



CITY OF HOLLY HILL, FLORIDA

CITY COMMISSION

MINUTES • JULY 25, 2023

City Commission Chamber

Budget Workshop

5:00 PM

CITY HALL
1065 RIDGEWOOD AVENUE
HOLLY HILL, FL 32117

City Clerk's office: (386) 248-9441 - Fax: (386) 248-9448

1. CALL TO ORDER

a. Roll Call

Attendee Name	Title	Status	Arrived
Chris Via	Mayor	Present	
John Penny	District 1 - Commissioner	Present	
Penny Currie	District 2 - Commissioner	Absent	
John C. Danio	District 3 - Commissioner	Present	
Roy Johnson	District 4 - Commissioner	Present	

2. GOVERNMENTAL & SPECIAL REVENUE FUNDS

Michele Moore, Finance Director went through the Governmental and Special Revenue Funds Budget PowerPoint presentation for the Mayor, City Commissioners, staff present and audience. The following information was shared and briefly discussed.

The PowerPoint slides presented are for the FY2024 Governmental Funds: Tax Millage summary graph; General Fund Revenue and Expenditures 2019 - 2024; Governmental activities net position graph; FY2024 Proposed General Fund Revenue budget and pie graph; FY2024 Proposed General Fund Expenditures and pie graph; Governmental activities expenditures by activity; FY2024 Fuel Tax Fund; FY2024 Permitting; FY2024 Proposed CRA Fund; FY2024 Capital Projects Fund and descriptions.

Mr. Forte asked for some direction as it pertains to the Union Congressional Church so he can put it in final format. The can purchase the church for \$100,000 and set \$100,000 for rehabilitation, which he thinks we should do and he's asked Michele to incorporate that into the budget. Their thought was to allow them to apply for an ECHO Grant and if the ECHO Grant comes through that \$100,000, which would then go to the benefactors of the church. The problem that he has with that scenario is typically ECHO is going to ask for a match. If they ask for a match that \$100,000 is going to have to go towards the matching grant money. In hindsight, he doesn't even know if we can do it the way they want to. He is asking the Commission to see if there is support in staff offering \$100,000 that the church would then distribute to the five local non-profits and then keep \$100,000 in the budget for a possible rehabilitation of some things in the building. He doesn't know if they're going to need it, if they're not going to need it but at least it will be there that if something comes up for the most part, he thinks they should work to raise the money to do the rehab. He knows they're not going to be able to do it. If this is the direction that the Commissioners want to go, he

wants to meet with Attorney Simpson to go over a more formal agreement. We have formal agreements with the Boys and Girls Club and the YMCA, the buildings that they lease. They have parent companies. In this case, we're dealing with the Historic Society that doesn't have a parent company. They have a couple of volunteers that have certain skill sets but are not formal so to speak. There's risks that it falls apart and the city has this church building, which he thinks we should buy anyway because it's a good asset to have on the city's records. The other issue that came up was the long building that was used for this group called VINE and they are a certified group that comes in, particularly after storms and hurricanes and they bring in a bunch of volunteers that will go out into the community and help rebuild. They approached him last week and they want to occupy the building on a permanent basis year round not just following storms. The discussion he had with them was they provide this service all throughout Volusia County. He said to them why should the taxpayers of Holly Hill pay for your housing costs if you're doing work all in Volusia County? And they didn't really like that but that's his responsibility. He told them he wouldn't mind going into an extended term agreement with them under certain conditions and that would be whatever it would cost the city, he thinks they should pay for. In other words, whatever the insurance cost is on that building, he thinks they should pay for. Whatever the water and sewer rate estimate, because it's under a single meter, they should have to pay for. If you don't want to charge a rent beyond that then maybe they pay \$300/\$400/\$500 a month, something like that but he also wants them to be solely responsible for all maintenance. The windows break, you fix it. The AC breaks, you fix it. If we're not charging you a rent then he wants them to be responsible for all the care and maintenance of the building. If the roof leaks, you fix it. Kind of like a triple net lease. He wants to get the Commissioners direction on that. Unless staff puts it out to bid and see who else would like to occupy that and it's really not zoned for that kind of a use. It was in conjunction with the church. It was always there for the church building. It's not a commercial use. It's still zoned a residential property.

Commissioner Penny stated he is in favor of offering \$100,000 for the building and understands that the church has to donate that to other 501(C)3 non-profits.

Mr. Forte stated it's Family Renew, Boys and Girls Club, YMCA, HOPE Place, and he thinks HUM (Halifax Urban Ministries).

Commissioner Penny stated three of the five are in the city's limits.

Mr. Forte stated and the other two do provide services to our residents.

Commissioner Penny asked can we guarantee that its 20-20-20?

Mr. Forte stated the Commission can put a stipulation in there that...

Commissioner Penny stated he would hate to see them single out...one person gets 90% of it and the other four have to split the 10%.

Mr. Forte stated he doesn't know how they were going to distribute it but if that's your direction that your offer is contingent upon giving them \$100,000 and that \$20,000 is given to each of those five agencies, we can put that in the offer.

Commissioner Penny stated that would make him feel more comfortable. He would hate to

see the three charities in our city get nothing out of it. It's our taxpayers money going back into our community, I'm in favor of that. And he is also in favor in holding the \$100,000 on the side and letting them apply for an ECHO Grant because the \$100,000 might turn into \$200,000.

Mr. Forte stated he will go one further with them in that if they give this money to these local agencies, he would want the local agencies to spend the money on these facilities. In other words, he doesn't want the YMCA...it has to earmarked to be used in these facilities. That can be put in the offer letter. We're getting an asset that has a value to it. He doesn't think that's bad. As far as the room and board, he thinks they wrap it up into one flat rate because there's one water meter, one electric meter that goes through the church and what the church was doing was charging them \$10.00 per person/per day or something like that, when they were there. You do it based on an assumption. For example, we're going to charge you "x" amount of dollars for rent and that rent includes utilities and insurance. It's an all inclusive rent so they don't get to question the utility bills. Whatever you are paying for rent, it's inclusive. They wanted a very long extended lease and he told them the city doesn't have that relationship to do that because we don't know them or what they do so he would recommend that the city does a three year lease with renewal options. If they're doing good work and doing fine, we can do a five-year extension after that. Let the experience dictate how we move forward. He wouldn't enter into a ten, twenty year lease at this point.

Mayor Via agrees that the money should be earmarked. The city would own the block and it's a good asset to the city. The money will go back into the community. He believes the Holly Hill Historic Society wants to be in that building and he thinks that's a great opportunity.

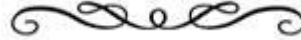
Mr. Forte stated to summarize they are going to offer \$100,000; \$100,000 will be budgeted for repairs and maintenance that can be used up to the \$100,000 for an ECHO match; no additional monies going back to the church; if we get an ECHO Grant it will be matched, if we don't get an ECHO Grant it will be needed; we can work on an agreement with the VINE Group to go in there. Again, there's going to be a lot of detail that Attorney Simpson is going to have to get involved with writing this agreement; and the same thing with the Historic Society. There's a lot of details. He doesn't want them to not move in quickly. If the city purchases that property, as of October 1st or shortly thereafter, it becomes a vacant building. Somebody has to occupy it or it falls into disrepair. He would probably give them until the first of the year to occupy that building. He doesn't want it sitting empty for three or four, five months. Once that happens then we have to have a discussion about what do we do with the building across the street. There's the annex building where the Historic Society is now. Now you will have space there that potentially could be leased, it is a commercial property so it could be leased for something else.

(A full copy of this workshop in its entirety is available on CD upon request in the City Clerk's Office)

1.

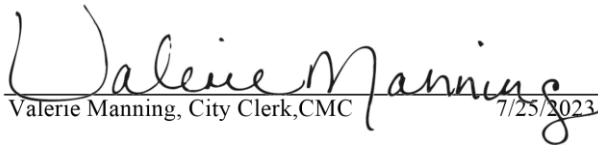
Governmental Funds Budget Workshop

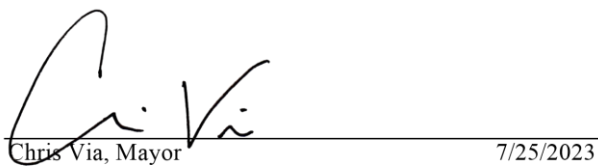
(Requested by Valerie Manning, City Clerk)



3. ADJOURNMENT

The workshop adjourned at approximately 5:55 PM.


Valerie Manning, City Clerk, CMC 7/25/2023


Chris Via, Mayor 7/25/2023