

Proceedings of a regular meeting of the City Commissioner of the City of Palatka held on the 22nd day of February, 2000.

PRESENT: Mayor Tim Smith
 Commissioner Mary Lawson Brown
 Commissioner Hernan Azula
 Commissioner Ish Edwards
 Commissioner James Norwood, Jr.

Also Present: City Manager Allen R. Bush, City Attorney Edward E. Hedstrom, City Clerk Betsy Jordan Driggers, Finance Director Ruby M. Williams, Police Lt. James Griffith, Fire Chief Rudy Howard, Main Street Manager Debbie Banks, and Water, Sewer & Streets Supervisor Sam Willis.

INVOCATION – The Reverend Karl Flagg, Pastor; Mt. Tabor First Baptist Church

PLEDGE OF ALLEGIANCE – Gil Walter

APPROVAL OF MINUTES – 2/10/00 – Commissioner Azula moved to approve the minutes as submitted. Commissioner Edwards seconded the motion, which passed unopposed.

EMPLOYEE OF THE MONTH: Mayor Smith asked Commissioner Edwards to assist him in presenting a City lapel pin and check for \$25.00 to City Clerk Betsy Jordan Driggers as Employee of the Month. Mr. Bush said she always helps out when called upon to perform tasks such as helping to organize the Corrine Brown Appreciation Reception, in addition to her regular duties as Clerk, and shows exceptional character through her dedication and hard work.

STUDENTS OF THE MONTH – February, 2000 – Commissioner Edwards joined Mayor Smith in awarding certificates to the following students in recognition of their academic excellence, leadership citizenship and attendance:

Terri M. Biddle	Mellon Elementary School
Kristen Bass	Moseley Elementary School
Bobby Grimes	E. H. Miller School
Patrick Vickers	Beasley Middle School
Paisley Crosby	Jenkins Middle School
Ashley Marcum	Kelley Smith Elementary School
Mandy Conner	James A. Long
Jacob Mast	Browning Pearce Elementary School
David Hoyt	Peniel Baptist Academy & High School

RESOLUTION – The Clerk read a resolution entitled A RESOLUTION OF THE CITY OF PALATKA, FLORIDA, CERTIFYING THAT THE PUTNAM HABITAT FOR HUMANITY PROGRAM OPERATING IN THE RIDGEDALE SUBDIVISION IN THE CITY OF PALATKA IS CONSISTENT WITH THE COMPREHENSIVE PLAN AND THE LAND DEVELOPMENT REGULATIONS IN THE CITY OF PALATKA. Commissioner Brown moved to adopt the resolution as read. Commissioner Azula seconded the motion. The results of a roll-call vote are as follows: Commissioners Azula, Brown, Edwards, Norwood and Mayor Smith, Yes; Nays, none. The resolution was declared adopted.

COMMUNITY SERVICE AWARD – Mayor Smith presented a certificate of appreciation to Don Peterman with Putnam Habitat for Humanity, Inc. for dedicated service to the citizens of the City of Palatka. Mayor Smith said he visited the construction site during the recent “Blitz Build” held with the aid of builders from Wisconsin. The visitors were a delightful group of people in addition to being hard workers, and they accomplished a lot of building in a short time. Mr. Peterman said they had a magnificent turn-out for the event, and in five days they averaged between 40 – 45 people from the community on the job each day, during which time they substantially completed two homes.

PUBLIC COMMENT: Gil Walter, Chairman of the Putnam Co. Health Care Associates, said they recently wrote a letter to the County Commission urging them to write to the area's legislative delegation asking them to replace the county match for the Healthy Kids Program with state funds. Representative Elaine Bloom has already authored legislation that would use tax settlement funds in the amount of \$13 million to replace the County match. Putnam County did raise some \$32,000, in addition to their \$5,000, to create a matching fund for this insurance program for this year, which serves an estimated 3,000 children in Putnam County who do not have health insurance. The County was clear that they could not continue with the incremental arrangement on this match. Each year it goes up a sizeable amount and in a few years it will double. Florida is the only state that requires a local county match. This program was authorized in the balanced budget act of 1997. He is asking the Commission to write to the legislative delegates urging them to change the current kid-care law to replace the county match requirement. Governor Bush did not appropriate any funds to offset this in the budget. There are many counties that simply don't have the tax base to enable them to contribute match money required to participate in this program. Governor Chiles won this fund for Florida's children, and would have wanted to see those funds used for Florida's children. Commissioner Brown moved to send a letter of support to the legislative delegates urging them to support the Florida Healthy Kids Program. Commissioner Norwood seconded the motion, which passed unopposed. Commissioner Brown said they can also speak to the delegates about this issue.

REPORTS:

a. Crill Avenue Underpass Stormwater Project – Mr. Bush said the City's Crill Avenue Underpass stormwater project was funded by SJRWMD for \$10,000 and by FDOT for \$5,000. The City is required to come up with a \$5,000 match. This is for a study of stormwater runoff from the Underpass all the way to the river. There has been a flooding problem there since the road was built. This is the first step; there is an application in to FDOT for the actual construction. Hartman & Associates, the engineering firm who did the master plan and most of the stormwater work for the City, has offered a proposal for engineering services at \$19,965; this is within the approved amount. He would like approval to enter into a contract on the project. Commissioner Brown moved to approve the engineering agreement with Hartman & Associates for the Crill Avenue Underpass Stormwater Study. Commissioner Azula seconded the motion, which passed unopposed.

b. Regatta Pointe Marina proposal - Mr. Bush said a group from Palatka again went to Palmetto, met with Alan Zirkelbach, and discussed their interest in Palatka's 100 block and highrise locations. Originally the City planned to bring in a marketing consultant to do a market analysis of the property and prepare a nationwide RFP. The firm would help to negotiate a contract on the best of the proposals. Since then, they have had discussions with Mr. Zirkelbach and Harry Van Der Noord on their Palmetto project. That part of the project, the marketing study, RFP and negotiations, were around \$50,000 per the contract. The principals are willing to go forward immediately with a couple of parts of this project that are needed regardless of whether the City goes with their project. One is the Butler Act, a taking of river bottomland previously used for commercial dockage or whatever, and then the permitting of a marina. A separate attachment from Mr. Zirkelbach outlines his proposal. He holds all necessary licenses to perform the work and has experience with Butler Act filings. He estimates completion of the Butler Act application process to range from \$3,000 with no problematic findings to a maximum of \$18,000, which would cover most problems the government would find with the application. In either case, approval is not guaranteed. If they do not obtain approval, they will still have significant knowledge of what the State will approve for building over this portion of submerged lands. They do not expect to be compensated for their personal time on this application. He asked the Commission to sit as the Downtown Redevelopment Agency and approve the proposal as submitted by Mr. Zirkelbach using tax increment funds. Commissioner Azula moved to approve an expenditure of tax increment funds for the purpose of entering into an agreement with Alan Zirkelbach and Harry Van Der Noord of Zirkelbach Construction for a determination on Butler Act findings for the riverfront submerged lands. Commissioner Edwards seconded the motion. Mayor Smith said he attended this meeting. They have been moving toward this goal for the last 5 or 6 years, since the purchase of the 100 block, and they did this knowing this was how they could meet their goal of redeveloping the downtown area.

They accomplished this through the work of the City Manager and City Attorney. Palmetto and Bradenton sit on either side of the Manatee River, like Palatka and East Palatka. Mayor Pat Whitesel, a real estate agent, attended the meeting. She was enthusiastic about Palmetto's new-found success, and was very blunt about giving the credit to the marina development. What was recently a very depressing and depressed area is now a thriving city. They went through the Butler Act process, and after everything was said and done, they decided they didn't really care if the State owned it or the City of Palmetto, as long as the State allowed them to have a long-term lease on the property. It could have gone on for years. She is very excited about her community, and said people are now moving from Bradenton to Palmetto, which was virtually unheard of in the past. They have 300 slips, which are all rented, and now wish they had reconfigured the marina for bigger spaces. This offers everything the City wants to see on this site – restaurants, a marina, a riverboat, shops, some residential area, entertainment, and people strolling and shopping along the riverfront. He now sees no reason to go through the process with the marketing firm, when they now have someone willing to build all of this now. These are Christian people who put their trust in the Lord. They have a development in Palmetto and another in Ohio worth \$30 million, and don't need this development, but would like to do it anyway. They have even offered to buy the boathouse north of the bridge (Noah's Ark) for living quarters for their visits. He proposes the Commission go one step further and authorize the City Manager to enter into negotiations with them on developing a plan that they can present to the Commission for approval. The City should start the process in motion and tell them what the City wants, and let them come back with a proposal. The City should not make them compete with other proposals at this point. They have also expressed a desire to incorporate the proposed Clock Tower into a focal point at the entrance. Mr. Bush said this would be a direct negotiation in lieu of an RFP. Even in a direct negotiation, a site plan and architectural styles will come back to the Commission for review. It is an on-going negotiation process until something satisfactory to all is reached. Commissioner Brown said the time has come to begin this process. Mr. Larson brought up 10 years' tax breaks; she believes 10 years is a long time. If they do it, it should be tied to how many jobs they create. Mayor Smith said there was a lot of discussion about local incentives. Several years ago they worked with the County and the Chamber to rebate taxes for up to 10 years based on the number and caliber of jobs created. These are the kinds of incentives they can do and this incentive was established years ago. Commissioner Brown said they can search for grants, which can be used as leverage. The U.S. Dept. of Commerce has money to pave parking lots and do infrastructure. If the City can bring those grants to the table, that would give them an advantage, and someone needs to be looking for these grants. Mr. Bush said they will put together a financial package based on how they think this will work. Tax incentives are just one issue. The Commission will have a chance to review this. They will turn to a number of grants once they know what they are dealing with. Commissioner Brown said she would like research done on how other businesses that came in in the past have affected the tax base. They don't have things like impact fees. Commissioner Norwood said the City should also show good faith and take this a step further. This project will revitalize Putnam County. They should look to the long term. This project fits everyone's ideal of what they want for Palatka. This project will open up many sources of tax revenue. This Commission needs to lay aside their pet projects and work toward the big goal. Mayor Smith said this will take a long-term commitment from officials and citizens, because change will happen. They have looked at demographics, and are concerned about issues like schoolteacher's pay, which is very low. Until Putnam County can develop some business and get a tax base going, they can't fix that. One issue the County should address is parking. Many people have criticized the lack of parking, and if you start drawing people to downtown, you will need it. It is everyone's responsibility – The County, City, churches, merchants, etc. They will need to make a long-term commitment to work through this process. These developers would like to put in a 600-slip marina. Commissioner Norwood said it is time to tear down the fences and everyone needs to work together on this. They should re-think their position on certain issues. Commissioner Azula said one of the first things he saw when he came here 34 years ago was the river. It has changed over the years, but remains the focus. This project will serve as the basis of the community's growth over the next 30 to 50 years. Commissioner Norwood said Mayor Smith made the comment that this is a community project and decisions need to be made by the community. They all need to get involved. Mayor Smith said the developers would like to develop a plan

and meet with the citizens in order to ‘let them throw darts at it’, as there may be something they are leaving out or not doing to community standards. Commissioner Brown asked them to share the Riverfront Development Committee’s ideas with the Developers. Commissioner Azula amended the motion to allow the City Manager to negotiate a plan with Zirkelbach Construction. Commissioner Edwards seconded the motion as amended.

Debbie Banks, Main Street Manager, said they plan on marketing this marina in Europe. They realize Putnam County can’t support this marina, so a lot of their business will have to come from outside the area. Mayor Smith said they have already contacted someone about bringing in tour groups. Commissioner Brown said Enterprise Florida has a tourist division, and they will help with marketing anything that will benefit the State of Florida. People will come here from all over the world. Mrs. Banks said Palmetto was awarded a Front Porch Initiative, and they will help Palatka get a good application together. Commissioner Brown said the rural portion of the grant is called “back yard”. Mrs. Banks said they are also an Enterprise Zone. Commissioner Brown said Senator Holzendorf was pushing them to apply for Enterprise Zone, and they may need to call Enterprise Florida and enlist help from Senator Kirkpatrick. She and Mr. Bush and Mrs. Banks can make some phone calls to that end. She asked Mr. Bush to call Mary Kay Blakesley to inquire if they have some slots open for Enterprise Florida. There being no further discussion, the motion passed unopposed. Mayor Smith thanked the Commission; this is one of the most exciting things he has seen in his 12 years on the Commission.

c. Police Department Pension - Employee Poll Results – Lt. James Griffith said recent changes in F.S. 112 have mandated that the Police Pension be split away from General Employee plan by July 1, 2000, or they risk losing their Chapter 185 funds. They have spoken with Patricia Shoemaker of the Florida Division of Retirement, who stated that is their interpretation of the statute. Due to these changes, a poll vote was taken among sworn officers, and the results show a desire to separate from the general pension fund and create their own fund and board, and at this time they request the fund be separated. Mayor Smith asked how they polled the employees; Lt. Griffith said they took a log vote with signatures indicating yes or no. He offered the original document for the record. Mayor Smith gave the Commission an overview of the history surrounding the separation issue. He personally supports this and thinks they should have done this to start with. The firefighters have already separated. The police members feel they are being forced to separate. Lt. Griffith said they are in no way dissatisfied with the way their funds have been administered, but do not want to chance losing their chapter funds if they don’t separate. Mr. Bush said the Commission should authorize the preparation of an ordinance establishing a police pension fund and board. Commissioner Brown moved to direct the preparation of an ordinance establishing police officers’ pension fund and pension board. Commissioner Norwood seconded the motion, which passed unopposed.

CLOCK TOWER AGREEMENT – Architect’s Agreement with Bob Goodwin – Mayor Smith said this has been an ongoing project that he and a committee have been trying to bring to fruition over some period of time. They have raised around \$120,000 so far. Bob Goodwin offered to design the structure and provide engineered drawings they could go out for bids with. He wants to be paid for his work, and has already produced the drawings. The Committee is not incorporated, and has been collecting donations through the City, as they have done for other independent projects. They now need a vehicle for payment. They have discussed this issue with the City Manager and City Attorney. They would like to have the City execute the contract, while being held harmless from the debt. Mr. Hedstrom said he has come up with some language they can add to the contract that will exonerate the City from any liability for payment, as they are acting only as an agent for the Committee. It is their recommendation to approve the agreement subject to the language they will negotiate with Mr. Goodwin. Commissioner Brown moved to approve the Architect’s Agreement with Bob Goodwin on the Clock Tower Project subject to the insertion of the proper language insulating the City from any liability for payment. Commissioner Azula seconded the motion, which passed unopposed.

COMMISSIONER REPORTS:

Commissioner Brown said she would like to see the City of Palatka start an Economic Development Corporation to help look for, start and foster businesses to come into this

community or be created by the corporation and be trained. She has been talking to Rural Development who has money to start a business incubator, which will train people to do their own business. The U.S. Department of Commerce has money for a building. She has not been able to find a non-profit group that is willing to step forward and do this. They can put something into motion that will help fill up some empty stores downtown, and to redevelop the corridor of 11th Street. There had been 28 different types of businesses there at one time. They need to work on other types of business or homes in there to bring that neighborhood into focus with the rest of the City. There is one large piece of property there the City owns, even though it has liens on it, that is suitable for a learning center or community development corporation. She would like permission to explore ways to get this done and bring it back in order to foster training, education and entrepreneurship. There is also money in the revolving loan program to do this, and there is a micro-loan program available for sums from \$500 to \$10,000 for small businesses. Repair of old computers for re-sale to low income families is a good business to start; this is very big in Europe. A lot of cities are doing this. Commissioner Norwood moved to allow Commissioner Brown to move forward with the process of researching how to establish an Economic Development Corporation, and to report on her findings to the Commission. Commissioner Azula seconded the motion, which passed unopposed.

Commissioner Azula said he has been looking forward to this meeting for some time. There is a good feeling in the community about this, and he has been encouraged to move on the marina project. Many people are looking forward to the riverfront redevelopment.

Commissioner Norwood said a black history program was put on by Ms. MacGibbon with the Arts Council, which was very informative and a good program for the City.

Commissioner Norwood said he attended a reception honoring the artists who have done the murals that are springing up around Palatka. It was well attended. He thanked the citizens of Palatka for being gracious to the artists and giving them such a good reception.

Commissioner Norwood said the Cancer Center is expanding; it will be three times the size it is now. This is an aggressive building project and will be a good contribution to the City. The City should send them a letter expressing gratitude for this expansion.

Commissioner Norwood said the Commissioners should take a look at the Azalea Festival program. They need to look at this to determine if there are any last minute problems that can be dealt with. Mayor Smith said the only problem they saw at the last meeting was with the "Jell-O shooters", which will not be served.

Commissioner Edwards said he appreciates everyone cooperation in switching the meeting from Thursday night to tonight; he had a conflict and would not have been able to attend.

Mayor Smith said everyone has been invited to the Azalea Festival Mayor's Reception on Friday, 3/10/00 at the Bronson House. Bring your wife and children. It is a nice event.

Mayor Smith requested a meeting change from April 27 to April 25. The meeting was changed upon consensus of the Commission. Commissioner Edwards said he will be at National Guard Training the first two weeks in April, so he will miss that meeting.

Mr. Bush said the Commission has been interested in cleaning up the City, and several Commissioners have commented on the condition of City Hall. There is not a great deal of funds left in the contingency, but they have a quote of \$6,500 to redo all the trim, regROUT, and paint. There are also some places that need attention on the Annex. He wants to have the building placed on the Register of Historic Places and apply for a historic preservation grant in April to complete the inside and re-do the driveway. Commissioner Norwood moved to appropriate up to \$6,500 from contingency funds to make improvements to the City Hall and City Hall Annex buildings. Commissioner Azula seconded the motion, which passed unopposed.

Debbie Banks said March 10 they are holding the March of Dimes fundraiser at Golden Corral, and they are looking for volunteers. They need waiters and waitresses. There are

two shifts; 6:30 a.m. until 8:30 a.m. and 8:30 a.m. to 10:00 a.m. There are also tickets to sell; they can get them from Holly Harris. March 17th is the St. Patrick's Day parade, and all commissioners are invited to ride in the parade. Line up is at 5:45 p.m. They are also having a block party between 3rd & 4th on St. Johns Avenue with Celtic music.

Ms. Banks said some weeks ago a façade renovation for the McKinnon Building was presented to the County Commission and it did not look very good. She suggested they incorporate the streetscape into their design, which they did, and it looks much better. Downtown Palatka suggested they add an awning, which they did. The Commission approved the design today. They also said they need to provide a courtroom and chambers for the new judge, and if the County does not do something on their own, the new judge will order them to do so. They are looking at an addition onto the Courthouse, which means they will lose parking. They do have an agreement with First Baptist Church for parking space, and are considering requiring their employees to park there.

Ms. Driggers passed out brochures on the Azalea Festival, and said this is as much update as she could get from Mr. Troiano. She did get he and Commissioner Brown together via the telephone so they could work out the Jell-O shot issue, which they did.

There being no further business to discuss, the meeting was adjourned.

CITY CLERK

MAYOR