

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
Price Martin Community Center
November 12, 2009; 4:00 p.m.**

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

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

Also Present: City Manager Elwin C. Boynton, Jr.; City Attorney Donald E. Holmes; City Clerk Betsy Jordan Driggers; Finance Director Matthew Reynolds; Fire Marshal Mark Lynady; Planning Administrator Debbie Banks

CALL TO ORDER – Mayor Flagg called the meeting to order at 4:00 p.m. and read the following call, dated November 5, 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 Price Martin Community Center, 220 N. 11th Street, Palatka, on Thursday, Nov. 12, 2009 at 4:00 p.m.

The purpose of the meeting is to consider the following items:

1. 2009 Blue Crab Festival Budget Review;
2. Presentation & Acceptance of Main Street Building Improvement Grant Program;
3. 2009-10 Annual Budget Needs Assessment
4. Main Street Manager Vacancy Status Update
5. Regular meeting Schedule

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

The following members acknowledged receipt of a copy of the foregoing notice of a special meeting on the 5th day of November, 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.

Vacant
MAIN STREET MANAGER

INVOCATION – Commissioner Allegra Kitchens

PLEDGE OF ALLEGIANCE - Sam Deputy

APPROVAL OF MINUTES – 09/10//09 – Commissioner Brown moved to adopt the minutes as read. Commissioner Myers seconded the motion, which passed unopposed.

2009 BLUE CRAB FESTIVAL BUDGET REVIEW – Marshall Fulghum, Tri Chair, Blue Crab Festival Committee – Mr. Fulghum said he is here to answer any questions the Commission may have regarding the budget he disseminated (filed). The Festival was produced as it was in prior years. They experienced more rainy weather than they'd had in the past, which resulted in smaller crowds, but all vendors and bills were paid. There is an excess of funds, most of which is being returned to CRA, of \$15,000 out of the total of \$41,500 provided. Commissioner Kitchens asked if they plan to hold a Blue Crab Festival in 2010. Mr. Fulghum said they have not yet decided on a festival due to some holes in the organizational/management staff. They decided to hold the 2009 Festival due to support from the City. In the past the Festival has broken even. In 2010 they face challenges due to increases in permitting fees and insurance costs. Permitting fees are a large bite out of the budget, as is cost of festival insurance. Commissioner Myers noted decreased sponsorship dollars. Mr. Fulghum said that is indicative of the economy; the majority of their sponsors are local sponsors. There are only so much sponsorship dollars to go around. This is true of other festivals. If the level of sponsorship was at the level of prior years, they still would not have broken even because of the rain, which resulted in decreased attendance. The largest expense is entertainment and hotel costs.

Commissioner Brown asked if there is anything the City can do to help the Festival. Mr. Fulghum said if the City takes it on, it will be a city-sponsored event and there will be no more fees. Also, the insurance will come under the City's umbrella and it will save a good deal. It will move forward if everyone works together.

Mr. Holmes asked how attendance directly correlates to revenue, in view of there being no cover charge. Mr. Fulghum said because attendance was down, beer sales were down, which generates an income. The festival markets rental space for vendors; they do not receive any revenue from vendors' profits. The festival also sells T-shirts, both pre-sale and during the festival, but the real revenue comes from beer sales. They also make some profit from other beverage sales. Other factors are special events, such as carnival and helicopter rides. That revenue source was down because attendance was down.

Dan Ziem, 401 Olive Street, asked what amount of CRA funds the Festival requested. Mr. Boynton said they were authorized to spend up to \$50,000, but only \$37,500 was given directly to the Festival. Mr. Ziem asked how they get the rest of the money back. Mr. Boynton said the

money was not a loan, it was an investment. Mayor Flagg confirmed this. Mr. Ziem said the money should be paid back, as other organizations will expect the same consideration.

Commissioner Norwood moved to accept the 2009 Blue Crab Festival Report as presented. Commissioner Myers seconded the motion, which passed unopposed. Commissioner Myers thanked Mr. Fulghum for his leadership. There was consensus to direct Mr. Boynton to facilitate a workshop with the Chamber of Commerce, Main Street and Blue Crab Festival to publicly discuss the plans for the 2010 Festival. Mr. Boynton said it is a good course to take, and this would have happened last year had time allowed. They can hold this meeting before the end of 2009. Mayor Flagg said the CRA should make a decision as to whether \$15,000 or the entire \$20,000 surplus should be turned back in to TIF funds. Commissioner Norwood said this money was an investment, not a loan. The money was given to Festival organizers to ensure the continuation of the Festival. Commissioner Kitchens concurred, saying the City volunteered this investment. It is generous of Festival organizers to return the \$15,000 and it is prudent for them to keep the seed money for next year. It helps the local economy. Commissioner Brown said they have been a sleepy town for many years; it is time they do things for themselves. The citizens believe the City should do this. This festival has attracted business and residents. This is a long-range investment in the City's future. She thanked the festival organizers for their commitment and hard work.

PRESENTATION & ACCEPTANCE of Main Street Building Improvement Grant Program – John Hodge said several years ago he was charged with revamping the grants program for downtown redevelopment. Sam Carr, a Main Street volunteer, authored this particular program from a Miami business incentive program. Bob Taylor also participated, as did Bob Trescott. This is a way for tenants and property owners to access the TIF to fix up their buildings. There are some requirements tied to the funds.

Mr. Hodge said this can replace the façade grant program, but there are plans to bring that program back. The façade program was tabled for this year. This program does far more than upgrade façades; it gets into code issues and fixes buildings, and is more comprehensive. Commissioner Brown asked if they are going to make sure the money is spread out amongst multiple property owners. Mr. Hodge said this stipulates that one person who owns multiple properties may only receive one grant per year. A three-person committee oversees the grants and determines grant amounts. There was quite a bit of heartfelt discussion and give-and-take on this. Commissioner Kitchens noted on pages 3 & 7 it states the Palatka Main Street manager has specific oversight, and asked if there should be a back-up person or persons assigned in case there are between Main Street managers, as is the case now. Mr. Hodge said the Main Street Board will be the back-up on that. Commissioner Brown said she'd like to see the City provided with a list of those receiving the grants. Mr. Deputy asked if this is still a reimbursable grant. Mr. Hodge said if it is a large project, 50% of the grant can be advanced before project completion. Also, if bankers are willing to finance the owner, they can finance the work and the money will be reimbursed at a later date. The way this is written, the evaluation committee has leeway to administer fund disbursement. Mr. Deputy said many people didn't know there was a façade grant to apply for. They had spoken of mailing everyone in the district an application. He'd like to be sure that happens. Mr. Hodge said that can be done. Mr. Hodge noted there are some pitfalls regarding early payment, but they've tried to cover those. Commissioner Brown said someone asked her about disclosure as to people on the committee considering the applications while also applying for grants. Mr. Hodge said the evaluation committee members won't be eligible for grants. Skip Lorenzen has agreed to head up the evaluation team.

As to grant percentage matches, Mr. Hodge said this is non-specific and covered under the grant application. The lower the project amount, the higher the match percentage. There are

no ceilings on grant requests or percentage of matching, and depends upon the applicant and project. There is no absolute requirement that a grantee put any money into this, but it depends upon the leveraging. There are many variables to consider. The decision would be subjective. Commissioner Brown said with the façade grants, many people wouldn't take advantage of it because they didn't have the money to complete the projects themselves to be reimbursed. Mr. Hodge said this program is a little more flexible than that.

Mayor Flagg asked, as to Criteria, page 7, he understands the gist of the statement at the base of the table, but thinks it can be stated better. He takes exception to "as they see fit." Mr. Holmes said the statement doesn't bind anyone, but is more of an explanation. It is just a comment and is not a criterion. It could be changed, but unless they change the phrase from a comment to a criterion, he has no suggestion. They could say it is within the discretion of the evaluation committee to score and make recommendations, but that is still a comment. They can still award grants to those with a score of 50 or below on their application.

Sam Carr, co-author, said that comment shouldn't be on that page, as it is not part of the criteria, and asked if they wanted it stricken. Mayor Flagg said it is stated in the spirit of disclosure. Silent partners should also be disclosed. Mr. Carr said that is why the Main Street Manager should review the application prior to it going to the Committee. It is important that members of the committee not be associated with anything Downtown. They want a committee that will look to see what is good for the whole of downtown Palatka and determine what would be a good investment of TIF money. Mr. Holmes said he does not have the solutions. He said it appears they have built in room for discretion and subjectivity in the review process, and asked if they really need to build it into the point total? For instance, if an applicant can't score more than 50 points, the grant won't be approved, rather than just making it a recommendation? He said if someone only scores 20 points, there is nothing to say they are not eligible for a grant. Mr. Carr said the discretion on that is given to the evaluation committee. The purpose is to give the evaluation committee a quantitative way of judging the applications. If those cases actually occur, they can add more definitive criteria. If competing grants have different totals, they are not bound to award the grant with the highest point total. They could award it to the lower point total, but he doubts they would. It does not specify that all three committee members would have to be present to make a decision, but it could and probably should. Mr. Carr said if a new business wants to come to Palatka and put their investment into capital investment, rather than building investment, they can entice business to downtown Palatka. It provides an incentive. Commissioner Brown said they need to be sure businesses stay in downtown Palatka. Mr. Carr said one important part of this is a review of the business plan. Such a review would help businesses stay in business. Commissioner Kitchens said this could be tweaked a bit to protect present owners of businesses. This is very subjective and does not provide assurance that new businesses would be favored over existing businesses. Mr. Holmes said they should state that the review committee would have to be present in total. He thinks it is fine to say that the application that scores highest on the point total should get the funds. Mr. Hodge said the grant money is first come, first serve. Mr. Holmes said he does not find that good, either. He suggested that before they award a grant with two applications pending, if one got there 5 minutes before the other, that shouldn't be the determining factor, especially if the latter is a better project. Mr. Hodge said this is just a starting point; they can tweak the document with experience. Commissioner Brown asked if special consideration can be given to existing business owners. Mr. Hodge said tenants can apply, but they want property owners to know their tenant has applied.

Mayor Flagg asked if they will know the total dollars they will have available, and if they would set aside a certain percentage for new business and a certain percentage for existing business. Mr. Hodge said they wanted to put it all in one pot. They felt this way it provides maximum flexibility. Mayor Flagg said he understands they need discretion. Mr. Hodge said the Main

Street Board can provide direction on that. Mayor Flagg said this document seems well thought-out. Mr. Deputy said his family has been there 45 years, but he would be considered a "first time applicant." Commissioner Kitchens noted the total application points only add up to 95 and not 100.

Mayor Flagg asked if this can be brought to the CRA again in December after Mr. Holmes reviews the changes.

John Browning, Chairman, Main Street Board of Directors, said the Commission makes good points, and said since those are in the record, asked if they can be made a part of this document now, so they can go ahead and pass this. Mayor Flagg noted the City Manager and Clerk will provide the attorney with the details on the changes discussed. Mr. Browning said the committee has spent endless hours on this. They need latitude on this to help people who have been there a long time, but don't have a lot of funds at their disposal. Commissioner Brown moved to continue adoption of the Main Street Building Improvement Program to December 10, 2009. Commissioner Kitchens seconded the motion, which passed unopposed.

2009-10 ANNUAL BUDGET NEEDS ASSESSMENT – City Manager Woody Boynton said the Annual Meeting will be held on December 10. At this time the CRA will accept, discuss and approve a needs assessment for the coming year. He has spoken to North and South Historic Districts regarding their needs. If there are any projects or other spending to request by other organizations, he'd like all that on the table prior to the Dec. 10 meeting. They started the year with \$500,000 in funds. By the end of the fiscal year, after revenues and disbursements, almost \$900,000 remains. Those deposits and expenditures will be itemized for the CRA next month. They need to allocate or assign funds for next year. He needs plans submitted for next year's budget within two weeks.

MAIN STREET MANAGER VACANCY STATUS UPDATE – City Manager Woody Boynton said on October 9 he accepted a resignation from Bob Trescott, the Main Street Manager. The Main Street Board is working on a plan to move forward. Wayne McClain will draft a better job description. They will meet on this next week. They hope to have a main street manager in place by the first of 2010. They will put out another call for applicants and will not restrict their consideration to the prior applicants only. They don't see any drop-off in the continuity of the Azalea Festival. A plan has been put together for the continuation of that festival.

Christy Sanford, 312 Dodge Street, asked why they will not go back to the short list.

Mr. Browning said the other applicants were contacted regarding whether or not they wanted to be considered for the position, and the 2nd, 3rd and 4th ranked applicants are now employed. In light of that, it is a non-issue. They will seek further applicants.

REGULAR MEETING SCHEDULE – Mr. Boynton said an issue came up regarding meeting advertisements, which resulted in the delay of a meeting. The CRA does not have a regular meeting date. He and the Clerk have discussed this and both feel that a regular meeting schedule would be prudent. They can take care of that in one annual advertisement. This will save money in advertisement fees. Called meetings, if necessary, can be advertised individually. He'd like to know if they want to meet monthly, every other month, quarterly, or advertise meetings as needed, which is the current practice. Commissioner Kitchens suggested they take time to consider this and take it up on Dec. 10. It would create a savings. There was consensus to agenda this for consideration on December 10, and to discuss individual preferences regarding meeting dates and times with the Clerk prior to that date.

REMARKS/COMMENTS

Commissioner Myers thanked Mr. Carr and Mr. Hodge for their work on the Main Street Building Improvement Program.

Commissioner Brown thanked all those who volunteer their time and knowledge to help the City with these matters.

Commissioner Kitchens concurred.

Mr. Deputy concurred and conveyed special thanks to small business owners for their contribution of time and knowledge.

ADJOURN – There being no further business to discuss, the meeting was adjourned at 5:15 p.m. upon a motion 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

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.