

TAB 13

Point Paper
1st Ward Phase II Infrastructure Project
June 16, 2008

Issue:

The Ward I Phase II Infrastructure Improvement Project is planned for the area from 5th Ave. W. to 8th Ave. W., between 10th and 12th Streets West. On November 14th, 2007 the CRA Board approved the funding for the engineering and at a workshop on March 3, 2008 City Commission approved the same. City commission approval at a regularly scheduled meeting is appropriate.

Background:

The CRA funded Phase I of the Ward I infrastructure project, which included water, sewer and street improvements to an area of the 1st Ward (see attached map), bordered by 10th Street West on the south, 2nd Ave. West on the east, 5th Avenue West on the west, and 11th Street Drive on the north. The size of the project area was limited to accommodate financial restrictions: This first phase cost approximately \$4,000,000. In 2004, this area of the 1st Ward was selected as the greatest priority because, for years, it had regularly experienced failing infrastructure and contained a repetitive flood property.

In this year's budget, the CRA Board approved the expenditure of up to \$400,000 for the engineering of the second phase of the Ward I infrastructure project (see attached map). On November 14th, 2007 the CRA Board again approved the funding for the engineering and at a workshop on March 3rd, 2008 City Commission approved the same. Staff requests City Commission ratify their approval of the project.

Alternatives:

1. Authorize the CRA to begin the design component of the Ward I, Phase II Infrastructure Project.
2. Do nothing

Recommendation: Alternative 1

Budget Impact: Not to exceed \$400,000, per budget

Point Paper
1st Ward Phase II Infrastructure Project
March 3, 2008

Issue:

The Ward I Phase II Infrastructure Improvement Project is planned for the area from 5th Ave. W. to 8th Ave. W., between 10th and 12th Streets West. Staff requires direction from the City Commission regarding the commencement of this project, or, alternatively, the repair of deteriorated streets in that neighborhood.

Background:

The CRA funded Phase I of the Ward I infrastructure project, which included water, sewer and street improvements to an area of the 1st Ward (see attached map), bordered by 10th Street West on the south, 2nd Ave. West on the east, 5th Avenue West on the west, and 11th Street Drive on the north. The size of the project area was limited to accommodate financial restrictions: This first phase cost approximately \$4,000,000. In 2004, this area of the 1st Ward was selected as the greatest priority because, for years, it had regularly experienced failing infrastructure and contained a repetitive flood property.

In this year's budget, the CRA Board approved the expenditure of up to \$400,000 for the engineering of the second phase of the Ward I infrastructure project (see attached map & scope of services for engineering). This work has not yet begun, pending the identification of funding to complete the construction once the design is complete. While the "Strand decision" is looming, it is not yet determined whether the CRA will be able to "independently" take a bank loan as we have in the past.

Staff has suggested alternate funding mechanisms that would allow the project to be completed in a timely manner:

- As suggested by bond counsel, it appears that the City Commission could take a loan, and if they desired, could enter into an agreement with the CRA to reimburse the City.
- If the School Board buys the real estate that was purchased for the elementary school re-build, much of the required funding will be liquid this year.
- Finally, if the Strand Decision does preclude the CRA from borrowing, the CRA should consider budgeting so as to accomplish additional, lasting redevelopment projects with TIF on-hand, in lieu of carrying such a high personnel cost.

If City Commission is not inclined to consider such an option (it may not be necessary after Strand is resolved) and does not authorize the engineering to begin, the City should consider the repaving of the streets in this area, which are in terrible condition. The Department of Public Works has not attempted to work in this area, because it would be wasted money if the full infrastructure project is on the near horizon.

Alternatives:

1. Authorize the CRA to begin the design component of the Ward I, Phase II Infrastructure Project, recognizing that City participation may be necessary in order to complete the construction.
2. Authorize the Public Works Director to identify funding to provide a short-term fix to the condition of the streets in this area; or
3. Do nothing

Recommendation: Alternative 1

Budget Impact: Dependent upon direction of City Commission

**BOARD OF DIRECTORS MEETING
PALMETTO COMMUNITY REDEVELOPMENT AGENCY
BOARD MEETING**

Nov 14, 2007

Board Members Present:

Alan Langford
Scott Maloney
Shaun Frazier
Allen Zirkelbach (arrived 5:38)

Board Members Absent:

Rose Tory
Sia Mollanazar

Also Present:

Tanya Lukowiak, CRA Executive Director
Michele Hall, City Attorney
Susan Anderson

I. CALL TO ORDER

Scott Maloney called the meeting to order at 5:30 P.M.

II. APPROVAL OF AGENDA

MOTION: Mr. Langford moved, Mr. Frazier seconded, and a motion carried unanimously to approve the Meeting agenda for November 14, 2007.

III. OLD BUSINESS

A. Approval of Minutes

MOTION: Mr. Langford moved, Mr. Frazier seconded, and a motion carried unanimously to approve the minutes of the October 10, 2007 Regular Board Meeting.

B. Storefront Grant 08-02 update

Executive Director advised the board that Ms. Vanlandingham has withdrawn her approved grant application, in that permit requirements changed the placement of her proposed fence, and she feels that her security issues have been addressed with the CRA's purchase of the property located south of her business. Her e-mail is attached to the board package.

C. 8th Ave Drainage Design

Executive Director advised the board that CPH Engineering confirmed that they would confer with the FDOT prior to commencement of their study, pursuant to Mr. Mollanazar's request at the last meeting. Their e-mail is attached to the board package.

D. Budget Review and Discussion

Executive Director advised the board that there was still no ruling regarding the Strand decision, so the CRA is still unable to borrow against TIF funds. Discussion ensued regarding the prioritization of projects, based upon the utilization of currently available funding, and the Executive Director should advise the City Commission of newly prioritized projects to gain their approval.

E. Habitat for Humanity Village of the Palms extension

Executive Director advised the board that Habitat for Humanity completed seven (7) more homes in the Village of the Palms since last November, however had anticipated a completion date of November 2007 for the entire subdivision.

MOTION: Mr. Maloney moved, Mr. Langford seconded, and a motion carried unanimously to grant an extension for completion through September 30, 2008, to coincide with the end of the fiscal year.

F. Buxton Update

Executive Director advised the board that the Buxton study had been refreshed, and provided an example of the letter being sent to retail matches, as well as the list of retail matches that were identified.

NEW BUSINESS

A. CEDC Presentation

Alison Hewitt provided the Board with a presentation regarding the newly formed CEDC, a not-for-profit company created from the Central CRA in Bradenton, in order to provide assistance to small businesses. The board discussed the many services that would be provided to the community, and Ms. Hewitt advised that she was seeking \$100,000 from each of the 5 CRA's in Manatee County in order to fund the operation of the program as well as a loan pool. The Executive Director advised that she would negotiate the CRA's receiving an in-kind credit of \$30,000, half of the cost of the Buxton Study, in exchange for providing the group with access to that data.

The Board directed the Executive Director to prepare a budget amendment in order to fund the CEDC in an amount not to exceed \$70,000 for the approval of City Commission and this Board.

B. Purchase of Tractor

MOTION: Mr. Langford moved, Mr. Frazier seconded, and a motion carried unanimously to purchase a long-arm tractor for the maintenance of medians and ditches within the CRA.

C. Authorization for Storm Water Improvements

MOTION: Mr. Maloney moved, Mr. Frazier seconded, and the motion carried unanimously to authorize the purchase of pipes necessary for the improvement of the storm water system in the 1st Ward.

D. Demolition of 515 – 519 9th Ave. W.

MOTION: Mr. Maloney moved, Mr. Frazier seconded, and the motion carried unanimously to authorize the demolition of 515-519 9th Avenue West by Abbotts, in an amount not to exceed \$9,000.00.

E. MLK Program Sponsorship

MOTION: Mr. Maloney moved, Mr. Langford seconded, and the motion carried unanimously to authorize the sponsorship of the MLK events hosted by the Palmetto Youth Center in the amount of \$1,500.

F. Ward I Phase II Engineering

MOTION: Mr. Maloney moved, Mr. Frazier seconded, and the motion carried unanimously to authorize the Executive Director to gain City Commission approval then to execute an agreement with GWE Engineering for the design of Phase II of the Ward I Infrastructure Project, in an amount not to exceed \$400,000.

G. CRA Executive Director Update

Advised the board that the new administrative assistant, Beverly Minnix began working today.

H. Commissioner Tamara Cornwell Comments

Not present

I. NEXT REGULAR SCHEDULED MEETING – January 9, 2008 at 5:30 P.M.

J. BOARD COMMENTS

Chairman Zirkelbach

None

Scott Maloney

None

Sia Mollanazar

Not present

Shaun Frazier

None

Allen Langford

None

Rose Tory

Not present

K. ADJOURNMENT

The meeting was adjourned at 6:06 P.M.

Palmetto City Commission
March 3, 2008
4:00 P.M.

Elected Officials Present:

Larry Bustle, Mayor
Tambra Varnadore, Vice Mayor
Tamara Cornwell, Commissioner (4:12 p.m.)
Mary Lancaster, Commissioner
Brian Williams, Commissioner

Elected Official Absent:

Eric Ball, Commissioner

Staff and Others Present:

James R. Freeman, City Clerk
Chris Lukowiak, Public Works Director
Chief Garry Lowe
Tanya Lukowiak, CRA Executive Director
Michele Hall, City Attorney
Bob Schmitt, Planning Supervisor/Zoning Administrator
Deanna Roberts, Administrative Assistant

Mayor Bustle called the meeting to order at 4:05 p.m. A moment of silence was observed for our military men and women serving around the world, followed by the Pledge of Allegiance.

1. AGENDA APPROVAL

MOTION: Commissioner Lancaster moved, Commissioner Varnadore seconded, and motion passed 3-0 to approve the March 3, 2008, 4:00 p.m. agenda.

At the Mayor's request, Item #4 on the agenda was moved up to Item #1 as there were persons in the audience wishing to speak to the issue.

2. SUNNYDALE PROPERTIES ANNEXATION REQUEST

Stephen Thompson, attorney with Porges, Hamlin, addressed Commission. He is representing Mr. Bob Spencer/ Sunnydale Properties, owners of the property located on Bayshore Road in unincorporated Manatee County. He said the subject property is located immediately adjacent to the City of Palmetto, and the owners are requesting annexation. The property is used for rental housing and is served by septic. In order to upgrade the property, annexation is being requested in order to connect to the City's sewer. Mr. Thompson informed Commission that the Planning and Zoning Board approved the request with one contingency, that the structures on the property must pass a building inspection. Upon inspection, the buildings did meet the City's minimum requirements. Additionally, Mr. Lukowiak and Code Enforcement Director Bill Strollo inspected the property.

Mr. Thompson remarked that the benefits to the City would be the ongoing fees collected for the utilities, plus the property would be added to the City's tax roll. He said his client is seeking Commission's authorization to proceed with the annexation process.

Mr. Lukowiak said the City is currently serving the area with water. The applicant has agreed to pay for the costs of connection to the utilities. Code Enforcement does not have any major concern with the property. An original punch list given to the owners has already been addressed.

Mr. Spencer promised to work and cooperate with the City. He does not want the property to be a burden to the City in any way.

Commissioner Williams asked about drainage. Mr. Lukowiak said an open ditch system in the area collects storm water. He said all the questions posed will be answered in a public hearing. The purpose of the Workshop was to get a feel for how Commission viewed the request for annexation.

City Planner Bob Schmitt told Commission he wanted to come to Commission and let them know what Planning and Zoning Board's wishes were, and that was the reason for the Workshop. The concept of annexing a potentially burdensome property was a legitimate concern, and based on all the inspections they now have a comfort level with the request. Mr. Schmitt said the property is zoned RM-6 - multi-family.

Commissioner Williams said the last building on the property would not meet the set backs. Mr. Schmitt agreed that the last building would be non-conforming.

Mr. Thompson said again that they are at the Workshop not to seek approval, just an okay to continue.

Mr. Lukowiak asked that Commission refer questions to the Planning and Zoning Board. Any stipulations Commission has would be addressed before the First Reading which will be on March 17, 2008.

3. ORDINANCE REGARDING PARKING OF BOATS & RECREATIONAL VEHICLES

Staff was seeking Commission input on direction for this proposed ordinance to limit the location of parking for boats as well as for other recreational vehicles.

After lengthy discussion, it was decided that staff would rework the ordinance and keep it on the Suspense Log as a low priority.

4. DISCUSSION: WARD 1, PHASE II PROJECT

CRA Executive Director, Tanya Lukowiak, discussed proceeding with the engineering study for the project, or alternatively, the much needed street repair in the area. Regarding funding for project completion, the bond counsel for the City said the City Commission could take a loan and enter into an agreement with the CRA to reimburse the City. Also, it is likely that within the next few months, the School Board will be buying back the property the CRA had purchased for them.

Commissioner Cornwell inquired what infrastructure is being referred to in the project. Mrs. Lukowiak said it will include water, sewer lines (new or repaired, as required), storm water addressed as the engineering study warrants and reclaimed water and sidewalks everywhere.

Chris Lukowiak said the engineering study will determine what needs to be addressed.

Mrs. Lukowiak said the \$400,000 is available for the engineering phase of the project. That has been delayed pending identifying funding for the construction phase of the project.

Commissioner Cornwell expressed concern over the potholes in this area. Mr. Lukowiak said he has scheduled the potholes for repair.

Commissioner Lancaster said she would like to see the project completed. Even though it is in the CRA district it is still a part of the City, and the City is spending funds in other parts of the City. If the CRA can't fund it, the City should.

Commissioner Varnadore expressed concern over borrowing funds to finance CIP projects. She said the City can't continually borrow money. With the expected budget shortfall, the City can't continue to do these large projects.

Commissioner Williams was in favor of moving forward with the engineering study, because the funds are there now. Because this area is in the CRA, there's a far greater possibility that funds may become available in the near future. Other areas in the City can't take advantage of the CRA money.

Mr. Lukowiak expects a balance of over \$400,000 after the US 301 expansion project. Those funds could be used to finance smaller projects like this one.

Mr. Freeman asked the estimated cost of construction. Mrs. Lukowiak said she has no good guess right now.

Mrs. Varnadore asked how long an engineering study is good for. Mr. Lukowiak said forever.

Mr. Williams and Ms. Cornwell agreed that they also were not in favor of borrowing money to complete the project. Mr. Williams suggested using money from other projects.

Mrs. Lancaster asked for clarification. It was her understanding that the CRA will proceed with the engineering study and look for funding to complete the project. Commission agreed.

5. US 301 UTILITY EXPANSION LEG 4

Mr. Lukowiak directed Commission's attention to the spreadsheet. The budget for the four legs of the project and the engineering is \$4, 082, 000.00; the actual cost is \$3.6 million, for a savings of \$484,000. That money can be carried forward to other projects in the CIP next year, or for use this year if something comes up. He is looking for approval to enter into a contract for Leg 4 of this project and to approve the additional engineering by ZNS. Leg 4 is an approved CIP project with funds in the CIP.

There will be a developer contribution by Spacebox of \$150,000 for Leg 4.

In answer to Mr. Williams's question, Mr. Lukowiak said all the property owners are in the city limits. There will be revenue to the City from these properties, and Mr. Lukowiak will email a list of the expected revenue and benefits to all Commissioners. The City will be bringing in more money than the debt service on all four legs of this project.

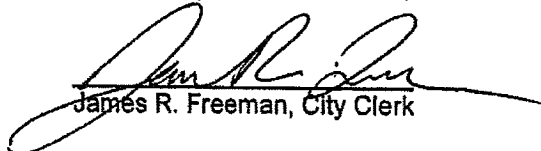
To clarify for Commission, Mr. Lukowiak said that Leg 4 is new, 1 and 3 are basically complete and Phase II has been started.

Commissioner Varnadore said she still feels the City should have waited on this project and done more in the interior of the City. She still is not sold on this project.

This item is on the 7:00 p.m. agenda.

The meeting was adjourned at 5:43 p.m.

Minutes approved: March 17, 2008


James R. Freeman, City Clerk

