

MINUTES  
CITY COMMISSION MEETING  
January 22, 2014

The City Commission met this date in special session in the Commission Chambers. A quorum being present, the meeting was called to order at 6:00 PM with the following in attendance.

Mayor	:	John B. Arnold, Jr.
Commissioners	:	Heyward H. Strong, Jr.
	:	Kay Hamilton
	:	Joe Morgan
City Clerk	:	Tammy Johnson
City Attorney	:	Hayward Dykes
Police Chief	:	Joe Hart
Public Works Director:		James Valandingham
Recorder	:	Beth Millsaps

Others in attendance: (Not inclusive) Michael Matthews (camera), Jeff McInnis, Clark (Tom) Browning IV, Mike Griffith (Bay Beacon), David Daigle

1. **Ordinance No. 649 - Land Use Change R1A to C1 306 Okaloosa Avenue**
2. **Ordinance No. 650 - Rezoning R1A to C1 306 Okaloosa Avenue**

Ordinance  
No. 649 &  
650 Land  
Use Change  
and Rezoning  
306 Okaloosa  
Avenue

Mayor Arnold read the proof of publication for the legal ad for Ordinances 649, 650 and 651 that was published in the Northwest Florida Daily News on January 11, 2014. Mayor Arnold said the Ordinances 649 and 650 are companion ordinances to rezone property located at 306 Okaloosa Avenue. Mayor Arnold read Ordinance No. 649, an ordinance of the City of Valparaiso, amending its adopted comprehensive plan; providing for purpose; providing for land use change to .26 acres of land mol; providing for future land use map amendment and providing for an effective date. This ordinance will change the comprehensive plan. Mayor Arnold then read Ordinance No. 650 an ordinance of the City of Valparaiso, amending its zoning map; providing for a purpose; providing for a zoning change to .26 acres mol of land from R1A, single family residential to C-1, commercial district limited; providing for zoning map amendment, and providing for an effective date. Mayor Arnold said this ordinance will change the zoning map. Mayor Arnold said this would be the final reading for these ordinances and opened the floor for any input.

Jeff McGinnis, attorney for Ruckel Properties, stated that Ruckel will be selling this parcel of land to the Tom Thumb upon rezoning and that the Tom Thumb will be expanding their business in Valparaiso to include a deli. He said they will tear down the home that is located on this property now and make the lot into a parking lot along with the buffers and work that needs to be done to meet the stormwater guidelines. Comm. Morgan asked if there was a way to have the zoning limited to parking lot. Mr. McGinnis deferred to Mr. David Daigle, Tom Thumb representative, said that what is being applied for is C-1 as it is defined now. Mr. Dykes said that a property can be grandfathered in but we can't go back and restrict a property that we have zoned as a commercial to be limited to a parking lot because that type zoning is not in place. Comm. Morgan said we were looking at a mixed use zoning that might be in effect down the road. Mr. Dykes said if the ordinances are passed tonight, it will change the comprehensive map and the zoning map to be changed to what the owner's have requested and it would stay that way unless the owner comes back for something different. COMM. HAMILTON MADE A MOTION TO PASS BOTH ORDINANCE NOS. 649 AND 650 AS WRITTEN, MAYOR ARNOLD SECONDED THE MOTION. Comm. Morgan said he feels this property would be better zoned as mixed use, that we are putting commercial deeper into the residential areas, Comm. Hamilton said she didn't feel this is the time to discuss it. Mr. Browning, Chair of the Planning Commission, said that when this rezoning came before the Planning Commission it was approved for C-1 as requested. He said we have to zone with what we have today and they have requested C-1 and that is what was approved, he said there is no language before the Planning Commission to approve a mixed use no such thing exists at this time so there is no way to even consider that. A brief discussion followed, after which the Mayor requested a vote. MOTION PASSED BY A VOTE OF 3 TO 1, WITH COMM. MORGAN VOTING IN THE NEGATIVE.

3. **ORDINANCE NO. 651 - Postpone Election Date of Charter Referendum**

Ordinance  
No. 651  
Postpone  
Election Date  
Charter  
Referendum

Mayor Arnold read Ordinance No. 651, an ordinance of the City Commission of the City of Valparaiso, amending Ordinance No. 648 Sections 1 and 4 postponing the election date of the referendum and providing for an effective date. Mayor Arnold said this ordinance will move the March 2014 election to August 2014. MAYOR ARNOLD MADE A MOTION TO PASS ORDINANCE NO. 651 AS WRITTEN, SECONDED BY COMM. HAMILTON. Comm. Strong said he would also like to change the effective date from October 1, 2014 to April 1, 2015. Mayor Arnold suggested making the changes effective as of January 1, 2015, feels the changes could be in place by then if the referendum is approved. Mr. Dykes said if changes are made to this ordinance then the ordinance would have to start over with a first reading, however if the ordinance is approved tonight and referendum is approved in August an amendment can be made to Ordinance 651 to change the effective date of the referendum. Comm. Strong said he didn't want to do that, if we can approve the delay on the vote tonight then we should be able to delay the effective date. Mrs. Johnson said Mr. Lux, Supervisor of Elections, needs to know if the date of the election has changed as soon as possible. Comm. Hamilton said she didn't have a

problem if the referendum passed in delaying the date the changes took effect. Mr. Dykes said if the ordinance approved tonight then it can be sent to Mr. Lux's office and the date on which the changes take effect if approved could be handled in house. Comm. Morgan asked if we need to formalize, Mr. Dykes said the commitment is on record and we will have a subsequent agreement at a later date. MAYOR ARNOLD CALLED FOR A VOTE, MOTION PASSED BY VOTE OF 4 TO 0, UNANIMOUS VOTE OF THE COMMISSION. Mayor Arnold asked Mr. Dykes to have an Ordinance prepared by the February meeting to reflect changing the dates that the charter, should it be approved, will come into affect April 1, 2015 instead of October 1, 2014.

**4. Resolution No. 04-01-22-14 - CDBG Application**

Mayor Arnold said this resolution is in regards to our application for the CDBG, at the last meeting Jordan & Associates suggested enhancing our position to receive the grant by spending \$125,000 for 25 additional points.

Comm. Strong has a slide presentation to discuss the advantages to submitting this money for the additional points. He said at the time of the last meeting neither he nor Mr. Valandingham had seen the package that was presented. Comm. Strong said since the meeting Mr. Valandingham had met with the CDBG team and gone over the priorities. Comm. Strong said the CDBG criteria are focused on low income areas. Comm. Strong said once they reviewed all the information and met with Mrs. Johnson on the finances. Comm. Strong feels that spending the \$125,000 for the 25 points is well worth it, it is money that we would be spending down stream during budget time and it is money that will have to be spent. He feels that the 25 points will help to get us in the ball game without those additional points it will be tough. Comm. Strong has looked into bank loan as unsecured or we could borrow from the general fund and pay back by raising the waste water rate \$2.12 per household.

Mr. Valandingham said he doesn't like the idea of raising rates either and is hesitant to suggest but the 25 points would be well worth the \$125,000. Mr. Valandingham said he did a comparison of our water and sewer rates versus Ft. Walton Beach, Niceville and Okaloosa County, even if the rates were raised we would still be competitive, not the least expensive but by far not the most expensive either. Comm. Strong recommends signing the application for the grant and paying the \$125,000 from general fund to be paid back at whatever rate the Commission agrees upon. Comm. Morgan said we could pay the money out of reserves and table the resolution to raise the rates. Comm. Strong said we need to tell Jordan and Associates tonight on whether we will be paying the \$125,000. Comm. Hamilton asked if the grant would be available down the road. Mr. Valandingham said the grant is for March 2014. Comm. Strong said the grant will be approved or not on March 12, 2014 and the pay out will be October then it would be February or March of 2015 before the opportunity for the grant is available again. Mayor Arnold said it is possible to delay one year and then maybe we wouldn't have to pay the \$125,000 because the grounds rules may change. Comm. Strong said we do not yet know what the ground rules for the next cycle will be. Mayor Arnold said this is not a catastrophic problem so he feels we might be better served to delay a year. Comm. Hamilton asked if our city engineer didn't look at plans each year before the budget process begins. Mayor Arnold said this situation just shows our lack of communication within our organization. Comm. Strong said he doesn't believe there is a communication problem, we have evaluated the situation and this is the recommendation. Mayor Arnold asked why the city engineer didn't recognize the problem. Comm. Morgan said he did recognize the problems but how to take care of the problems without funds. Comm. Strong said with the \$125,000 if we don't get the grant then we do not have to spend. Mr. Dykes said the \$60,000 has already been promised. Comm. Strong said with the \$125,000 we will get 25 points on the grant instead of 5, he feels that will put our city in a better spot, if we want do another grant cycle he feels that is too risky to bet on, make a commitment to pay the \$125,000 if we get the grant then go through the process of raising the rates, if we do not get the grant then we will not have to raise the rates. Mrs. Johnson said before rates could be raised we would have to notify all of those in the city that it is possible the rates will be raised. Mayor Arnold called for a brief recess.

Comm. Strong suggests going ahead with the \$125,000 for the 25 points, start the process for raising the utility rates and give our consultants the go ahead to complete the application. Comm. Morgan said our general fund reserve has above the 20% recommended, we have a large reserve, instead of borrowing the \$125,000 and paying general fund back we could just withdraw from the reserve without raising rates. Mayor Arnold said we are not looking at a catastrophic failure, he thinks we should delay a year. Comm. Strong feels like it is cheaper now than it will be in three years. Mr. Valandingham said he and Mr. Petrey or his staff review the infrastructure on a continuous basis, they go over the manholes, lift stations and they look over the water and wastewater system and this is work that needs to be done. Mayor Arnold asked when will the \$125,000 be needed, Comm. Strong said when the grant is approved in the October time frame. Mr. Valandingham said the money needs to be in account that is verified that the city can pay from. Comm. Strong said we need to approve the application and commit to the \$125,000. Mayor Arnold said then we should be able to hold off on raising sewer rates. Comm. Strong likes the idea of getting on with it now, rates will need to be raised. Comm. Morgan said we could move forward now with the commitment and then raise the rates in the next fiscal year.

Resolution  
No.  
04-01-22-14  
CDBG  
Application

COMM. STRONG MADE A MOTION TO APPROVE THE \$125,000 FOR 25 POINTS FOR THE CDBG GRANT, AS OUTLINED IN RESOLUTION NO. 04-01-22-14. COMM. MORGAN SECONDED THE MOTION. Mayor Arnold read Resolution No. 04-01-22-14, a resolution authorizing City of Valparaiso City Commission, a municipal corporation authorizing the Mayor to make application to the State of Florida, Department of Economic Opportunity, small cities community development block grant, FFY 2013; providing an effective date; and for other purposes. MOTION PASSED BY A VOTE OF 3 TO 1, WITH COMM. HAMILTON VOTING IN THE NEGATIVE.

**ADJOURN**

Adjourn

There being no further business to be brought before the Commission, the meeting adjourned at 7:20 PM.

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John B. Arnold, Jr.  
Mayor

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Heyward H. Strong, Jr.  
Chair, VCA

ATTEST:

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Tammy Johnson, CMC  
City Clerk

January 22, 2014

\*\*\*The DVD labeled January 22, 2014 contains the audio and video of this meeting and will be kept as a permanent part of these minutes.\*\*\*