



**Minutes of the
Community Redevelopment Agency
Regular Meeting
Monday, June 13th, 2016 @ 6:00 p.m.
Council Chamber, City Hall**

1. CALL TO ORDER

Mayor Farley called the meeting to order at 6:00 p.m.

Board members Present: Chairman Farley, Vice Chairman Gudis, Board member Houston, Board member Brown, Board member Holmes

Board members Absent: None

2. ADOPTION OF AGENDA

Motion to adopt the agenda was made by Vice Chairman Gudis; seconded by Board member Houston. Motion carried unanimously.

3. PRESENTATIONS

4. UNFINISHED BUSINESS

5. APPROVAL OF CONSENT AGENDA

A. Approve Minutes of CRA Meeting held May 23rd, 2016

Motion to approve the consent agenda was made by Board member Brown; seconded by Council member Houston. Motion carried unanimously.

6. PUBLIC INPUT

7. CRA ATTORNEY

CRA Attorney Angeliadis reported on working with staff to finalize loan documents.

8. CRA ADMINISTRATOR

A. Update regarding proposal for the Crystal River Riverwalk

Background: [Agenda Sheet Requested Motion: Riverwalk Project Information only

Summary: In the last Community Redevelopment Agency meeting, MCG and The Ash Group presented various materials and treatment information for the Riverwalk. Following the presentation, Council requested staff to come up with a complete recommendation for Council consideration. Staff has accepted the challenge and is working on this recommendation.

Unfortunately it was not until after this meeting that staff had the opportunity to review in detail the engineering estimate against the budgetary numbers on the project. The Riverwalk costs are above the project budget in total for both Tier 1 and Tier 2. Staff is now working with all parties involved in what is called value engineering of the project. A substantial review has been done to reduce costs on all parts of the job while meeting the project criteria.

To date, the team has reduced the costs to an amount that is closer to the project expectation and further analysis will be required before a formal recommendation can be made. The team is hopeful for a July presentation to the CRA Board.

Staff Recommendation: NA

End of Agenda Sheet]

CRA Administrator Burnell provided an overview of the item, status update on the recommendation proposal, and addressed Board questions regarding citizen lighting concerns.

B. Motion to consider Resolution #16-R-13 of the Crystal River CRA authorizing the issuance of a CRA revenue note not to exceed \$3,500,000 in aggregate principal amount of its Crystal River CRA Redevelopment revenue note, Series 2016, to finance certain public improvements within the Crystal River CRA area including design and construction of the Kings Bay Riverwalk Project and substantial redevelopment to Hunters Springs Park

Background: Agenda Sheet **Requested Motion: Motion to approve Resolution No. 16-R-13 of the Crystal River CRA authorizing the issuance of its not to exceed \$3,500,000 in aggregate principal amount of its Crystal River CRA Redevelopment revenue note, Series 2016, to finance certain public improvements within the Crystal River CRA area including design and construction of the Kings Bay Riverwalk Project and substantial redevelopment to Hunter's Springs Park.**

Summary: During our February 8, 2016 CRA meeting, Council was provided various information for potential CRA financing options to assist in funding planned capital improvements within the City as projected during the FY2016 budget preparation. Management's intention is to fund the construction of the Riverwalk project and substantial renovations to Hunter Springs Park planned over the next three years from a combination of possible grants as well as an outside financing source. The original plan was to seek a \$5 million loan.

Council was informed during the March 16, 2016 that the City Manager and Finance Director had met with all five of the nine banks contacted in which the City received financing options from as well as consulted further with bond counsel and a financial advisor. Management had also announced the City was informed of some additional funding available for said projects that resulted with the City desiring a loan of \$3.5 million versus the original intent of \$5 million and requested updated loan options.

Council approved management during the April 11, 2016 CRA meeting to accept CRA financing with Iberia Bank for a 3 year draw period interest only at Prime less 2.28% (currently 1.22%), plus a 12 year term loan with a fixed rate of Prime less 1.30% (currently 2.20%). Management has finalized the loan arrangement including the 15-day Public Notice of Proposed Adoption of Note Resolution in accordance with the provisions of Section 163.346 Florida Statutes, the required resolutions, and loan agreement. This note will be designated as a "qualified tax-exempt obligation" pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986 as amended.

Upon approval and adoption of this resolution by the Agency, and approval and adoption of Resolution #16-R-16 by the City of Crystal River Council, the loan closing will occur on June 14, 2016.

Staff Recommendation: Approval

End of Agenda Sheet]

CRA Administrator Burnell provided an overview of the request, adding that the funding will also allow for spending on stormwater-related projects within the CRA. Michael Reed and legal counsel from Iberia Bank, as well as Finance Director Russell were available to answer questions.

Board discussion was held regarding loan details, City legal review, and the types of projects for which the funds would be available.

Motion to approve Resolution No. 16-R-13 of the Crystal River CRA authorizing the issuance of its not to exceed \$3,500,000 in aggregate principal amount of its Crystal River CRA Redevelopment revenue note, Series 2016, to finance certain public improvements within the Crystal River CRA area including design and construction of the Kings Bay Riverwalk Project and substantial

redevelopment to Hunter's Springs Park was made by Vice Chairman Gudis; seconded by Board Houston. Motion carried unanimously.

C. CRA mini-grant for Highlander Café façade improvements-

Background: [Agenda Sheet **Requested Motion:** Information Only

Summary: The owner of the Highlander Café located at 638 N Citrus Avenue is seeking a mini-grant to repair the inferior natural siding on the exterior of the building and re-paint. The material and method of the repairs is consistent with maintaining the historic look of the building. Three estimates were received with the lowest in the amount of \$3,025.00. This grant will pay for 50% of improvements, which equals \$1,512.50.

Staff Recommendation: None

End of Agenda Sheet]

CRA Administrator Burnell presented the item the Board, noting that it was a good example of a project that will allow a business to meet the appearance standards of the CRA, and provided clarification regarding the approval process.

D. Motion to allow Crystal River Main Street to apply for a 50/50 matching grant to restore the pump station by the water tower, and to restore the building if the grant is awarded

Background: [Agenda Sheet **Requested Motion:** Motion to allow Crystal River Main Street to apply for a 50/50 matching grant to restore the pump station by the water tower, and to restore the building if the grant is awarded.

Summary: This historic property circa the early 1900's was once the city jail. It is one of the very few remaining historic properties in the city that has not been torn down or restored. It is also in a prominent location near the corner of Citrus Avenue and Highway 19 on bayside. Main Street has an opportunity to apply for a 50/50 matching grant to pay for this project. Main Street funds and in-kind labor would be used to fund the match. We anticipate the total project cost to be approximately \$100,000.00. The grant application requires formal approval by the property owner, which is the City of Crystal River. If the grant is awarded funds will be received in 2017/18 and the project will commence.

The city would remain the owner of the property. We would like to see the restored building used as an exhibit that would be open to the public.

Staff Recommendation: NA

End of Agenda Sheet]

CRA Administrator Burnell provided the Board with an overview of the request to allow the Crystal River Main Street program to pursue grant funding for a restoration project on a city-owned property and a timeline of the application process. He also addressed Board questions and comments regarding historic preservation, potential public access requirements, safety and location concerns and potential costs. Karen Pieters, Crystal River Main Street program Director, provided further detail regarding the funding application process, the proposed project and match requirements for which the Main Street program would be responsible. She also provided confirmation that further Board approval would be required if the project were to move forward.

Motion to allow Crystal River Main Street to apply for a 50/50 matching grant to restore the pump station by the water tower, and to restore the building if the grant is awarded was made by Vice Chairman Gudis; seconded by Board member Brown.

Motion carried 4-1, with Board member Houston in opposition.

9. COMMUNICATIONS

Board member Brown reported on communications received regarding planned enhancements to the Coastal Heritage Museum, which CRA Administrator Burnell confirmed were being handled.

10. BOARD MEMBERS COMMENTS

- A. *Jim Farley, Chair*
- B. *Mike Gudis, Vice Chair*- Commented on the CRA Financing item, noting that it will fund a project that has been discussed for years.
- C. *Andy Houston*
- D. *Ken Brown*- Commented on his attendance to the Blues and Brews Festival noting the good turnout.
- E. *Robert Holmes* – Commented on his attendance to the Blues an Brews Festival during which he spoke with some of the visitors.

11. PUBLIC INPUT

12. ADJOURNMENT

Chairman Farley adjourned the meeting at 6:34 p.m.

CITY OF CRYSTAL RIVER



JIM FARLEY, CHAIRMAN

ATTEST:



MIA FINK, CITY CLERK

