

**VILLAGE OF PALM SPRINGS
VILLAGE COUNCIL MINUTES
REGULAR MEETING, COMMUNITY ROOM, JUNE 25, 2009**

CALL TO ORDER, ROLL CALL, INVOCATION, AND PLEDGE OF ALLEGIANCE

Vice Mayor Patti Waller called the regular meeting of the Village Council to order at 7:30 p.m.

Present: Vice Mayor Patti Waller, Mayor Pro Tem Bev Smith, Council Member Joni Brinkman, Council Member Doug Gunther, Village Manager Karl E. Umberger, Village Attorney Christy Goddeau, and Village Clerk Virginia M. Walton. Mayor John M. Davis was absent.

Staff present were Public Safety Director Jay C. Pickens, as Sergeant at Arms, Land Development Director Bette J. Lowe, Finance Director Rebecca L. Morse, Public Service Director Bill Davis and Leisure Services Director Bill Golson.

Invocation was given by Village Manager Karl E. Umberger, followed by the Pledge of Allegiance led by Council Member Doug Gunther.

ADDITIONS, DELETIONS OR MODIFICATIONS, AND APPROVAL OF AGENDA

Vice Mayor Waller: move item #12 to item #6A.

A motion to accept the agenda as revised was made by Mayor Pro Tem Smith and seconded by Council Member Gunther. Motion carried 4 – 0.

CONSENT AGENDA

- 1. Minutes of Local Planning Agency Meeting on May 21, 2009**
- 2. Minutes of Regular Council Meeting on May 21, 2009**
- 3. Public Safety Budget Amendment in the amount of \$13,947.73 from the Forfeiture Fund for the purchase of ten (10) Olympic Arms Patrol Carbine Rifles, fifty (50) Blackhawk Level III security duty holsters and one (1) traffic enforcement speed laser unit. Staff: Jay Pickens, Public Safety Director**
- 4. RESOLUTION NO. 2009-47 (AGREEMENT)**

A RESOLUTION OF THE VILLAGE OF PALM SPRINGS, FLORIDA, AUTHORIZING THE MAYOR TO EXECUTE AMENDMENT NO. 3 TO THE SOLID WASTE AND RECYCLING COLLECTION SERVICES AGREEMENT WITH REPUBLIC SERVICES OF FLORIDA, LP, d/b/a REPUBLIC SERVICES OF

PALM BEACH, FOR THE ADDITION OF STORM DEBRIS COLLECTION SERVICES; AND PROVIDING AN EFFECTIVE DATE.

Staff: Karl Umberger, Village Manager

5. RESOLUTION NO. 2009-49 (CONTRACT)

A RESOLUTION OF THE VILLAGE OF PALM SPRINGS, FLORIDA, AWARDED RFP NO. 2009R-002 AND AUTHORIZING THE MAYOR TO EXECUTE AN AGREEMENT WITH SISCA CONSTRUCTION SERVICES, LLC, FOR DESIGN/BUILD SERVICES FOR CONSTRUCTION OF THE 10,000 SQUARE FOOT UTILITY/MAINTENANCE WAREHOUSE TO BE LOCATED ON KIRK ROAD IN THE AMOUNT OF SIX HUNDRED SEVENTY NINE THOUSAND NINE HUNDRED DOLLARS (\$679,900); AND PROVIDING AN EFFECTIVE DATE.

Staff: Karl Umberger, Village Manager

A motion to approve the consent agenda as revised was made by Council Member Brinkman and seconded by Mayor Pro Tem Smith. Motion carried 4 – 0.

End of Consent Agenda.....

PUBLIC COMMENT

Mr. Gary Ready, 3118 Meadow Road, stated that since we were now in hurricane season, he had noticed some trees near power lines that were in need of trimming and what was the Village’s policy on this maintenance. Manager Umberger responded that FP&L sent maintenance crews to trim trees and our Public Works Department could contact them with any concerns.

Mr. Ready also stated that after the rainy days last month, the traffic signals were flashing yellow & red; and did the Village Public Safety have the capability to reset the lights or was it necessary to wait for the County to respond and reset. He had noticed several drivers not following the rules of the road for the flashing lights, which required the intersection be treated like a four-way stop. Manager Umberger responded that the County reset the lights; however, Village Public Safety did have a presence at these intersections monitoring the traffic flow.

David Kraftchak, 104 Yucatan Drive, stated he had been a resident of the Village for approximately 30 years. He had recently been appointed to the Lake Worth Electric Franchise Review Committee, but had lost several members already and they needed to fill the vacancies so the Committee could resume meetings. Mr. Kraftchak presented a draft of a flyer he had created to the Council and Village Attorney for review and asked if he was within approved and legal guidelines to pass the flyer out to Palm

Springs neighborhoods within the Lake Worth Electric Service Area. Mr. Kraftchak noted that the telephone number for Ted Deutch on the flyer was incorrect and he would make that correction. Mr. Kraftchak stated he felt that since none of the Council was directly impacted by Lake Worth Electric problems, it was not that important to them and he wanted something done. Mr. Kraftchak asked if the Council would put the Committee information on the Village website and create an email address so residents could voice their complaints.

Tyrone Capp, 770 Lori Drive #248, stated that during the holidays when Santa came around the streets on the fire truck, the siren noise was too loud and not enjoyable. He would like the Council to consider stopping the sirens. Also, he was recently at Frost Lake and there were snakes there which make the park unsafe. Vice Mayor Waller commented that the Santa fire truck ride had been a long standing tradition in the Village and residents very much looked forward to it. Vice Mayor Waller added that Mr. Capp should get into the spirit of the season and not be "Mr. Grinch". With regard to the snakes, Manager Umberger suggested that Mr. Capp contact the police if he saw any further snakes. This was a natural park and landscaping area with water, and wildlife would be attracted to it. Most snakes in this area were not harmful.

This item was moved from Item #12

6A. Legislative Update Report by Rep. Mary Brandenburg

Representative Brandenburg stated that she represented District 89, which included a good part of Palm Springs and she was honored to do that. Representative Brandenburg gave a summary of legislation that would impact towns in the County which was enacted during the last Session which ended May 8, 2009.

Representative Brandenburg asked first to comment on the Lake Worth Utilities situation mentioned in public comments. Representative Brandenburg stated the County, State and U.S. representatives listed on Mr. Kraftchak's flyer were all great people to call, but they would all tell anyone calling the same thing. Lake Worth Utilities is run solely by the City of Lake Worth, so they would have no authority over them. If there was a complaint about Lake Worth Utilities, you should be talking to the Mayor and/or City Commission of the City of Lake Worth. Representative Brandenburg stated her office was in Lake Worth and she shared the frustration with Lake Worth Utilities. The reliability is low and the cost per kilowatt hour is high. The reason Lake Worth Utilities serviced part of Palm Springs is because some time in the distant past there was an agreement for Lake Worth Utilities to service Palm Springs. Representative Brandenburg stated she did not know what could be done to get out of that agreement and go to FP&L. Based on the calls she receives in her office, it would appear that all of the Lake Worth residents would also like to be out of Lake Worth Utilities and go to FP&L as well. Representative Brandenburg stated she wished she had a solution, but she did not. Complaints about Lake Worth Utilities was the most frequent calls her

office receives.

During the legislative session, the state budget was passed, which was balanced and just a “smig” more than last year. The main source of state revenue, the state sales tax, had not been raised since some time in the mid 1980’s. In order to continue doing the same business as before, the state received about \$5 million in Stimulus money, which patched the holes. About \$1 billion in raised fees was also approved for items such as renewal of license registration and tags, court costs for tickets, and court costs for divorces. After much debate, the tax on tobacco was also raised by \$1.00 per pack. The revenue from this tax would be used for the County Health Departments and people on Medicaid. Representative Brandenburg stated she hoped that the increase in cost would deter more teenagers from smoking.

Another bill passed authorized the Governor to enter into an agreement with the Seminole Indians regarding gambling on the reservations. It was unclear if the Seminoles would agree to the terms; but there would be a special session in September to ratify the agreement if they can come to agreeable terms. The agreement did not include gambling at the Palm Beach Kennel Club, and Representative Brandenburg stated she was concerned for those employees because of this. Because so much time was spent wrestling with the budget, there were fewer bills passed this session than normal. However, one bill that might impact the Village was Bill 360 Growth Management. There were good and bad things about the bill, but the Governor has signed it and it is in effect today. There are some tax exemptions for affordable housing projects; every County must now make plans for public transportation; there is a two year extension for permits retroactive to September 2008, with permits in effect being extended to December 31, 2010, to give housing projects having financial problems time to get other financing in place; and an interesting definition for a “dense urban land area” which is 1,000 people per square mile, which creates some exemptions from traffic concurrency requirements and also exemptions from the DRI process. The procedures for implementing these items in the bill still need to be set up by the various state departments.

There was another bill that passed, over the objection of the Florida League of Cities and many municipal elected officials, which prohibits local government expenditure for election communications. In addition to the existing prohibition on sending out communications on candidates, now cities cannot spend money to send out communications on issues coming on the ballots, such as referendums. This bill does not prevent elected officials speaking in public about the issues or sending personal emails on their views.

There were some things done that might impact towns collection of ad valorem taxes. There will be two constitutional referenda on the 2010 ballot; 1) a proposal for an exemption for first time homeowners, which was someone who had not owned a homestead residence in the State for the past 8 years. The first year there would be a

25% exemption in addition to the normal homestead exemptions. The exemption would decline over 5 years from 25, 20, 15, 10 to 5. This would balance the advantage that people who do not have the Save Our Homes protection, and after 5 years, these new owners would have Save our Homes as well. This would also cap the taxable value on non-homestead properties, residential and commercial, at 5%, which was a decrease from the current 10%; and 2) a proposal for an additional exemption for people who are on active military duty and based outside the United States, which would allow a portion of the ad valorem taxes to be deducted based on the time they are out of the country. If the person was deployed for 6 months, then there would be a 50% deduction on taxes, and if they were deployed for 12 months, they would not pay any ad valorem taxes for that year.

Another bill passed allows Counties to levy a discretionary sales tax up to 1% for emergency services after a referendum. The group promoting this bill in Tallahassee was the Palm Beach County Firefighters. The revenue from this tax would go into a Fund that would only pay for emergency services. The monies collected would be divided up in accordance with an Interlocal agreement between those that provide emergency services with the County. If brought forward, this would be decided by the voters. There were some fiscally restricted counties in North Florida that started charging flat fees for responding to emergency situation such as accidents or fires; however a bill was passed that now prohibits this. There was a fear that people would not call in time for assistance because of the cost and the problems would then escalate.

A rate freeze for Citizens Property Insurance was removed and a cap for the increases was set at 10% per year until the Citizens Fund was actuarially sound. Representative Brandenburg stated we should expect an increase for the next 5 years, and maybe 6 or 7. Representative Brandenburg also stated she thought this was a terrible idea and she had voted against this. There were so many homes in foreclosure, and this might pull just one more family over the edge.

A bill that Representative Brandenburg had worked on but carried over to next year was on tattooing regulations. 60% of new hepatitis C cases were coming from tattooing. There are no health requirements for tattoo stores and their employees and there is no state oversight on their operations.

Representative Brandenburg again stated it was an honor to work on behalf of the cities and residents of this County. Her office and home phone numbers were in the phone book and she would be happy to hear suggestions on things she would work on to assist the cities in doing their jobs. Representative Brandenburg also asked that Mr. Kraftchak meet her outside the chambers for some further discussion about the Lake Worth Utilities issues.

Vice Mayor Waller presented Representative Brandenburg with some bottled Palm Springs water, having been voted the best tasting water in the State of Florida and had been in the top five for the National competition. Representative Brandenburg stated this was not a surprise because Palm Springs had always had excellent water and congratulated the Council and Public Service Director.

Mayor Pro Tem Smith commented that she really enjoyed the email newsletter that Representative Brandenburg sent out. It was very informative and took complicated issues and broke them down to an understandable level. Representative Brandenburg stated if there was anyone who wished to receive her newsletters, they could contact her office and put their email address on the list.

PUBLIC HEARINGS

6. RESOLUTION NO. 2009-28 (SITE PLAN – QJ)

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, APPROVING WITH CONDITIONS THE SITE PLAN (SPR 09-04) AND A SPECIAL EXCEPTION USE (PSSE 09-04), SUBMITTED BY J. WELLS HOFFMAN LLC, FOR DEMOLITION OF THE EXISTING BURGER KING RESTAURANT AND CONSTRUCTION OF A NEW 2,991 SQUARE FOOT BURGER KING AND DRIVE-THRU RESTAURANT, LOCATED AT 1760 AND 1800 SOUTH MILITARY TRAIL; AND ESTABLISHING AN EFFECTIVE DATE. Staff: Bette Lowe, Land Development Director

Village Clerk Walton advised the Council that notice of public hearing was placed in the Lake Worth Herald on April 16, 2009. There were no ex parte communications disclosed. Paul Gershen, agent for the owners, was sworn in to give testimony. Mr. Gershen stated that Burger King wished to replace this 35 year old restaurant with a newer designed building. There was an additional parcel purchased adjacent to the older building to accommodate the new building. Manager Umberger added that the Land Development Board had recommended approval at their meeting on June 9, 2009.

Vice Mayor Waller stated this was a public hearing and asked for questions from the Council and from the public. Mayor Pro Tem Smith stated she had a personal comment since she took her grandchildren to Burger King, and the restrooms showed the men's room larger and the women's room smaller and since the women usually have children and strollers, possibly this could be changed. Mr. Gershen replied the demographics for Burger King's was primarily men. The code and ADA requirements required one stall and one sink, and Burger King took demographics into consideration and added additional urinals to the men's room, which is why they were larger;

however he would take her comments back. Mayor Pro Tem Smith also commented that she like taking down the pylon sign and putting up the monument style. Hearing no comments from the public, Village Attorney Goddeau read the resolution by title. A motion to approve was made by Council Member Brinkman and seconded by Council Member Gunther. Motion carried 4 – 0.

7. RESOLUTION NO. 2009-34 (SITE PLAN – QJ)

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, APPROVING WITH CONDITIONS THE SITE PLAN (SPR09-05) SUBMITTED BY STUDENTS IN THE ARTS TV/G-STAR TV, INC., FOR CONSTRUCTION OF A 11,200 SQUARE FOOT SOUND STAGE, RENOVATIONS TO AN EXISTING SINGLE-FAMILY RESIDENCE ON THE SOUTHWEST CORNER PARCEL AND MODIFICATIONS TO DRIVE AISLES AND PARKING AREA FOR THE PROPERTY LOCATED AT 2060 SOUTH CONGRESS AVENUE; AND ESTABLISHING AN EFFECTIVE DATE.

Staff: Bette Lowe, Land Development Director

Village Clerk Walton advised the Council that notice of public hearing was placed in the Lake Worth Herald on May 28, 2009. There were no ex parte communications disclosed. Kevin McGinley was sworn in to give testimony. Manager Umberger advised the Council that this site was proposed for a movie production/sound studio. The existing single family home would be used for production support offices and dressing rooms. The Board of Adjustment had granted a variance for the existing home's rear yard setback at their meeting on June 9, 2009 and the Land Development Board had recommended approval of this request at their meeting on June 25, 2009.

Mr. McGinley stated the owners were in agreement with the conditions, including removing the airplane on Congress Avenue and limiting access on Prairie Road. Council Member Brinkman stated there was some question at the Land Development Board meeting whether the approval was for the entire site or just the sound stage portion. Director Lowe responded that the approval was just for the sound stage portion, with a Unity of Title being done at the time of Certificate of Occupancy on the construction project because if this was done first, then the entire site would have to be approved and brought up to code. There would be a cross access parking agreement in order to get the permit. Council Member Brinkman also asked for clarification on the handicap spaces, on how one would get to the building from the sidewalk and how one would get from the spaces to the building. Theorore Smith, Architect for the Project, responded that there would be walkways to connect from Congress Ave sidewalk and to the building.

Vice Mayor Waller stated this was a public hearing and asked for comments from the public. Hearing none, Village Attorney Goddeau read the resolution by title. A

motion to approve was made by Mayor Pro Tem Smith and seconded by Council Member Brinkman. Motion carried 4 – 0.

8. RESOLUTION NO. 2009-35 (SITE PLAN – QJ)

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, APPROVING WITH CONDITIONS THE SITE PLAN (SPR 09-06) AND A SPECIAL EXCEPTION USE (PSSE 09-05), SUBMITTED BY BURGER KING CORPORATION, FOR DEMOLITION OF THE EXISTING BURGER KING RESTAURANT AND CONSTRUCTION OF A NEW 3,180 SQUARE FOOT BURGER KING AND DRIVE-THRU RESTAURANT, LOCATED AT 3796 SOUTH CONGRESS AVENUE; AND ESTABLISHING AN EFFECTIVE DATE. Staff: Bette Lowe, Land Development Director

Village Clerk Walton advised the Council that notice of public hearing was placed in the Lake Worth Herald on May 7, 2009. There were no ex parte communications disclosed. Paul Gershen, agent for the owners, was sworn in to give testimony. Manager Umberger advised the Council that the property was annexed into the Village in February 2009, and the Land Development Board had recommended approval at their meeting on June 9, 2009. Mr. Gershen stated that the same criteria would be used for this building. Vice Mayor Waller stated this was a public hearing and asked for questions or comments from the Council and the public. Mr. Gary Ready asked where there would be an open Burger King if both buildings were being demolished at the same time. Locations for several others were mentioned. Hearing no further comments, Village Attorney Goddeau read the resolution by title. A motion to approve was made by Council Member Gunther and seconded by Mayor Pro Tem Smith. Motion carried 4 – 0.

9. RESOLUTION NO. 2009-51 (SIGN WAIVER)

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, (~~APPROVING/DENYING~~) THE APPLICATION OF TACO BELL OF AMERICA, INC., FOR A VARIANCE (PSV2009-004) FROM SECTION 34-328 OF THE VILLAGE SIGN CODE OF ORDINANCES TO ALLOW A TOTAL OF SEVENTEEN (17) SIGNS AND A NEW MENU BOARD FOR THE TACO BELL BUILDING #4705 LOCATED AT 3330 SOUTH CONGRESS AVENUE; AND ESTABLISHING AN EFFECTIVE DATE.

Staff: Bette Lowe, Land Development Director

Manager Umberger advised the Council that Taco Bell was proposing a major renovation of this restaurant, with primarily interior work which would not impact the footprint of the building. Therefore, the site plan amendment was minor and could be processed administratively. However, the new Taco Bell corporate sign design was

extensive. The signage was located on the Congress Avenue elevation, the left side or drive-thru elevation and the right side, or main entrance elevation. The signage included features such as flying arches, lighted bells and canopies. Since this was so extensive, it was requested the Council review the pictures of completed signage at similar Taco Bell sites, along with the plans, which were all provided with the agenda packet. Updated justification information was placed on the Dias for Council review.

Vice Mayor Waller stated this was a public hearing and asked for comments from the public and from the Council. Mr. David Kraftchak, 104 Yucatan Drive, stated there should be a sign on Congress Avenue stating no left hand turn, in English and in Spanish, because he constantly witnessed illegal turns at this site. Council Member Brinkman stated she was fine with the criteria responses in the justification letters. Mayor Pro Tem Smith stated she was a bit overwhelmed with the original package submitted, but after going to another Taco Bell that had been renovated, she felt it was quite beautiful and flowed very nicely.

Hearing no further comments, Village Attorney Goddeau read the resolution by title. A motion to approve was made by Council Member Brinkman and seconded by Mayor Pro Tem Smith. Motion carried 4 – 0.

10. RESOLUTION NO. 2009-52 (SIGN WAIVER)

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, (~~APPROVING/DENYING~~) THE APPLICATION OF TACO BELL OF AMERICA, INC., FOR A VARIANCE (PSV2009-005) FROM SECTION 34-328 OF THE VILLAGE SIGN CODE OF ORDINANCES TO ALLOW A TOTAL OF SEVENTEEN (17) SIGNS AND A NEW MENU BOARD FOR THE TACO BELL BUILDING #2894 LOCATED AT 4446 FOREST HILL BOULEVARD; AND ESTABLISHING AN EFFECTIVE DATE.

Staff: Bette Lowe, Land Development Director

Manager Umberger advised the Council that the same interior renovations and sign package was also proposed for this Taco Bell restaurant. Since the signs had been reviewed during the previous item presentation, there were no further comments from the Council. Vice Mayor Waller stated this was a public hearing and asked for questions or comments from the public. Hearing none, Village Attorney Goddeau read the resolution by title. A motion to approve the application was made by Mayor Pro Tem Smith and seconded by Council Member Gunther. Motion carried 4 – 0.

11. ORDINANCE NO. 2009-09 (FIRST READING)

AN ORDINANCE OF THE VILLAGE OF PALM SPRINGS, FLORIDA, AMENDING THE COMPREHENSIVE LAND USE PLAN OF THE VILLAGE, PURSUANT TO

THE "SMALL SCALE" COMPREHENSIVE LAND USE AMENDMENT LAWS OF THE STATE OF FLORIDA, THE LAND CONSISTING OF LESS THAN 10 ACRES, OWNED BY PALM BEACH COUNTY, AND LOCATED AT 3439 LUCERNE AVENUE AND 3484 LAKE WORTH ROAD, AND BEING MORE FULLY DESCRIBED IN EXHIBIT "A" ATTACHED HERETO; TO PUBLIC BUILDINGS AND FACILITIES; SAID LANDS TO BE CONCURRENTLY DESIGNATED WITHIN A LAND DEVELOPMENT GOVERNMENT ZONING DISTRICT ON THE VILLAGE OF PALM SPRINGS OFFICIAL ZONING MAP; PROVIDING DIRECTIONS TO THE VILLAGE CLERK; PROVIDING FOR REPEAL OF ALL ORDINANCES IN CONFLICT; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. Staff: Bette Lowe, Land Development Director

Manager Umberger advised the Council that this property was currently the site of Fire Station 31, and the County wished to raze the 1960's vintage building and construct a new 5822 square foot station in its place. The land use and zoning change was being requested to better reflect the actual use of the property and to allow more flexibility in design, as it is a small irregular shaped site. The Land Development Board had recommended approval of the request at their meeting on June 9, 2009. Council Member Brinkman stated that she would recuse herself from voting on this item because her company was an agent for this project. Vice Mayor Waller stated this was a public hearing and asked for questions or comments from the Council and from the public. Hearing none, Village Attorney Goddeau read the ordinance by title. A motion to adopt the ordinance on first reading was made by Council Member Gunther and seconded by Mayor Pro Tem Smith. Motion carried 3 – 0.

REGULAR AGENDA

ACTIONS AND REPORTS

This item was moved to Item #6A

- 12. Legislative Update Report by Rep. Mary Brandenburg**
- 13. Nomination of Voting Delegate for Florida League of Cities Annual Conference August 13-15, 2009**

Vice Mayor Waller stated that she had been the delegate for several years and would like a volunteer to participate this year. Council Member Gunther stated that since he was the newest member of the Council, he would volunteer because this would be a good learning experience for him. Hearing no other nominations, a motion to nominate Council Member Gunther as the Voting Delegate for the Florida League of Cities Annual Conference was made by Mayor Pro Tem Smith and seconded by Council Member Brinkman. Motion carried 4 – 0.

14. Appointment to the Land Development Board
Staff: Virginia M. Walton

Vice Mayor Waller stated there was a regular member vacancy on this Board due to the resignation of Robert Lazo, and an application had been received from Charles Nefzger indicating his willingness to serve. Hearing no other nomination, a motion to appoint Mr. Nefzger to the Land Development Board, for a term to expire on January 25, 2011, was made by Council Member Brinkman and seconded by Council Member Gunther. Motion carried 4 – 0.

15. Nomination of Council Selection for Palm Beach County Artist Selection Committee for Station 31.

Manager Umberger advised the Council that Palm Beach County Fire Station 31 was being demolished and a new facility constructed. The County budgets for site artwork as part of the “Art in Public Places” and will have a selection committee sort list the artists who respond to the RFP. Since Fire Station 31 was being annexed into the Village, the County has requested that a Village Council Member be selected to sit on this selection committee, with the hope that the final design will be acceptable to the entire Council and approved with the site plan, which should be before Council in September. Vice Mayor Waller asked for a volunteer and Mayor Pro Tem Smith stated she would be happy to serve on this committee. Hearing no other nominations, Mayor Pro Tem Smith’s offer was approved by consensus.

16. Report from Director Lowe on Findings of Property Appraiser

Manager Umberger commented that most of the Council was aware of the tax base problems that most municipalities were experiencing. In April, the Village was notified that there would be an 11% reduction in our tax base; and about a month later it was determined that it was over 23% reduction. This represented about \$200 million in tax base revenue that the Village relied on to operate. Director Lowe contacted the Property Appraiser’s office to find out how they arrived at the numbers that they released.

Director Lowe stated she had met with the Property Appraiser’s Staff and had asked two things: 1) to explain the huge loss in values and 2) to do a comparison to neighboring cities of Lake Worth, Lantana and Greenacres. Basically, the taxable values declined because the just values declined, particularly in the residential side and more particularly in the condo side. Actual sales were used to determine just values; the Clerk of the Court furnished the sales values; only valid sales or transfers were used; foreclosures were figured in, but only if they were openly marketed property and the sales prices were reasonable and in line with other transactions in the area; and

listings were used as benchmarks if there were not many sales in the area. The analysis was somewhat subjective, but overall should have given pretty consistent results. One of the reasons for the declined values was the financing debacle and the resulting foreclosures. According to the National Realtors Association, nationally there has been 20% of home sales have been from bank repossessions and 11% were short sales. Sometimes the Banks find liquidating the property at less than the mortgage amount actually costs them less than their holding costs, particularly in light of the fact that they are getting bail out money.

Although there are many reasons for foreclosures, one of particular significance was that there were a lot of people, and still are for that matter, entering that “flipper” game, or investor game, that don’t have the capital to sustain these properties. One example in the Village is Sabal Pointe Condominiums. The Council was provided a map showing just values, which is attached and made a part of these minutes. The last number noted on the left is the percentage of value reduction, with Sabal Pointe having an 82% decline. The Property Appraiser’s office spoke to several owners there to research the reasons for the large decline. There was a condo conversion project and the developer had made a lot of non-typical sales concessions, such as purchasing a car for one owner and paying off all the debts for another so he could qualify for a loan. Basically, these people were being set up for failure. Additionally, the units were allowed to be overpriced, with a starting price of \$167,000. The developer currently has approximately 95 units in foreclosure, ranging in price from \$19,000 to \$70,000. There was a sale in April 2009 for \$20,000. There are now individual renters instead of owners, so it would historically not be managed as well, and all of these units will have to be absorbed into the marketplace before there is a turnaround in the condo market.

Cities with neighborhoods having expensive homes, such as Jupiter, Boca and Palm Beach, were not as impacted because these large properties offset their smaller areas that were hit hard. Palm Beach’s ocean front properties actually increased in value enough to offset their 30% decline in condo market. Tables comparing residential values for Palm Springs, Lake Worth, Lantana and Greenacres was presented to Council, and is made a part of these minutes. Lantana and Lake Worth both have some waterfront properties, which helped balance them out somewhat. The Property Appraiser’s office actually stated if they had more time to research Greenacres, it would probably have come out worse than Palm Springs. Table 2 showed Palm Springs and other municipalities just values and taxable values by group, as well as the percentage of whole for the group. Table 3 showed the impact of the annexations. All of our annexations were accounted for, and had added about \$36 million to the tax base. Redevelopment C/O’s were also accounted for. The existing 339 parcels of commercial properties decreased by about 6%, which was well below the County average of 13%. Commercial annexations accounted for about \$30 million, which included about \$4.9 million of new construction, so the taxable value actually

went up about \$18 million.

Director Lowe had asked the Property Appraiser's office for any suggestions to lessen the decline; but they stated that the Village's redevelopment and annexation program was great and had actually helped, even though it might not look that way. The Village should continue with the quality annexations. One suggestion that other cities are looking into was checking utilities databases to find homestead cheaters. Council Member Brinkman asked if there could be a breakdown for single family and condos on the # of homesteads. Director Lowe replied that could be done.

RESOLUTIONS

17. RESOLUTION NO. 2009-48

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, APPROVING THE PURCHASE OF REAL PROPERTY AT 301 POE DRIVE, PALM SPRINGS, FLORIDA; DESIGNATING THE VILLAGE MANAGER TO SIGN ALL DOCUMENTS TO EFFECTUATE SAID PURCHASE; PROVIDING FOR CONFLICTS; PROVIDING FOR SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE. Staff: Karl Umberger, Village Manager

Manager Umberger advised the Council that once accepted from the first mortgage holder, this property would be used as a passive park. The property had been vacant for some time as a result of a residential fire, had numerous code violations after being abandoned by the owner and was a continual neighborhood problem. A foreclosure was completed; and the property would be donated to the Village in return for payment of past due taxes, attorney fees and title insurance.

Mayor Pro Tem Smith commented that she would be glad to see this eyesore cleaned up. Council Member Brinkman added that this was a long time coming, but was glad to see it finally happen. Vice Mayor Waller added this was a good thing for the Village. Vice Mayor Waller asked for public comment. Mr. David Kraftchak stated he didn't use the parks and wanted to know why the property could not be sold for additional revenue. Mr. Umberger replied that the first mortgage holder had made a stipulation that the donation would be made only if the property was used as a park, and the value of the surrounding properties would actually go up with a park on the street. Grant money would be used to install landscaping, benches and a walkway, which would help the Village meet State mandates for number of acres of parks per population of residents.

Hearing no other comments, Vice Attorney Goddeau read the resolution by title. A motion to accept was made by Mayor Pro Tem Smith and seconded by Council

Member Brinkman. Motion carried 4 – 0.

18. RESOLUTION NO. 2009-50

A RESOLUTION OF THE VILLAGE COUNCIL OF THE VILLAGE OF PALM SPRINGS, FLORIDA, ADOPTING A PRELIMINARY NON-AD VALOREM ASSESSMENT ROLL SO AS TO PROVIDE A UNIFORM METHOD FOR COLLECTING A NON-AD VALOREM ASSESSMENT FOR GARBAGE, TRASH AND RECYCLABLES COLLECTION SERVICES AND RELATED SERVICES ON THE PALM BEACH COUNTY TAX NOTICES; AND PROVIDING AN EFFECTIVE DATE.

Staff: Karl Umberger, Village Manager

Manager Umberger advised the Council these rates were the same as last year, and were divided into categories for single family homes, multi-family homes and mobile homes, which were the code categories provided by the Palm Beach County Property Appraiser's Office to Solid Waste Authority, who provided billing services for the Village. The rates were calculated to coincide with the rates established with Republic Services of Palm Beach. Mayor Pro Tem Smith commented that these were excellent rates, since she had just seen the rates her daughter had to pay on the west coast of Florida.

Hearing no further comments, Village Attorney Goddeau read the resolution by title. A motion to approve was made by Council Member Gunther and seconded by Mayor Pro Tem Smith. Motion carried 4 – 0.

VILLAGE COUNCIL COMMENTS

Council Member Brinkman stated a resident had requested she look into extending the pick-up time for the utilities drop box from 7:30 am to 8 am, so that there would not be such a long wait for the drive up window to open at 8 am. Manager Umberger responded that the resident can always drop the payment off the night before instead of waiting for the morning. Public Service Director Davis also added that the drive up window opens at 7:30 am, not 8 am. It was suggested that the best solution was for the residents to pay the bill when it was received instead of waiting to the last day. Council Member Brinkman also congratulated Director Davis on the 4th place win in the National competition.

Council Member Brinkman also stated that Bill 3760 was very confusing as to what it actually means and questionable whether the Village would be eligible. No one actually has to implement TCEA's. She would follow the progress, and would give the

Council a report when the rules finally come out.

Council Member Gunther commented that the League of Cities had done a Workshop on the Senate Bills. It was a very brief outline, but had some good information and showed there was still a lot of knowns and unknowns.

Mayor Pro Tem Smith commented to Mr. Kraftchak that there would be follow up comments for his flyer.

ADJOURNMENT

Hearing no further business, Vice Mayor Waller adjourned the meeting at 9: 10 p.m.

Respectfully submitted,

Village Clerk

Approved by Council _____

Mayor