

Palmetto City Commission  
October 17, 2005 4:00 p.m.

Elected Officials present:

Larry Bustle, Mayor  
Brian Williams, Vice Mayor  
Eric Ball, Commissioner  
Tamara Cornwell, Commissioner  
Mary Lancaster, Commissioner  
Tambra Varnadore, Commissioner

Staff and others present:

Michele Hall, City Attorney  
Captain Mike Mayer  
Chris Lukowiak, Public Works Director  
James R. Freeman, City Clerk  
Tanya Lukowiak, CRA Executive Director  
Ric Hartman, Planning Supervisor/Zoning Administrator  
Frank Woodard, Deputy Public Works Director  
Diane Ponder, Deputy Clerk-Administration

Mayor Bustle called the meeting to order at 4:04 p.m. A moment of silence was observed for Hurricane Katrina victims and overseas military personnel.

1. APPROVAL OF WORKSHOP AGENDA

**MOTION: Ms. Cornwell moved, Mrs. Lancaster seconded and motion carried 5-0 to approve the October 17, 2005 4:00 pm agenda.**

2. DISCUSSION – ESTABLISHMENT OF CDD AT SANCTUARY COVE

Jonathan Johnson, of Hopping Green and Sams and representing Corvis, informed Commission the development company hopes to create a community development district (CDD) at Sanctuary Cove. Mr. Johnson discussed a CDD being a special purpose taxing district created by ordinance to provide funding, usually via tax exempt bonds, primarily for financing a community's infrastructure construction and long term maintenance. Mr. Johnson briefly discussed the following items of interest:

- The establishment of a CDD does not alter in any way the authority of a city, county or water district. Any CDD powers are authorized by regulatory jurisdiction and permitting authority.
- The establishment of a CDD does not change any requirements for governmental approvals within the boundaries of the district.
- A CDD does not have zoning, permitting, or comprehensive planning powers. All existing regulations apply to all development within the CDD boundaries.
- A CDD is a governmental body that must operate under the sunshine law, and must comply with regulations applicable to any other governmental entity.
- Debt of a CDD is not debt of the City and will not impede the City's ability to issue its bonds or affect its rating.
- CDD assessments appear on tax bills and undergo foreclosure proceedings if not paid.
- The process of filing a petition to establish a CDD.

Answering specific questions concerning a CDD, Mr. Johnson offered the following information:

- A CDD is perpetual unless the City dissolves it, which requires specific findings and actions.
- The petition to establish the CDD itemizes the facilities for which the CDD will be responsible. Mr. Johnson stated the City must approve any special powers (other than infrastructure) the CDD names in the petition.
- All initial sales documents will contain notification of what components the CDD controls. In addition, the CDD must file notification of the formation of the CDD in the property records; must prepare public disclosure of public financing to describe capital facilities funded by the district and the property and maintenance for which the CDD is responsible. Developers must include this information in all their sales literature.
- Resale documents do not contain notification of a property being within a CDD, but the recording of the establishment of the CDD in the public records will show as an exception in a title search.
- Typical CDD's do have homeowner's associations and associated fees which public notification discloses. It is anticipated Sanctuary Cove will have an association.
- A developer will pay a debt service assessment for each unit in the CDD until the unit is sold. The purchaser will then be responsible for the debt service assessment.
- Purchasers of a CDD property have the option to pay the bond assessment in a lump sum vs. a 30-year pay out on the tax bill.
- Canals may be financed as part of the stormwater management system. Canal-front property owners may realize a higher assessment. Responsibility for maintenance of the canals will be specified in the petition to establish the CDD or via an interlocal agreement with the City.
- Transition from the developer to a CDD Board is set forth by Florida Statutes Chapter 190.

Mr. Johnson informed the Commission the petition to establish Sanctuary Cove as a CDD will probably be submitted to the City in the near future.

### 3. ASSIGNMENT OF GREEN BRIDGE BAIT SHOP LEASE

Mr. Freeman informed Commission the proposed assignment will transfer the existing Green Bridge Bait Shop lease to Frank Beverly. Lessee Tony Lesick, who has been experiencing personal issues, has expressed his desire to transfer the lease to Mr. Beverly, who intends to operate the property as a bait and sandwich shop. Palmetto High School students, under adult supervision, will staff the facility. Mr. Beverly has reviewed the lease document and will comply with its terms. Mr. Freeman stated the assignment will be for approximately one year to the termination date of the original lease.

Attorney Hall confirmed the City may transfer the lease to Mr. Beverly for the remainder of the term. She explained that given the fact there is only one year left on the lease, it may be more expedient to allow the transfer - if the venture is not successful then the City can go out to bid. She also suggested that contact information for individuals expressing interest in the location should be maintained so they can be notified if the bid process is undertaken. Attorney Hall confirmed that Mr. Beverly does not have to receive Commission's approval if he wishes to extend the lease an additional three years because an automatic extension is provided for in the lease. The lease also allows the City to cancel the lease at any time with a 30-day notice.

The item was moved forward to the 7:00 agenda for action.

#### 4. MANATEE COUNTY RADIO CONTROLLERS

Mr. Lukowiak advised Commission Manatee County has informed the City of code enforcement infractions occurring at the property Manatee County Radio Controllers (MCRC) leases from the City. Subsequently, the City approved a sub-lease of a portion of the property to Suncoast Paint Ball, who has been performing work at the location without the proper permits. Mr. Lukowiak stated it has been determined the City should issue a Notice of Default to Manatee County Radio Controllers until proper permits have been obtained by Suncoast Paint Ball. Mayor Bustle advised Mr. Billy Dillworth, the contact person for MCRC, has been advised of the situation. In addition to the official Notice of Default the City will also supply a Notice of Default MCRC must serve on Suncoast Paint Ball. Staff is requesting authorization for the City Clerk to issue a Notice of Default to Manatee County Radio Controllers.

The item was moved forward to the 7:00 agenda for action.

#### 5. SUSPENSE LOG

Mr. Freeman informed Commission staff had met concerning the Suspense Log and recommended changing the numbering system to a high importance, medium importance and low importance system rather than assigning 1 to 6 numbers. Two additional categories were added: ready (pending ordinances ready for distribution) and done (item has been completed and will be removed).

Mayor Bustle explained that an item can be rated with a high priority, but that doesn't mean it will be completed first; outside factors may prevent resolution before a lower ranked item. Attorney Hall explained several of the lower ranked items have been easier to complete, thus the "ready" ranking. Commission requested the ready items be distributed.

Commission discussed and amended the ranking assigned to the log's items, as follows:

City traffic	High
Jackson Park	High
Legal services	Medium
Derelict boats	Low
Boat dock structures	Ready
Boat mooring	Low
Broadcasting of Commission meetings	Low

The Suspense Log will be amended and distributed.

#### 6. INCLUSIONARY HOUSING

Continuing the discussion from the October 3, 2005 Commission workshop meeting, it was consensus of Commission to be consistent with Manatee and Sarasota County guidelines. Criteria regarding residency in Palmetto was discussed; Attorney Hall stated her research has showed that to be successful, inclusionary housing should be a regional effort.

Commission discussed whether a priority should be given to qualified applicants living or working in Palmetto. Commission discussed whether or not the size of a parcel of land should be considered when determining whether or not a developer must participate. Attorney Hall suggested setting a dollar threshold on the units to determine if a developer must participate in the program. Commission discussed whether or not leases would be permitted in the program, as well as the number of persons occupying a home.

Mrs. Lukowiak suggested the proposed ordinance could permit the candidate's income and qualifications to be examined by the Housing Authority and the developer would only accept applications qualified by the Housing Authority, with priority given to an applicant who currently

lives, works or will be accepting a position in Palmetto. Attorney Hall advised the City should administer any priorities that may be given. Mayor Bustle commented on the staff to oversee the program, stating that by giving qualification powers to the Housing Authority there would be less impact on City staff.

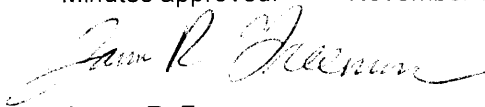
Affordable housing vs. inclusionary or workforce housing was a topic of discussion. Mrs. Lukowiak stated there are programs available for credit worthy applicants to assist them as first time home buyers or homeowners/purchasers needing to refurbish existing homes. The problem is applicants making more than the established income guidelines who cannot pay monthly rental fees plus save for a 20% down payment; nothing exists to help an applicant who makes more than the moderate income level of approximately \$70,000 for two working parents of two children. She further stated Commission could instruct staff to develop criteria that would apply to lower income applicants, those making a combined income of approximately \$35,000. She agreed with Mayor Bustle that a restriction is essential if Commission wants to limit the program to the median income levels of Palmetto if the price of workforce housing is determined to be lower than the Manatee County levels. Mrs. Lukowiak opined that Sarasota workers could be considered moderate income in that community but qualify as low income in Palmetto, resulting in no benefit to local residents. Mayor Bustle stated that with a regional program, situations of this type would not occur because regionally there would be sufficient workforce housing.

Attorney Hall inquired if Commission would allow staff to take comments from the two meetings on this topic and incorporate them into the language of the proposed ordinance to avoid academic discussion on conceptual ideas that could take several meetings to resolve. Commission concurred. Commission previously agreed on the following policy information regarding inclusionary zoning:

- The program will be mandatory.
- The program will apply to residential, both single- and multi-family.
- Regarding threshold numbers, staff will look at developing guidelines for a percentage of proposed units, total density and/or the value of the development.

Meeting adjourned at 6:00 pm.

Minutes approved: November 7, 2005



James R. Freeman  
City Clerk