



**Minutes of the  
Community Redevelopment Agency  
Regular Meeting  
Monday, April 25<sup>th</sup>, 2016 @ 6:00 p.m.  
Council Chamber, City Hall**

**1. CALL TO ORDER**

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

**2. ADOPTION OF AGENDA**

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

**3. PRESENTATIONS**

A. Pirate Festival

Special Events Coordinator Leslie Bollin provided information and details regarding the upcoming Crystal River Pirate Festival, scheduled for Saturday, May 21<sup>st</sup>. Chairman Farley commended Ms. Bollin for her ongoing success.

**4. UNFINISHED BUSINESS**

**5. APPROVAL OF CONSENT AGENDA**

A. *Approve Minutes of CRA Meeting held April 11<sup>th</sup>, 2016*

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

**6. PUBLIC INPUT**

Carol Kimbrough- Crystal River Main Street- Presented Chairman Farley with a Main Street plaque and requested that the sign be posted at Little Springs Park.

Sharon Kerner- Crystal River Tree Board- Announced the upcoming Arbor Day event scheduled for Saturday, April 30, 2016 from 9:00 a.m. to 12:00 p.m.

**7. CRA ATTORNEY**

**8. CRA ADMINISTRATOR**

A. *Update regarding palm trees at the Third Street Cemetery*

Background: [Agenda sheet **Requested Motion:** None – The Staff Liaison to the Tree Board would like to update the CRA on his findings regarding potential removal of palm trees from the cemetery on NE 3<sup>rd</sup> Street.

**Summary:** The Tree Board approached the Council at the last CRA meeting on April 11<sup>th</sup> regarding their recommendation to remove all of the palm trees at the NE 3<sup>rd</sup> Street Cemetery. The CRA Board requested staff to review this in the field and make a recommendation as to how many palm trees are problematic and need to be removed. Staff will provide a verbal update and recommendation.

**Staff Recommendation:** Not Applicable – update only End of Agenda Sheet]

Public Works Director Lou Kneip provided an update regarding a previous Tree Board request to remove thirty (30) trees from the Third Street Cemetery, confirming that two trees could be subject to removal.

B. *Motion to approve Crystal River Main Street to develop a display at the vacant corner of Citrus and Highway 19, featuring the replica of an 1864 Sailing Scow, Spirit of Crystal River and incur the ongoing electrical costs*

*to illuminate the Sailing Scow and City water tower*

**Background:** [Agenda Sheet **Requested Motion: Motion to approve Crystal River Main Street to develop a display at the vacant corner of Citrus and Highway 19, featuring the replica of an 1864 Sailing Scow, Spirit of Crystal River and incur the ongoing electrical costs to illuminate the Sailing Scow and City water tower.**

**Summary:** The report Crystal River Main Street, Inc. received from the Florida Main Street Resource Team strongly encouraged the improvement of this vacant lot. In its current state, the lot makes it difficult for visitors to find downtown, and makes downtown appear to be blighted.

Phase one of four phases (intended to be completed by May 21, 2016 for Pirate Fest):

This request is to place the Sailing Scow at the North East corner of the lot. The scow will have light landscaping such as a bed of sand, decorative pilings and a few Florida friendly grasses. It will be clearly signed and protected to deter easy access onto and into the Sailing Scow. The plan also includes installation of lights for both the scow and the adjacent water tower using energy efficient LED lighting. Main Street is requesting the City to pay the ongoing energy costs of lighting both sites.

If approved Main Street will engage the services of Wick MacKenzie, a landscape and commercial lighting professional from Krischler Lighting to assist us in making the following arrangements:

The Water Tower would be illuminated by 3 lights: First would be installed on an existing light pole to the west of the Water Tower. Second would be installed on a new pole that would be located in the City right-of way to the East of the Water Tower. The final light would be placed beneath the Water Tower and shine up, lighting the bottom of it. All lights would be focused to maximize the City logo and tank.

Main Street also requests putting signage near the vessel explaining the story of the boat and crediting contributors to the display. The display will be installed in accordance with all City building codes and ordinances. Main Street is aware that the sailing scow installation is considered temporary and removal of the vessel may be required in the future.

The Spirit of Crystal River is owned by the Florida Parks Department, which has agreed to loan the boat to the City for its display. A written agreement will be required.

Future Main Street plans in this area include the following (Main Street will present each of the phases to Council prior to implementation):

Phase Two: Paint a mural of the historic waterfront on the wall of the building to the south of the vacant lot. This is subject to the approval of the owner of the building. If the owner does not approve a painted mural, we would seek to create some other sort of historic, decorative backdrop such as a graphic wrap.(Planning completion by end of summer)

Phase Three: Install rope lighting along the roofline of the buildings near the corners of Citrus Avenue and Hwy 19. This, too, is subject to the approval of the owners of the property. (Planning completion by end of November)

Phase Four: Install an information Kiosk near the trolley stop by the lot and/or gateway signage to inform and attract visitors. (Planning completion by end of November)

**Staff Recommendation:** Staff supports Phase one of this effort. End of Agenda Sheet]

Provided a brief overview of the item and introduced Marcia Chesnicka, Co-Chair of the Main Street Design Committee. Ms. Chesnicka reviewed project details, as well as future phases of the project, requesting the City to cover the ongoing lighting costs. Crystal River Main Street Executive Director Karen Pieters clarified that the team was currently focused on completion of the first project phase.

CRA Administrator Burnell provided clarification regarding liability, ownership status of the sailing scow and the loan agreement under which the vessel display would be managed.

**Motion to authorize Main Street to proceed with Phase One, as it is described in the back up material and that the City agree to pay for the electrical costs related to lighting the tower and the display was made by Board member Houston; seconded by Vice Chairman Gudis. Motion carried unanimously.**

*C. Motion to approve management to expedite CRA financing to assist with funding planned capital improvements within the City 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%).*

**Background:** [Agenda Sheet Requested Motion: Motion to approve management to expedite CRA financing to assist with funding planned capital improvements within the City 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%).

**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.

Management has now received and reviewed all revised proposals from the four banking institutions (Capital City Bank, IberiaBank, TD Bank, Nature Coast Bank) whom still desire to work with the City for CRA financing of our planned capital improvements within the City. As stated previously, all institutions have expressed the concern of pledged revenue of only TIF funds, but chose to continue to work with the City on financing options. Several have also expressed the desire to establish a primary banking relationship with the City pending completion of the loan. The financing options provided by all four varied from fully funded fixed rates, fixed rate draw period to variable rate term and variable rate draw to variable rate term. The options also ranged from 5 year options to 20 year options.

Management has analyzed all financing options available and is recommending one of two options – 1) 3 year draw 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%) along with no prepayment penalty with IberiaBank or 2) 5 year fixed rate of 2.27%, then 10 years with a variable rate of 67% of Prime and no prepayment penalty with Capital City Bank. Annual payments for both would be in the range of \$280,000 - \$332,500 with a total interest paid of \$550,000 – \$580,000 over a fifteen year period. A recap of all financing options is being provided for your review.

Upon Council approval , management will finalize the loan arrangement and plan to expedite the closing process with the coordination of the City bond counsel, Holland and Knight, LLP.

**Staff Recommendation:**

Management desires 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%).

End of Agenda Sheet]

CRA Administrator Burnell provided a brief overview of the item and introduced Finance Director Michelle Russell to provide further information.

Vice Chairman Gudis spoke in favor of the proposal selected by staff.

Finance Director Michelle Russell briefly described the process by which proposals were reviewed and a selection was made.

**Motion to approve management to expedite CRA financing to assist with funding planned capital improvements within the City 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%) was made by Vice mayor Gudis; seconded by Council member Brown.**

Ms. Russell addressed Board questions regarding previous concerns regarding the use of TIF funding as leverage. Board members also commended staff for their efforts.

**Motion carried unanimously.**

**9. COMMUNICATIONS**

Vice Chairman Gudis spoke in favor of the City's recent purchase of the property located next to Hunter's Springs Park.

**10. BOARD MEMBERS COMMENTS**

A. *Jim Farley, Chair*

B. *Mike Gudis, Vice Chair*

C. *Andy Houston-* Requested a status update regarding an upcoming relocation of a local restaurant, which CRA Administrator Burnell provided.

D. *Ken Brown-* Requested that improvements planned for the Coastal Heritage Museum be completed before the Crystal River Pirate Fest.

E. *Robert Holmes*

**11. PUBLIC INPUT**

**12. ADJOURNMENT**

Chairman Farley adjourned the meeting at 6:22 p.m.

ATTEST:

  
MIA FINK, CITY CLERK



  
CITY OF CRYSTAL RIVER

JIM FARLEY, CHAIRMAN