. They are returning \$15,000 to the CRA with their sincere thanks. She thanked Mr. Boynton and Mr. Norton for their advice, help and support. She thanked Mr. Chandler and the Public Works Dept. Everyone worked with them to keep the festival together. It took “a village” to make it a success. They are holding their first organization meeting for the 2011 festival on Monday. Mayor Flagg congratulated her on the success of the festival, due largely to her leadership. The festival is very much appreciated by the community; it is beneficial for all. He also commended her volunteers.

Commissioner Myers asked if the festival makes any money from the helicopter rides. Mrs. Morris said this year they did. Commissioner Myers said he's had citizens complain about the dock being closed during the festival. Mrs. Morris said there is no other place to safely land the helicopter to as he has to be free of power lines. They hate to close the City dock; she's a boater herself. They will look closely at this. Commissioner Kitchens said in prior years Blue Crab has been good about donating to charities, and asked what amount they donated this year. Mrs. Morris said she doesn't have that list; she named off some of the local charities, clubs and athletic associations they have donated to this year.

Mrs. Morris said that when she came to them prior to the festival she told them she would take this festival and make it fly, and they wouldn't be standing in front of them with their hand out any more, and this was accomplished.

Commissioner Norwood said they need a 2nd boat ramp on the north side of Reid Street. The ramp is closed during bass tournaments, also. They should pursue this as a commission. Commissioner Kitchens said Main Street right-of-way goes all the way to the River; there are several streets that extend down to the River. Commissioner Brown said the old railway trestle extended out into the river. Commissioner Norwood said they may be able to acquire private property for this purpose. There was consensus to give the City Manager direction to pursue this. Commissioner Norwood asked that when the Festival's financial report is available, if it can be provided to the City Manager. Mrs. Morris said she will submit this. Mr. Boynton noted it should be in the same format as last year. Discussion ensued on taking the festival further west up St. Johns Avenue up to 9th Street. Mrs. Morris said they are open to any suggestion.

The Community Redevelopment Agency then returned to the Orders of the Day.

5. **REQUEST TO APPROVE** Request from Downtown Palatka, Inc./Main Street to allocate up to \$15,000.00 from CBD-TIF Funds for the Palatka Azalea Festival – Sam Deputy, 917 Carr Street, and Angela Murtagh, 198 Horseman's Club Road, said Wayne McClain was going to speak to this, but had to take his leave. Mr. Deputy recused himself from discussion and voting as a CRA Board Member, saying Downtown Palatka, Inc. will be the group presenting the next Florida Azalea Festival. They have spent the last two weeks coming up with a framework for this. Seven people have stepped forward to be chair-people. They are reworking the website. They are working on various new events and displays and are taking a different approach to the Festival so that more of the money that comes in will stay within the City. They are asking non-profits to do the food, which is where the money is. Many successful festivals do this. One of the problems they have is the start-up funds. There are no funds available for this. They are asking for a \$15,000 loan to help get started. They will take more than that, and will accept forgiveness of the debt. They are planning a reconfiguration and would like the Center of the festival to be at the Courthouse; it will include the waterfront and related activities.

Ms. Murtagh said they are looking for volunteers for all areas. They will be speaking to the Police Chief about volunteers, also. For the insurance, they will put bids out into the community to keep the money here. They will be reaching out to everyone. They are getting started late. This is all about the community.

Commissioner Norwood moved to approve the request from Downtown Palatka, Inc./Palatka Main Street to allocate up to \$15,000.00 from CBD-TIF Funds for the Palatka Azalea Festival. Commissioner Brown seconded the motion. Commissioner Kitchens said the Azalea Festival has been the Palatka Azalea Festival and she is not in

favor of calling it the Florida Azalea Festival. It would be advisable to keep it Palatka Azalea Festival. As to the courthouse, she asked if they've checked with the County, as the courthouse is open on Friday. Mr. Deputy said when Main Street took over the Azalea Festival, it was trademarked as the Florida Azalea Festival – Palatka, Florida. They have spoken to the County regarding use of the Courthouse. They don't wish to put money into tents and stages, so they will not be setting up until Downtown closes on Friday. There being no further discussion a vote was taken on the motion, which passed unopposed, with Mr. Deputy abstaining. Commissioner Brown said she'd like to give them one of her ideas.

6. **REQUEST TO APPROVE** CBD TIF Funds allocation of up to \$10,000.00 to fund electrical and water upgrades to the Putnam County Courthouse Parking Lot – Commissioner Norwood moved to approve CBD TIF Funds allocation of up to \$10,000.00 to fund electrical and water upgrades to the Putnam County Courthouse Parking Lot. Commissioner Myers seconded the motion. Commissioner Kitchens said she met with the City Attorney on this regarding several questions. They've never come out on the good end with anything concerning Putnam County. This has not been approved by Putnam County. She asked if the water and electric are going to be tied into the Courthouse. Mr. Boynton said this will be separately metered. Commissioner Kitchens stated the City Attorney said the City needs some type of easement or other legal document giving the City permission to go on County property. She'd like to table this. Mayor Flagg said they don't normally deal with infrastructure without the property easements and legal details being worked out. The proposal should contain a schematic in order to get administrative approval. Commissioner Kitchens said Putnam County doesn't pay into the TIF fund. Mayor Flagg said the City doesn't pay taxes, but this is government. They have an opportunity to work together on this, for the benefit of the overall community. This is not doing Putnam County a favor; this is for the benefit of festivals and special events. Just the same, they don't want to put in something that will be torn up a month later. This money will be well and wisely spent. Mr. Deputy said he likes the plan in front of them. This has tremendous benefit to the City. St. Augustine's event field is an example. Since they put in the field, there are activities almost every weekend there. This will open Downtown Palatka up to other events. This makes parking central and the plan is very versatile. Commissioner Myers noted it will be visible from Hwy. 17. There being no further discussion a roll-call vote was requested and taken with the following results; Commissioners Brown, Kitchens, Myers, Norwood, Mr. Deputy and Mayor Flagg; yes. Nays; none. The motion was declared passed.

8. **CRA DIRECTOR'S REPORTS:**

MAIN STREET STAFFING UPDATE – Mr. Boynton said the Main Street program was suspended by the State for having no Main Street Manager. As a member of the Main Street program, they decided they would try to implement the programs they had, and have done so. Discussions regarding the Main Street manager have taken place. They have made bad selections in the past. The issue became more prevalent when they couldn't use the term Main Street in any correspondence. This made communication difficult. They also found that having a recognized Main Street program gave them points on grant applications. He proposed that the Main Street program be reclaimed and he offered that Mr. Griffith would, part time, step in as the Main Street Manager. He does minutes, facilitates grants, attends quarterly meetings and files quarterly reports, which was also a deficiency pointed out by Ms. Jefferson. He also proposed that Mr. Griffith be compensated for that additional time. Comp time isn't the most convenient method. This would make his position more salary oriented. He is proposing to compensate Mr. Griffith an additional \$10,000 to keep the program going for several

more months. They proposed this arrangement to Ms. Jefferson and her response was that by the first of next year, she'd like to see a transition to a full-time Main Street Manager and/or a group of people that would be considered a full-time employee (hours totally 40 a week spread out among several people). Over the next 2 – 3 months they will be doing that. This may only be one person, but they are looking at three defined attributes. They will see a proposal from Main Street, which is supposed to be a stand-alone program. This does not mean Main Street will be coming back under the City. The contribution from the CRA is applicable as they are furthering the Main Street mission. Mr. Griffith is not working for the City when doing these duties; he is directed by Main Street. He will continue to do as he has done. He is not going to be a business marketer or coordinate a promotional campaign; that is done by a committee. The City is not running Main Street, but is facilitating the program temporarily. He's received a verbal confirmation that the Main Street Program is active and he will be sending Ms. Jefferson a letter outlining this next week. It will be recertified.

PROPOSED DOWNTOWN/RIVERFRONT INFRASTRUCTURE PROJECT UPDATE –

Mr. Boynton said he included a schematic in their agenda package. The City will receive \$750,000 for infrastructure upgrades from CDBG with \$250,000 coming from a HUD grant from Rep. Mica's office. This plan entails the vision on how the money will be spent. From the Amphitheater north to Reid Street and Memorial Dr. to the river area will be regarded and restructured as a dry retention pond. It will not contain standing water at any time. They will reconstruct the parking lot similarly to the Michael Redd Plan. They will redo Memorial Drive, including landscaping, street amenities, trees, benches, and trash receptacles. The next component is to redevelop the parking lot behind the 100 block to facilitate 100+ vehicles. They will reconstruct the parking lots behind the 200 block behind Angels, City Café, etc all the way to 4th Street. The money is there. There are two parking lots not owned by the City but are shown in the schematic as improved. They hope to work out lease agreements with the present owners. If they can't get those in place, they will redo them, taking on the liability, and will pay the taxes on the properties; there may be other terms and conditions. They want to be consistent with the redevelopment. This is a \$940,000.00 project, according to estimates. The money is there. The signed grant agreement has not yet been received back and an environmental review needs to be done. They will put this out for bid in December or January and construction should begin after the Azalea Festival. Anything started before the Azalea Festival will not impact the Festival. They will work with Blue Crab on displacement. There could be a concern with the carnival area. They will work out staging areas there.

CURRENT SOUTH HISTORIC DISTRICT, NORTH HISTORIC DISTRICT AND CENTRAL BUSINESS DISTRICT TIF BUDGET BALANCES AS OF 9/30/10 –

For Information Only – Mr. Boynton said he will provide balance statements for each District at each meeting. This is updated as of Sept. 30th. He is also putting the next fiscal year budget together, which will be presented at the December meeting. If there are any other inclusions they would like to see, he'd like to hear about those. They can fund whatever is in the plan. He estimates they'll have around \$380,000 to carry forward next year for an operating budget of nearly \$780,000.

ADJOURN – There being no further business to discuss, the meeting was adjourned at 5:20 p.m. upon a motion by Commissioner Myers, seconded by Commissioner Kitchens.

ANY PERSON WISHING TO APPEAL ANY DECISION MADE BY THE CRA 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