AGENDA MINUTES
CITY COMMISSION MEETING
CITY HALL, 501 W MEADOW STREET
TUESDAY, FEBRUARY 27, 2024 5:30 PM

1. CALL TO ORDER

The City of Leesburg held a CRA New Member Workshop on Tuesday, February 27, 2024, at Leesburg City Hall. Commissioner Berry called the meeting to order at 5:30 p.m. with the following members present:

Commissioner Theresa Conner (Carver Heights CRA)
Commissioner Robert Alderman (Carver Heights CRA)
Commissioner Samantha Ponder (Greater Leesburg CRA)
Commissioner John Sokol (Greater Leesburg CRA)
Commissioner Allyson Berry (City Commission)

Also present, were City Manager (CM) Al Minner, City Clerk (CC) J. Andi Purvis, and Network Manager (NM) Mike Andrews.

INVOCATION

Commissioner Berry gave the invocation followed by the Pledge of Allegiance to the Flag of the United States of America.

PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

2. INTRODUCTIONS BY AL MINNER, CITY MANAGER

CM Minner welcomed everyone to the workshop. This meeting is for formality purposes and there are no decisions made at workshops. This workshop was called to review the Carver Heights and Greater Leesburg CRA's and to discuss how each board is made up. He provided a packet that included CRA budgets and the master plans. He pointed out that sometimes he would refer to the Greater Leesburg CRA as the Downtown CRA and the Carver Heights CRA as Carver Heights. The third is known as the U.S. Highway 441/27 CRA.

3. PRESENTATION / DISCUSSION:

A. Budgets

Beginning, **CM Minner** informed them that everything they do as a CRA member is public information, and it can be requested at anytime. This meeting was informal and included a presentation. At the request of Commissioner Berry, he would provide an introduction to local government and the CRA's to show their purpose. With this being an informal workshop, he will answer questions as we go along. He broke down the three CRA's and provided the budgets along with the priorities for FY 24. We are near the end of the second quarter of FY 24. Municipal corporations (the city) and political subdivisions (the county) have the same fiscal year per state statutes, which is October 1st through September 30th. The last quarter of the calendar year, October through December, will be the first quarter of FY 25. During the summer there will be discussions about the FY 25 budget, which starts October 1st. The CRA's biggest participation will be during the budget time frame. However, at the request of any commissioner, we could have a meeting, but typically CRA's meet when there is business to discuss. A Community Redevelopment Agency (CRA), is a special district managed by a selected board that oversees improvements to a defined area by use of political subdivisions and municipal corporation taxes. Under the CRA law, we create revenue that is derived from property taxes and that makes up the CRA budget. CRA's are defined as a two-edged sword. They can be unpopular with political subdivisions (the county) because they have to give up incremental revenues, but the county is required to provide that to the municipal corporation, so the municipal corporation can manage blighted areas. The purpose of the CRA is to develop plans in order to accomplish certain things in a defined area. There are ten different purposes for a CRA. The first is the removal of slum and blight. Slum and blight are at the top because it is the main purpose of a CRA. CRA's also create clean and safe places, prevent crime and encourage economic development, they build or enhance affordable housing, fund streetscapes or capital improvements, preserve historic buildings or resources, retain or recruit businesses and enhance parks and recreation. CRA's also increase the tax base and increasing the tax base is the primary reason. The philosophy for taking political subdivisions' money is to create growth and remove the issues from a targeted area. When we remove blight, we increase the tax base not just for the city, but for all taxing districts including the school board, the county, and hospitals. When we remove slum and blight and make improvements to an area, it helps everybody because it increases property values and commerce. In the end, it makes the world a better place to live.

There are a lot of rules promulgated by the CRA and 1969 was a very important year in the State of Florida because the state performed a humongous comprehensive re-evaluation of state statutes where they redefined everything. The Redevelopment Act of 1969 was a huge landmark because that was when CRA's were authorized in the statute. Chapter 163, Part III, was part of the redevelopment of the State of Florida, and not many cities had CRA's until the 1980s. In the State of Florida there are currently over two hundred CRA's. Many rules have been added and modified since the creation of the city's three CRA's. The point is there are many laws governing CRA's. In his opinion, the laws were created due to the misuse of CRA's by municipal corporations who took advantage of tax issues to create CRA's. Now, every year, the state legislature does something to modify the rules. CRA's have very complex laws through Chapter 163. However, the main purpose of a CRA is to remove slum and blight. The state does not have any CRA's because they regulate them through the promlogation of state laws. Counties and cities are supposed to work together to manage and operate CRA's. In order to create a CRA, there has to be slum and blight in a specific area. A municipal corporation cannot take a prosperous area of the community and call it a CRA because there has to be an existence of slum and blight as defined in Chapter 163.

Referring to a chart, he showed six points for slum and blight. It has to constitute a serious growing menace, injurious to the public, health, safety, and welfare of the residents. It has to contribute to the spread of disease and crime, and it has to constitute an economic social liability which decreases tax base and revenue. The area has to impair sound growth. If we had one portion of the community rapidly growing while another area was not, that would not be enough to meet the definition of slum and blight. It has to retard the provision of decent housing accommodations, and it has to aggravate traffic problems that create traffic hazards. **Commissioner Sokol** inquired if it has to address every issue or just some of them. **CM Minner** replied that it needs to address most of them. It needs to meet some standard of the definition for slum and blight. If we only picked traffic for a small area, there would still be growth. Therefore, it would not constitute slum or blight. Some reasons could constitute as better reasons, if they were to use them singularly. It is better to use all of them because that makes up the definition of slum and blight. Once an area has been identified as having slum and blight, that creates purpose, and they would have to create a plan.

Referring to another slide, he pointed out the city limit boundaries that were outlined by candy cane dots. The yellow circles on the slide indicate the city's targeted areas. Those areas represent the three CRA areas; Carver Heights, Downtown, and the 441/27 CRA. When a municipal corporation or political subdivision creates a CRA, they have to specifically define the area and the occurrences in that area that meet the definition of slum or blight. Once the area is created, it is eligible to create a tax financing increment (TIF). The financing increment is the amount of tax revenue collected in the identified blighted district above what was collected in the base year. The base year is defined as when the CRA was created. As the area grows, the revenue above the base year becomes an increment and the increment cities or municipal corporations receive is from the targeted area above the base year. CRA's are funded by the increment of both the municipal corporation and the county tax value. **Commissioner Sokol** asked if that was why the county did not like Leesburg. **CM Minner** agreed. He said with tax increments for a defined area, there would be a TIF which creates a certain amount of revenue. It may not be a lot because the area faces issues. However, it should always create little to no revenue because it underperformes and that meets the definition of blight, because it is not creating enough tax revenue to solve the issues the citizens want solved. When the city sets out to create a CRA, we make a box and count up all the taxable properties in that box. Based on the current millage rate or taxable value in that year, it creates a certain amount of revenue and that is called the base year. For example, if a box created one thousand dollars in the base year and there was little growth in year two, they may have one thousand and fifty dollars. As a note, the base year tax money constantly and forever goes to the general fund. The city has several operating funds, we have more than normal due to utilities. Every utility has a fund; whether it be electric, water, sewer, gas, or the airport. Governmental accounting is very segregated. We put all our colored marbles into segregated boxes, and those segregated boxes are called funds. The general fund covers everything that is general or wide-ranging. The general fund provides multiple services whereas the electric fund provides one thing, lights; the water fund provides water and the sewer fund handles waste. The general fund covers a host of things; planning and zoning, the city manager, and city attorney, along with the accountants. It provides provisions for streets, parks, police and fire, so the general fund covers everything but utilities. The base year is the amount of tax money created before the TIF, and that money goes to the general fund. Referring to a slide, he showed the TIF being the increment above the base year. That tax money is cut away and put into special revenue funds. The special revenue fund is the money that can be spent or earmarked for projects within that box or special district. That money is matched by the county and becomes the budget for the CRA. Referring to a slide, he showed year five being defined by the green color, that represents the number above the baseline. The argument by the county is that we are creating more activity for county services, therefore they do not want to give that money to the municipal corporation. The municipal corporations' argument is that we are fixing the problems and these are municipal service issues. It does not have an impact on the county budget; therefore, they have to provide the money and the law agrees. That was the core issue and controversy surrounding CRA's. Being on the municipal corporation side, we are doubling down on money. The city typically gets double. However, the increment helps fight slum and blight in a specific district. Once a targeted area is picked out, we create the base year, and put together a board. The state statutes are pretty open, but the board is autonomous because they manage the CRA money, and they write the checks on behalf of the CRA. They also have influence on projects. Remember each CRA has its own box and board. We have the Greater Leesburg CRA, Carver Heights CRA and the U.S. Highway 441/27 CRA.

Commissioner Sokol asked if CRA's ever accomplish what they set out to do and if they are dissolved and go away? **CM Minner** said yes, state statutes have a forty-year limitation. They can be renewed, but the annual process varies on whether you are a charter or home-rule county. Fortunately, we are a home-rule county, so it is easier to extend and create than it is in a charter county. **Commissioner Alderman** inquired how old the CRA was. **CM Minner** responded the Greater Leesburg CRA was created in 1997. It covers the historic business district along Main Street, and the area east of Canal Street, also known as the Pine Street area. When the city commission put the Downtown CRA together, they created a body of seven members that included the five city commissioners. It is a seven-member voting body. The city commission, in their capacity, were also appointed members to this board. When this board was created, that was permittable and common. With the Downtown CRA, the city was forced to create it pursuant to the 1997 settlement agreement between the City of Leesburg, Lake Regional Medical Facility, and the NAACP. It is also referred to as the lawsuit, the decree, and the settlement. In the decree, it stated the city was required to create the CRA, and it had to have representation of minorities. When the city commission created the Downtown CRA, there were to be two additional members. They divided the members in the district, so one had to be from the westside and the other from the eastside, with Canal Street being the divider. One member had to live or have a business on the eastside, and the other representative covers everything to the west. Commissioner Sokol serves as the westside representative and Commissioner Ponder serves for the eastside. The decree also mandates where the money can be spent. The Carver Heights CRA was created around 2004. They put together a master plan which has been redone twice. This CRA was created due to the same type of issues the Downtown CRA had. However, the difference with this one is they do not have spending requirements. This one functions more like a traditional CRA because it is a slower growing area. This CRA has two appointees; Commissioner Alderman and Commissioner Conner. Another difference with this CRA is that the appointed members have to reside within the Carver Heights CRA. They serve alongside the city commission. Even though they write the checks and provide influence, they work with five other members and majority rules. The last CRA is the 441/27 CRA. This one was created at a unique time around 2010. It was created out of transportation issues. The feeling was that the major corridors in the community were blighted, and that included US 441 and US 27. The purpose was to make the corridors' appearance in Leesburg better. When the board was created, the city commission voted to only have city commissioners serve on the board. They hold separate meetings when there are issues to deal with in the 441/27 CRA.

The 441/27 CRA budget shows what was approved for FY 24. The total revenue source is 2.3 million dollars and the total appropriations are 2.3 million dollars; therefore, they are balanced. He showed a summary that did not include the details of revenues. The city's contribution of taxes is $862,909 and that is according to the city's millage rate of 3.47921. The millage rate is the rate at which we tax property. Using round numbers, if we said three percent for every thousand dollars of value, the city would get three dollars. If your property was worth one thousand dollars, and the taxable value was one thousand dollars with the millage rate of three percent, the tax bill would be three dollars. The millage rate of 3.47921 is defined in the box for the 441/27 CRA, which generates about nine thousand dollars. The budget shows the contribution to the Leesburg CDC of eight hundred sixty-two thousand dollars and the county contribution of one point forty-four million. **Commissioner Sokol** wondered if the county's millage rate was higher than the city's. **CM Minner** answered yes, the county's millage rate is higher. It has the same assessed value, but two different mills. The city's incremental value is three point four and the county's increment value of five point two. There are three different mills, but the general fund is the five point two number. That is why the number is different, it includes the miscellaneous details. There could be interest revenue, but not very much. The 441/27 CRA is interesting because it was created around 2010, just before the economy started to collapse. It was created at a time when Florida was jamming. We were seeing double-digit assessed values each year for a number of years. Then everybody quit paying their mortgages, the world collapsed and we hit a recession. So, the time frame when we created the 441/27 CRA was very close to when the world changed. We had just made a deal for a fifteen million dollar bond note. We had great projections for how we would pay that fifteen million dollar note with incremental revenues over thirty years. We signed the note, got the money, started spending it and the world crashed. The 441/27 CRA was immediately upside down just after borrowing fifteen million dollars. We have a one million dollar liability every year, and when the CRA cannot pay the debt, the general fund has to. This was one of the biggest issues they dealt with just after he was hired. They had to figure out how to make it right. They tried a bunch of different stuff, but it boiled down to two things. We had to get creative and change the base year. The base year was 2010, and by 2013/2014 the value of the TIF was lower than the base year. They could not create an incremental revenue until the TIF was above the base year. They had to reset the base year to a lower value. We were able to do that for a few reasons, but mostly we just got lucky. We then pulled all the money. We had only spent a little bit of the money, so we stashed the rest of the cash to pay the bond. We are now at year ten, and the base value was reset seven or eight years ago. The 441/27 CRA is now at the point where they may be able to start spending some of the money on things other than the bond. The bond paid for the lights on US 441. It is the lights on the big tall poles. We spent about seven and a half million dollars putting those lights in. However, we did not spend the rest of the proceeds. We had about fifteen million dollars, and we spent seven. We kept the seven million dollars to start paying the note. We also shifted stuff around. In the end, after resetting the base year, growth started happening and the note retires in about ten to twelve years. We have between seven and nine million dollars left outstanding. However, this CRA is starting to look good.

B. Current Projects in the CRA's

CM Minner stated the Carver Heights CRA budget has about seven hundred and fifty thousand dollars of revenue. It has gone up around ten percent. When they begin conversations about FY 25, they will see the seven hundred and fifty-six number go up. It should be a double-digit number because we see nice growth. We had not seen nice growth in the Carver Heights CRA until the last three years. The city kicks in about three hundred and the county kicks in about four hundred and seventy thousand dollars. There are some other miscellaneous revenues. The Carver Heights CRA has been broken down into a few components for several years. The first is personnel and agency operations. The agency's operations include insurance, contributions to the West Leesburg CDC, and other things. The details are shown in the budget. The next thing they have to do is pay debts. When the city built the Resource Center, we borrowed about one-point-two million dollars from the electric fund and now the CRA has to pay that back. The annual debt payment is about one hundred thousand dollars. We then have to pay the credit card bills. Personnel costs cover staff at the Resource Center who deal with housing issues. It is non-negotiable, we have to pay them. The resource operations pay the light bill and different maintenance items, which comes to about sixty grand. Discretionary and nondiscretionary is one of the biggest things we changed this year due to the influence of Commissioner Berry. We increased the home grant program. We enhanced the existing home grant program by increasing the grant award from five thousand dollars to twenty-five thousand dollars. That money was then married with other agency money. However, we will stretch that money as far as possible. We are now in the process of getting those funds out and spent. We will be as resourceful as possible, so we do not spend it all. They would like to stretch it out for maximum impact. The Boys and Girls Club tuition was also added to this fund. We added three hundred thousand dollars to this budget, but we are only allocating two hundred and twenty-nine thousand dollars. We had some leftover money from the home grant program that was married with this to make the three hundred thousand dollars. The Boys and Girls Club concept was to help fund kids who live in the district with tuition money, so they could go to the Boys and Girls Club. This program is still in negotiations with the Boys and Girls Club, and we are trying to get it rolling. Hopefully within the next ninety days this will be rolling. He predicted some bureaucracy, but they will work through it. The rule of thumb is to spend everything you have, but we have about sixty-seven thousand dollars leftover and that money will be available for funding next year. As we get into next year, there could potentially be seventy thousand plus dollars, plus growth. **Commissioner Sokol** inquired about redevelopment. Will that raise real estate taxes and make it harder for people to pay? If they are already struggling to pay real estate taxes and we do all this wonderful stuff, which is great for the community, will it hurt the taxpayers? **CM Minner** responded that taxes never go up because every year we work around rollback. That is the millage rate and everything we are talking about is TIF. It is incremental. It is the new stuff above the base year. Every year your home or business value goes up, but your home value is protected by business values. If you are homesteaded, your assessed value should not go up more than three percent and the municipal corporations' millage rate will come down, so you do not pay more. If your home is worth one hundred dollars, it could be worth one hundred and three dollars the next year even if you sell it for one hundred and seventy-five. The market and assessed values do not go up on residential property until it is reassessed. **Commissioner Berry** wondered if the focus should be on businesses to make a difference. **CM Minner** replied the focus needs to be on anything that improves property values. In this case, the focus is on residential. **Commissioner Berry** stated if they focused on business that could be a plus too. **CM Minner** stated the 441/27 CRA is the commercial corridor and the Carver Heights CRA has about ninety percent residential. There ise some commercial in Carver Heights on Thomas and Griffin, but the Downtown CRA has a mix.

The Greater Leesburg CRA budget has a total revenue of about one million dollars and about three-fifty of that is from the city and a little over half a million is from the county. There is another category in this budget because we pulled some money out of reserves for FY 24, so there was a change to the Downtown CRA with discretionary and non-discretionary monies. The number one non-discretionary item that has to be paid, no questions asked, which is half of the increment, has to be paid to the Leesburg CDC. That is a requirement of the settlement between the Leesburg CDC, the NAACP, the city, and the hospital. Half the increment has to go to the Leesburg CDC. The Leesburg CDC was created because the decree said we had to create it. The decree stated we had to create the Leesburg Community Development Corporation, and the Downtown CRA. Half the increment has to go to the Leesburg CDC, no questions asked. If we did not pay the Leesburg CDC, we would be in violation of the settlement. **Commissioner Sokol** wanted to know if that was the reasoning for the pool being constructed? **CM Minner** responded no. The Leesburg CDC gets this money because the settlement says so even though the settlement does not say where and how they have to spend it because the settlement did not dictate how they have to spend the money in the district. The settlement just said we have to give them the money, and it has to be spent eradicating blight. The Leesburg CDC does handle stuff in the district. They have worked on apartments in the area, but the pool and Pine Street have nothing to do with it. The number one expense for the Downtown CRA is the payment to the Leesburg CDC. Another thing we did this year was to create the special events division. The special events division was created because The Partnership folded. The community came to the city and said we needed to continue the events. The philosophy between The Partnership and the city was that we needed to continue doing Bikefest because that event generated money. In the past, the city helped with Bikefest, but The Partnership handled the whole event. Some money was given as sponsorship for different events and programs that The Partnership handled. The Partnership handled the events up until the time Bikefest started to become not as profitable. The fact of the matter is that Bikefest lost profitability, and The Partnership came to the city saying they could no longer do it long term, so they said they were out. The community's reaction was that the city had to continue the events. So, the city commission and the CRA board said they would create a special events division and the special events division would receive an allocation of half a million dollars for personnel and events. He noted, the four hundred and fifty thousand dollars is different from the Bikefest money. The four hundred and fifty thousand dollars is for fireworks, Martin Luther King Parade, holiday parade, Leesburg Blues'N Q and other events held throughout the year. Bikefest is being paid for out of the general fund. It is not coming out of the CRA. He never thought Bikefest would become part of the CRA, and depending how it goes this April, we may have to budget differently next year. It may have its own division within the general fund, but there are limitations on the profits from Bikefest due to alcohol sales. The state statute says a municipal corporation cannot use alcohol sales to run the city. **Commissioner Sokol** wanted to know if the money could be reinvested back into Bikefest? **CM Minner** answered that was one thing being thought about and some may be go to non-profit organizations. However, the city cannot use profit money from Bikefest to fund city business. So, where this money goes in the future we are not sure yet. If everybody wants the money to be in the events division so the city can continue holding events, he could see special events being funded out of the CRA until the general fund grows enough that we can shift the expenses over. It is an eligible expense because running events in the district brings commerce and economic development, people and business. The Greater CRA budget gets hit right off the bat with the expenses of special events and the Leesburg CDC. In the end, it leaves about one hundred thousand dollars, and that is why they do not meet a lot. For the most part, the community has accepted where the commission has gone, and the discretionary money is getting pretty low. However, that does not mean what they do is not important, it just means we are spending the money in the right spots. In the future, he sees the city commission working with input from the Downtown CRA. They are now getting back to interior downtown stuff and we are following the Downtown Master Plan that was done in 2017. In the next month or two, we should see some new ideas rolling out for things they could do in the future, aside from paying the CDC and special events. The priorities that the city commission and Downtown CRA talked about were parking and potentially revisiting the Market Street Concept along with other beautification items. **Commissioner Sokol** wanted to know where the facade grant money comes from. Is it in the Downtown CRA? **CM Minner** said yes, but the big growers are the 441/27 CRA because it had thirty percent growth last year. The Carver Heights CRA had fifteen percent and the Downtown CRA had about twelve. **Commissioner Berry** asked if signage would remain in the budget since they were shifting focus on signage or was that not a main drive? **CM Minner** answered his kneejerk reaction was to shift away from that. However, that depends on which CRA they were talking about. **Commissioner Sokol** said the problem with that grant, at least in the Downtown CRA, is with the small match, most businesses cannot get the rest of the money to do it. It was nice that it was available, but it was like twenty-five percent. It was not enough to motivate anyone to do it because they did not have the other three quarters. **CM Minner** said this was a lot like the home grant where we were cutting out five grand, it was not possible to do anything to the house, so we changed it to twenty-five thousand. The sign grant was dissimilar because the match was ten percent, and we would give eight. In order to have a nice sign that is conducive to the sign code, it would cost more like twenty-five grand. The businesses were saying thanks for the eight thousand dollars, but we would still need to dig up twenty thousand dollars out of pocket. **Commissioner Berry** wanted to know how many people took advantage of that grant. **CM Minner** thought it was about forty or fifty. Moving forward into FY 25, the biggest shift will be a re-analyzation of where we go with the 441/27 CRA. The commission has been hesitant to spend because they do not want that debt coming into the general fund. However, we should have some money available. With the Carver Heights CRA, he was hopeful that the home grant cycle would be successful. By the time we get into June and July we should see that money. We may not see improvements, but we will have money allocated. We have priority projects picked out that are ranked from the worst of conditions. Those get the money first, and we are working with partners to spread it out. The Downtown CRA has been special because when we did the Main Street streetscape project we had to rub pennies together to get the one million dollars. We also have debt money and we have to pay the banknote. That banknote was for ten-years and we still have a few years left. When that banknote retires, it will open up some money. With the Pine Street and Main Street projects done, we shifted back to doing facade, sign and landscape grants. However, there is not a lot of money left after that because we have to cut the check on debt. We started seeing growth, so we shifted our attention to bigger projects like the Pine Street Corridor, and we used different resources for that. We then shifted to the Market Street Concept and that project started getting some legs. However, covid hit as we started unveiling the initial concept for Market Street and the designs did not hit well. We were still grappling with the pool and other finances, so we pushed that aside. Now that the pool and Pine Street are done, we should start seeing growth. **Commissioner Sokol** inquired about the downtown business grant money and doing the upper floors. Where do those funds come from? **CM Minner** pointed out that there were three redevelopment grants; the home grant, the facade, sign and landscape grant, and the downtown historic business grant. The downtown historic business grant comes from non CRA monies. It comes from electric, water, and sewer money along with money from the general fund. We created a million dollar pot, and we hit equally on all of them because as folks come in and see buildings getting legs they will be able to get them developed. At first, developers were walking away because it was too expensive and there were a lot of problems wrapped up in some of it with utility concepts. A lot of redevelopment money had to go into reserving utilities to bring it up code. Leesburg is not atypical because we have electric, water and sewer mains underneath buildings that are attached. There are a lot of prescriptive easements which means the city's electric wire has been there a long time. Therefore, it is a right of way even though it is not, that is the law. We have a lot of stuff going on, and we have a chance to fix it with the redevelopment project, but the costs were making developers walk away, so the city said we would help. **Commissioner Sokol** thought it was a great idea to have residential up top and retail on the bottom. **CM Minner** said that was rooted in the Downtown Master Plan. It was to create more concepts of mixed use to get more people downtown. He sees a lot of action going on, and the Lee School is coming up. **Commissioner Sokol** said he was curious about that. **CM Minner** stated we need to get the public notified, and we need the buildings knocked down. That is super important, but the code puts the Historic Board in charge of that. However, the root of that concept is to have good housing located in the downtown. Good housing is important throughout the community, but it is super important to the Downtown CRA. The more people we get downtown, the more people will patronize the businesses in the downtown, which creates the nucleus for creating commerce, rising tax values, and those types of things. **Commissioner Alderman** questioned about redoing the facades coming into downtown along Canal and Main Streets. There is an empty lot that sits on the right-hand side, it used to be a gas station. **CM Minner** answered that was a private station. It was the old Exxon or Mobil Station. The rule of thumb is that the municipal corporation, the city, needs to invest in its public right of ways and easements. If the municipal corporation invests in blight, then private sectors will invest in their properties. That philosophy works and everybody notices when it does not work. It does not work there, and we have seen growth. We have seen the Downtown CRA grow, but some lots are nicer than others. However, that property is not owned by the city. The city can only fix that through code enforcement actions. Code enforcement is another critical element of redevelopment and that is housed in the general fund. Code enforcement can be expensive because we would have to hire code enforcers. For the most part, the city is spending that on redevelopment and the TIF dollars need to be spent. **Commissioner Conner** asked about the marketplace. Does the city reach out to farmers in other areas? Do we reach out to the farmers to get them into the city? **CM Minner** indicated that there are different philosophies for each redevelopment throughout the district. The city was not an events' coordinator until this fiscal year. Moving forward, the market concept could be revisited. We have worked with liaisons and other groups in the downtown, including the Chamber. However, the market lost power and there are concerns about it. There is some stout competition, primarily being The Villages. The Villages have sucked away the really good vendors because they would rather be in a larger market like The Villages. Those concepts are being talked about, but as the district grows, and we get more foot traffic, more people will come down for events. The market may be something the Downtown CRA works on. **Commissioner Conner** wanted to know who she could speak with about upgrading housing. **CM Minner** answered she would need to speak with the housing and redevelopment department. She could vent ideas to them, and they would then get him. With the Carver Heights CRA, they would speak with Housing Director and the Downtown CRA would speak to the Recreation Director or Special Events Manager. At the end of the day, they all communicate back to him to flush out ideas from the public. Based on the question, there could be a billion different avenues. **Commissioner Alderman** inquired about Montclair. Does that cover Main Street going south on CR 468? **CM Minner** provided a map showing the areas each CRA covered. If they want a copy of the presentation he would email it, so they can blow it up to see the boundaries. **Commissioner Ponder** wanted to know what projects have been done on the east side of Canal Street? **CM Minner** answered with CRA money not a lot. The CDC gets half the increment, we put in the pool, and we are currently working on Pine Street. The east side of Canal has received a significant amount of attention from the city outside the CRA from the CDC. The pool was a six million dollar investment and Pine Street was a three and a half million dollar investment. The east of Canal Street over the past ten years has received a considerable amount of attention. The Downtown CRA has not had that much money because of the immediate impact, being half of the increment goes to the CDC. As we get into budgeting, he would bring more historic charts. It has only been over the last three to five years that the numbers actually started to grow. When we see other districts and hear other communities having success in their CRA's, like Munn Park in Lakeland and Clematis in West Palm Beach, those CRA's were created a long time ago. Those CRA's are now used as models around the state. It took half the cycle before they started seeing real change. Remember when we first create a CRA to help blight, there is not much money to begin with. It takes time to accumulate. **Commissioner Sokol** asked when they tear down the old school buildings and start rebuilding, will that be done with tax incentives? **CM Minner** said that was a great question. Right now, the Lee School site creates zero tax dollars. When that development goes in, it could be a forty million dollar investment. That forty million dollars gets tacked onto the value of the CRA and that is the investment. **Commissioner Sokol** wanted to know if the city was offering them anything to come in, like any tax incentives? **CM Minner** said no. We do not offer that for redevelopment purposes. **Commissioner Alderman** said, based on the residential fund, he was still trying to get an understanding. Along Thomas Road there used to be a lot more industry. The reason for his question is where Montclair begins. When he thinks about Main Street and CR 468 there is a little corner across from the Circle K convenience store, and he was not sure if that was included. It is where South Street comes around and meets Main Street. There is a warehouse or something on that corner. **Commissioner Berry** mentioned he was referring to the new area going on CR 44. **CM Minner** stated over by Citadel, that area is not in the CRA. **Commissioner Alderman** said it still has relevance, and he gets the part about residential, but we need some industry. We want more money, so we need jobs that actually pay. Walmart is great, but we need more. **CM Minner** said he was arguing the age old economic development equation about whether the chicken or the egg came first. **Commissioner Alderman** said when he drives along that area he sees businesses depleting on Thomas Road. **CM Minner** mentioned healthy municipal corporations in the State of Florida are service-economy driven. Rooftops drive commercial development in the State of Florida and as we get rooftops, commercial and industry follow. In the Midwest, it is more industry driven. However, Florida is not a strong industry economic state. That does not mean we do not have it, it just means we are rooted in a service economy. When we bring in rooftops, we bring in economic development. In Florida, the better your housing, the more people build houses and the more people come in, we get the spin-off service economy. The Village's is a prime example, along with Disney and we are right in the middle. The economic outlook for Leesburg is very good. Going back to World War II, between 1940 and 1945, the population of the State of Florida was two million and those two million people lived up in the panhandle down the ridge. After the war, people came in and we, the state, struggled with its own economic identity. After World War II, there was a push where we went from agriculture, and then we tried industry, but that did not happen. Then space came along, and we were the space state. Then we went back to industry. We also tried with aviation. However, it has always come back to the three big pillars of Florida's economy; tourism, old money (agricultural), and people moving into the state. The more people we get, those things will happen. However, if they were to ask him what comes first, it is the people. **Commissioner Sokol** inquired if the boundaries for the CRAs are ever expanded? **CM Minner** answered yes, but it depends on whom the political subdivision is and whether you are a home rule or charter rule community. We are home rule, so

it is a bit easier to do that, where charter counties are more difficult. These days, expanding a CRA is difficult to do because the counties do not want to give up that increment. When a CRA is formed, it needs to be done right the first time.
Commissioner Berry wanted to know if they would meet once a month or as needed? **CM Minner** replied the CRA boards typically meet as needed. CRA's do not meet a lot, they typically meet around budget time. There will be a budget workshop come May or June. They will build some consensus and bring some budget information. They will meet, and that information will be rolled into the budget. **Commissioner Sokol** inquired about the opportunity to present potential projects that may be needed in the community. Do we just vote on something that somebody else decided was needed in the community? **CM Minner** responded in the past we have not tackled that. It has been a little more ad hoc than having a lot of meetings with the CRA boards. He could not explain that, but he had a suspicion that might change. If they want to meet more regularly, let him know. If they have ideas, send an email. However, it is almost March, and internally we are already in the budget process. The Budget Director, Brandy McDaniel, is already in action. She is a rock star and she does an awesome job. She gets a thirty-day break between budgets. If you see her in December, she is cool, chilled and relaxed, but after the holidays in January she is right back at it setting up the budget. The budget requests are already out to department heads. We are in the initial discussion time frame, and it will hit his desk around mid-April. He will be knee-deep in the budget from April to June. When July hits, all the work they did for the last six months gets put before the commission. Sometime during May or June, they will start hitting up the boards for input. **Commissioner Sokol** asked about the downtown business master plan that was done before covid. He wanted to know if they would ever revisit that because it just came to a screeching halt. **CM Miner** replied yes and no. He does not think it will be revisited because it is still pretty fresh and they are already using some of the ideas and concepts. Some things they bring up are already being talked about. It may seem tricky because the commission makes up five members of the CRA boards, so these things are talked about a lot. If there are four members of the city commission that want to do something, it will get done because that is four votes. That does not mean they do not need the CRA Boards. The CRA's meet earlier somewhere around April or May to provide some concepts. This meeting was to bring them up to speed on where the city was with each CRA.
Commissioner Berry wanted to know if he would go over the process for how to request a meeting. **CM Minner** said they could email or call him. If you want a meeting to discuss something, do not hesitate.
Commissioner Conner wanted to know if the CRA and CDC crossover at any time. **CM Minner** responded there was an interface, but they did not cross over. We have two CDC's, the Leesburg CDC and West Leesburg CDC. By design or circumstance, the West Leesburg CDC watches the Downtown CRA more. The West Leesburg CDC has more influence over the Carver Heights CRA even though they are two different organizations. Those organizations are more of citizen input into the CRA.

C. Government in the Sunshine

CM Minner stated being commissioners serving on a CRA board opens you up to the Sunshine Law, which means anything you say or do is available as a public record request. Each member needs to be aware that they cannot discuss matters brought before the board. That does not mean you cannot talk to another commissioner, it just means you cannot talk about CRA business. You can talk about other city business, such as street projects, airport projects, or electric rates. However, you must remember if you start talking about electric rates, and it weaves into an action of the CRA that would be a Sunshine Law violation. They need to refrain from those types of conversations. In essence, any business they do is done in the sunshine. They can only discuss items at their meetings because they are pubically noticed. Even if there is no one in the audience, the meetings are filmed and broadcast. **Commissioner Sokol** asked outside the meetings could two CRA members talk if they did not discuss what was going on. **CM Minner** answered they could, but they cannot have a discussion about CRA matters. For example, if they run into Commissioner Reisman they can talk to him, they just cannot talk about matters being discussed in the CRA. They could tell Commissioner Reisman about a pothole on Main Street that needs to be fixed, even though the pothole is on Main Street in the CRA. That is not a CRA function, it is a general fund function. They could talk about the city needing more police officers or firefighters, but they cannot talk about the Magnolia Street Project. Anything that comes before the CRA is off limits. Everything they do is a public record. If they take notes during a meeting, that is a public record. If they call Commissioner Berry to talk about something that is a public phone record. All phone calls, notes, and emails are public records. Another thing they need to remember is when he sends emails out, he sometimes sends them to everyone on the commission or advisory board. They have to remember to not hit "reply all," because that could be a violation of the Sunshine Law. They need to remember to reply directly to him. If you are not comfortable replying to the email, you can call. If you were to reply to all, it could be sunshine violation because the group is purveyed to your private conversation and that has to be done in the sunshine, as a public record. The third point is ethics and conflict of interest. **Commissioner Alderman** wanted to know once members of the community become aware that he is a member, and they wanted to come up to him to talk about something. How would that work? **CM Minner** said he could absolutely talk to them. He just cannot talk to another member of the board about anything that pertains to the CRA. It is not as ominous as it sounds. They just need to be careful and use commonsense. The third thing he wanted to discuss was ethics and conflict of interest. For ethics, you will be required to fill out a financial disclosure form, which is due by July 1st annually. It is a rather easy form to fill out, but if you need help, contact his office. If they have any questions or comments, they can email or call. **CC Purvis** added that each board member is required to complete a four-hour ethics class. **CM Minner** stated he would get each of them lined up on that. However, they all have to attend a four-hour ethics class. It is available through the Florida League of Cities. He asked if there were any other questions. There were none. He thanked everyone for coming.

4. CITY MANAGER ITEMS:

CM Minner had nothing further for discussion.

5. ROLL CALL:

The Commissioners had no further comments.

6. ADJOURN:

PERSONS WITH DISABILITIES NEEDING ASSISTANCE TO PARTICIPATE IN ANY OF THESE PROCEEDINGS SHOULD CONTACT THE HUMAN RESOURCES DEPARTMENT, ADA COORDINATOR, AT 728-9740, 48 HOURS IN ADVANCE OF THE MEETING.

F.S.S. 286.0105 "If a person decides to appeal any decision made by the Commission with respect to any matter considered at this meeting, they will need a record of the proceedings, and that for such purpose they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based." The City of Leesburg does not provide this verbatim record.

The workshop adjourned at 6:57 p.m.