

CITY OF ST. AUGUSTINE

Regular City Commission Meeting
July 26, 2004

The City Commission met in a formal session Monday, July 26, 2004, at 5:00 p.m. in The Alcazar Room at City Hall. The meeting was called to order by Mayor George Gardner, and the following were present:

1. Roll Call:

George Gardner, Mayor/City Commissioner
Susan Burk, City Commissioner
Errol D. Jones, City Commissioner
Donald A. Crichlow, City Commissioner
William Lennon, City Commissioner

William B. Harriss, City Manager
James P. Wilson, City Attorney
Martha V. (Nell) Porter, City Clerk
Timothy A. Burchfield, Chief Administrative Officer
John Regan, Chief Operations Officer
Mark Knight, Director, Planning and Building Department
Dr. William Adams, Director, Heritage Tourism
Robert Leetch, Director of Utilities
William H. Harding, Director, Public Works
Paul K. Williamson, Director, Public Affairs
Mark Litzinger, City Comptroller
Loren Lueders, Assistant Chief of Police
James Owens, Fire Chief
Orfeo Paolini, Sound Technician
Karen Rogers, Recording Secretary

2. INVOCATION AND PLEDGE OF ALLEGIANCE

Reverend Ronald Stafford, New Mt. Moriah Missionary Baptist Church, delivered the invocation and Commissioner Lennon led the Pledge of Allegiance.

3. ADMINISTRATIVE ITEMS

3.A/ Modification of Agenda

Mayor Gardner said that Mrs. Billie Pruitt, recipient of the de Aviles Award, had been nominated for the channel 12 *First Coast Twelve Who Care* award, and

he wanted the Commission to endorse her nomination.

MOTION

Commissioner Lennon MOVED to endorse Mrs. Pruitt's nomination for *First Coast Twelve Who Care*. The motion was SECONDED by Commissioner Jones and approved by UNANIMOUS VOICE VOTE.

3.B/ Approval of Minutes

The minutes of the Workshop Meeting of June 29, 2004 and the Regular City

Commission Meeting of July 12, 2004 were approved as presented.

3.C/ Proclamations

3.C.1/ First Coast Reads Day

Mayor Gardner read and presented the proclamation to Valerie Peischel, Branch Manager of the main library branch and Elizabeth Holiday, member of the Friends of the Library.

3.C.2/ National Night Out

Mayor Gardner read and presented the proclamation to Linda James, President, Lincolnville Crime Watch Association.

4. General Public Presentations and Comments (3 minutes per presentation with maximum total time limit of 20 minutes).

Kathy Schirmacher, 27 Locust Street, suggested that the City include a revision of the City Code of ordinances, the Zoning Code specifically, in the 2004/2005 budget at the cost of \$75,000. She requested that the Commission give serious consideration to her suggestion. She also spoke against the proposed VIC parking garage, as she believed that it was too big and expensive, and she would prefer off-site out-of-town parking with a transit system.

Mayor Gardner announced that the budget workshops and public hearings would take place in August and September

Jeffrey M. Holleran, 309 Ribault Street, distributed a proposal to lease the 1,300 square foot area on the corner of Hypolita and St. George Streets in the Casa del Hidalgo for an upscale grand piano Latin Jazz listening room; featuring a wine room, sing-a-longs and

dancing. He said that he would like to maintain the old world Spanish atmosphere including an appropriate dress code. He suggested that his proposal would be an asset to the community, and he noted that his current business on Charlotte Street catered to a mature, upscale clientele reflecting a success for the City. He acknowledged that he was late with his proposal; however, he explained that he had been out of town and was not aware that the City was accepting proposals.

Mayor Gardner questioned whether Mr. Holleran had submitted his proposal to the review board, and the response was no.

Commissioner Lennon noted that the proposal was a great idea, and he questioned whether Mr. Holleran planned on serving food.

Mr. Holleran said that he intended on serving Tapas (appetizers) to compliment the Spanish ambience, along with fine wines.

Commissioner Jones questioned whether Mr. Holleran would close his business on Charlotte Street, and the response was negative.

Commissioner Crichlow questioned the length of lease Mr. Holleran was interested in.

Mr. Holleran replied that it was his understanding that the lease was for three years with a two year option; however, he would be interested in the longest lease the City offered, and he also offered to maintain the bathrooms and courtyard area.

Mr. Jones noted that leasing the Casa del Hidalgo was on the consent agenda,

and he suggested that they discuss the matter further at that time.

Jay Bliss, 12 Oglethorpe Boulevard, suggested that the City institute a motorcycle ordinance due to the ear shattering experience that resulted during Bike Week and Biketoberfest. He pointed out that Daytona had written an ordinance that proved successful.

Mr. Bliss said that it was mind boggling that the US Government and Park Department closed the parking lot at the fort at 5:30 p.m., which could be utilized by the City. He suggested a citizen's outcry and mass protest to correct the government's narrow minded view.

Mr. Bliss acknowledged City Staff at all levels for the wonderful job they did. He referred to the little yellow boat and questioned why the Port, Waterway and Beach District Agency could not control derelict boats more quickly.

Andrew Shirmacher, 27 Locust Street, spoke in opposition to the proposed parking garage at the VIC. He stated that the structure was too tall and would look inappropriate in the area, the lights on the roof would shine into the neighborhoods, there had been no mention of security for the building or consideration of fire hazards, a backup generator would be necessary and the signage for the area was not sufficient. He delivered statistics regarding rapes in parking garages considering there was a school and a playground in the area. He suggested that the City provide a rest area for bus drivers, so that they would turn the engine to their buses off and stop the pollution. He added that the \$16.5 million dollars proposed for the parking garage did not include the VIC building or four laning Costillo Drive.

Dana Ste. Claire, 167 San Marco Avenue, spoke in favor of the proposed parking garage at the VIC and congratulated staff for moving the project along so quickly.

Dan Sullivan, 60 Water Street, spoke in support of the proposed parking garage at the VIC, and he said that it was the right time and place; moreover, the structure would be a work of art for a world class town.

Suzette Chauvin, 21 Palmetto Avenue, presented a petition to the Commission signed by residents of the Lighthouse Park/Carver Subdivision regarding the traffic created by the Gypsy Cab Restaurant and Comedy club as well as the noise and visual impact of the busy restaurant and club on the neighborhood. She suggested that the business owner build a wall or some type of buffer between the businesses and the residential street to prevent the amount of vehicle ingress and egress to and from the neighborhood. She noted that there was no legal easement onto Palmetto Avenue.

Commissioner Lennon questioned whether she had talked to the owner of the restaurant.

Ms. Chauvin said that she had and he had spoken with the delivery truck drivers; however, the truck driver turnover was regular, and the restaurant owner was busy and could not monitor the situation continually. She noted that the restaurant owner had made the effort.

Mayor Gardner recommended turning the matter over to City Staff for research and report back to the Commission.

Mr. Harriss agreed that the problem behind the restaurant was significant.

A brief discussion revealed that because the restaurant property had not changed use the property owner was not required to separate residential from commercial.

Commissioner Jones clarified that the neighborhood was requesting that the traffic enter and exit onto A1A, which could be done without building a wall.

Ms. Chauvin concluded that property values were increasing in St. Augustine, and the neighbors wanted to insure their quality of life.

Commissioner Crichlow stated that the City would conduct an analysis and make a recommendation.

Judith Fox-Fliesser, 290 St. George Street, clarified that she was speaking on her own behalf in support of the VIC parking garage and the process the City had conducted to include the public. She stated that she wanted to be certain that the garage was part of a package that included public transportation, disincentives for parking downtown and to encourage pedestrian traffic.

5. PRESENTATIONS AND STAFF REPORTS

5.A/ Status report regarding the Mary Peck House.

William H. Harding, Director, Public Works, reported that with the cooperation of the Historical Tours of America and the City of St. Augustine efforts to relocate the Mark Peck House had been successful. He said that the move would take place early in the morning of August 13, 2004, and he acknowledged the utilities companies for their significant part in preservation of the structure. He further described the moving route on San Marco Avenue to the Historic Tours property and the

precautions that had been taken to facilitate the move.

Commissioner Lennon questioned whether the cost of the move would be covered by the trains, and the response was affirmative.

5.B/ Report on the VIC Transportation Facility Design Development Phase.

John Regan, Chief Operations Officer, reported that the parking garage had received HARB approval, and they had conducted two additional public meetings regarding the design elements, which totaled 15 public hearings. He said that with the Commissioner's approval the City would begin the construction drawing process, at which point significant dollars would be required for the engineering effort. He said that in addition staff was requesting the financing required for the project.

Mr. Regan further reported that the color of the garage would be the same as the color of the Wachovia bank building or an off-white cream color. He stated that the parking structure, infrastructure and landscaping for Cordova Street for the transportation facility would cost \$16.5 million. He explained that the total engineering cost was approximately \$1 million, transit system \$900,000, VIC orientation center \$800,000, signage and miscellaneous elements \$500,000 and a million dollar contingency reserve, which made all the elements of the parking and traffic master plan a cost of \$20,700,000.

Mr. Regan stated that the money available from the previous bond issue was approximately \$2.5 million, \$50,000 sign grant from the FDOT and \$546,000 was earmarked from the Federal Government totally approximately \$3.1 million. Therefore, he stated that the

City required \$17,595,902 to construct all elements of the master plan.

Commissioner Lennon questioned whether the extra million dollars was for payments.

Mr. Regan replied that the extra million was a contingency in the event of overage in construction.

Commissioner Crichlow questioned whether the money from the CRA would reduce the amount of bonding.

Mr. Regan explained that there were many ways to structure debt, but the City anticipated paying interest on the loan for a five year period, at which time they would pay down the principle roughly over a 25-year period. He said that generally the down payment was expected to be \$1.4 million and \$750,000 was a conservative estimate of the anticipated revenue based on the rates that they had shown to the public and in terms of the incremental revenue created by the garage. He emphasized that the estimate was conservative, as it represented moving 10-15% of the behavior pattern of people using on-street parking into the structure; therefore, the revenue could be higher. He said that approximately 50% of the cost of the garage would be provided by the revenue and half by the CRA. He added that it would be a small amount of the total revenue the City would receive for the life of the CRA; therefore, they anticipated quite a bit more revenue for other infrastructure projects.

Mr. Regan stated that any of the questions the Commissioners heard about the garage could be answered by the project team. He said that for a safe and secure project the City had designed an open floor system for visibility, and the lighting exceeded the standards of the Illumination Engineering Society to

prevent dark corners. He said to insure that people entered or exited the building from the proper locations there would be a grill system, the office would be glass to allow staff visibility of the entire first floor, and the revenue control system would prevent unauthorized people from getting into the building when it was not staffed. He added that they anticipated staffing the building from early morning until late night, such as 7:00 a.m. until 10:00 p.m., and they would adjust the time as necessary. He continued that there would be blue phones (emergency communications system) throughout the facility, the landscaping would be designed to minimize hiding places and the signage would be designed to move people quickly. He said that, most importantly, they had made provisions required for a closed circuit television system throughout the structure. He said that the method for the television system would be determined by the report from the security expert on the design team. He concluded that their goal was for a safe facility for visitors and residents.

Commissioner Lennon said that the amount was \$1.4 a year, and he questioned how many cars parked daily in the facility would be required to cover the bond issue.

Mr. Regan replied that they would probably need 800 cars daily.

Commissioner Lennon questioned whether they were rolling over the \$4.2 million, that the City had already borrowed, into the \$17.5 million.

Mr. Regan replied that was correct, and he said that he had subtracted the available funds from the \$20,700,000.

Commissioner Lennon questioned whether they would keep two separate bonds.

Mr. Harriss replied that some portion of the bond issue would be rolled over to the \$2.5, but another portion had been allocated to the fleet maintenance facility warehouse; therefore, there would be two issues.

Commissioner Lennon questioned what the estimated cost of maintenance and employees and benefits for the new garage would be.

Mr. Harriss replied that those costs were included in the aforementioned numbers.

Mr. Regan stated that currently there were 3.5 full-time employees at the VIC working in the surface lot, and the new structure was expected to require three full-time equivalents with operation expenses at approximately \$365,000 annually. He concluded that some of the employee cost was already borne by the City.

Commissioner Burk expressed concern regarding the lights on the top of the structure. She said that she was not currently satisfied with the plan for that lighting, and she would be watching for it.

Mr. Regan said that the fourth floor lights would consist of 20-foot pole lights, which were short for that type of lighting system, with lenses and systems that were sharp angled to minimize glare. He said that from the ground the deck illumination would not be visible.

Mr. Harriss said that they would tone down the lighting after a certain hour.

Mr. Regan said that there would be times of the year that the fourth floor would not be used at all.

Commissioner Burk said that recently she had been in a garage where the lighting was in the floor. She stated that as a result of the CRA the County would be participating in the garage also, which was a good thing.

Commissioner Lennon said that at the proposed height the vehicles on the top floor would barely be visible.

Mr. Regan agreed and pointed out that the lighting would be 20-feet from the edge of the building.

Commissioner Crichlow stated that he believed that they had a product that would be acceptable to the community. He stated that the facility would contribute to a world class experience for visitors. He noted that the City had to follow-up and not fall short on all the other elements of the parking and traffic management plan, and all the elements had to be successful in order to achieve the potential of the plan. He concluded that the design was good, and he was pleased to move the project forward.

Mayor Gardner said that good signage would be necessary to get visitors from I-95 to the parking facility. He said that there would be a bus staging area, and they were considering a drivers room, so the buses would not be kept running.

Commissioner Lennon questioned whether the Police Department would take over monitoring the garage after the attendants left for the night.

Mr. Regan replied that would be part of the detailed design with the closed circuit television system, which they would research further as the design was developed.

Mr. Harriss stated that the project would go before the Commission at least two more times for the bond issue and the final purchase agreement, which would take from 60-90 days.

MOTION

Commissioner Crichlow MOVED to release staff to proceed with the construction drawings and the necessary requirements for bond financing the project. Commissioner Burk SECONDED the motion.

VOTE ON MOTION

AYES: Crichlow, Burk, Jones, Lennon, Gardner

NAYES: None

MOTION CARRIED UNANIMOUSLY

6. ITEMS BY CITY ATTORNEY

(None Scheduled)

7. ITEMS BY CITY CLERK

(None Scheduled)

8. ITEMS BY CITY MANAGER (Includes Consent Agenda - noted with an asterisk)

8.A./ Consent Agenda

8.A.1/ Preview of upcoming Commission Meetings.

8.A.2/ Notification of three upcoming term expirations on the Planning and Zoning Board.

8.A.3/ Notification of two upcoming term expirations on the Board of Trustees Police Officers' Retirement System.

8.A.4/ Approval of final plat for Magnolia Estates.

8.A.5/ Consideration of an Interlocal Agreement with the St. Augustine Port, Waterway and Beach District.

8.A.6/ Consideration of proposed leases for the Casa del Hidalgo.

Mayor Gardner stated that he would like Item 8.A.6. to be addressed separately.

James P. Wilson, City Attorney, reported that there was a lawsuit pending contesting part of the ownership of an area in Magnolia Estates. He said that the City had received a letter of objection, but he saw no reason the Commission should not approve the final plat at that time, and if the boundaries of the property were changed as a result of the litigation they could address the change at that time.

MOTION

Commissioner Burk MOVED to approve the consent agenda items 8.A.1. through 8.A.5. The motion was SECONDED by Commissioner Lennon and approved by UNANIMOUS VOICE VOTE.

8.A.6/ Consideration of proposed leases for the Casa del Hidalgo.

Timothy A. Burchfield, Chief Administrative Officer, stated that according to the Commissioners direction staff had reissued the proposal for leases with the following modifications:

- Three year lease with a two year renewal option
- No subletting
- A transfer fee
- Mandatory extended hours

Mr. Burchfield he said that the proposals were submitted by July 1, 2004 and reviewed on July 9, 2004.

Dr. William Adams, Director, Heritage Tourism, explained that the criterion for selecting the lessees for the building included the ability to attract visitors to the area through extended hours. He said the other criterion was to reflect a Spanish background, maintain the public facilities, pay for themselves, and the total occupancy had to contribute financially to the repayment of the debt on the building and contribute to the studies that would be conducted to determine a permanent use for the building.

Mr. Burchfield referred to the layout of the Casa del Hidalgo and stated that the Riverdale Rotisserie Old World Specialty Coffee Café would be in area A, which would sell Spanish pastries etc., Tranquility Bay Gift Shop, Gutie Art Boutique and the Vice Consulate Office would be in Area B, and Dioni & Menorca Spanish Sandal & Shoe production shop would be in Area C. He indicated the area for restrooms, which were currently under construction. He said that when the leases were negotiated the businesses would occupy the building. He noted that the layout produced little cost to the City, as no new walls had to be constructed. He noted that he, Dr. Adams and Jason Sheffield had served on the committee, and they believed the lessees were the best mix for the structure and the HP preservation effort in that area of town while providing the most revenue to the City over a short period of time. ¹

Mayor Gardner questioned whether the second floor was included.

¹ End of audio tape one

Mr. Burchfield replied that there was a second floor over Area A and someone was interested in using the space for storage, and they would be charged appropriately for the square footage.

Mayor Gardner questioned whether approval of the item would authorize staff to proceed with negotiations for the lease.

Mr. Burchfield replied affirmatively and said that if they were unable to negotiate the contract they would go before the Commission with another proposal.

Mr. Harriss requested that Mr. Burchfield address Mr. Holleran's situation.

Mr. Burchfield replied that Mr. Holleran had telephoned him the day the bids were due, and he had submitted a proposal a day late. He said that the committee had considered the proposal but they had not deemed the proposal as worthy for the structure; therefore, his rating had been low. He noted that the proposal was not as detailed as the one Mr. Holleran had just presented to the Commission. He said that Mr. Holleran had been told that if the City could not negotiate a contract with one of the other businesses then his proposal would be reconsidered along with the other people who had submitted proposals.

Commissioner Lennon pointed out that Mr. Holleran was willing to pay \$15 per square foot more for the lease, and his proposal was more consistent with what the Commission had wanted for the structure in the first place.

Mr. Burchfield stated that the Riverdale Rotisserie had made a verbal agreement to pay \$50 per square foot, making a difference of only \$10 per square foot.

Mr. Burchfield stated that the proposal that Mr. Holleran had initially thrown together had worked against him in the selection process, as it lacked detail.

Commissioner Lennon referred to the Tranquility Bay gift shop, and said he thought the Commissioners had agreed they wanted businesses with a Spanish influence.

Commissioner Burk suggested that they seek additional bids for the small space that Tranquility Bay was recommended for. She said that having someone submit a bid after seeing the other bids was not fair.

Mr. Holleran stated that he had not seen the other bids.

Commissioner Burk suggested that if Mr. Holleran could make the second floor accessible, at his expense, perhaps the City could lease that space as well.

Mr. Burchfield pointed out that it would require an elevator.

Mr. Holleran noted that he had considered the possibility of using the second floor considering that his proposal had been late.

Commissioner Burk questioned whether the second floor was structurally sound.

Mr. Burchfield replied that the structure was fine, but they would have to put a fire floor between the two floors.

Mr. Holleran questioned whether the second floor would have to be handicap accessible, and the response was affirmative.

Commissioner Burk stated that she approved of Mr. Holleran's plan; however, it would be inherently unfair to

grant his request. She added that she would rather use the second floor for something other than storage.

Mr. Harriss suggested that staff research an innovative method of using the second floor with a cost sharing plan, as storage was not a first choice for the space.

Commissioner Burk questioned whether Mr. Holleran planned on his business being a smoking bar, and the response was negative.

Commissioner Crichlow noted that he had voted against a short-term lease scenario, because any type of restaurant could not bid on a short-term lease. He said that what Mr. Holleran was suggesting was more inline with the Commission's desire to install something in the Casa del Hidalgo that attracted people downtown and also benefited the other retail businesses. He expressed regret that Mr. Holleran had not submitted his proposal on time, but there could be legal ramifications if the Commission tried to circumvent the process. He noted that there was already a successful business in an upstairs location on St. George Street; therefore he did not know why it would not work in the Casa del Hidalgo. He stated that visitors were craving some form of entertainment downtown at night.

Commissioner Lennon suggested that if Mr. Holleran rented the upstairs why not give it to him for \$50 per square foot if he was going to install an elevator.

Commissioner Burk pointed out that the suggestion was premature.

MOTION

Commissioner Burk MOVED regarding Item 8.A.6. that staff negotiate with

three of the aforementioned tenants with the exclusion of the gift shop, and the City would seek additional bids for the gift shop with a Spanish flare. Commissioner Crichlow SECONDED the motion.

Commissioner Burk pointed out that Tranquility Bay could resubmit a bid if they were willing to change the nature of their gift shop.

Mr. Burchfield stated that staff would talk with them first

Mr. Harriss stated that there would be separate consideration for Mr. Holleran.

Commissioner Lennon questioned whether booths outside of the Casa del Hidalgo had been eliminated.

Mr. Burchfield replied that currently that type of situation would violate Code; however, consideration was being given to making some changes to the Code.

Mayor Gardner stated that to his mind the loggia and courtyard could be valuable flex space one day.

Mr. Burchfield stated that it had been made clear that the lease was only for the interior space.

Jay Bliss, 12 Oglethorpe Boulevard, stated that if the City was considering opening the second floor up for business that it would only be fair if they opened the space up for bid. He pointed out that Jazz music ran the gamut and could be a potential problem.

Commissioner Crichlow stated that the Commission would definitely be looking for Latin flavored jazz.

Mayor Gardner noted that they needed to cover all bases in terms of the leases to protect the City in the future.

VOTE ON MOTION

AYES: Burk, Crichlow, Jones, Lennon, Gardner

NAYES: None

MOTION CARRIED UNANIMOUSLY

Mr. Harriss stated that, in regards to using the fort parking lot after hours, he had spoken with the fort administration and the park service locally and in Atlanta and they said that the lot could be used; however, it would have to be staffed the entire time that it was open. He said that they were protective of the national treasure, and they feared that if the cars parked in the lot after hours with no barrier to the fort people might violate the treasure.

Commissioner Lennon stated that he had spoken with some of the restaurant owners about the parking lot, and they had agreed to staff the lot themselves to collect fees, watch over the fort and clean up before leaving.

Mr. Harriss pointed out that the fort administration might not feel the same about a restaurant owner's reliability compared to the City. He said that he would be in favor to trying to make it work.

Commissioner Burk said that she could not see the Federal Government limiting parking to certain restaurants.

Commissioner Lennon stated that the lot would be opened to everyone.

Mr. Harriss stated that he was considering the actual running of the lot.

Commissioner Lennon suggested that staff look into the matter.

Mr. Harriss agreed that he would look into the matter. He asked that Commissioner Lennon address the matter of the motorcycle ordinance.

Commissioner Lennon replied that there were laws about the exhaust pipes on motorcycles. He said that dealers could not sell bikes with altered muffler systems; however, once the bike was sold the customer had the right to alter the system. He said that he was a big fan of Bike Week and Biketoberfest, as it was good for his business. He said that according to the Daytona ordinance any bike that had a baffle was considered legal, but if the baffle was removed the fine was expensive. He said that enforcing an ordinance would entail manpower.

Mr. Wilson said that he was not certain whether Daytona was enforcing a local ordinance or the state statute, as there were noise regulations on the books in the state, which he would research and report to the Commission.

Commissioner Crichlow stated that he received complaints about all kinds of different noise regularly.

Mayor Gardner questioned the situation about the derelict yellow boat.

Mr. Harriss stated that when the City got notice of the yellow boat they had hauled it to the marina and posted it. He said that during the July 4th celebration the Fish and Wildlife enforcers found the owner who said that he would strip the boat and leave it, which he had done. He stated that it was a nice boat, but the City would tow it to the San Sebastian River and haul it out of the water.

Commissioner Crichlow questioned whether the removal of derelict boats fell

under the authority of the Port and Waterway Authority.

Mr. Harriss said that the authority was spread among different agencies including the City. He said that in the current case it was not difficult for the City to take care of the situation.

Commissioner Crichlow stated that it was an issue that the City would have to address in the future, as property owners were concerned about damage to their property from derelict boats. He suggested some type of registration system be instituted to control the situation.

A brief discussion ensued regarding restricting permanent moorings and dinghy storage, and it was determined that it would be a topic of discussion in the future.

8. B/ Discussion Items

(None Scheduled)

9. ITEMS BY THE MAYOR AND COMMISSIONERS

Commissioner Lennon – Mariotti's Cleaners

Commissioner Lennon acknowledged Mariotti's Cleaners for offering to clean citizen's American Flags for free.

Commissioner Jones – Masters Drive

Commissioner Jones acknowledged the County for installing speed humps on Masters Drive in effort to control traffic speed; however, he said that residents of the area were concerned that the traffic calming devices might divert traffic into the neighborhoods. He assured the public that staff was watching the situation for potential problems.

Mayor Gardner – Front Yard Parking

Mayor Gardner stated that the matter of front yard parking would be addressed by the PZB on the August 3rd.

Tree Code

Mayor Gardner announced that the proposed revisions to the tree code would also be addressed at the PZB meeting on August 3rd.

Loan Scam

Mayor Gardner cautioned the public that there were refinancing scam artists preying on the elderly and people with low or bad credit.

10. Appeals and Public Hearings

(None Scheduled)

11. RESOLUTIONS AND ORDINANCES (To include public hearing)

11.A/ Resolutions

11.A.1/ Consideration of Resolution 2004-15, concerning the proposed tentative millage rate for the City of St. Augustine.

Mark Litzinger, City Comptroller, explained that the resolution established the proposed millage for the City for the 2004/2005 budget year. He said that the proposed 6.983 mills represented a 15% increase over the roll back rate. He added that the actual millage was 6.6, and the roll back rate was the millage rate that would be necessary to collect the same amount of dollars as collected the previous year. He clarified that the 15% was an incremental dollar value over the roll back rate, or additional money that the City would use for its operating budget. He continued that the

staff proposed millage rate was normally a little high for flexibility, but it could easily be decreased during the budget process and workshops. He said that the early numbers from the state indicated that the state revenues were flat or less than the previous year, and he could not recollect the state numbers ever being less. He added that there were requests from the different departments, and the Commission had expressed interest in doing different things that would increase the level of service the City provided. He said that the City Commission had requested that the wish list be brought up again for the 2004/2005 budget.

Mr. Litzinger said that Ms. Shirmacher's suggested cost of \$75,000 for a consultant to update the City Code was under estimated, as the Planning and Building Director said that the cost would be \$100,000 for a simple revision, and a complete revision would cost approximately \$250,000. He noted that if the 15% increase was approved a citizen with a \$150,000 property value with a \$125,000 exemption would realize a tax increase of \$47.88.

Commissioner Burk stated that she would not agree to an increase over the current 6.6 millage rate.

Commissioner Lennon stated that the increased value of properties represented an increase to the taxpayers. He explained that property values had increased so much that there should be enough revenues from the increased taxes to lower the millage rate, and that was what he would like to see.

Commissioner Burk agreed that she would like the millage lowered, but she would be willing to go to the 6.6 anticipating that they might lower it during the budget process.

Mr. Harriss stated that one of the items on the wish list was for a per tenth of a mill decrease in the taxes. He said that if there was any money left over they could spend it on a number of things, such as lowering the taxes, but whatever millage they set at that time would be tentative.

Mayor Gardner noted that the City received only one quarter of the tax money that the taxpayers paid. He explained that the rest went to the county, schools and other agencies. He said that traditionally the Commission wanted to hold the tax line, and there would be four public workshops (two workshops and two public hearings) regarding the matter. He stated that revising the Code was a priority in the face of tremendous development. He said that he had confidence in the City Manager's ability to create a tight budget, but there were always philosophical decisions to be made. He noted that the budget would not be available until the workshops, which did not allow much time for the public to analyze it.

Commissioner Crichlow said the money that had been available for the wish list the previous year went quickly without fulfilling the entire list. He said that the citizens were going to have to determine that if they wanted certain things they were going to have to pay for them. He said that he would be in favor of the suggested increase in millage until they got into the budget process when they would have the option of reducing it, as it would be difficult to increase it at a later date.

Commissioner Jones questioned where they needed to be to maintain the same level of dollars budget wise as the previous years.

Mr. Litzinger replied that generally the advalorem increase was enough to provide the same level of services, but he could not guarantee it.

Commissioner Jones said that they were paying additional dollars for some services, and they anticipated negotiations with the unions and employees would result in costs going up; therefore, it would cost more to provide the same level of services. He questioned whether they could maintain the government and do what had to be done if they maintained the 6.6 mills.

Mr. Litzinger expressed concern regarding the state revenue, but said he felt that the City could maintain at 6.6 mills.

Commissioner Burk stated that the bottom line was that the City would have half a million dollars more to run the City than they had the previous year.

Commissioner Lennon stated that the City would actually have more, as the apartments built by Pierre Thompson were being turned into condominiums.

Mr. Harriss agreed, and he said that they would have enough to take care of anticipated business, but there would be no bells and whistles.

Mr. Litzinger clarified that the City would be \$200,000 short in state revenues.

Commissioner Crichlow questioned the last time that the millage rate had been raised.

Mr. Litzinger replied that it had been nine years earlier.

Commissioner Lennon stated that the millage had not been raised, but the increased property values had amounted to a tax increase for the citizens. ²

Mr. Harriss said that the increase in millage would take care of the inflationary aspects to remain at the same level.

Commissioner Burk stated that by not raising the millage they were protecting the people's homesteads. Therefore, she said that by not raising the millage the additional revenues would be the result of annexations, new development, commercial and rental properties but it would not affect homeowners.

Wilton Rooks, 151 Santa Monica Avenue, said that the answer to Commissioner Jones questions was 6 mills would be equivalent to raising the same amount of money, and he did not believe the Commissioner had gotten that answer. He said that the 6.98 mills was 15% over the roll back number. He said that the City had collected approximately \$.5 million more over the previous years, which was approximately 10% and way more than inflation or the cost of living increases; therefore, the revenues went into the coffers to produce additional programs. He said that it would be interesting to see what types of increases had occurred over the years. He added that he knew the state numbers had to be factored in. He stated that it was disingenuous to only look at the increase over the previous year, as he felt there was a need to do some zero base budgeting at some point in the budget evolution of an organization. He suggested that the City might discover that some programs should be reduced. He said that he hoped there would be a larger citizen turnout for the budget workshops and public hearings, because

the City needed to hear the budget priorities coming from the citizens in terms of what needed to be spent and how the money should be spent.

Commissioner Lennon stated that the City Manager had been handling the budget for years and not increasing the millage; therefore, he felt confident that the City Manager had been watching the City dollars well.

Mr. Rooks agreed that there was no question there, but the question was where the half a million dollars a year was going; furthermore, it was a fair question.

Mr. Harriss stated that advalorem taxes were not the whole budget, so while Mr. Rooks was saying that it went up 10% it was only 25% of the budget, and they had to fund the other costs of the budget. He said that the City had examined and justified the increased programs for many years, and the City had won awards for many years for the thoroughness of the City's process.

Mr. Rooks said that no one was questioning that, but if there was no reason to talk about it, then there was no reason for the workshops. He said that concerning the Zoning Ordinance issue they could not look at it as a total cost increase, which was unfair because City Staff and the boards regularly dealt with the cost of ordinances that did not deal with what the City wanted to accomplish. He said that the number of variances and exceptions the boards dealt with required staff time etc. He said that recently there was contention over businesses or citizens trying to do things that were not covered by the ordinances. He said that it would be nice to have a set of ordinances with less gray area in terms of what was allowed to

² End of audio tape two

be accomplished in the City. He said that when the issue of rewriting the Code had been raised a couple of years earlier the cost had been \$50,000 and currently the cost was \$250,000; therefore, it made sense to do a rewrite sooner than later.

Commissioner Lennon stated that he had only heard five people expressing interest in rewriting the Code and three of them where on the Commission. He said that the City had been dealing with the existing ordinances for many years, but currently a small group wanted the City to spend \$250,000 to make the changes to better themselves. He said that when there was a problem the City addressed the related ordinances.

Mr. Rooks stated that contrary to the Commissioner's statement no one bettered themselves through the proposed ordinance changes. He suggested that the Commission look seriously at the matter, as there were many reasons to have up-to-date ordinances, and he noted that the City Manager had previously supported the prospect.

Mr. Harriss stated that he still supported the suggestion.

Commissioner Burk said that it was not so much to change the ordinances. She said that the ordinances had evolved in a mismatched fashion.

Mr. Harriss stated that he would love to clean up some of ordinances as problems occurred.

Commissioner Lennon stated that he would prefer to deal with the ordinances as they experienced problems.

Mr. Harriss admitted that sometimes they fixed the problem after the horse had left the barn. He suggested that

they start by investing \$50-\$75,000 into the matter for direction, and spend it over a 5-10 year period.

Mr. Rooks suggested that they consider the amount of staff time the problems absorbed when they came up.

Mayor Gardner stated that the City had been operating under the existing Code for years.

Mr. Rooks agreed but stated that St. Augustine had changed.

MOTION

Commissioner Burk MOVED to hold the tentative millage rate at the current 6.6 mills. Commissioner Lennon SECONDED the motion.

VOTE ON MOTION

AYES: Burk, Lennon, Jones, Gardner

NAYES: Crichlow

MOTION CARRIED 4/1

11.B/ Ordinances - First Reading

(None Scheduled)

11.C/ Ordinances - First Reading - Public Hearing Required

(None Scheduled)

11.D/ Ordinances - Second Reading Public Hearing

(None Scheduled)

12.A/ General Public Comments (5 minutes per individual).

Merrill Rowland, 6281 Old Dixie Drive,
spoke regarding the proposed parking

garage and suggested that the City utilize a low powered FM radio for visitors, and he was informed that the City already had one licensed by Cochran Keating. He added that it did not appear to be on the air.

Mr. Rowland said that he had submitted a proposal for a kiosk in the replica of a Spanish ship for a tour guide business at the Casa del Hidalgo, for which he would always be dressed in period costume. He said that he had not resubmitted the proposal, because staff had told him that kiosk's were not allowed according to Code. He complained that no one could tell him what the Code was or how he could modify his proposal. He noted that he had gotten a City tour guide license, occupational license, and he had gotten a county occupational license. He added that there were people selling tour guide tickets up and down St. George Street.

After discussion it was determined that the existing kiosks on St. George Street would be defined in the near future, and it was suggested that Mr. Rowland rent space in any of the existing stores on St. George Street until the City was able to establish the definitions.

Commissioner Crichlow suggested that Mr. Rowland's idea for a Spanish ship kiosk would not be approved by HARB, as he believed that kiosks would be allowed in certain areas with guidelines established for historic districts.

Non Agenda Item - Parking in Front Yards

Commissioner Jones questioned why the subject of parking in front yards had been addressed earlier in the meeting. He asked whether the subject had originated with the Planning and Zoning Board.

Mr. Harriss stated that the subject had been discussed intermittently for many years, but many problems could occur from a blanket ordinance that restricted parking in front yards. He said that one of the PZB members had recently brought the subject to light. He said that to date the City had not successfully developed an ordinance.

Commissioner Jones stated that when the matter was in the newspaper he had received several telephone calls and comments concerned about the impact of such an ordinance.

Commissioner Crichlow said the subject was difficult to apply. He said that he would be against citizens parking on the grass in their front yard; however, there were instances where it would be appropriate.

Commissioner Jones suggested that the matter be addressed on a case-by-case basis to avoid a lot of lawns being turned into concrete. He stated that the Constitution was developed to protect the people from government, but the Commission was continually trying to impose on the people.

Mayor Gardner said that was why he was grateful that the City had citizen boards to deal with matters.

Tom Sheltra , 117 St. George Street, expressed concern about the proposed leases for the Casa del Hidalgo regarding parking and trash. He said that he had lived there for four years, and they had seen three restaurants open during that time that used one dumpster. He said that the alley was out of control with parking and trash; therefore, the City would have to address the two issues before leasing the Casa del Hidalgo.

Mr. Harriss agreed that the matter had to be addressed, and the City was anticipating a restructuring of the parking, roadway and potentially a sidewalk.

Mr. Sheltra stated that it was a strange situation downtown when a road grader was consistently leveling the sand because the potholes kept recurring due to traffic. He added that a part of the alley was paved; however, it was buried under sand.

Mr. Harriss said that it was a unique situation, as the City did not own all the property, but he recognized that the City had to address the matter.

A discussion resulted regarding restricted parking and dumpsters, and it was determined that the situation would be remedied.

12.B/ GENERAL PUBLIC PRESENTATIONS AND COMMENTS (15 minutes per presentations)

(None Scheduled)

13. Adjournment

There being no further business, the meeting was adjourned at 8:06 p.m. ³

MAYOR

CITY CLERK

³Transcribed by Karen Rogers, Recording Secretary