

JOINT MEETING
PALMETTO CITY COMMISSION
AND CRA BOARD
JANUARY 13, 2009

Elected Officials Present:

Shirley Groover Bryant, Mayor
Brian Williams, Vice Mayor
Tamara Cornwell, Commissioner
Mary Lancaster, Commissioner
Tambra Varnadore, Commissioner
Alan Zirkelbach, Commissioner

Staff Present:

James R. Freeman, City Clerk
Tanya Lukowiak, CRA Executive Director
Garry Lowe, Chief of Police
Allen Tusing, Interim Public Works Director
Mark Barnebey, Interim City Attorney
Deanna Roberts, Administrative Assistant

CRA Board Members Present:

Scott Maloney
Sia Mollanazar
Jane Hunter
Charles Smith

Mayor Bryant called the meeting to order at 5:33 p.m. The meeting began with a moment of silence followed by the Pledge of Allegiance.

1. AGENDA APPROVAL

MOTION: Commissioner Varnadore moved, Commissioner Zirkelbach seconded and motion passed unanimously to approve the January 13, 2009, agenda with Mayor Bryant's recommendation to add a time certain to 6:30 p.m., to appoint Scott Maloney Interim Chair of the CRA Board, and to discuss the confirmation of the \$1,200 in the CRA Budget for the Martin Luther King Parade.

2. APPOINTMENT OF SCOTT MALONEY AS INTERIM CHAIR OF CRA BOARD AND TIME CERTAIN FOR THE JOINT MEETING

MOTION: Commissioner Zirkelbach moved, Commissioner Williams seconded and motion passed unanimously to establish a time certain to 6:30 p.m. and to approve the appointment of Scott Maloney as Interim Chair of the CRA Board.

3. CRA EXPENDITURES FOR THE MARTIN LUTHER KING PARADE

Mayor Bryant asked for concurrence by the CRA Board to expend \$1,200 in funds in the CRA budget allocated under Fairs and Events for the parade, because there had been some hesitancy regarding the expenditure. Dr. Maloney concurred on behalf of the CRA Board.

4. DISCUSSION CRA BOARD

Mayor Bryant commented that she is working with the Property Appraiser's Office to design a better CRA map, which will show individual parcels.

The Mayor said one of the reasons for the meeting was to discuss the importance of the accountability to the citizens by the Board and the Commission, and to discuss recent audits of some CRA's. Audits of CRA funds spent inappropriately forced the cities to repay the funds back to the CRA's. In her review of the CRA expenditures over the last five years, \$4.8 million was piggybacked to one single vendor. Piggybacking was one of the issues brought up in the audits. Strict guidelines are in place for awarding of bids. This brings up the necessity of the City Commission becoming more involved and accountable.

Mayor Bryant recognized City Attorney Mark Barnebey who went over a memo he provided to the City Commission and the CRA Board. The memo, which was a brief summary of the power and authority of the CRA and the City Commission under *Florida Statutes*, is made a permanent part of the record of this meeting.

Mr. Barnebey pointed out that under Section 163.357, *Florida Statutes*, the City Commission may, at any time, by resolution, declare itself to be the governing body of the CRA. If the Commission takes this action, it can appoint two additional persons to act as members of the CRA, and he added that the current ordinance setting up guidelines of the CRA would have to be amended.

Mayor Bryant declared that after much research, she recommends that the City Commission step in and take over the CRA, with the current CRA Board to remain as an advisory board. She called for comment.

Dr. Scott Maloney, Interim Chair of the CRA Board, voiced his opposition to the recommended action. The appointed Board gives citizens the opportunity to serve in an important position. The Board has, or has had in the past, a banker, an engineer, a contractor, all of whom bring experience and ideas to the table. He has enjoyed his many years of serving, and it has given him a great sense of civic pride.

Mayor Bryant emphasized that she does not want to eliminate the Board. It would serve much like the Planning and Zoning Board which reviews issues and brings them to City Commission for approval. Each commissioner would have to publicly approve recommended CRA Board actions and thereby be accountable to taxpayers and make sure funds are spent in the best manner possible. She invited all current Board members to remain and said they would notice little difference in things.

Commissioner Varnadore opined that she values Board input and sees this as a partnership. Due to the increased budget of the CRA and legal issues, the Commission needs to have more oversight and accountability.

Dr. Maloney said he was proud of the CRA's actions over the past years and felt they were always taken in the City's best interests. The Board always took advantage of legal counsel in decision making.

Commissioner Lancaster said the Commission has the responsibility to go over the CRA budget line-by-line, but can be accountable without taking over the Board.

Commissioner Zirkelbach asked for more Board member input. Sia Mollanazar said he was relatively new to the Board, eight or nine months, but in his opinion the Board was very dedicated and thoroughly reviewed all expenditures. He was proud to serve on the Board.

Jane Hunter, a member since October 2008, said the budget is very specific and the Board is clear on what it can and cannot approve. The Commission liaison and the Board attorney make sure the Board makes the right decision, and they work within strict guidelines. She questioned whether overseeing some of the minor expenditures they must approve is the best use of Commission time. She said the Board certainly has no political interest, and volunteer their time and expertise.

Mayor Bryant pointed out that some of the discretionary line items in the budget are over a million dollars.

Member Charles Smith said he had reviewed the documents of the CRA and years of spending practices. In his opinion, there has been questionable spending. He sees a need to help people with the inside of their homes. In the past, they have addressed flooding issues in the City and infrastructure, some wonderful things, but in the current economy things have to change and more accountability is needed. He told the Mayor there needs to be an independent audit of the CRA disbursements. He referred to the \$50,000 given to Palmetto First Baptist.

Commissioner Zirkelbach, addressing Mr. Smith's comments, said any church could have applied under the same guidelines as Palmetto Baptist and that Storefront grants are for exterior renovations only. Improving the exterior improves blighted areas and adds to the tax base. He continued that millions have been spent in Ward I.

Mr. Smith raised Commissioner Williams' earlier point about properties annexing into the City becoming eligible for CRA funding. Mayor Bryant said she will get an opinion on that.

Regarding the Palmetto Baptist Church grant, Dr. Maloney said the Board reviewed guidelines for Storefront grants to see which requests best met the requirements. The Baptist Church grant boiled down to the fact that they qualified for that grant. It may not have been a popular decision, but with the Director's and attorney's input, they qualified, and the Board approved. All decisions are not that clear cut. Commission will be taking over a lot of extra work.

MOTION: Commissioner Williams moved, Commissioner Cornwell seconded and motion passed unanimously to extend the meeting time fifteen minutes.

Commissioner Williams said the new relationship should be a partnership. Communication has been lacking, and the City Commission has to know what's going on with the CRA budget. He did not agree with the church grant. He questioned if it was in the CRA district. The City Commission knows City ordinances and the Board knows Florida Statutes, so they can share knowledge in decision making. The City Commission has to help control the dollars.

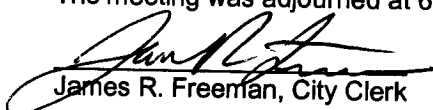
Commissioner Cornwell agreed with the Mayor's recommendation to take over the CRA, based on the budget and accountability to citizens which lies with the City Commission. She said she was ready to move forward with the Mayor's proposal, and also wants this to be a partnership.

MOTION: Commissioner Cornwell moved, Commissioner Williams seconded and motion passed 3-2 to direct the City Attorney to prepare a resolution and appropriate ordinances for the City Commission to declare itself the CRA. Commissioners Lancaster and Zirkelbach cast the dissenting votes.

MOTION: Commissioner Cornwell moved, Commissioner Varnadore seconded and motion passed 3-2 to direct the City Attorney to prepare a resolution or ordinance as appropriate to establish the CRA as an advisory board and to reaffirm those members of the existing CRA Board who wish to continue serving. Commissioners Lancaster and Zirkelbach cast the dissenting votes.

Dr. Scott Maloney submitted his resignation as a member of the CRA Board to the Mayor and the Commissioners. His letter will become a permanent part of the record of this meeting. He said he has enjoyed his time on the Board and will make himself available to help in any way he can.

The meeting was adjourned at 6:50 p.m.


James R. Freerfan, City Clerk