

CITY OF ST. AUGUSTINE

Regular City Commission Meeting
July 11, 2005

The City Commission met in a formal session Monday, July 11, 2005, 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, Vice Mayor/City Commissioner
Joe Boles, City Commissioner
Donald A. Crichlow, City Commissioner
Errol D. Jones, 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
Mark Litzinger, City Comptroller
Robert Leetch, Director of Utilities and Public Works
Dr. William Adams, Director, Heritage Tourism
James Whitehouse, Staff Attorney
Paul K. Williamson, Director, Public Affairs
Loren Lueders, Chief of Police
James Owens, Fire Chief
Karen Rogers, Recording Secretary

2. INVOCATION AND PLEDGE OF ALLEGIANCE

Reverend Ken Asplund, Living Waters Ministry delivered the invocation and Commissioner Jones led the Pledge of Allegiance.

3. ADMINISTRATIVE ITEMS

3.A/ Modification of Agenda

(None)

3.B/ Approval of Minutes

Due to the length of the previous meeting as well as the fourth of July holiday the minutes of the June 27, 2005 meeting were not completed.

3.C/ Proclamations

(None Scheduled)

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

John Prosser, 5774 US1 North, told the Commission a story relating to his time of service to the United States.

Leslie Garcia, 406 Arricola Avenue, asked the Commission to force City Staff to sit down with the people that were using the Plaza as an alternative for creative speech since being banned from St. George Street. He said that he wanted staff to meet with him to rewrite

the rules regarding the Plaza vendor's zones at specific time periods, including the 10-day rotation and the Sunday hours beginning at 1:00 p.m. He suggested that the rules no longer applied, because there were only 3-4 vendors left that made everything they sold. He added that the boxes created for the different zones were in poor condition, but he had gotten nowhere with staff regarding the matter. He pointed out that the lighting had not been repaired in the Plaza. He stated that he was generally forced to have discussions in the hallways with City Staff that were discourteous, and he suggested that customer service in City Hall was lacking.

Commissioner Boles clarified that the vendors paid \$25 a week or \$75 a month for their vending permits, and he questioned whether Mr. Garcia worked full time in the Plaza.

Mr. Garcia said that he was disabled, it was his activity of daily living and he wanted to be able to sit close to the action, which was St. George Street. But, he said that some of the zones were too far away and people could not find him. He added that the zones no longer applied and starting at 1:00 p.m. on Sunday was anti-business, because no other business in St. Augustine was held to that time schedule.

Commissioner Crichlow said that if there were only 2-3 vendors in the park and they liked certain locations why should they be forced to rotate zones. He said that if more vendors started working in the Plaza it would be different, and they would have to rotate. He stated that the mulched areas should be maintained.

Mr. Harriss pointed out that the City did not receive enough money from the vendor's permits to maintain the mulch and timbers. He said the problem with the program was that it did not pay for itself; therefore, the taxpayers had to pay for it. He said that the rotation kept the traffic on the grass balanced. He said that the Sunday starting

time was questionable, and he would not have a problem eliminating it. He added that regarding the rotation it would be difficult to turn it on and off according to the number of vendors. He said the vendors that were in the market had no problem with business and they were at the other end of the Plaza, which indicated it was not about location it was about product.

Mr. Garcia stated that the reason for the rotation had been to save the grass, but the rotation was created before the boxes were established. He said staff had told him that people still crowded around the boxes, but he disagreed with their rationale. He said that he was not asking to get back on St. George Street; he just wanted to do what he did in a normal fashion, and he wanted to be able to choose a particular zone if there were not that many vendors. He disagreed that his activity killed the grass in the Plaza.

Casey E. Leydon, 144 Oveido Street, stated that a trench had been dug across the Indian burial ground at 11 Tremerton Street. He requested that the City take action to preserve the cemetery.

Mr. Harriss stated that it was not a police matter and staff had already met with the people involved. He said the trench had been dug for a security fence without permission, which was not right and it would be removed. He said that the City could not monitor the site 24/7, but they would continue to observe the situation.

Mayor Gardner stated that the City appreciated and relied on the residents to keep the City informed.

Willet A. Doyer, 26208 Harbour Vista Circle, stated that he was a member of the St. Augustine Archeological Association, and he had defended his Masters Thesis on the La Punta Mission site. He said that he had met with Mr. Jonegan the developer of the 11 Tremerton Street site, and the immediate issue had been resolved. He said the trench that had been dug was not deep enough to

disturb the burials and it had not caused immediate destruction; however, if it had remained as it was water would have drained into the area and destroyed the burial grounds. He stated that the Commission had to be aware that they would face the same issue again, because La Punta was only one of a number of undiscovered mission grounds throughout St. Augustine. He said that the Conservation Zone Easement was the immediate preservation issue for 11 Tremerton Street, but there was also the Florida Statute 872 governing unmarked burials. He said the statute provided that the state archeologist had jurisdiction over unmarked burials in the state. He said that the statute provided for criminal liability, and in the event of disturbance the violator would be guilty of a felony. He said that the situation at 11 Tremerton Street had been handled quickly, but it would benefit the City to prepare a series of protocols and consider potential implications to protect City officials and provide greater preservation of the sites in the future.

Commissioner Boles said that if the actions described by the City Manager constituted a felony, the statute required that a person "knowingly disturbed" a burial site.

Warren Rauhofer, 159 South Roscoe Boulevard, stated that he was a member of the St. Augustine Yacht Club and he wanted to make the Commission aware that the yacht club was interested in the Lighthouse Restaurant and facility, and they would be interested in negotiating with the City for a lease.

Mr. Harriss stated that they were only in the first phase regarding the property.

B. J. Kalaidi, 8 Newcomb Street, stated that the first reading of Ordinance 2005-19 establishing height restriction for nonconforming lots of record in RS-1 and RS-2 and the Ordinance 2005-20 concerning aggregation of nonconforming lots in RS-1 and RS-2 should not be heard during that meeting. She stated that the City had

promised the citizens a workshop, which would be held on July 13, 2005 at the County Auditorium forcing City residents to travel outside the City limits to voice their concern. She said that to address the aforementioned ordinances before the citizens could express their views was wrong.

Hildegarde Pacetti, 305 St. George Street, spoke regarding the parking permit program and made suggestions. She said that when the PUD was approved for the Westcott House and Villa de Marin there had been a provision that they would provide off-site parking for guests; therefore, they should not be allowed decal parking on Avenida Menendez.

5. PRESENTATIONS AND STAFF REPORTS

5.A/ Paul Williamson – Recap of the Fourth of July Weekend.

Paul K. Williamson, Director, Public Affairs, reported that the 2005 edition of *Celebrate Liberty*, St. Augustine's Independence Day event, had been a tremendous success. He said that lodging occupancy had been exceedingly high and retail activity had been heavy. He said that the seven o'clock concert had been well attended in spite of the earlier thunderstorm. He said it was the fourth year that the fireworks were coordinated with music and simulcast on an AM and FM radio station.

Mr. Williamson said that the collection of bed tax paid for the fireworks; however, the City of St. Augustine through the Public Works, Fire and Police Departments provided a safe and enjoyable environment. He said that City crews logged nearly 200 hours overtime, and on the Fourth of July $\frac{3}{4}$ of the police department worked logging approximately 200 hours. He said that the City had conducted an intensive solid waste removal operation throughout the weekend and placed over 100 trash receptacles throughout the downtown area and crews had walked around picking up trash in the downtown area

also. He stated that the City had provided 50 portable restroom units in six different locations, extended the public restroom hours, and put the information on a map that was distributed throughout the merchants etc. downtown. He said they had also closed Avenida Menendez and the Bridge of Lions to vehicular traffic again.

Mr. Williams said that they had continued to label the firework display *Fireworks of the Matanzas*, which people had begun to recognize as they were recognizing the label *Celebrate Liberty*. He stated that Santori & Sons had produced the fireworks display for 13-years, which was 20 minutes long and included 6,500 different shells, plus they always tried to add something extra. He explained that the Santori barge was not anchored because of the tides and winds; therefore a tug boat kept the barge stable throughout the show. He said that normally the barge arrived in the middle of the afternoon; however, this year the tug boat contractor failed to fulfill their obligation and the barge had not arrived until 9:30 p.m.; therefore, the fireworks show had been delayed by 30 minutes. He said that because of the delay Santori & Son was not going to charge the City the \$5,000 for the barge, and the City would charge \$30,000 to the St. Johns County Tourist Development Council instead of \$35,000. He said that to avoid that problem in the future staff had identified a location in the City that was suitable to load the barge. He concluded that City Staff should be commended for their hard work.

Mayor Gardner questioned how the traffic situation had been after the fireworks display.

Mr. Williamson replied that the police department refined their plan every year, and the only comments they had heard were positive, as it had not taken people as long to get out of the downtown area.

Mayor Gardner questioned whether there had been an estimated 40,000 visitors for the event.

Mr. Williamson replied that it was really impossible to tell, but 40,000 was a good estimation.

Commissioner Boles questioned whether vendors had to get a license to sell during the event.

Mr. Williamson replied that they should have, but it would be difficult to police the situation under the circumstances.

Commissioner Boles stated that it was good that the City received some revenue from the event.

6. ITEMS BY CITY ATTORNEY

(None Scheduled)

7. ITEMS BY CITY CLERK

7.A/ Notification of Proclamations.

(None)

7.B/ Consideration of two appointments to the Historic Architectural Review Board.

The City Clerk reported that two HARB appointments were requested for the term expirations of Roy O. Barnes, Jr. and Dana Ste. Claire, and Mr. Ste. Claire was eligible for reappointment. She said that there were eight applicants as follows:

1. Matthew S. Edwards, 1010 Bella Vista Boulevard
2. Robert B. Ellert, 48 Sevilla Street
3. Becky Greenberg, 3 St. Andrews Court
4. Karen Harvey, 6 Flamingo Drive
5. Suzanne C. Nulty, 20 Rhode Avenue
6. Walter J. O'Kon, 93-A King Street
7. Miriam E. Pujals, 72 Sanford Street
8. Dana Ste. Claire, 820 Sea Turtle Lake Court

The Commissioners voted by written ballot and reappointed Dana Ste. Claire and after three ballots appointed Karen Harvey.

7.C/ Consideration of one appointment to the Historic Preservation Advisory Committee.

The City Clerk reported that there were two applicants as follows:

1. James L. Zimmerman, 3 Palm Row
2. Michelle Reyna, 184 Marsh Island Circle

The Commission voted by written ballot and appointed Michelle Reyna.

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/ Consideration of Request for Proposals relative to Suite 105 of the Casa Del Hidalgo.

8.A.3/ Consideration of Request for Information regarding the Lighthouse Park Restaurant.

8.A.4/ Notification of vacancy on the Planning and Zoning Board.

8.A.5/ Consideration of Interlocal Agreement with Heritage Park Community Development District.

Mayor Gardner requested removing Item 8.A.2. and 8.A.3. for discussion.

MOTION

Commissioner Crichlow MOVED to approve Items 8.A.1., 8.A.4. and 8.A.5. on the Consent Agenda. The motion was SECONDED by Commissioner Boles and approved by UNANIMOUS VOICE VOTE.

8.A.2/ Consideration of Request for Proposals relative to Suite 105 of the Casa Del Hidalgo.

Timothy A. Burchfield, Chief Administrative Officer, reported that they had received six inquiries and one proposal from AVR Projects Corporation for a retail shop offering Spanish shoes, sandals and assorted accessories, as well as demonstrations of sandal making. He requested direction from the Commission.

Commissioner Boles said that it was mind boggling that they had only received one proposal.

Mr. Burchfield said that they had guaranteed no competition within the building and they had received numerous inquiries for cafes or restaurants, which would be a conflict. He pointed out that the situation was also limited to retail that had to be Hispanic in nature.

Mayor Gardner suggested the possibility of the City operating the space for the time being and selling stock similar to the museum store and possibly offering space for rotating craftsman from the village to help promote the Spanish Quarter. He said that they could possibly sublet space for displays from private retailers in the area. He said that the space could be turned over for lease at anytime. He added that the City was in the process of interviewing a firm for consultation about a business plan for the Heritage Tourism program, and they might have some better ideas of how to use the space. He said that the disadvantage of the suggestion was that the City lost the revenue from the lease, which was approximately \$2,000 a month, but he thought that the revenue from promotion of the Spanish Quarter could be offset through sales.

Commissioner Jones stated that it was a little late to suggest the idea, because they had already asked the public for RFP's and changing their minds would not be fair. He emphasized that subletting was out of the question, and he said that the City did not need to go into business selling souvenirs or

be in competition with the public. He said that it was bad timing for the suggestion, and they should proceed in the direction they had been heading for the past six months.

Commissioner Burk agreed that the timing was not the best, but the idea was brilliant. She said that they needed to keep their options open considering the consultants that were studying how to make the City's Heritage Tourism work.

Mr. Burchfield said that the Mayor had spoken to him about his suggestion, and he had researched the matter. He said that they had estimated that they would need sales of \$180,000 and \$200,000 for that space to pay the rent and to pay the debt service to General Fund for the space. He added that at the same time they would have to hire another full-time and three part-time employees to be able to manage the gift shop, and if it was determined not to continue the venture they would have to cut those positions out of the budget. He said that he had also talked with Dr. Adams about bringing crafts people from the Spanish Quarter into the space; however, they were currently short handed.

Commissioner Jones pointed out that they would be in competition with themselves. He said that it was a matter of trust, as they had already gone to the public; therefore, they should honor their obligation to the public. He said that it was a little too late to change their minds, plus they had to consider the financial ramifications.

Commissioner Burk said that it was not unusual for the City to solicit bids and then change their plans. She suggested keeping the space until the consultants had a chance to make suggestions. She said that the gift shop was one of the most profitable portions of the Spanish Quarter.

Mr. Burchfield agreed that the City gift shops made money.

Commissioner Boles said that he enjoyed having a marketing space, and he hoped that the consultants would give them flexibility for testing the waters. He suggested that they have City of St. Augustine approved items with the City Seal for sale. He said that he liked the idea of preserving their options. He clarified that the RFP would not inconvenience the applicant; moreover, they were not snatching something away from the public. He offered to be the third vote approving the suggestion.

Commissioner Crichlow expressed concern about the amount of money that it would take to break even.

Mr. Burchfield said that they would also have to pay themselves \$25,000 rent and the debt service depended upon the combined rent from the building. He stated that after debt service they would have to net approximately \$15,000, and if they did not meet the \$25,000 they would be short on the debt service by at least \$10,000.

Commissioner Crichlow questioned whether the existing gift shop grossed \$180,000-\$200,000 annually.

Mr. Burchfield replied that the combination of the VIC and the Spanish Quarter gift shops did make that much, and the Spanish Quarter grossed the most. He said that for 2005 they were projecting approximately \$550,000 in gross revenues, and the largest share would be from the Spanish Quarter gift shop.

Commissioner Crichlow expressed concern about paying the debt for the purchase of the Casa Del Hidalgo. He said that he kept hearing that the City gift shops were not getting a good return on the investment.

Mr. Burchfield agreed that they did not believe the gift shops were getting the return they should.

Mayor Gardner said that the current Commission had gotten into a lot of un-chartered territory in effort to see if they could

do it better. He acknowledged their success and expressed appreciation to all those that had helped. He said that having professionals look over their situation with Heritage Tourism made ultimate sense to him.

Commissioner Jones suggested that the consultants work on the Spanish Quarter while the City counted on guaranteed revenues from the Casa Del Hidalgo.

Commissioner Boles stated that they could always rent the space later.

Mayor Gardner stated that he did not see it as a long-term venture.

MOTION

Commissioner Boles MOVED to retain suite 105 for consideration by the consultants as location for revenue increase (inaudible) The motion was SECONDED by Commissioner Burk.

VOTE ON MOTION

AYES: Boles, Burk, Crichlow, Gardner

NAYES: Jones

MOTION CARRIED 4/1

Mayor Gardner questioned the status of the other leases in the Casa Del Hidalgo.

Mr. Burchfield replied that suite 101 was under lease and would open later in the month after they completed their licensing. He said that suite 102 would be signing a lease that week to take the space on August 1, 2005 and Maricarmen would sign a lease within the next week and Jeff Holleran in suite 201 would sign a lease within a couple of weeks, but he could not start operation, until the City installed the elevator.

8.A.3/ Consideration of Request for Information regarding the Lighthouse Park Restaurant

Mr. Burchfield reported that the City had advertised for a Request for Information from any interested company or individuals from the public for use of the property. He said that the request contained the caveat that there could not be a full scale restaurant and the public restrooms would have to be open and maintained during certain hours. He said that there was a great deal of detail in the request because the City Attorney had said it was necessary to protect the City; they were strictly information gathering and not making an official request for proposal. He said that a request for proposal would be sent out at a later date.

Commissioner Boles said the request made it clear that nobody was entitled to anything, but it could have a chilling affect on anyone in terms of a business plan.

Mr. Burchfield said that he had spoken with some people and told them to hold back on details, but provide the City as much information as possible so that the Commission could make an informed decision. He stated that rent was not the object at that point.

Commissioner Crichlow questioned why it was not important.

Commissioner Boles said because there might be interest from non-profit groups.

Commissioner Jones stated that money was equally important.

Mr. Burchfield replied that he had gotten the idea that the Commissioners were more interested in what to lease the space for and then consider money.

Commissioner Crichlow said that maintenance might be considered a part of the rent.

Commissioner Jones agreed that they would have to balance the matter, but revenue from rent was still a consideration.

Commissioner Crichlow suggested that the Commission would look more favorably on an organization that demonstrated a desire to make the facility available to other entities and not be a closed door facility.

Commissioner Burk suggested that they wait for response from the public.

Mr. Harriss said that he needed to hear what the Commissioners were interested in leasing the building for.

Commissioner Burk invited the public to call and share their visions with the Commissioners.

Mayor Gardner said that in the past the building was used for food service and a bait shop. He said that at that point it was clear that a bait shop was not necessary, but a snack bar would be good.

Mr. Burchfield said that the request was as general as possible and the requests that the Commission found favorable would allow him to make the request for proposal more specific. He stated that without the specifics for the use of the space it was difficult to determine what to charge for the space.

Mayor Gardner stated that a reasonable consideration would be a snack bar for the Lighthouse and the pier.

Commissioner Boles said that he wanted the public to know that the City would take a good look at whether applicants were under capitalized and their credit rating etc., because they had experienced too many losing ventures in the location, which was not good for the neighborhood and not good for the tax load.

MOTION

Commissioner Burk MOVED that Item 8.A.3. be approved. The motion was SECONDED by Commissioner Crichlow and approved by UNANIMOUS VOICE VOTE.

8.B/ Discussion Items

(None Scheduled)

9. ITEMS BY THE MAYOR AND COMMISSIONERS

Commissioner Boles – Historic Preservation Properties

Commissioner Boles stated that he had started working on the matter by talking with Dr. William Adams, Director, Heritage Tourism, Representative Bill Proctor, Bill Smith and the City Manager Bill Harriss. He encouraged the introduction of a resolution for the matter.

Commissioner Boles said that he sure wished they could engage enforcement regarding moored boats and especially the trash and sewage situation.¹

Commissioner Crichlow suggested a workshop regarding the matter.

Mr. Harriss said that he would see if the Sea Grant people had a date.

Mayor Gardner questioned whether the matter would be all encompassing, as mooring fields were one subject and trash or derelict boats was another.

Mr. Harriss said that there would be a harbor plan for all aspects.

Commissioner Crichlow – Vendors in the Plaza

Commissioner Crichlow stated that although the City did not collect enough money from the vendor permits it was still a park that the City should maintain by adding mulch to the zones.

Mr. Harriss replied that there was no problem maintaining the Plaza. He pointed out that it was easier if they rotated the vendors,

¹ End of audio tape one

because if they put a vendor in one place it became "their" place; however, it was not the responsibility of the City to insure their success. He said that the City had to provide a venue, plus the rules were reasonable. He said that for a few dollars a day the City offered some of the best real estate in St. Johns County for use by the vendors.

Commissioner Crichlow stated that he had not heard any complaint that prevented the vendors in the park before 1:00 p.m. on Sunday. He said that the homeless sleeping on the benches was more offensive to him.

Mr. Harriss said that he had no problem making that change, as it would be one less thing for staff to be concerned about. He said that if that was the consensus of the Commission he would make the change.

Commissioner Burk stated that she had been concerned that the time restriction was unconstitutional.

MOTION

Commissioner Crichlow MOVED to remove the time restriction for the vendors in the Plaza on Sunday. The motion was SECONDED by Commissioner Burk and approved by UNANIMOUS VOICE VOTE.

A brief discussion regarding Sheriff Shoar indicated that he was back to work and on the road to recovery.

Commissioner Jones – The Plaza

Commissioner Jones questioned whether the lights were working in the Plaza, and the response was affirmative. He added that the City was there to serve, service came first and he suggested that it would be best to accommodate any inquiries from the public.

Mayor Gardner – Announcements

Mayor Gardner delivered announcements regarding people and community events.

10. Appeals and Public Hearings

(None Scheduled)

11. RESOLUTIONS AND ORDINANCES (To include public hearing)

11.A/ Resolutions

11.A.1/ Consideration of Resolution 2005-14, adopting the St. Johns County Local Mitigation Strategy Plan.

Mr. Harriss stated that the resolution involved the City's response to hurricanes and fires etc. He said that joining with the county allowed the City to apply for and receive FEMA grants. He added that it was a renewal of a resolution that they passed annually.

MOTION

Commissioner Crichlow MOVED that Resolution 2005-14 be approved. The motion was SECONDED by Commissioner Jones and approved by UNANIMOUS VOICE VOTE.

Commissioner Crichlow pointed out that the details of the resolution were quite serious and required the City to exercise their ability as a City to adhere to the guidelines. He said that the part having to do with increasing the amount of open green space should be remembered when considering development and applications for rezoning, as it might be a good reason for denial.

Mr. Harriss agreed that the Planning and Building Department was serious about the matter.

11.A.2/ Consideration of Resolution 2005-15, concerning the proposed millage rate for Fiscal Year 2005-2006.

Mark Litzinger, City Comptroller, reported that Resolution 2005-15 established the proposed

millage for the City of St. Augustine for the 2005/2006 budget year. He said that the budget committee recommended that the proposed rate, at a minimum, be equal to the current millage of 6.6 mills. He said that the proposed rate should at least be sufficient to balance the budget for the forthcoming year due to the complexities and expenses associated with raising the millage after that date. He stated that a tenth of a mill was equal to approximately \$132,000 in taxes.

Commissioner Jones stated that they had to consider the rule, as what they determined at that time would be the maximum, which allowed them to agree to a lower figure, but if they determined to go to a higher figure the procedure to make the change was extreme. He said that they were not currently setting the millage, they were setting the maximum.

Mr. Litzinger explained that they could increase the millage from that point forward; however, they would have to notify every tax payer by certified mail, which would be costly. He said that the 6.6 mills was a number that staff felt comfortable with to provide the same level of service the City had provided in the past.

Commissioner Crichlow said that if they were to increase the millage rate it would not mean that they would increase taxes. He explained that it simply gave them the flexibility during the budget meetings to do more, and it would give them the option to bump the millage a half mill or something to get a little more money. But, he said that if they did not increase the millage at that time they would not have that flexibility. He concluded that it made sense to give themselves the option.

Commissioner Jones questioned how many years the millage had been at 6.6 mills.

Mr. Litzinger replied that they had been at 6.6 mills for two years and ten years prior they lowered the millage by a tenth of a mill.

Mr. Harriss explained that it was 7.5 mills, but they lowered or kept the same millage for the past nine years.

Commissioner Burk stated that there was no need to increase the millage, because the increase in property values took care of the significant increase in the City budget; therefore, staying at 6.6 mills was already adjusting the millage upward.

Commissioner Jones said that they were looking a \$1.3 million dollars, and questioned how much would be used for normal increases for pension benefits, police, fire and other services.

Mr. Litzinger replied that it would take the majority of the money, as their rough estimates were right at \$1.3 million.

Commissioner Jones said that in reality they did not have any money, because it was already committed; therefore, it was not really clear to say they had sufficient dollars. He suggested further discussion, because there were problems in the City and services that were deteriorating. He said they all knew that the infrastructure was horrible, as there were water and sewer lines in bad shape and staff had been patch working those lines for years. He said that they could continue or determine a plan to alleviate the problem over the long-term. He said that drainage would always be a problem but there were areas of the City that were underwater when they had heavy rain, but the City could do nothing about it because there was no money for it. He continued that the streets were in bad shape and required paving. He said the Charlotte Street project was successful but expensive, and there were other streets that needed equal attention. He said it was a real problem that they needed to address. He added that regarding cleanliness there were streets that were embarrassing in terms of trash, weeds and debris. He said that they had not done anything to the City in years, and City hall needed a new roof. He said that politically it sounded good to say "don't raise the millage", and people loved it, but they had

the responsibility to maintain the City, and they could not do so without money. He said they just could not continue to say that raising the millage would not happen during my term, because at some point the public would point out that the deterioration had taken place during my term. He said that the public wanted to keep the fire department, but where was the money supposed to come from to pay for it. He said that they could sit back and look good by not raising taxes, but they would catch hell when they could not provide the expected services. He referred to the cost of gasoline and said that everything cost more, and he questioned how they could say that they did not need more money when they were paying more for everything. He stated that it cost money to do business and running the City was a business, and they needed to stand up and say that they needed more money to do their job. He suggested setting the millage at 6.8 mills and then see whether they could manage with less.

Mayor Gardner said that the City Manager had made a list of the City's financial needs to take care of everything, and the necessary amount was \$194 million.

Mr. Harriss stated that if they raised the millage it would save a lot of problems. Mayor Gardner said that it would also change the context of the City Commission in a real hurry.

Commissioner Jones questioned whether they were there to protect their jobs or do what was best for the City.

Mayor Gardner said that currently the millage was 6.6 mills and there would be \$1.3 million in additional revenue that was committed to the police department and general employee pension. He said that they would be setting the final budget during the budget workshop on August 11th and 12th, and if they added millage at that time the amount could still be rolled back in August. He welcomed citizen input.

Commissioner Crichlow pointed out that recently the City had questioned the public regarding increased cost for recycling and trash and the public was unanimously willing to pay more if they were going to get something for their money. He said that he would like to have the flexibility to make improvements, and he felt that the public would be willing to pay more.

Commissioner Boles questioned how bad it would be to increase the millage later.

Mr. Litzinger reiterated that they would have to notify all the residents of the city by certified mail, which would be quite costly.

Mr. Harriss stated that it would be a waste of taxpayer's money when essentially it could be determined at that time without any expense to the taxpayers.

Commissioner Jones said that the key word was *proposed* as the amount was a ceiling that they could always reduce without costing money.

Mr. Harriss stated that although they had increased assessments, costs had also gone up considerably, they had some serious changes in the fire department and upcoming changes in the police department, and he added that they had just lost a building inspector to St. Johns County, because the county paid more. He said that they could get into a crisis mode if they did nothing. He said that they were down twelve employees or two full crews in the Utilities Department because the wage rate was uncompetitive.

Commissioner Boles questioned why the Commission had a request for 6.6 mills and not more.

Mr. Harriss explained that they were not requesting 6.6 mills or anything specific, they were just informing the Commission that 6.6 mills was the current millage that would allow the City to maintain the existing level of service.

Commissioner Burk stated that she had been doing the budget for nine years and never increased the millage rate. She said the Commission had always held it to what it was and the increased revenue was from the property appraisers appreciated values. She said that they had never gone higher than 6.6 and she had never gone through the procedure to notify the residents by certified mail. She said that what they decided at that point would be the millage rate they would not exceed. She said that an increase in millage did not get any of the protection of the homestead exemption, as the exemption was strictly related to the county's appraised value, which was limited to how much it could increase annually. She stated that when they increased the millage they would actually increase the percentage above and beyond what the state limited for homestead exemption. She said they had always managed on the property value increases; moreover, she would never vote for any percentage greater than the current millage. She agreed that she would like to fix the streets and water/sewer systems, but they could not afford it. She added that if they increased the ceiling at that time it would be perceived that they were increasing the millage, and she would not vote for it at that time or in the budget workshop.

Mayor Gardner questioned what tentative millage the City Manager would be comfortable with considering the immediate existing needs.

Mr. Harriss replied that 6.6 mills was adequate for the same level of service, but when the Commission went to City Staff to have something fixed or start a new program they would have to remember that there was no money in the budget for it. He stated that within the existing budget it would be difficult to change the level of service or begin new projects without additional revenue. He stated that some of the money that had to be designated for the fire department could be absorbed through a fire assessment increase to share the burden of the department with churches, schools and other such

organizations that did not pay taxes. He said that could provide some revenue toward projects that the Commission and their constituents believed were important. He said that it was always difficult to talk about taxes, but the amount they were referring to was not that much considering where the money would be going. He concluded that staff had a constant problem balancing the level of service with the money that was available for the service.

Commissioner Crichlow said he was hearing that projects such as neighborhood grants and bricking Charlotte and Artillery Streets might not be possible, because the cost of doing business would use any increase in the tax assessment.

Mr. Harriss agreed that the situation would severely limit the money available for the Commission's priority list.

Commissioner Burks said she believed that the City Manager was suggesting that there was a way to shift some of that tax burden through the fire assessment; particularly some of the capital improvements such as equipment. She explained that it would mean taxing the entire City and not just the 60% homeowners and businesses.

Commissioner Crichlow stated that they were still increasing the amount that citizens would have to pay.

Commissioner Burk replied that it would be a disproportionate share.

Commissioner Boles said that the fire assessment would not increase anything other than the non-paying 40% of the population. He suggested keeping the 6.6 mills, keep the same level of service and explore other areas of revenue, because 40% of the City that did not pay any taxes, which was unique in American and they had to be creative about it.

MOTION

Commissioner Boles MOVED to approve the 6.6 millage for the 2005/2006 Fiscal Year. Commissioner Burk SECONDED the motion.

Commissioner Jones said that the Commissioners had just determined to forfeit \$2,000 month revenue for the space in the Casa Del Hidalgo to consider options that would actually cost the City more by hiring additional employees. He said that they were giving money away on one side but not getting it back. He said that he was not talking about maintaining services as they were; he was talking about improving services. He said that they needed to ask what things had to be done and whether they could be done within the existing budget, and he submitted that the answer would be no they could not be done within the existing budget. He said they had to increase the millage or wait another year for things to go into further disrepair. He said that the utility department was short 12 employees that the City could not replace, because there was not enough money.

Mayor Gardner stated that he was not proud of the City Commission record of a decade or more of holding on to reducing the tax rate. He said that St. Augustine was not *Mayberry*, but a special City with special needs. He said that the City took the flack when the county raised the taxes, so he would just as soon take the flack on the front end. He said that it would seem that in politics the word tentative meant it was a done deal. He said that he was in favor of a higher tentative millage rate to address the things that needed to be done.

Commissioner Jones said that the newspaper was correct when it said that St. Augustine could not afford its' own history. He said that people kept saying what the City should do, but the question was with what. He pointed out that the City could barely pay their rent. He stated that St. Augustine belonged to the nation, but as stewards they had the responsibility to do their portion to maintain it.

He pointed out the cost of gasoline compared to the previous year.

VOTE ON MOTION

**AYES: Boles, Burk,
NAYES: Jones, Crichlow, Gardner
MOTION FAILED 3/2**

MOTION

Commissioner Crichlow MOVED to increase the millage rate to 6.8 mills. Commissioner Jones SECONDED the motion

Commissioner Crichlow stated that it was not a vote to increase taxes; it was vote to have a 6.8 mills ceiling available to the Commission for the budget, and every effort would be made to keep the millage rate at 6.6 mills.

VOTE ON MOTION

**AYES: Crichlow, Jones, Gardner
NAYES: Boles, Burk
MOTION CARRIED 3/2 ²**

11.B/ Ordinances - First Reading

11.B.1/ Public Hearing – Ordinance 2005-17, establishing a Height Restriction for Non-conforming Lots of Record in RS-1 and RS-2.

Mr. Harriss stated that Item 11.B.1. and 11.B.2. were both aggregation ordinances and the Commission had discussed the appropriate time for the first reading. He said that the public workshop was scheduled for Wednesday at the County Auditorium at 5:00 p.m. and if both ordinances passed there would be a public hearing on July 25th. He said that it was the Commissioner's determination as to whether the ordinances warranted moving to public hearing.

Mayor Gardner said that there was confusion regarding the ordinances, as they went before the Commission on first reading to determine whether to move them to second

² A brief recess from 7:30 until 7:40 p.m.

hearing and public comment. He said that if they took action on the ordinances they would go through two public hearings.

Commissioner Crichlow said that if they did not pass the ordinances they would still have two public hearings.

Commissioner Boles said that was why he thought they should not have the first reading at that time. He said that the ordinances should be from the task force, but the task force had changed the aggregation ordinance and it had not been presented to the Commission yet. He said that they should have the workshop on Wednesday and then determine whether they wanted to have the first reading afterward.

Commissioner Jones fully agreed with Commissioner Boles. He said that it was inappropriate to have the first reading before they heard the public in a workshop, because the Commission's determination would be based on the public hearing.

MOTION

Commissioner Jones MOVED that they table the first reading of Ordinance 2005-19 and Ordinance 2005-20 until they heard from the general public on July 13, 2005. The motion was SECONDED by Commissioner Crichlow.

Commissioner Boles stated that by tabling the ordinances they were leaving the door open for amendment.

VOTE ON MOTION

AYES: Jones, Crichlow, Boles, Gardner

NAYES: Burk

MOTION CARRIED 4/1

11.B.2/ Introduction and consideration of Ordinance 2005-20, concerning aggregation of non-conforming lots in RS-1 and RS-2.

(Tabled)

11.B.3/ Introduction and consideration of Ordinance 2005-21, regarding Residential Parking Program.

John Regan, Chief Operations Officer, said that as determined at the previous meeting they had amended the ordinance by adding the definition of resident and including the requirement of two proofs of residency.

Commissioner Burk stated that the matter had been discussed at length, but she wanted to announce her excitement because she had wanted a decal program for residents since she became a Commissioner.

MOTION

Commissioner Burk MOVED to place Ordinance 2005-21 on first reading, read by title only and approved. The motion was SECONDED by Mayor Gardner.

Commissioner Jones questioned how much they would charge for the permits and how they would deal with the time element.

Mr. Harriss stated that every area would have different times. He said that if they passed the ordinance it would only allow the area of south Avenida Menendez to apply for and go through the process and establish the times. He said that it was only an enabling ordinance. He said that the fee would be \$30 annually and the weekly fee would be \$10.

Mr. Wilson read the title as follows:

ORDINANCE NO. 2005-21

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, PROVIDING A MECHANISM TO INSTITUTE A RESIDENTIAL PARKING PERMIT PROGRAM UNDER CHAPTER 24: TRAFFIC; AMENDING THE EXISTING ARTICLE II: STOPPING, STANDING AND PARKING TO INCLUDE A DIVISION 3: RESIDENTIAL PARKING PERMITS; PROVIDING A DECLARATION OF

NECESSITY AND PURPOSE; PROVIDING DEFINITIONS; PROVIDING THE PROCESS BY WHICH RESIDENTIAL PERMIT PARKING AREAS WILL BE CREATED; PROVIDING FOR THE ISSUANCE OF PERMITS AND THE PLACEMENT OF SIGNS; PROVIDING FOR RESIDENTIAL PARKING IN THESE AREAS; PROVIDING FOR ENFORCEMENT; PROVIDING FOR PARKING PERMIT VIOLATIONS; PROVIDING FOR THE REVOCATION OF PERMITS AND PENALTIES; PROVIDING FOR EXEMPTIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF THE CITY OF ST. AUGUSTINE AND PROVIDING FOR AN EFFECTIVE DATE.

Mr. Harriss said that it was an interim process as there would be people that would try to abuse the permits; therefore, they would probably be changing the ordinance as they went along.

Commissioner Crichlow stated that the decal program would eliminate tourist and Flagler College students from parking in the neighborhoods, which was the biggest problem in certain areas. He said that he hardly thought that residents of Nelmar Terrace would apply for a decal program, because they did not have a problem.

Mr. Harriss pointed out that the program would not solve the problem, but it should provide some relief.

Commissioner Boles clarified that according to State Statutes handicapped drivers were allowed to park there vehicles where ever they could legally.

VOTE ON MOTION

AYES: Burk, Gardner, Jones, Crichlow, Boles

NAYES: None

MOTION CARRIED UNANIMOUSLY ³

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

³ Commissioner Burk departed

11.D/ Ordinances - Second Reading Public Hearing

(None Scheduled)

11.D.1/ Public Hearing – Ordinance 2005-09, concerning a petition for voluntary annexation of property located on the north side of Live Oak Street.

Mr. Harriss stated that the next three ordinance were all related to Live Oak Street and they could hold one public hearing for the three, but the would have to vote on each ordinance separately.

Mayor Gardner opened the public hearing.

Mrs. Joyner,(she did not give her name or address) was sworn and stated that she owned property in the area that had been in her family for years. She said that she did not understand the proposal, and she and her husband were hoping to build on the property some day; therefore, she was trying to get an understanding of what the City was planning to do with the area.

Mr. Harriss explained the situation of the three lots and the applicant's intention to build three one story single family homes on those lots.

The City Clerk reported that she had notified 20 people by certified mail within 150-feet of the property in question, but there was no response.

Mayor Gardner closed the public hearing.

Commissioner Crichlow stated that by annexing the property into the City and designating the property a Planned Unit Development they were able to put more restrictions on the property in terms of height lot configuration.

MOTION

Commissioner Crichlow MOVED to place Ordinance 2005-09 on second reading, read by title only and approved The motion was SECONDED by Commissioner Jones.

Mr. Wilson read the title as follows:

ORDINANCE NO. 2005-09

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, ANNEXING APPROXIMATELY 0.38 ACRES OF PROPERTY IN ST. JOHNS COUNTY, FLORIDA, LYING ON THE NORTH SIDE OF LIVE OAK STREET, WEST OF S. WHITNEY STREET, AS DESCRIBED HEREIN; REDEFINING THE BOUNDARY LINES OF THE CITY OF ST. AUGUSTINE TO INCLUDE SAID PROPERTY; AMENDING SECTION 1.08 OF THE CHARTER LAWS OF THE CITY OF ST. AUGUSTINE, FLORIDA; PROVIDING FOR FILING OF A COPY HEREOF WITH THE CLERK OF THE CIRCUIT COURT OF ST. JOHNS COUNTY, FLORIDA, WITH THE CHIEF ADMINISTRATIVE OFFICER OF ST. JOHNS COUNTY, FLORIDA, AND WITH THE DEPARTMENT OF STATE; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CITY CODE; AND PROVIDING AN EFFECTIVE DATE.

VOTE ON MOTION

AYES: Crichlow, Jones, Boles, Gardner

NAYES: None

MOTION CARRIED UNANIMOUSLY

11.D.2/ Public Hearing – Ordinance 2005-10, designating property located on the north side of Live Oak Street as Residential Low Density.

MOTION

Commissioner Crichlow MOVED to place Ordinance 2005-10 on second reading, read by title only and approved The motion was SECONDED by Commissioner Jones.

Mr. Wilson read the title as follows:

ORDINANCE NO. 2005-10

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, AMENDING THE CITY OF ST. AUGUSTINE COMPREHENSIVE PLAN, FUTURE LAND USE MAP, TO INCORPORATE AND DESIGNATE APPROXIMATELY 0.38 ACRES OF PROPERTY, LYING ON THE NORTH SIDE OF LIVE OAK STREET, WEST OF S. WHITNEY STREET, AS RESIDENTIAL LOW DENSITY; PROVIDING FOR SEVERABILITY; AND PROVIDING AN EFFECTIVE DATE.

VOTE ON MOTION

AYES: Crichlow, Jones, Boles, Gardner

NAYES: None

MOTION CARRIED UNANIMOUSLY

11.D.3/ Public Hearing – Ordinance 2005-16, designating property located on the north side of Live Oak Street as the Tringali Planned Unit Development (PUD).

MOTION

Commissioner Crichlow MOVED to place Ordinance 2005-16 on second reading, read by title only and approved The motion was SECONDED by Commissioner Jones.

Mr. Wilson read the title as follows:

ORDINANCE NO. 2005-16

AN ORDINANCE OF THE CITY OF ST. AUGUSTINE, FLORIDA, ESTABLISHING THE TRINGALI PLANNED UNIT DEVELOPMENT (PUD) PURSUANT TO SECTION 28-289 OF THE CODE OF THE CITY OF ST. AUGUSTINE; PROVIDING FOR TERMS AND CONDITIONS OF THE PUD; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE

VOTE ON MOTION

AYES: Crichlow, Jones, Boles, Gardner

NAYES: None

MOTION CARRIED UNANIMOUSLY

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

Toni Wallace, 342 Charlotte Street, suggested that the City use a portion of the space in the Casa Del Hidalgo for displaying some of the artifacts that were in the Government House, which were beautiful examples of the City's history.

Mayor Gardner agreed that some of the artifacts in the Government House were outstanding.

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

(None Scheduled)

13. Adjournment

There being no further business, the meeting was adjourned 8:15 p.m. ⁴

MAYOR

CITY CLERK

⁴Transcribed by Karen Rogers, Recording Secretary