APPROVED: 3/21/2013

City of Eustis, Florida

City Hall
10 North Grove Street
Post Office Drawer 68
Eustis, FL 32727-0068

Meeting Minutes – Final*
City Commission

Thursday, March 7, 2013 | **6:00 PM** | **City Hall**

CALL TO ORDER: Mayor Muenzmay - 6:00 p.m.

INVOCATION: Rev. David Clawson, Eustis First Assembly of God

PLEDGE OF ALLEGIANCE: Vice Mayor Bob

ACKNOWLEDGEMENT OF QUORUM AND PROPER NOTICE

Present: 5 - Vice-Mayor Linda Bob; Commissioner Albert Eckian; Commissioner Michael Holland; Commissioner Karen LeHeup-Smith; and Mayor Kress Muenzmay

I. AGENDA UPDATE - None

II. APPROVAL OF MINUTES

13053 February 21, 2013 - Regular City Commission Meeting

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve the Minutes as submitted. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

III. AUDIENCE TO BE HEARD - None

IV. CONSENT AGENDA

13051 Resolution 13-18, Supporting Proposed Changes to F.S. 287.055

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve the Consent Agenda. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

V. ORDINANCES, PUBLIC HEARINGS & QUASI-JUDICIAL HEARINGS

13049 Resolution No. 13-15: Water Service/Annexation Agreement for Property on the N. Side of Lakeview Avenue, North of Eustis, Outside the City Limits

Derek Schroth, City Attorney, announced Resolution No. 13-15 as follows: A Resolution of the City Commission of the City Of Eustis, Florida; Approving a Water Service and Annexation Agreement with Dallas C. And Catherine M. Sands, Owners of Real Property on the North Side of Lakeview Avenue between Myrtle Drive and Turner Drive, North of Eustis, Outside the City Limits.

Dianne Kramer, Development Services Director, explained the request to receive water service and further explained there was a change to the resolution as the property had been sold; however, *the new property owners also desire water service and future annexation. She stated the resolution and annexation agreement were changed to reflect the new owners.*

Mr. Schroth opened the public hearing at 6:05. There being no public comment, the hearing was closed at 6:05 p.m.

A motion was made by Commissioner Holland, seconded by Commissioner LeHeup-Smith, to Approve Resolution No. 13-15. The motion carried by the following vote:

Aye: 5 - Vice-Mayor Bob; Commissioner Eckian; Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

13057 Resolution No. 13-16: Economic Development Incentive Program for the Lake County Enterprise Zone in the City of Eustis

Mr. Schroth announced Resolution No. 13-16 as follows: A Resolution of the City Commission of the City of Eustis, Florida; Establishing Economic Development Incentives for the Lake County Enterprise Zone in the City of Eustis to Encourage New Multi-Family, Mixed Use, and Non-Residential Construction and to Encourage Business Operation and Development.

Ms. Kramer explained that when the Enterprise Zone was first adopted it was the City's intention to provide further incentives. She reviewed the proposed incentives as follows: 1) An additional 2% for the construction cost vouchers for eligible construction within the Enterprise Zone with a total maximum potential of $90,000 for those areas that are also located in the CRA; and 2) Use of economic development funds to cover the annual cost for business tax receipts for businesses within the Enterprise Zone. She noted there are currently under 100 businesses in the Enterprise Zone for a total annual cost of just over $3,000. She further explained they would all still need to obtain a business tax receipt but the cost would be covered by the economic development funds.

The Commission asked how the $250,000 threshold was arrived at and if there would be any merit to having the threshold even lower due to the poverty levels within the area.

Ms. Kramer responded that the program does not apply to single family residential only commercial or mixed-use multi-family residential and most of that type of construction will be at least $250,000.

The Commission discussed the proposed provision of Business Tax Receipt relief for existing businesses, the possibility of only giving the Business Tax Relief to new business but giving it for a three to five year period, ensuring that any benefits given to new businesses is also given to existing businesses so as not to provide an undue advantage over the existing businesses, the need for each business to be able to afford at least their own license, approving the incentives as proposed, areas included in the Enterprise Zone and blighted areas not included in the Zone.

Mayor Muenzmay opened the public hearing at 6:15 p.m.

Nancy Muenzmay, Executive Director of the Lake Eustis Area Chamber of Commerce, asked how much the business license is with Ms. Kramer indicating that within the Enterprise Zone the lowest is $40 and the highest is $120.

The public hearing was closed at 6:17 p.m.

Commissioner Eckian moved to approve Resolution No. 13-16 with the amendment that the Business Tax Relief would only be given to new businesses and the relief would be for a period of three years. Vice Mayor Bob seconded the motion.

The motion failed 3 to 2 by the following vote:

Aye: 2 - Vice Mayor Bob; and Commissioner Eckian

Nay: 3 - Commissioner Holland; Commissioner LeHeup-Smith; and Mayor Muenzmay

A motion was made by Commissioner LeHeup-Smith, seconded by Commissioner Holland, to Approve Resolution No. 13-16 as submitted. The motion carried by the following vote:

Aye: 3 - Vice-Mayor Bob; Commissioner Holland; and Commissioner LeHeup-Smith

Nay: 2 - Commissioner Eckian; and Mayor Muenzmay

VI. OTHER BUSINESS

13054 Rescheduling of Regular City Commission Meetings

Paul Berg, City Manager, reviewed the proposed meeting schedule for 2013. He stated that the Commission would always have the ability to call an additional meeting and could adopt the meeting schedule each year at the organizational meeting.

Mayor Muenzmay explained for the audience that at one of the recent Commission workshops Commissioner Eckian noted the amount of actual legislative business could probably be incorporated into one meeting per month which would leave more time for workshops and other business. He added that if a development issue arose that would be addressed. It was further explained that the proposed schedule would free up Commission time for other City activities and free up some staff time as well.

Mayor Muenzmay opened the floor to public comment at 6:24 p.m. No one came forward.

CONSENSUS: It was a consensus of the Commission to move forward with Mr. Berg noting that it will be brought back as a resolution.

13058 Honoring Dr. Martin Luther King, Jr.

Ms. Kramer reported on the various proposals that have been discussed for honoring Dr. Martin Luther King as follows: 1) Take no action due to the lack of consensus by the public; 2) Proceeding with changing the name of Bates Avenue to Martin Luther King Jr. Blvd.; 3) Changing the name of Eustis Middle School; 4) Changing the name of another street solely in Eustis; 5) Dedicating the new park area at Kensington Street and Orange Ave. to Dr. King; 6) Providing an honorary designation to Dr. King along Bates Ave.; 7) Naming a new street Martin Luther King Jr. Blvd.; and 8) Renaming the Community Center in honor of Dr. King. She noted there was a suggestion that if the City dedicated the community building or one of the parks then additional information regarding Dr. King could be incorporated.

Mayor Muenzmay confirmed it was a consensus of the Commission that the City needs to do something to honor Dr. King. He acknowledged that whatever is chosen will not please everyone. He suggested that the Commission establish a process for naming buildings and streets that can be adhered to in the future.

The Commission discussed the need for standard operating procedures, the possibility of reviewing any state procedures for dedicating a section of roadway, and the need to carefully consider how to recognize Dr. King so that it unifies the City rather than divides.

Mayor Muenzmay opened the floor to public comment at 6:34 p.m. No one came forward.

CONSENSUS: It was a consensus of the Commission for the City to honor Dr. King in some way, to develop a process for dedicating public facilities or roadways and to work to develop a consensus of the community on how best to honor Dr. King.

13059 Draft Documents for City Commission Governance and Strategic Plan

Mr. Berg presented the draft Commission governance documents based on comments from the January 31 and February 9 workshops and explained that staff worked to incorporate all of the documents into one package. He then commented on the draft strategic plan and asked for any further direction so they can be brought back for adoption.

The Commission discussed scheduling another half-day workshop to review the governance package and strategic plan, including timelines on the strategic plan action items.

CONSENSUS: It was a consensus of the Commission for each Commissioner to submit their comments on the documents to the City Manager by the end of the next week and for staff to schedule a separate workshop for review of the documents.

13060 Economic Development Incentives for Job Creation Projects

Mr. Berg explained the proposal to offer some economic development incentives for job creation projects. He commented on the County's incentives for businesses that provide jobs that pay at least 115% of the median family income. He stated they offer financial incentives with the jobs verified after 12 months and required payback of the incentives if the jobs are not maintained. He explained the different incentive levels offered based on the salary levels of the job created. He commented on how the funding might be budgeted and cited the existing incentives provided in the CRA and the Enterprise Zone. He indicated that, if the Commission is interested in the program, staff could bring a draft program back for review. He noted there is one, possibly two, proposed development projects that might qualify for such a program.

The Commission discussed the following: 1) mirroring the County's incentives; 2) possibly providing additional incentives within the CRA and the Enterprise Zone; 3) budgetary constraints; 4) the fact that the City is a part of the County; 5) offering a lower incentive rather than matching the County; 6) staggering any incentives over a number of years; 7) the need to establish a budget first; 8) the need to prepare a "return on investment" (ROI) analysis to show that there will be a return on the taxpayers' dollars; and 9) the need to ensure the funds are paid back if the jobs are not maintained.

Mayor Muenzmay opened the floor to public comment at 6:59 p.m.

Steven Moulden, 560 South Exeter Street, asked about the timeframe and commented on the need for more school funding in the northern part of the County.

There being no further comment, the public input was closed at 7:01 p.m.

The Commission discussed including an incentive for lower level jobs as well and the need to perform an ROI to determine what the breakeven point would be.

CONSENSUS: It was a consensus of the Commission for staff to develop a draft proposal for the Commission's consideration.

VII. FUTURE AGENDA ITEMS

Commissioner Eckian asked for staff to provide a review of the City's disaster preparedness plan at a regular Commission meeting some time before June with the presentation including what organization would be in charge to assist displaced persons.

VIII. COMMENTS

City Commission

Commissioner Holland congratulated everyone who worked on GeorgeFest.

Vice Mayor Bob commented on the library's program with the writer who gave a presentation about the African-American activities during the Civil War.

Commissioner LeHeup-Smith reminded everyone about the upcoming Lake Eustis Museum of Art exhibit opening "He, She, We" and that the Wine Affair would be March 14th.

Commissioner Eckian also offered congratulations regarding GeorgeFest. He announced the Bates Avenue Neighborhood Council is planning a GED program at the Curtright Center. He commented that City taxpayers are also paying taxes to Lake County and encouraged residents to contact City about anything they are aware of in the County that are not in the best interests of the City and its residents.

Mayor Muenzmay also congratulated everyone on all of the work for GeorgeFest. He commented on the federal government sequestration and explained the likelihood there would not be a significant impact on the City.

City Manager

Mr. Berg noted that a ribbon cutting needs to be scheduled for the Kensington Gateway and introduced John Futch, Public Works Director.

Mr. Futch reported that substantial completion was initially scheduled for March 3rd; however, due to the breakdown of a paver, the project would be substantially complete on March 8th with final completion scheduled for April 2nd. He explained between the 8th and April 2nd they would be working on punchlist items with the paving and striping to be complete March 8th. He noted that the project is being completed within budget and stated that traffic probably wouldn't be open until Monday (March 11th).

Mr. Berg commented on City staff's efforts on GeorgeFest and the amount of support they received from the public for their efforts and the efforts of the Chamber of Commerce to ensure the event's success.

Mr. Futch complimented and thanked the Chamber on their support of the City employees who worked during GeorgeFest.

Mr. Berg stated that, at the next meeting, staff would provide information regarding the County's consideration of holding public hearings on the additional five cent gas tax.

City Attorney

Mr. Schroth asked if the Commission wanted a closed or open session regarding the Keating litigation.

The Commission discussed what would be included in the session and scheduling for the meeting.

CONSENSUS: It was a consensus of the Commission to hold one more closed session to discuss strategy with the session to be held March 21st at 5:00 p.m.

IX. ADJOURNMENT - 7:19 p.m.

Mary C. Montez

MARY C. MONTEZ
City Clerk

KRESS T. MUENZMAY
Mayor/Commissioner

*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.