

CITY OF ST. AUGUSTINE

City Commission Special Workshop Meeting Strategic Planning and Midyear Budget Analysis Tuesday, May 11, 2021

The City Commission met in formal session Tuesday, May 11, 2021 at 8:35 A.M. in the Alcazar Room at City Hall. The meeting was called to order by Mayor Tracy Upchurch, and the following were present:

1. Roll Call: Tracy Upchurch, Mayor/City Commissioner
Nancy Sikes-Kline, Vice Mayor/City Commissioner
Roxanne Horvath, City Commissioner
John Valdes, City Commissioner
Barbara Blonder, City Commissioner

John Regan, City Manager
Isabelle Lopez, City Attorney
Darlene Galambos, City Clerk
Meredith Breidenstein, Assistant City Manager
Mark Simpson, Director, Finance
David Birchim, Director, Planning and Building
Reuben Franklin, Director, Public Works
Melissa Wissel, Communications Manager
Barry Fox, Police Chief
Carlos Aviles, Fire Chief
Laura Morse, Recording Secretary

2. General Public Comments

Public comment was opened and the Commission heard from the following member of the public:

- BJ Kalaidi

Public comment was closed.

3. Discussion pertaining to the mid-year budget analysis

Mark Simpson, Director, Financial Services, presented a preliminary mid-year budget analysis.¹ He indicated in lieu of last year's uncertainty and challenges, a conservative budget was completed, and he was pleased with each Fund's results. He reviewed the

General, Utility, Stormwater, Solid Waste and Marina and Visitor Information Center (VIC) Funds and added the following:

- Budget was roughly \$60 million
- Revenues and Expenses were performing as planned
- General Fund saw bulk of ad valorem received at beginning of fiscal year and 'debit card' approach was used
- Auditor inaccurately stated the Utility Fund was a 'cash cow'; it showed large surplus at year end because of contributed non-cash capital based on developers' contributions
- Stormwater Fund projections were based on cash, budget based on cash-in and cash-out, and depreciation not considered which could affect year end

¹ Attached to original Commission packet

- Solid Waste Fund was most problematic Fund and required stabilization and the recently passed revenue enhancement would recoup some costs of providing carts to residents
- Marina Fund performed extremely well with a full year of marina operation infrastructure in-tact
- VIC Fund performed better than expected with parking garage revenues returning during Nights of Lights and large tourist influx with the State being open

The Commission discussed:

- Reimbursements from COVID related expenditures not factored into budget
- CARES Act reimbursement contract signed with expected \$1.2 million to be deposited in reserves from last year, which would assist with Fire Department expenses incurred during last fiscal year
- Additional \$300,000 from CARES Act would apply to fiscal year 2021 and most was appropriated for Commission room upgrades
- \$150,000 in VIC maintenance was anticipated, would use \$250,000 from the Sinking Fund (not used annually but balance accumulated) for capital maintenance and signed contracts during COVID for \$400,000
- Sinking Fund not used in 2019 fiscal year
- Solid Waste Fund rate adjustments would be discussed in June 2021:
 - Peer city comparative rates showed City rates way down
 - Needed monthly rates increased to \$22 or \$23 instead of \$17
 - New solid waste vehicles needed to run streets efficiently, assets were expensive, and all other funding source remedies were exhausted

4. Strategic Plan Discussion and Update

John Regan, City Manager, stated the Strategic Plan was the City's most important document which had been provided to the

Commission, and included principles and objectives that moved towards the City's Vision Plan. He advised the workshop's intent was to engage Commission discussion of the Strategic Plan's projects and objectives, which would be refined for a more manageable direction for the City workforce, and would ultimately become reflective in the City's budget.

Mayor Upchurch inquired about timing and availability of Federal and State stimulus and infrastructure money.

Mr. Regan responded the State required 123 additional staff to manage \$500 million in current budget appropriations for sea-level rise and anticipated opening submittals in September. He indicated most federal stimulus package money was slotted within the State administrative systems with funds allocation co-blending between State and Federal government.

Mr. Regan recommended listing the implementation of the Transportation and Parking Master Plan as a specific Strategic Plan line-item project, since this topic pertained to mobility.

Mayor Upchurch referenced the City's acquisition and ownership of King Street, and discussed the following with the Commission:

- Pleased with City staff efforts
- Incumbent upon City to manage destiny, since King Street was not a State priority
- Acquisition allowed City to address resiliency and mobility issues, and continuance of economic revitalization of West King Street
- Inability for City to control mobility and livability if State controlled a significant artery in middle of City
- City was not in Florida Department of Transportation (FDOT) five-year project timeline
- FDOT was constrained and worked under specific parameters

- Drainage project discussed at May 10, 2021 Commission meeting had been worked on since 2008
- Caution should be taken to ensure enough money was available from the Community Redevelopment Agency (CRA) to maintain King Street, as bulk of money set aside was for maintenance
- A City owned King Street would enable creativity and control of City's destiny
- At some future point City access would require limitations, which City was unable to do if not owner; therefore, how could City not acquire entry corridors
- Consider affect on local businesses to shut down King Street for construction

Mr. Regan stated the topic of expanding access through control of all FDOT right-of-ways (ROWs) should be an idea for future discussion.

Isabelle Lopez, City Attorney, advised the City was unable to limit or restrict access on public roads, whether owned by the City or FDOT. She stated a vehicular road could be turned into a pedestrian by-way; however, the City could not be selective on who could access the roads.

Mayor Upchurch suggested the City's police station (PD) was inadequately and poorly placed, he opposed the idea 30 years ago and it had taken a valuable piece of property from the community. He stated the Broudy Project had many community benefits, including PD relocation to private land, which required the City to rethink traditional zoning ideas and principles, but would tremendously benefit the community. He suggested returning the current PD property to private owners.

The Commission discussed:

- Location of police station (PD) was inadequate due to flooding issues
- Unsure how any development at the inlet harbor would alleviate flooding at the PD

- Appreciated the centrality of PD location, but it was intended as part of the San Sebastian project
- PD location in private hands had many benefits
- Policing would still be adequate if located station west of US1
- Study was required on relocating PD to Broudy property
- Moving PD from current constrained space would be an improvement
- Working with San Sebastian project and pump utilization, and King Street project would benefit existing PD location
- Address flooding, as a squad of police cars damaged from saltwater flooding would be a huge capital expense
- Questioned how Sebastian River project would help with flooding during hurricanes

Mr. Regan stated this was the first time the Commission requested prioritization of the PD and Fire Station 'siting work'. He noted the topic fell under Infrastructure Planning and Construction which historically was utility work; however, the timing to review re-financing was great since money was cheap. He stated it was City staff's job to present studies and options for the Commission's review and decision, but the key issue was to place this topic into the Plan.

Mayor Upchurch expressed concerns with the City's IT system security, as noted by the auditor. He stated the interference with federal agencies and the recent Colonial Pipeline issue should initiate a serious assessment of the City's vulnerability to cyberattacks.

Commissioner Sikes-Kline proposed the following list of ideas for discussion:

- Out of touch with community after a year of COVID and Zoom meetings; therefore, a 'Citizens Survey' should be distributed to obtain community priorities, with Commission review of the questions prior to submittal

- Spruce up City, pay attention to aesthetics and how public assets looked to community, which should include the downtown lighting plan
- Supported ability for police officers to take home patrol cars
- Unique person required for code enforcement after hours and weekends, as everyone knew enforcement was not occurring after 5:00 p.m.
- The Island City Fire Department was outdated, barely functional and needed a new station on Anastasia Island and issue had been postponed for too long
- City should be prepared with mobility fee numbers and contribution to plan funding for a circulator during 'fifth cent' discussions with the Tourist Development Council (TDC)
- Get serious regarding assessment of night life in Strategic Plan with review of Key Performance Indicators; work on downtown crime statistics and incident volume as well as business inventory mix
- Management of tourism and the Visitor's Information Center (VIC):
 - City's VIC had 90% of the visitors, or 382,000 out of 3 neighboring visitor centers in 2020
 - VIC space retrofitted years ago to accommodate fine art and cultural exhibits, but had been under-utilized; therefore, City should seize opportunity to utilize the space to tell the City's story to the community
 - Develop plan with community developers and partnerships to "elevate the experience of the visitor" at the VIC
 - Suggested hybrid staff committee task force with community experts in the field and develop a mission statement

Commissioner Horvath mentioned Workforce Needs and Housing, and she discussed with the Commission the preparation of the '312' and '80 acre' properties, the mineral rights issue with the '80 acre' site, Brownfield cleanup of 312 site

and other money source potential, and the actual 28 to 30 acres of buildable property on the 312 site.

Commissioner Horvath noted her interest in Arts, Education and Community.

The Commission and Mr. Regan discussed:

- Performing arts building was looking at the 312 site and requested Commission approval to secure a portion of the site for their building
- 312 site could be combination of affordable housing, performing arts, and a parking garage
- City markers were dated and old and in desperate need of re-design
- \$37,000 in budget for contracting work on the markers and staff reviewed options
- Start a public art initiative for the markers which may also solicit good signage ideas on entry corridors and also art that anchored May Street
- Retention and recruitment of City staff was difficult due to cost of living and housing availability and could use portion of 312 site for affordable housing for City staff with use of grants and subsidization
- Federal programs diffused benefit to the City on controlling who lived within limits, with more strings attached
- Lincolnville and residential parking issue required neighborhood education and involvement and community desire to affect a solution and City program was not forceful, but designed as 'if you want this program we can help'

Commissioner Horvath mentioned the City of Jacksonville received 1% of money from developers towards public art, and she questioned whether the City could replicate this into the City's Code.

Ms. Lopez advised the City could not disproportionately assess a certain amount from new development, but it had to be proportionate and directly related to the developer's growth. She suggested the

creation of a matrix for public art and would research the topic in further detail.

Mr. Regan suggested a Commission workplan task to place the evaluation and proposals of the highest and best use for the 312 property under livability objectives.

At the request of Commissioner Blonder, the Commission examined the topic of Livability and Character within the Vision Plan, and the following was discussed:

- City fell short with livability and character
- King Street was a priority for mobility issue and car alternatives
- Two components to flooding were sea-level rise from storm tidal water and precipitation levels
- Staff should prioritize projects for Commission's review of geographical impacts
- Water retention from precipitation should be priority with incentivizing rooftop gardens and cisterns, bioswales, rain gardens and reduction of the urban heat island affect
- People desired to learn ways to incorporate sustainability into residential or commercial property
- Shipyard project was encouraging
- Stepped up education and outreach program needed to assist with technology transmission at local level
- Modify Strategic Plan at the design stage of projects to identify resilient strategies requiring evaluation, including retention detention and pollution control
- Developer of Shipyard's project was versatile on sustainability and would set precedent for new developments, and San Sebastian project could also address sustainability issues
- Incentivize developers or provide credit for projects which reduced impact on the City's water treatment, like coverage for impervious surfaces, rate structuring with stormwater retention or low-flow plumbing in major commercial hotels

- Utilize the lead program, or leadership in energy in environmental and atmospheric design resources and water efficiency to define City objective
- City was 90% developed and buildings were now looked at for design issues, with existing neighborhoods requiring analysis
- Buildings should be designed with ability to be lifted in the future, if necessary
- Parking was uncontrolled pollution invoking garage / stackable parking idea
- Limited availability for new re-development, but future saw lots of opportunities for re-development
- Importance of mobility fee structure for future new and re-development
- Many properties were underutilized: King and US1, circa 1950 hotels on Anastasia

Commissioner Blonder addressed the topic of increasing grants administration staff.

The Commission and Mr. Regan discussed:

- Meeting challenges of flooding and resiliency would cost more than taxpayer base
- Leveraging grant monies and securing opportunities for these funding areas was critical; therefore, the number one staffing priority was to add a position in grants administration
- State legislature approved significant amounts of money for resiliency
- Many funding opportunities available for living shorelines, adaptations to sea-level rise, and increased erosion
- Contract the grants administration task out with assistance from legislative consultants
- Federal grants were a complex issue because rules frequently changed causing potential to lose grants; City currently at risk of losing \$10 million grant

Commissioner Blonder requested the status of how the City was doing with achieving the Diversity, Equity and Inclusion objective, and noted concern with community divisiveness

at all levels, and the objective should bridge the divide.

Mr. Regan and the Commission discussed:

- Statistics were monitored monthly, and an ad hoc group assisted with networking to locate qualified candidates
- Internal programs focused on retention, mentoring and promotion
- Second most important staffing position to be proposed was in Human Resources, and position would assist with locating and recruiting qualified minority candidates
- Two separate training groups assisted with devising budget estimates and a work plan
 - First group included visions through community with discussion of difficult topic of racism
 - Second group went through organization with structural racism theory
- Accelerated plans for the West Augustine sewer
- Programs initiated in celebration of the Lincolnville CRA preservation of historic African American institutions with upcoming ceremonies
- Build thematic approach on ways to invite visitors to the City using VIC cultural and arts events and initiatives
- Addition of Human Resource, Grants, and Code enforcement staff was dependent upon the funding, and parameters that affected funding, such as material price increases; 'Human Resource' and 'Grants' position would come from the General Fund, and the Utility Fund would also be used to enhance staffing and equipment
- Typical for 30 different position requests at any given time, but approval of only two or three, and this year would see many staff changes to meet City requirements
- Planning and Building reviewed staffing modification options to accommodate a more proactive approach to issues such as sea-level rise

Mr. Regan advised that a workshop was required regarding Solid Waste fleet modernization, automation and rate adjustments.

Commissioner Sikes-Kline commended the excellent job done by the City's historical preservation planners and asked Jenny Wolfe, Senior Historic Preservation Planner, to provide a report on current grant applications.

Commissioner Sikes-Kline commended Mr. Regan on his previous promise and goal to ensure cultural changes within staff. She noted he was loyal, took a long approach, and had delivered on bringing bright minds, new talented faces and rising stars, which had proven very well for the City.

Commissioner Blonder inquired about the lifespan of the 2014 Vision Plan and the time duration between updates. She noted the City had seen an enormity of changes the past five years, and had struggled with livability and preserving character which caused the loss of long-time residents. She requested a Plan update with more specific goals and asked for Commission support to re-visit this topic.

Commissioner Horvath noted that a Vision Plan was completed nearly 20 years prior to the one in 2014, and now seven years later she was in support of updating the Vision Plan; however, it was a significant effort and she referred to Mr. Regan on the topic.

Mayor Upchurch stated he was not favorable to update the Vision Plan, as annually the framework of the Strategic Plan was used, which was indicative that it resonated with the Commission as community leaders. He noted the work in the Strategic Plan was used to direct 'boots on the ground' projects, the Plan was excellent, and the deficiencies were not there to warrant spending the time, money, and energy to update it. He said the Plan assisted his decision regarding the removal of the City confederate monument.

Commissioner Sikes-Kline suggested the Strategic Plan was elegantly built, had excellent framework, and included principles of livability, vitality, authenticity, and character. She noted many of the concepts would reign clear 50 years into the future, the strategic results looked good, the goals were solid, and if any updates were to be done, the objectives should be the focus. She stated the Commission could envision as much as they wanted; however, so many things had changed such as the economy, hurricanes, COVID, short-term rentals, and home offices.

Commissioner Sikes-Kline reviewed the Key Performance Indicators within the Strategic Plan's Arts, Education and Community and suggested the continuance of the UF preservation of government house and the LaFlorida Project; however, these were established and not required as Performance Indicators.

Commissioner Blonder stated the Vision Plan should be a clear picture in their minds of what the City should look like in 10, 20, 50 years, and her vision was not clear. She noted the Sustainability objective required the most refinement, as it was written in 2014 prior to Hurricanes Matthew and Irma, and pre 'sunny day flooding'. She suggested that preservation of the City's character and the affects to authenticity and 'small residential community' attribute was paramount, and she hypothesized the citizen survey would reveal 'small town attribute' as the number one citizen importance, with mobility and flooding to follow. She concluded certain refinements of the Vision Plan were necessary to ensure it was tightly aligned to the Strategic Plan objectives.

Commissioner Horvath suggested a workshop to revise and update the Vision Plan.

Commissioner Valdes advised the focus should be on the clear and present danger, and difficult issues of ocean rise, flooding, vacation rentals and saving the City from

mother nature; otherwise, none of this mattered.

Mayor Upchurch suggested that procedurally the Commission should contemplate the Citizen Survey to ensure the questions were crafted in ways that spoke to the Strategic Plan issues, then return to a workshop session to discuss the input and Plan revisions, particularly lower-level 'granular' Performance Indicators.

Mr. Regan advised the Vision Plan could be updated with refinement and reformatting at the will of the Commission. He suggested that while updating the Vision Plan, accountability to the Plan had not been addressed and should be completed to provide insightful information.

Mr. Regan stated many events from the past few years proved the City required a proactive approach to future issues, and the Commission was certainly proactive. He advised City staff would thoroughly review the Commission's suggestions and return with a strike-through version of the Plan for their review and discussion.

The Commission recessed from 10:28 a.m. until 10:37 a.m.

Mr. Regan provided a summary of the information discussed during the workshop:

- King Street: better articulate and track objectives more directly
- Workforce Housing: Seek non-traditional approaches in caring for citizens with utilization of City property, creative financing methods to limit strings attached, take objective and remove 'enhancing partnerships' and replace with 'create workforce housing'
 - Use the 312 wastewater property as a multipurpose integrated site
 - Clear out mineral rights on 80 acre site, address complicated issue involving landowner Mosaic and refine County objective

- Arts and Culture: Address livability including public art and delivery methods with public participation to be identified in a workplan, VIC modification to showcase exhibitions, shift focus to infrastructure to fit City's mission
- Resiliency and Sustainability: Incentivize good behavior within this category
- Infrastructure Planning and Construction: Recognition of new police and fire station
- Code Enforcement: New proactive approach plan under Barry Fox included after hours and weekend code enforcement which would still report under Planning and Building
- Citizen Survey: Would be brought back to the Commission for review of questions prior to community submittal
- City Staff positions: Various positions needed, including Human Resources, Grants, and Code Enforcement
- Improvement of Livability and Character within Strategic Plan
- IT Security: This was not in objectives but should be budgeted, as not enough could be done to prevent cyber attacks

Mr. Regan concluded that great information was presented, and other topics and items would morph from the discussion, such as staff goals to modify the CRA, and a second workshop would be scheduled to review the revisions discussed regarding Solid Waste. He expressed his appreciation for the Commission's time and insight.

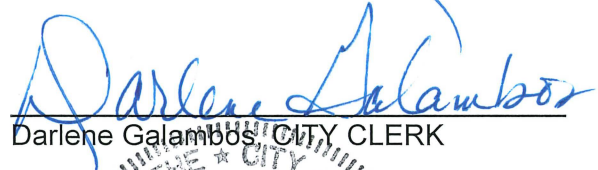
Mayor Upchurch stated the Commission meetings were reactive to issues and did not permit the opportunity to freely discuss ideas. He concluded the informality of workshops allowed in depth discussion of topics, the ability to build upon smart ideas, proactive approaches to problems, and free discussion.

5. Adjournment

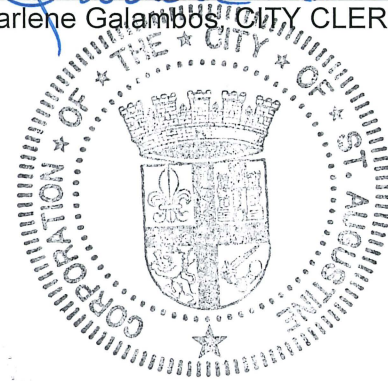
There being no further business, the meeting was adjourned at 10:57 A.M.²



Nancy Sikes-Kline, VICE MAYOR



Darlene Galambos, CITY CLERK



² Transcribed by Laura Morse