MINUTES

APROVED: 4/2/2020

Regular City Commission Meeting

6:00 PM - Thursday, March 5, 2020 - City Hall

INVOCATION: REV. DANN RAGAN, LIFEPOINTE CHURCH

PLEDGE OF ALLEGIANCE: VICE MAYOR LEE

CALL TO ORDER: 6:02 P.M.

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

PRESENT: Vice Mayor Emily Lee, Commissioner Karen LeHeup-Smith, Commissioner Robert Morin, and Mayor Michael Holland

ABSENT: Commissioner Marie Aliberti

1. AGENDA UPDATE: NONE

2. APPROVAL OF MINUTES

2.1 February 6, 2020 - Regular City Commission

Moved by Commissioner LeHeup-Smith, seconded by Vice Mayor Lee, to approve the Minutes as submitted. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

3. AUDIENCE TO BE HEARD

Mayor Holland recognized members of Boy Scout Troop 639 from Zellwood who attend Eustis Middle School.

Gail Isaac Thomas asked about the City reserves earmarked for the community center and the Carver Park expansion.

Ron Neibert, City Manager, explained that the monies are not CRA funds but are General Fund dollars and they have been earmarked for those two projects if the referendum passes.

Ms. Isaac Thomas questioned why the funds have not been spent earlier on projects in the east area of town and stated that ten years previously they requested money for a kitchen at the resource center but they were told there were no funds available. She also asked about the scoreboard for Carver Park.

Mr. Neibert responded that there probably were not funds ten years previously due to the recession at that time. He stated that funds for the scoreboard are in the current year's budget.

4. CONSENT AGENDA

4.1 Resolution Number 20-24: Approving Settlement Offer for Release of Liens recorded against 444 Briarcliff Road, Code Enforcement Cases 17-01263 and 19-01156

Mayor Holland asked to pull this item from the agenda and asked the City Manager to explain.

Mr. Neibert explained the City had received a proposal for the City to accept $10,000 for the release of $24,000 in code enforcement liens against the property as the owner had a possible buyer for the property. He further explained that the property is scheduled to go to auction the following Tuesday and it is staff's belief that the City will have a better opportunity to recover more of the lien monies repaid through the auction rather than the proposed agreement. Therefore, staff is requesting that it be removed from the agenda.

Commissioner Morin questioned when the property is going to auction with Mr. Neibert explaining there is a roofing company with another lien against the property for $17,000 and they are foreclosing on their lien. Staff is asking to not accept the $10,000 offer.

Moved by Commissioner Morin, seconded by Vice Mayor Lee, to remove Resolution Number 20-24 from the agenda. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

Daniel Williams, applicant, explained he was working with the property owner noting that the original owner is deceased. He further explained that the foreclosure sale has been postponed and that there is approximately $5,000 to $10,000 in clean-up work that needs to be done which is why he requested the reduction in the fines. He stated that he had met with the plaintiff's attorney and that the foreclosure sale has been cancelled as the personal representative has to finalize the estate. He confirmed that title to the property had not been transferred.

Vice Mayor Lee reported that she had been contacted that day by Gail Terrico who inherited the property from her mother. Ms. Terrico has concern that a lot of things have been occurring and she is uncertain about what needs to be done; therefore, she had asked the City to take no action at this time.

4.2 Resolution Number 20-25: Foreclosure Authorization, 131 South Prescott Street, Code Enforcement Case 08-073

Moved by Commissioner LeHeup-Smith, seconded by Vice Mayor Lee, to approve the Consent Agenda. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

5. ORDINANCES, PUBLIC HEARINGS & QUASI-JUDICIAL HEARINGS

5.1 Resolution Number 20-18: Agreement for sale and purchase of property between City of Eustis and SpenceTF LLC

Derek Schroth, City Attorney, announced Resolution Number 20-18: A Resolution of the City Commission of the City of Eustis, Lake County, Florida; approving and ratifying an agreement for sale and purchase of property between the City of Eustis and SpenceTF, LLC.

Mayor Holland reminded everyone that they are down a Commissioner; therefore, they will have to conduct a straw poll before each vote. He explained that if an item fails or ties then it could not be brought back for nine months.

Mr. Schroth explained that since the last meeting they have amended the proposed contract to purchase the property for $460,000 with removal of the deed restrictions.

Spencer Follmar presented a video to the Commission to provide an example of their plans. He indicated his desire to address some of the concerns previously expressed by the Commission. He reviewed the proposed development as follows: 1) 5 screen drive-in which will be the world's largest drive-in; 2) committed to $1 million in advertising; 3) partner with the City on events and tourism activities; 4) employment of over 75 employees in the first phase; and 5) employment of more than 200 employees in the second phase. He provided estimates of the anticipated wages for those employees.

Mr. Follmar commented on industry trends regarding drive-in movie theaters. He then reviewed some of the challenges in developing the site including the amount of wetlands. He indicated that, if they do not develop the site at the end of the due diligence period, they will turn over all of their findings to the City so it will have a better idea of how the site could be developed. He then explained their plans for Phase II to develop a high-end RV park and to partner with Trout Lake Nature Center to develop a nature park as well. He stated the largest phase would be Phase III which would include development of a shopping center or other entertainment activities. He stated their willingness to pay the full assessed value of $460,000.

The Commission discussed whether a drive-in theater would be viable and the difference in the scope of the project since it was first proposed.

Mr. Follmar stated his investors are very interested in moving forward; however, they are looking at other property. He reviewed figures provided by his contractor which would increase the tax revenue to the City from the previously estimated $11,000 to $64,000. He explained that after the last meeting, he went to his investors and emphasized his belief in the site. He stated the shopping center would not be developed unless the first phase is successful.

The Commission questioned whether or not they would be seeking religious tax exemptions with Mr. Follmar responding negatively and explaining that his company is a for profit company and they would be showing not just religious movies but first run and classic movies.

The Commission discussed the following: 1) The need to remember they are just approving an agreement to sell the property and they have to do their due diligence to make sure the project is viable; 2) The types of movies that will be shown; and 3) What will be done with the property if they determine they cannot build the theater.

Mr. Follmar clarified that Veritas Theaters shows all blockbuster films. He stated that during the year of due diligence, they will spend funds to determine if they can move forward. If they can't move forward, they would be out the funds for that and they would not exercise the option and purchase the property.

Mr. Schroth opened the public hearing at 6:38 p.m.

Kress Muenzmay recommended each Commissioner meet with the City Manager and Economic Development Director to learn how the project was changed from one meeting to the next. He stated the new offer is a very good price. He recommended tabling the decision to obtain further information.

Eileen Tramontana, Trout Lake Nature Center, stated they have met with Mr. Follmar and they willing to work with him.

Keith Ware asked what are the other changes to the contract with Mr. Schroth explaining there was in the original contract a deed restriction that would limit what it could be used for. He stated that has been removed from the new contract. He further explained that the contract no longer requires that the theater be built.

Mr. Schroth recommended that, if the Commission wants to move forward, that it be placed on a future agenda so it can be noticed.

The Commission discussed the possibility of postponing consideration of the resolution to the workshop scheduled for Thursday, March 12, 2020 with Mr. Schroth indicating they could reclassify it as a special meeting so they could take action at that time.

There being no further public comment, the hearing was closed at 6:46 p.m.

Moved by Vice Mayor Lee, seconded by Commission Morin, to postpone Resolution Number 20-18 to March 12th and reclassify the meeting as a special meeting instead of a workshop. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner Morin and Mayor Holland

Nays: Commissioner LeHeup-Smith

5.2 Resolution Number 20-21: Designation of Property Located at the Southeast Corner of Mount Homer Road and Dillard Road as the Valencia II Green Reuse Area

Lori Barnes, Development Services Director, announced the first public hearing on designation of the Valencia II Green Reuse Area. She explained that Florida statute requires two public hearings to designate a brownfield area; therefore, there would be no action by Commission at this meeting. She explained the history and purpose of the Brownfield Redevelopment Act. She stated that the statute indicates that the Commission shall approve the request if the site meets the required criteria. She reviewed the criteria as stated in the Section 376.80(2)(c) Florida Statutes.

Ms. Barnes then explained the Valencia II project and request for a 110 unit affordable housing development on 8.09 acres at the corner of Mt. Homer Road and Dillard Road. She reviewed the request for the brownfield area designation and stated the applicant submitted documents that conclude the property does meet all five of the required criteria. She stated the final public hearing and consideration of the resolution will be held on March 19, 2020.

Mr. Schroth opened the public hearing at 6:55 p.m. There being no public comment, the hearing was closed at 6:55 p.m.

5.3 Resolution Number 20-22: Rescinding Resolution 19-102 calling a bond referendum to be on the March 17, 2020, Presidential Preference Primary ballot

Mr. Schroth announced Resolution Number 20-22: A Resolution of the City Commission of the City of Eustis, Lake County, Florida, rescinding resolution 19-102, adopted November 7, 2019, calling a bond referendum of the qualified electors of the City for the issuance of general obligation debt as described therein; approving inclusion of the question of whether the City of Eustis shall issue debt not exceeding in principal $11,400,000, at an interest rate not exceeding the legal maximum and maturing in 20 years or less, to finance the construction of a community/conference/sailing center and the expansion of a recreational center, by levying ad valorem taxes in an amount sufficient to repay such debt, on the ballot of the presidential preference primary election on March 17, 2020 providing for provision to Supervisor of Elections; providing for severability; providing a repealing clause; and providing an effective date.

Mr. Schroth explained that the Supervisor of Elections preferred that the City pass two resolutions - one to remove the referendum from the ballot and one to place the referendum on another ballot.

The Commission discussed the possibility of separating the community center and recreation center on the referendum and possibly paying for expansion of the recreation center from cash reserves whether or not the referendum passes. They also discussed the need to better market the proposal.

Mr. Neibert explained the first resolution must be approved tonight to remove the referendum from the ballot. He stated staff's intention to have the referendum on the November ballot and to have a number of community meetings in the interim. He explained the reason why the two were put together in order to reduce the cost of the financing. He stated there is no reason the city can't move forward with the Carver Park expansion if the referendum doesn't pass. He confirmed when they have to have the second resolution to the Supervisor of Elections for the November ballot with City Clerk Mary Montez stating it would be sometime in August.

Mr. Schroth opened the public hearing at 7:06 p.m. There being no public comment, the hearing was closed at 7:06 p.m.

Moved by Commissioner LeHeup-Smith, seconded by Vice Mayor Lee, to approve Resolution Number 20-22. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

5.4 Resolution Number 20-26: Calling a bond referendum to be on the November 3, 2020, General Election ballot

Moved by Commissioner Morin, seconded by Vice Mayor Lee, to table Resolution Number 20-26. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner Morin and Mayor Holland

Nays: Commissioner LeHeup-Smith

5.5 Ordinance Number 20-09: Voluntary annexing 13.95 acres located at Bates Avenue and Estes Road

Mr. Schroth read Ordinance Number 20-09 by title on second and final reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida; voluntarily annexing approximately 13.95 acres of real property located at the northwest corner of Bates Avenue and Estes Road.

Mr. Schroth opened the public hearing at 7:08 p.m.

The following individuals addressed the Commission to express concern regarding the density of the development, additional traffic on Estes Road, possible additional flooding to the area, and the effect on wildlife: 1) Mike Mynatt; 2) Cliff Chaney; 3) Catherine Gonzalez; and 4) Conrad Schmidt.

Tim Green, Green Consulting Group, addressed the Commission representing the applicant. He indicated they conducted soil borings of the site and found no clay or confining layer down to 25 feet. He added they found nothing that would make the water flow south.

Additional concern was expressed regarding whether or not residents of Lake Swatara are aware of the proposal and the likelihood that Estes Road will never be widened nor will sidewalks be added.

There being no further public comment, the hearing was closed at 7:26 p.m.

Mr. Schroth conducted a straw poll regarding Ordinance 20-09 which indicated all Commissioners were in favor of approval.

Ms. Barnes explained that Ordinance 20-09 addresses the annexation only and that Ordinance 20-11 will assign the design district designation. She stated the other properties in that area are suburban neighborhood. She explained that Ordinance 20-10 assigning the future land use designation is not before the Commission as it is more than ten acres and had to go to the state for review first. She indicated that once it is received back from the state it will be brought back to the Commission for second reading.

Mayor Holland asked the City Attorney to re-read the title for Ordinance 20-09.

Moved by Commissioner Morin, seconded by Vice Mayor Lee, to adopt Ordinance Number 20-09 on final reading. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

5.6 Ordinance Number 20-11: Design District Assignment for property located at Bates and Estes

Mr. Schroth read Ordinance Number 20-11 by title on second and final reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida; assigning the Suburban Neighborhood design district designation to approximately 13.95 acres of recently annexed real property located at the northwest corner of Bates Avenue and Estes Road.

Mr. Schroth opened the public hearing at 7:31 p.m. There being no public comment, the hearing was closed at 7:31 p.m.

Mr. Schroth conducted the straw poll which indicated all Commissioners were in favor of approval.

Mr. Neibert reminded the Commission that they were not approving a specific project only the criteria by which a project would have to be developed.

Ms. Barnes explained the design districts as designated under the City's form-based code stating that the Suburban Neighborhood design district does not identify how many units per acre is allowed. She added that will be determined by the future land use designation after it comes back from the state.

Moved by Vice Mayor Lee, seconded by Commissioner Morin, to adopt Ordinance Number 20-11 on final reading. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

The Commission asked Rick Gierok, Public Works Director, if he had any additional information regarding the flooding in Blue Lake Estates.

Rick Gierok reported he had received a copy of the report from 2010 that the County had prepared. He stated a couple of contributing factors are: 1) tight confining layer - only allows six inches of water to drain into the aquifer per year; 2) water is rising with no place to go. He cited the amount the water has risen over the past three years. He explained that one side of Bates Avenue drains into Blue Lake with the other side draining the other way. He added that the lake is privately owned and is a terminus lake. He said once the ground is saturated for every inch of rain that falls in the drainage basin, Blue Lake will rise seven inches. He commented on how long it takes for water to flow into Blue Lake. He stated that the 2010 study recommended that Lake County do an emergency drawdown. He stated he met with St. John's and Lake Co. Water Authority and further explained that with it being a private lake funding is limited.

He then stated Lake County is trying to get an emergency permit to draw down the lake so they could then install a pump. He commented on the possibility of getting permission from First Baptist to have an outfall installed that will run into their stormwater. He explained that a permanent fix would be an outfall structure. He stated development isn't the issue and further explained how the lakes in the area flow due to the elevations. He stated a permanent fix will be very expensive.

Mr. Neibert stated that the 2010 study shows that the water was rising before Blue Lake Estates was constructed.

The Commission agreed to have Mr. Gierok get the parties together for a workshop.

5.8 Ordinance Number 20-12: Amending Chapter 2, Article VI - Procurement Procedures

Mr. Schroth read Ordinance Number 20-12 by title on second and final reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida; deleting and replacing, in its entirety, Chapter 2, Article VI, Division 2 Procurement Procedures of the Code of Ordinances for the City of Eustis; repealing any and all conflicting ordinances; providing for severability; codification; an effective date; and publication according to law.

Mr. Schroth opened the public hearing at 7:45 p.m. There being no public comment, the hearing was closed at 7:45 p.m.

Moved by Commissioner Morin, seconded by Commissioner LeHeup-Smith, to adopt Ordinance Number 20-12 on second and final reading. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

5.9 Ordinance Number 20-13: Design District Amendment: East Side of SR 44, South of Orange Avenue

Mr. Schroth read Ordinance Number 20-13 by title on first reading: An Ordinance of the City Commission of the City of Eustis, Lake County, Florida; changing the design district designation from Suburban Neighborhood to Suburban Corridor of approximately 1.63 acres of real property located near the southeast corner of SR 44 and Orange Avenue.

Roland Magyar, Senior Planner, explained the applicant is asking to change the design district designation from Suburban Neighborhood to Suburban Corridor. He stated the justification for the request and reviewed the standards for review. He stated staff's recommendation for approval.

Mr. Schroth opened the public hearing at 7:51 p.m. There being no further public comment, the hearing was closed at 7:51 p.m.

Moved by Commissioner Morin, seconded by Vice Mayor Lee, to approve Ordinance Number 20-13 on first reading. Motion carried by the following votes:

Ayes: Vice Mayor Lee, Commissioner LeHeup-Smith, Commissioner Morin and Mayor Holland

6. FUTURE AGENDA ITEMS

6.1 Commissioner Morin asked to have discussion on proceeding with the expansion of the gymnasium.

Mayor Holland stated the need for the Commission to hear from Coach Johnny Saunders regarding the football program so the City can confirm there is a viable program. He indicated there is no need for a scoreboard if there is not a program to use it.

Ms. Isaac Thomas indicated he has a board and suggested that his board should come before the Commission.

7. COMMENTS

7.1 City Commission

Commissioner LeHeup-Smith reported on the inaugural fundraiser for LEASH which raised approximately $6800 to be used for spaying and neutering dogs. She indicated they would be distributing certificates to get dogs fixed.

Commissioner Morin reported on an upcoming "poverty simulation" and asked the Commissioners and City Manager to attend. He explained the purpose is to show what it's like to be among the working poor in Lake County. He commented on his attendance at the Lake Sumter MPO meeting and noted he is chairing the governing council for the Mid Florida Homeless Coalition.

Vice Mayor Lee asked to include on the next agenda recognition of Andrew Jones who was recently named an Eagle Scout. She reported on her attendance at the Eustis 4-H group meeting and explained they are interested in taking over the City's community garden. She indicated she would be working with them to help the City get the land back the way it should be. She commented on the upcoming Chamber event and First Friday and announced that her twin granddaughters would be the weather babies on Fox 35.

7.2 City Manager

Mr. Neibert announced that the Ferran Park project was underway and indicated he would be providing weekly updates on the progress.

7.3 City Attorney

Mr. Schroth reported that staff had suspended one of the code enforcement foreclosure actions based on Commission action; however, staff will have to proceed with the action due to lack of response from the owner.

7.4 Mayor

Mayor Holland acknowledged the passing of Marjorie Alexander citing her work with the various libraries and on the City's Library Board. He noted Commission attendance at the Trout Lake Nature Center's upcoming fundraiser.

8. ADJOURNMENT: 8:04 P.M.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording or verbatim transcript of the meeting can be obtained from the office of the City Clerk for a fee.*

Mary C. Montez

MARY C. MONTEZ, City Clerk

MICHAEL L. HOLLAND, Mayor/Commissioner