



City of Palm Coast

City Hall
160 Lake Avenue
Palm Coast, FL 32164
palmcoastgov.com

Meeting Minutes

City Council

Mayor Jon Netts
Vice Mayor Heidi Shipley
Council Member Jason DeLorenzo
Council Member Steven Nobile

Tuesday, August 16, 2016

9:00 AM

City Hall Community Wing

City Staff

Jim Landon, City Manager

William Reischmann, City Attorney

Virginia A. Smith, City Clerk

>Public comment on issues on the agenda or public participation shall be limited to 3 minutes for each speaker.

>If any person decides to appeal a decision made by the City Council with respect to any matter considered at such meeting or hearing, he/she will need a record of the proceedings, including all testimony and evidence upon which the appeal is to be based. To that end, such person will want to ensure that a verbatim record of the proceedings is made.

>The City of Palm Coast is not responsible for any mechanical failure of recording equipment.

>Other matters of concern may be discussed as determined by City Council.

>If you wish to obtain more information regarding City Council's agenda, please contact the City Clerk's Office at 386-986-3713.

>In accordance with the Americans with Disabilities Act, persons needing assistance to participate in any of these proceedings should contact the City Clerk at 386-986-3713 at least 48 hours prior to the meeting.

>City Council Meetings are televised on Brighthouse Networks Channel 495 and on AT&T U-verse Channel 99.

>All cell phones are to remain OFF while City Council is in session.

A. Call to Order

Mayor Netts called the meeting to order at 9:00 a.m.

B. Pledge of Allegiance to the Flag

C. Roll Call

Present: 4 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, and Council Member Nobile

Approval of Minutes

- A. August 2, 2016 City Council Business
- B. August 9, 2016 City Council Workshop

A motion was made by Council Member DeLorenzo, and seconded by Council Member Nobile, that the Minutes be Approved as presented. The motion was adopted by the following vote:

Approved: 4 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, and Council Member Nobile

Proclamations and Presentations

- 2** [16-326](#) PROCLAMATION RECOGNIZING SEPTEMBER 5, 2016 THROUGH SEPTEMBER 11, 2016 AS NATIONAL PATRIOTISM WEEK

Mayor Netts presented this Proclamation.

The Proclamation was Received and Filed.

PRESENTATIONS

- 3** [16-327](#) ZIKA VIRUS UPDATE BY FLAGLER COUNTY DEPARTMENT OF HEALTH

Bob Snyder and Sue Reese from the Department of Health provided a PowerPoint presentation, which is attached to these minutes.

CM Nobile-This is mainly relating to pregnant woman? Ans: Mr. Snyder-Yes.

CM Nobile-Two transmissions mosquito bite and sexual? Ans: Mr. Snyder-Yes and the third is from a pregnant mother to a baby.

The Presentation was Received and Filed.

ORDINANCES, RESOLUTIONS, AND PUBLIC HEARINGS

Order of Business for Public Hearings (Council may make inquiries at any stage):

Open Hearing

Staff Presentation

Applicant Presentation (if applicable)

Council Questions of Applicant (if applicable)

Public Comments/ Presentations

Rebuttal by Applicant (if applicable)

Close Hearing

Council Discussion

Council Action

Resolutions

- 4** [16-321](#) RESOLUTION 2016-XX PROVIDING APPROVAL TO THE IRS FOR TAX EXEMPT FINANCING FOR TUSCAN GARDENS OF PALM COAST PROJECT

Mr. Landon provided a brief overview to this item.

Chris Young, Tuscan Gardens. Wayne Dunkelburger, Project Manager provided a PowerPoint presentation, which is attached to these items.

Robert Gall of HJ Sims, Bond Underwriter provided an explanation of the bonding issue.

Mayor Netts-I was contacted by a resident, who is very concerned that the City was going to exempt this project from property taxes? This in no way exempts you from City, County or any other property taxes, the purchasers of the bonds received the income without being taxable, correct? Ans: Correct, this is a for profit LLC partnership, therefore they are not exempt from property taxes. If they were a not for profit company they could request a full exemption but they are for profit organization. They are allowed to have homestead exemptions for a reduction in the overall assessed value as well as for the affordable units. They could also receive some minor reductions in the assessed values but they will be assessed just like any other businesses, except for those other exemptions that the State of Florida allows you to apply for but you still have to work through Flagler County and the Assessor's office. Those are not guaranteed in any way, shape or form.

CM Nobile-In your opinion, what is the intent of the IRS in requiring the City to approve this? Ans: Mr. Gall-The intent is, and I cannot answer this from a legal perspective, but the requirement is always that in order for us to have tax exempt bond allowance the IRS code and the State statutes require us to hold a public hearing, which is what we are doing here today, open the project and answer questions.

Mr. Landon-We have confirmed the City has no financial obligation, this does not impact our bond rating. We are not going to report this in any way, so I think that is critical to us and that is clear in the resolution. The other thing that is very clear is that it still requires your full approval for our building permits to be issued before any of this actually goes through, so this does not preempt any of our other processes whatsoever. It is just a unique quirk that the IRS requires. I think they want some kind of assurance that local involvement was included in the review process before they issued these bonds.

Mayor-Correct me if I am wrong, do CDD's enjoy a similar ability to issue a tax free debt? Ans: Mr. Gall-Yes, correct.

CM DeLorenzo-Who will monitor the affordable housing aspect of it? Ans: Mr. Gall-We also require in the documents, we have a US bank, as a bond trustee, who is in the bond documents, as far as monitoring financial compliance and we have an outside compliance monitor as part as the land use restriction and affordable housing and that also requires the hiring of outside compliance monitor. We use an organization based here in Florida that monitors affordable housing for both multi-housing and senior housing throughout the State. That is a cost to the borrower to pay the cost to monitor and provide ongoing reporting with rent rolls with certification-the checks and balances are there.

CM Nobile-What will be the permanent resident capacity of the assisted living facility? Ans: Mr. Young-The project for the assisted and memory care-130 units between the assisted and memory care-56 are to memory care and the balance would be to the assisted. Independent is 120 units. 10% of the units are couples in the memory care.

VM Shipley-How many jobs do you expect this to bring to Palm Coast? Ans: Mr. Young- Phase 1 is approximately 100 jobs that will be created between the assisted and memory care portion of that. When the IL (Independant Living) comes on board

there will be another 50 or so jobs created. Those are the direct employee jobs.

Public Comments:

Jack Carall-I have been to these places and after a few years, they become raggedy. What is our guarantee that it will be like this for the life span and what is the cost to the person that will occupy this? What happens if this fails?

Vince Liquori-Signage-what will it be? Medical care-in-house or called in?

Responses to Public Comments:

Cost-Ans: Mr. Young-General information for market rate rents, there are subsidized rates available, a market rate run is between \$,3500-\$4,500 per month for assisted living, that is a private unit, to include 3 meals and activities per day; the ability to have transportation within a certain radius to go to doctor's visits-assisted living side; on the memory care side, the cost is somewhere between \$,5000-\$6,000 per month; that is more intense care for those living on the memory side. Subsidized rates-\$2,000 to \$3,000 per month, so a substantial discount amount that we subsidize for that and that is part of the tax exempt financing that we have as a for profit developer.

Medical care-Ans: Mr. Young-We are not licensed to provide medical care in the State of Florida but we are able to provide assistance to those who live in there. We do have nurses and CNA's who can assist those that live there. We are not licensed to provide medical care, this is the person's home, so you would have inhome health care. You could pay someone to come in to provide health care to you. By law, we are not allowed to have someone living there who cannot get themselves out of bed.

Signage-Ans: Mr. Young-That will be part of the site plan approval process.

Degradation of service-Ans: Mayor Netts-I have been to and have had the privilege to speak at some of these facilities and that has not been my experience.

Bankruptcy-Ans: Mayor Netts-It was alluded to that the City is somehow backing this and we are not, we are simply allowing you to comply with our building code and this is a private sector enterprise, so the risk is all on Tuscan Gardens.

A motion was made by Council Member DeLorenzo, and seconded by Council Member Nobile, that the Resolution be Adopted. The motion was adopted by the following vote:

Approved: 4 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, and Council Member Nobile

Enactment No: R2016-73

Consent Agenda

Public comments shall be held In accordance with Section 286.0114 Florida Statutes. Any member of the public interested in speaking on any item on the Consent Agenda, shall come to the podium, state their name and will have up to three (3) minutes each to speak.

A motion was made by Council Member DeLorenzo, seconded by Council Member Nobile, that the Consent Items be Considered as reported on the Consent Agenda.. They were approved by the following vote:

Approved: 4 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, and Council Member Nobile

- 5 [16-298](#) RESOLUTION 2016-XX APPROVING AN INTERLOCAL AGREEMENT BETWEEN FLAGLER COUNTY SCHOOLS AND THE CITY OF PALM COAST FOR A FIRE ACADEMY PROGRAM

Enactment No: R2016-74
- 6 [16-276](#) RESOLUTION 2016-XX APPROVING THE COLLECTIVE BARGAINING AGREEMENT NEGOTIATED BETWEEN THE CITY AND NORTHEAST FLORIDA PUBLIC EMPLOYEES, LOCAL 630, LABORERS INTERNATIONAL UNION OF NORTH AMERICA, AFL-CIO

A motion was made by Council Member DeLorenzo, seconded by Council Member Nobile, that the Consent Agenda be Adopted on Consent. The motion was Approved unanimously.

Enactment No: R2016-75
- 7 [16-313](#) RESOLUTION 2016-XX APPROVING THE SUCCESSOR COLLECTIVE BARGAINING AGREEMENT NEGOTIATED WITH THE INTERNATIONAL ASSOCIATION OF FIRE FIGHTERS LOCAL 4807

A motion was made by Council Member DeLorenzo, seconded by Council Member Nobile, that the Consent Agenda be Adopted on Consent. The motion was Approved unanimously.

Enactment No: R2016-76
- 8 [16-230](#) RESOLUTION 2016-XX APPROVING CONTRACT WITH THE FLAGLER HUMANE SOCIETY, INC., FOR ANIMAL SHELTER SERVICES

A motion was made by Council Member DeLorenzo, seconded by Council Member Nobile, that the Consent Agenda be Adopted on Consent. The motion was Approved unanimously.

Enactment No: R2016-77
- 9 [16-309](#) RESOLUTION 2016-XX APPROVING A CONTRACT WITH LANDIRR, INC., FOR THE PALM HARBOR GOLF COURSE BUNKER REHABILITATION PROJECT

This item was requested to be removed from the consent agenda by Jack Carall.

Jack Carall-Cost of this? Ans: Mr. Landon-Approximately \$215,000.

Jack Carall-How many golfers do we actually have that use this golf course and why should the people of this City support the amusement of a few? It is not cheap.

Robert MacDonald-Does the City own this golf course and how much profit are we making?

Anita Moeder-Amazing amenities, golf, tennis, trails, parks and beaches maintenance. Important to keep up the maintenance on our amenities.

Chris Payne-How many golf courses are in Palm Coast? Equivalent in prices?

Carl Nabbath-Why does the City own a golf course?

Responses to Public Comments:

Rounds of Golf-Ans: Mr. Landon-Rounds of golf is approximately 35,000 to 40,000 per year.

Mayor Netts-Do we have any statistics, how the frequency of bunker repair on Palm Harbor compares to bunker repair on other courses? Ans: Bill Butler-Generally, golf courses have to go through a bunker rehabilitation every 7 to 8 years or so, it is something you have to do, you have debris either blowing in or washing in from the sides and results in contamination and results in poor drainage. It is not something that is unique to our course, every course has to do it. It is part of golf course maintenance. It has been about 7 years since the bunkers were rehabed the last time, so we are right on schedule.

Ownership-Ans: Mayor Netts-The City owns the golf course.

Profit-Ans: Mayor Netts-There is no profit.

Fee compatibility-Ans: CM Nobile-They are compatible.

CM Nobile-What was the net loss last year? Ans: Mr. Landon-About \$300,000.

CM Nobile-What did it cost us to renovate Holland Park? Ans: Mr. Landon-About \$4mil to \$5mil.

CM Nobile-Amenities cost money. We own the golf course. We cannot go into that community right now and say we are shutting this down, that would be devastating to Palm Coast and to that community. So we need to focus on is how do we make it profitable, how to keep it active, because that is important. Again, if we start raising the price, people will just go to the other courses and now we will start to lose more money. What we have to do is focus on like last week making it more profitable, more participation from the community, tournaments, etc., it costs money for amenities. I do not think the golf course is that big of an expense but it could be less because we can really do things to bring it down and that is what we need to focus on.

Why do we own a golf course? Ans: Mayor Netts-It is not that uncommon for a City to own a golf course. It is part of an amenity package that makes a City a good place to live, work, and play.

Why did we acquire it? Ans: Mayor Netts-The golf course was privately owned and purchased by a developer. The developer owned the course and was going to rehabilitate it. They cleared it, they used an herbicide to kill all the vegetation because they thought they were getting ready to rehabilitate it, put all new grass in, so on and so forth. The bottom fell out of the market, they stopped all rehabilitation on the course. As the course deteriorated, Code Enforcement got involved, the developer decided to deed the course over to the City. The City then paid to rehabilitate it.

Additional public comment:

Jack Carall-People talk about free amenities, parks, dog runs, etc. I don't pay to go into the parks, but I can't walk along the golf course, I don't have access to these amenities. I agree with the free amenities, not the pay to play.

A motion was made by Council Member Nobile, and seconded by Council Member DeLorenzo, that the Resolution be Adopted. The motion was adopted

by the following vote:

Approved: 4 - Mayor Netts, Vice Mayor Shipley, Council Member DeLorenzo, and Council Member Nobile

Enactment No: R2016-78

D. Public Participation

Public Participation shall be held in accordance with Section 286.0114 Florida Statutes. After the Mayor calls for public participation each member of the audience interested in speaking on any topic or proposition not on the agenda or which was discussed or agendaed at the previous City Council Workshop, shall come to the podium and state their name. Each speaker will have up to three (3) minutes each to speak. The Mayor will advise when the three (3) minutes are up and the speaker will be asked to take a seat and wait until all public comments are finished to hear answers to all questions. Once all members of the audience have spoken, the Mayor will close public participation and no other questions/comments shall be heard. Council and staff will then respond to questions posed by members of the audience. Should you wish to provide Council with any material, all items shall be given to the City Clerk and made part of the record. If anyone is interested in discussing an issue further or ask additional questions, individual Council Members and staff will be available after the meeting to discuss the matter and answer questions.

Chris Payne-Moved here in October. Code regulations regarding fencing.

Vince Liguori-vacant lots and high home density residential areas. Opposes the Public Utility Tax.

Anita Moeder-Zika presentation and swales remaining full.

Robert MacDonald-Honoring Frank Meeker. What about a memorial for CM Lewis?

Sims Jones-Plant or a sign that can sit in front of CM McGuire's seat, just to say thank you to him.

Jack Carall-County Commission meeting voting on fluoridating the water. What about fluoride for Palm Coast? Is it good, is it bad?

Responses to Public Comments:

Fencing-Ans: Mayor Netts-The City has a building code that specifies the type, height, material of which the fence can be. The issue with putting up a non-compliance fence and then try to hide it with shrubs or planting materials-we have had issues like that in the past. The problem is there is no way we can assure the maintenance of the shrubbery. A piece dies off, a piece dies off and pretty soon what you thought was well hidden is not and then you are in non-compliance with the City code. There are a number of fencing options available. That is the Building Code, that is the Land Development Code and that is pretty much what City Council has supported in years past.

Density/vacant homes-Ans: Mayor Netts-I would not be comfortable with the City of Palm Coast offering legal advice to our residents. Mr. Liguori points out that a tree falling is an act of God, unless there was prior knowledge that perhaps, and then to use your words (Mr. Liguori) that may not apply, that is vague enough that I am not comfortable to have our City Attorney or City Council advertise to our residents what

their options are.

Attorney Reischmann-Reminded Council about the existing codes, fire mitigation, and the public nuisance codes.

Vince Liguori-Point of clarification-To the City Attorney, what I said was that it would be dependent upon 80% density. In the example that I gave you, you have 49 lots on Wellshire Lane and 40 homes, denuding 9 lots is certainly not going to impact drainage. The second thing is concerning City liability, for example, I believe current regulations, wildfire mitigation only takes out bushes and vines, the trees stand. An 80 foot pine tree, 10 feet from the property line of a homeowner, leaning toward its' house, could wipe out that house. The homeowner contacts the lot owner and says remove the trees and the homeowner turns around and says I can't. The City says I cannot take down the live tree.

CM Nobile-We had that situation, where the tree was alive and on a vacant lot, you could not take down the one tree, but we have gotten rid of that and now you can. That has been taken care of.

Mayor Netts-If the tree is perceived to be a hazard, we will issue a permit at no cost for the removal of that tree.

Zika/swales-Ans: Mayor Netts-The City has an ongoing capital budget that provides for a rehabilitation of about 25 miles of swales each year. There will be no end to that because of the nature of the swale system. Part of the problem we have here is a perched water table. There are areas in Palm Coast where the house and the property are very close to the height of the water table. You then dig a swale-18 inches deep, and in many cases you are digging down into the water table and if you were to take a pump and pump water out of the swale you would actually see water coming up through the ground. We are doing the best job we can to maintain our swale system, with the understanding that it will never be 100% dry all of the time. That is why we are very fortunate to have the East Flagler Mosquito Control because they do come in and periodically spray and put down insecticide.

Memorials-Ans: Mayor Netts-This is one of the interesting penumbra's that governments face, one person is more popular than another, one person is better remembered than another, one person is perceived or given more service than another, it is very, very difficult to come up with a policy that covers everyone. Of the 5 original City Council Members-3 or 4 have been memorialized, one has not. If a majority of City Council feels it is appropriate, City Council will proceed.

Sign posting to thank CM McGuire-Ans: Mayor Netts-We can certainly do that, but again we have not done it in the past, consistency is one of those hob goblins of the mind.

Fluoridation-Ans: Mayor Netts-Preliminary discussions with the Department of Health-Not sure it is true that every City has to approve because Palm Coast serves Palm Coast, but we also serve portions of the barrier island, we also serve portions of unincorporated Flagler County. I am certain that the Board of Health will come before City Council with a discussion on fluoridation. I can certainly give you my opinion, my understanding. As a trained biologist, it was my background afterall, once upon a time, the vast majority of Florida already has fluoride in the water, Jacksonville, for example, its' water supply has naturally occurring fluoride in the appropriate optimum amounts. There is statistical data that shows tooth decay far less in Jacksonville or in areas where you do not have the optimum amount of fluoride. Over the years, going back to the 40 and 50's, there has been an outcry about how fluoride is

poisonous, so is chlorine. They are all in the same family of chemicals, but there is no question that where fluoride is in the water, there is a reduction in tooth decay. I just found out recently, not just with children, I assumed it was children, but to Jack's point, as you age one of the problems is with gum recession. Your gums recede and expose the root of the tooth, that is not well protected with enamel and actually there is significant evidence that fluoridation helps prevent dental decay in the elderly.

E. Discussion by CITY COUNCIL OF MATTERS NOT ON THE AGENDA

Mayor Netts-Early voting has begun. Please go out and vote.

CM DeLorenzo-Mr. Meeker's dedication-status. Ans: Mr. Landon-I have not talked to anyone today but will send you an update as to where we are, we have to fabricate the sign and organize the ceremony.

VM Shipley-Holland Park-Would like on the next workshop safety for the entrance to Holland Park. Mayor Netts would like to see a graphic of when this park will be completed.

F. Discussion by CITY ATTORNEY OF MATTERS NOT ON THE AGENDA

Nothing at this time.

G. Discussion by CITY MANAGER OF MATTERS NOT ON THE AGENDA

Bear country-When residents provide a food source to the bears. Ms. Bevan has been working with the Fish and Wildlife Agency. August 18, 2016 there will be a presentation at 6pm here at the Community Wing on How to Live with Bears.

Food truck Tuesday-tonight.

*Waterway cleanup-Saturday, September 10
Senior Games-Weekend of September 10*

H. Adjournment

The meeting was adjourned at 10:30 a.m.

*Respectfully submitted,
Virginia Smith, City Clerk*

Calendar and Worksheet

[16-325](#)

MEETINGS CALENDAR AND AGENDA WORKSHEET

[16-333](#)

ATTACHMENTS TO MINUTES