

MINUTES OF A JOINT MEETING OF THE CITY COMMISSION OF THE CITY OF FORT PIERCE, THE BOARD OF COUNTY COMMISSIONERS OF ST. LUCIE COUNTY, AND THE BOARD OF HEATHCOTE BOTANICAL GARDENS, INC., HELD IN THE CITY HALL COMMISSION CHAMBERS, 100 NORTH U.S. #1, FORT PIERCE, FLORIDA, AT 10:00 A.M. ON WEDNESDAY, JANUARY 8, 2007.

Mayor Benton called the meeting of the Fort Pierce City Commission to order. Upon Roll Call, those present were:

Mayor Robert J. Benton, III
Commissioner Rufus J. Alexander, III
Commissioner Edward W. Becht
Commissioner Christine Coke
Commissioner R. Duke Nelson
City Manager Dennis Beach
City Attorney Rob Schwerer
City Clerk Cassandra Steele

Chairman Craft called the meeting of the St. Lucie County Board of County Commissioners to order. Those present were:

Chairman Chris Craft
Commissioner Joseph Smith
Commissioner Paula A. Lewis
Commissioner Charles Grande
Commissioner Doug Coward
County Administrator Doug Anderson

Board President Cris Adams called the meeting of the Board for Heathcote Botanical Gardens, Inc. to order. Those present were:

Board of Trustees President, Cris Adams
Board of Trustees Treasurer, Gloria Moore
Board Member Sam Comer
Board Member Madeleine Warns
Board Member Ed Hayslip
Board Member Fran Mimms

The pledge of Allegiance was recited.

The purpose of the Joint Meeting was Discussion of proposed Interlocal Agreement between the City of Fort Pierce, St. Lucie County, and Heathcote Botanical Gardens, Inc. for the creation of Phase I of **Heathcote Botanical Park** and the expansion of Heathcote Botanical Gardens.

City Manager Beach said he welcomes everybody and thanks the County Commission for joining them today and helping them work through one of their projects. It would probably be helpful if they talked a little bit about what the project is and how it started and how they got to the point that they are today, and then get into some of the issues that have come up as a result of changes in the approach to the project. The Interlocal Agreement in front of them is a document that City and County staff has been working toward for some time. In a nutshell, it is a mechanism for conveying about 150 acres of land owned by the City to St. Lucie County for the purpose of expanding Heathcote Botanical Gardens. Heathcote has done some very impressive master planning. The source of revenue to acquire this property is coming through the Florida Communities Trust (FCT). The County currently has an approved grant in the amount of \$4.3 million or \$4.4 million from the Florida Communities Trust to acquire this property. When they presented this to the Fort Pierce City Commission as far as 18 months back, maybe further, it was presented with two or three different conditions being applied to the successful moving it forward. And those conditions included at the very top, the sale of the land to the County was to generate enough money for the City of Fort Pierce to replace their existing facilities. As all of them know, part of this acquisition includes the acreage the City uses for its Public Works and

Solid Waste operations, so it is an integral part of the City's operation. What they have learned over the past six months is that the method that the Florida Communities Trust is using for determining the value of land and other issues that are out there, they are not going to be able to generate the resources that are necessary for the City to replace its facilities. As a result of their conducting a Space Needs analysis over the past year, the dollar value of the replacement of their Public Works facility and their Solid Waste facility is approaching \$50 million. The amount of money that would be generated by this sale, he thinks they are anticipating less than \$15 million over a period of time. Is he throwing out the right figures there?

Mr. Bill Hoeffner, St. Lucie County Director of Grants & Disaster Recovery, said yes.

City Manager Beach said that is one of the issues. What that means is, at least in his foreseeable future and in his thinking, he doesn't see how they are going to move the Public Works facility. They simply don't have those kind of resources available to them. He is not even sure if it would be a wise use of resources to spend that kind of money replacing a facility that is already in existence. And what he needs from City Commission is to think through that subject. There are options they have. One of the options is to recognize that uncertainty, recognize the fact that they are not going to generate enough money to replace their Public Works facility; but yet go ahead with the project, sell what land they can sell to the County, and let Heathcote expand as it can expand for those purposes. Another option is to not proceed with the Florida Communities Trust in the sale of the property, but to expand their CRA (Community Redevelopment Area) from where it is currently, which is Georgia Avenue, taking in the golf course and going all the way to Savannah Road, using the railroad tracks and using 3rd Street as a boundary. And then using resources generated by the FPRA (Fort Pierce Redevelopment Agency) for the expansion and improvement of the Heathcote Botanical Gardens. So those are the issues. They have the Interlocal Agreement in front of them. There are a number of commitments that are asked for in that Interlocal Agreement that create a great deal of uncertainty in terms of defining what type of financial liability both the City and the County are assuming with moving this project forward under its current direction.

City Commissioner Alexander asked is all this proposed land, is this within the City limits; or is on City property, all this property?

City Manager Beach said it is.

City Commissioner Alexander asked they did not know if it was two years ago when they implemented this? He thinks it was less than two years. But they didn't know it would cost more than \$10 or \$15 million to remove that Solid Waste?

City Manager Beach said they had not conducted a needs analysis or a facility replacement analysis prior to that time, that's correct.

City Commissioner Alexander asked they didn't know just off the top of their heads that it would cost more than that amount?

City Manager Beach said at the time, the thinking was they would move this project forward if the amount of money generated by the sale of the land would be sufficient to replace the Public Works Compound. What they have learned since then is that is not sufficient, it will not replace the Public Works Compound. And that is why this information is being presented today.

County Commissioner Coward asked can staff present a little bit more detail on the property itself? Just go through the map and show them the exact location the Public Works facility and so forth.

Mr. Hoeffner said what he would like to do is give a brief overview of the Interlocal Agreement itself. (Mr. Hoeffner showed a slide presentation.) What they see on the screen are the primary project goals of the project. One is to develop a linear park which would extend from Midway Road to the south, to the northern end of the Indian Hills Golf Course. The second was to expand and improve Heathcote Botanical Gardens. The next slide deals with some of the limitations of a Interlocal Agreement. He placed the slide in here to deal with some of the misconceptions about the Interlocal Agreement that he heard the past few weeks. One, the agreement pertains only to Phase I, and he will describe Phase I in a few minutes. It does not require the City to transfer lands in addition to Phase I. Two, the agreement does not establish any time line for future phases. On one of the misconceptions he heard is that they have a time line of five years for Phase II and that=s not true. They do not have any future time line for Phase II or Phase III. The agreement also does not require the City to relocate any operations from any building. It does require the relocation of certain open land operations located within the Phase I boundary. The agreement also does not commit the City to a future time line to relocate operations from any building or open land outside of Phase I. This is the map of Phase I. And as they can see, it involves the lake property to the north, the western roughly one-third of the Public Works Compound, excludes the FPUA water storage facility, it then includes a connector parcel which connects the existing Heathcote Gardens to the expansion area, and then it includes a parcel to the south of Savannah Road. The next map shows a closeup of the areas that most impacts Fort Pierce=s operations and this is primarily their Solid Waste storage area. They will see a number of garbage trucks and some garbage cans. Most of this is open space. To the south of Savannah Road there is another storage area where culverts, dirt, blocks, and other things are stored. There=s no permanent facility to the south of Savannah Road. The next slide outlines why the boundary of Phase I was drawn the manner in which it was. First, to provide Heathcote with sufficient land for their expansion and fund raising efforts. They felt with any less land, they might be able to expand, but they would not be able to do sufficient fundraising to generate the types of funds that they need to build this project, which is quite an extensive project. They plan not only to expand the gardens, but also to build - for lack of a better term - a convention center, where they will be able to hold meetings of approximately 300 to 400 people. That is quite an expense and they have to conduct an extensive fundraising. They felt with anything less, they would not be able to generate those kind of dollars. Second, to meet the requirements of the FCT grant. In order to get the \$4.2 million grant, they had to stipulate in the grant application certain conditions and there is roughly 32 conditions that they stipulated. The boundary has to adhere to those 32 conditions. If it does not, they lose points, and they could possibly lose the grant. Third, to not require the acquisition of any building. FCT requires that all land involved in a grant project be vacated prior to FCT closing on that land. Since they did not have any funds in advance of the grant to relocate the operations of any building, they deliberately excluded any building from Phase I. And fourth, to maximize the amount of dollars received from the FCT Grant. The grant is in the amount of roughly \$4.2 million. However, the exact amount that should be received is based upon the amount of land or acreage to be sold. Right now they are planning on transferring approximately 69 acres; and with that, will probably generate around \$3.8 million. If they reduce the amount of acreage, say to 20 acres, they possibly would only receive \$2 million. The primary financial responsibilities of the City as outlined in the Interlocal Agreement are number one, require the City to sell 75% of lands within Phase I, roughly 52 acres, to the County if the terms are agreeable to the City. That last phrase is not in the Interlocal Agreement, but it needs to be added. The City will have the option of accepting or not accepting the sales agreement once it is presented. And the sales agreement will probably be coming to the City this coming week. He spoke with FCT last week and they said it was going to be mailed to the City either Friday or today. The agreement requires the City to donate 25% of lands within Phase I, roughly 17 acres, to the County to be used as match for the FCT grant. The FCT grant requires a 25% match. The donation will occur only if the terms of the sale and donation are agreeable to the City. Third, the agreement prohibits the City from using funds received from the sale of Phase I lands for any purpose other than: (A) The relocation of buildings or operations within

Phases I, II, or III, or the FPUA water storage facility which is immediately adjacent to Phase I. (B) The management of Phase I lands not included in Heathcote expansion area. He will explain what that means. If they look at the map, Heathcote has not solidified their plans yet. They may elect to expand into, as an example, the lands that are north of Savannah Road. They may elect not to expand into the lands that are south of Savannah Road. If that is the case, then the City and the County would become responsible for managing those lands that are south of Savannah Road. And these funds, the \$4.2 million grant, could be used to help in the management of those lands that are south of Savannah Road. (C) Management of Phase I lands if Heathcote becomes unable to manage the lands within their expansion area. If at some future point in time Heathcote finds that their fund raising efforts fail and they are unable to manage the lands, those lands then would be managed jointly by the City and the County, and the funds could be used to put those management expenses. Fourth, after funds received from the sale of Phase I lands are fully expended, the agreement requires the City to equally share with the County financial responsibility for the management of Phase I lands not included in Heathcote's expansion area, or all Phase I lands if Heathcote becomes unable to manage the lands. The next slide shows financial responsibilities of the County. One, the agreement requires the County to acquire the 69 acres from the City, which would be done through utilizing FCT grant funding and a donation of land from the City. Two, the agreement requires the County to pay 25% of all due diligence and closing costs related to the transfer of the land from the City to the County. FCT will pay 75% of the due diligence and closing costs. Currently the County's 25% share is estimated to be between \$50,000 to \$75,000. They have already paid \$35,000. The remaining funds are available to the County in the ESL (Environmentally Sensitive Lands) fund. Third, after funds received by the City from the sale of Phase I lands are fully expended, the agreement requires the County and the City to share financial responsibility for the management of the lands. Financial responsibility of Heathcote include, the Interlocal Agreement requires Heathcote to plan, develop, and construct improvements within Phase I lands. The improvements to be constructed will be stipulated in a management plan required by FCT. In addition to other features, the improvements will include gardens and a building in which meetings, small conferences, social events, and educational classes can be conducted. Two, it requires Heathcote to assume financial responsibility for management and maintenance of lands and buildings within their expanded gardens. The next slide shows management responsibilities stipulated in the Interlocal Agreement. Rather than reading through these, let him just make a point. What the Interlocal Agreement does is it requires that all management be done according to a written plan; and that written plan must be approved by the City, by the County, and by Heathcote. It also stipulates certain times when the written plan must be revised just to update it. The primary governing document is the Management Agreement which must sent to FCT. That Management Agreement has already been prepared and sent to FCT. FCT has done initial review and sent back certain recommendations. The Management Agreement is quite extensive. (Mr. Hoeffner displayed a large binder). They have done the review. Before it goes back for final review, it will be approved by the City, by the County, and by Heathcote. Next slide shows the timeline. The Option Agreement for Sale & Purchase will most likely be presented to the City by FCT this week. The Option Agreement for Sale & Purchase must be executed by February 28, 2007. The closing or transfer of the property must be completed by April 30th. Between now and the closing survey, environmental, and title studies must be completed prior to closing. Many of the title studies have already been completed. The environmental study will be initiated on January 17th. They obtained another grant from the Treasure Coast Regional Planning Council that will pay for the environmental studies. Any questions?

County Commissioner Grande said his question is to Mr. Beach. In his first comments, he indicated that there was about \$45 million to \$50 million in construction costs, and the amount he expected to bring in was about \$15 million. What he heard so far is bringing in about \$4 million.

City Manager Beach said the \$15 million would be under the assumption that all of the transactions took place, Phases I, II, and III. Phase I is the \$4.2 million or \$4.3 million.

County Commissioner Coward asked can Mr. Hoeffner clarify, in his initial comments he used the acreage figure of 150. Is that Phase I, II and III, the entire project?

Mr. Hoeffner said yes.

County Commissioner Coward asked what he just went through, the 69 acres, is Phase I?

Mr. Hoeffner said that is correct.

City Commissioner Becht said he has a couple of questions, but he will start with some comments first. The issues he thinks the City is dealing with are the replacement of land, regardless of whether it is Phase I, II, or III. They have Public Works facilities on the property, they have Solid Waste facilities and operations on the property, and the Humane Society is on the property as well. He doesn't know if the Humane Society is represented here today or not, he hopes they are. (Mr. Frank Andrews of the Humane Society indicated he was present.) Great. Is there an existing endowment for Heathcote?

Mr. Hoeffner said there is a small one.

City Commissioner Becht said okay. He wants to state this diplomatically, but he is having a hard time understanding what St. Lucie County is contributing to the project. St. Lucie County procured a grant that is coming in from FCT. The City of Fort Pierce is being asked to donate 25% of the land. Part of the question is, what is St. Lucie County contributing or proposing to contribute? But the other part is, the 52 acres of land - is that what is valued at \$3.8 million?

Mr. Hoeffner said the 69 acres in Phase I is currently valued at approximately \$5 million, it is over \$5 million. So with the 25% donation...

City Commissioner Becht asked so the 52 acres is the \$3.8 million?

Mr. Hoeffner said yes.

City Commissioner Becht said so roughly the City is contributing, he guesses, like \$900,000 in land under this formula. Where is the matching component from the County for this? He appreciates the fact that the County spent money and effort trying to procure the grant; but where is their \$900,000?

Mr. Hoeffner said the County was brought into this agreement primarily to obtain the grant. As was pointed out early in the meeting, these lands are Fort Pierce lands. There was no way for Fort Pierce to apply to FCT to get the funds. There has to be a sale of property. And so St. Lucie County was brought into the program primarily as a...

City Commissioner Becht asked who brought them in.

Mr. Hoeffner said it was requested by Mr. Beach.

City Commissioner Becht said no, he thinks Heathcote requested them to come in. He doesn't think the City requested them to come in.

Mr. Hoeffner said that is possible. In looking for a funding mechanism, the County was brought in. Who actually brought them in, he is not sure. But the reason they were brought in is so they could apply for the FCT grant. The City of Fort Pierce, in that they already own the land, could not apply to FCT. The County has to apply to FCT, there has to be a

transfer of land, and so that is the reason they were brought in. If the City and Heathcote could do this by themselves through an alternative grant source, or possibly through the FPRA that Mr. Beach mentioned earlier, then the County's involvement would not be required.

City Commissioner Becht said that is helpful, because he was under the impression - and he was on the Commission at the time the request came in - he thought that the request had come in from the County. But it appears that the actual request was from Heathcote to the County to the City, and they acquiesced with it going another step or two down the road before they dealt with the problem of how are they going to relocate and replace \$50 million worth of facilities and operations and land. So that answers his question.

City Manager Beach said on that subject, this has really been a joint effort. The City, the County, and Heathcote have pretty much worked hand-in-hand trying to find mechanisms to move this forward. He doesn't know whether to characterize that the County started this or the City or Heathcote; but he knows that they all have been working together to get this moved forward.

City Commissioner Becht said he doesn't want his comments distorted. This is something he would like to see happen. It just they have a pretty big price tag to absorb and moving perfectly good facilities. It all seems worthwhile, but they have to find the dollars.

Mr. Hoeffner said let him add one more additional statement. Phase I was drawn so that if Phase II and Phase III never happen, they will have sufficient lands to expand Heathcote and also to create the linear park going from Midway Road all the way to the northern end of the golf course. So this could be a stand-alone project by itself. In which case, what needs to be relocated would be the Solid Waste operations. And they would somehow have to put a landscape barrier around Phase II and III to be done at a future date, if ever done.

City Commissioner Becht said they also have a big water tank in the middle of their project too.

Mr. Hoeffner said they could possibly make that some type of signature...

City Commissioner Becht said based on certain things he has read in the paper, FPUA seems to be short on cash these days; so he doesn't think they are going to be willing to relocate it.

City Commissioner Nelson said Mr. Beach mentioned one of the options included expansion of their CRA area. Is there an option also that might include the creation of an additional CRA to cover that area, as opposed to expanding the current one?

City Manager Beach said he is not sure that area as a stand-alone would qualify as a new CRA. But because of it being adjacent to their existing CRA, they probably - and he is going to use the word probably, because he doesn't know - can expand it in that area. There is a neighborhood there that would seem to qualify for the circumstances that have to exist to include an area within a CRA.

City Commissioner Nelson said that is why he is looking down the road. He believes very strongly that they could have several CRA's; and it might be necessary to create additional ones in the event that they don't move forward with this particular project and expand the one they have.

City Commissioner Alexander asked in that Phase I, what revenue will be coming from where? That is all City owned properties, right?

City Manager Beach said that is correct. The revenue, if it is expanded into a CRA?

City Commissioner Alexander said yes.

City Manager Beach said it is not all City-owned property. There is a neighborhood that is right by Heathcote, by the Public Works Compound, surrounds the Indian Hills Golf Course, and that sort of thing.

City Commissioner Alexander asked but that's not in the proposed layout now, is it?

City Manager Beach said if they were to expand the CRA, that would be the areas that would be generating the revenues by the CRA. If he may while he's talking, let him say one more thing. If the City Commission is comfortable with the idea that this entire project may not ever occur, then they have a doable project as Phase I. That is what Mr. Hoeffner was saying earlier. But what has to be changed in their thinking is, the idea that they are going to be able to replace that Public Works Compound with the funds generated by the sale of this land. It actually opens up an opportunity. If the Public Works Compound stays there, then the money that is generated by the sale can go toward the expansion of the Heathcote Gardens, which would really give them a boost on their fund-raising and a method to move this forward.

City Commissioner Nelson said he is trying to establish the fact that some time ago they indicated how they wanted to grow and how much they wanted to grow, and they talked about expanding their geographical area by 100% or thereabouts. What consideration has been given to the relocation of the present facilities they have in the area? And where do they propose to relocate those?

City Manager Beach said there have been a number of discussions related to that. St. Lucie County had at one time agreed to provide the replacement land for the Public Works Compound. There have been alternate sites discussed; but none of them have ever been committed or confirmed or even studied as to whether or not it would be available. Even if someone gave them the 20 acres that is necessary to replace all of those facilities, they would still have this incredible investment in facilities that would have to be made that really takes away the financial sensibility of moving the Public Works Compound.

City Commissioner Nelson said he used the words, financial sensibility.

City Manager Beach said yes, in that it doesn't make sense.

City Commissioner Nelson said so the feasibility, the cost feasible is not too apparent. And no buildings are to be removed as a result of this proposed donation/sale. The document indicates they want to make a property transfer by April 2007. Is that possible? And what effect would that have on their present operations?

City Manager Beach said he can't address whether or not the transaction can take place by April 7th. The only requirement of the City of Fort Pierce under this transaction is to remove whatever facilities that they have on this land that is being purchased, that is what they would have to do. Could that be done? The answer to that is, yes.

Mr. Hoeffner said in regard to the whether they could do the transfer, all the appraisals have been completed; they will be initiating the environmental study as he stated on January 17th, so that should be completed; and most of the title work has been done. And so the County would be prepared by April 30th to close on the transaction.

City Commissioner Nelson asked that will not include any of the present structures down there, any of that land transfer?

Mr. Hoeffner said it would not include any of their structures. It would include open land operations that Solid Waste has - the parking of their garbage trucks and the storage of their garbage pails.

City Commissioner Nelson said so it will affect some of their current operations, i.e. the garbage trucks and the pails. What are they going to do with those things? Those trucks cost him \$200,000 a piece. And garbage containers, those 50 to 75 gallon ones cost \$75 a piece. He needs to do something with that equipment.

Mayor Benton said he had spoke to the folks at Heathcote last week and he talked with Doug Anderson on the way back from Tallahassee. They talked about the City possibly moving some of its facilities, if they have to, over to the County facility on Edwards Road and Oleander Boulevard. Would that be something that could be done? There was also talk - and this didn't come from Mr. Hopkins - but this came from these discussions of possibly moving Solid Waste out Selvitz Road, maybe next to the dump, closer to the dump. Can he add to that discussion?

Mr. Doug Anderson, St. Lucie County Administrator, said yes, they did have the conversation. There are several options. One option that they have discussed is, they have had meetings with the School Board and the School Board has acreage available where Fort Pierce Central High School currently is located. And Fort Pierce Central, as they know, will be torn down when the new high school is opened. The School Board at this point has indicated approximately 15 acres of land that they could deed to the County. He knows Mr. Beach has said for his entire Public Works operations he needed about 20 acres. Right there, that alone is 15 acres.

City Commissioner Nelson said they did get some input back from their Solid Waste Director and Public Works Director. He is not sure how appropriate it would be to have them to add anything over and above what they submitted in writing. He thinks the City Manager probably speaks on their behalf. He is uncomfortable with this because as he indicated earlier, they have dreams of increasing the geographical area of their City. He guesses there is some merit in trying provide a centralized location for the services they are providing. But they have a need for an entity such as the Heathcote operation versus the need for the citizens they are supposed to serve for public amenities to enhance the health and safety of all the people of the City of Fort Pierce. The cost with respect to relocating those facilities and a time frame for doing so, to him right now it does not lend itself to making such a move. Could they do something to keep things virtually status quo and at the same time make some type of expanded corridor to create a linear park adjacent to that facility they are proposing for Heathcote? He is looking at this linear park. Linear park became part of his vocabulary when they started trying to make a linear park around Moore's Creek and they got a certain amount of land on both sides of Moore's Creek. He is wondering, can they do a similar thing down at the Heathcote area to faxsimilate that type of environment and let everybody be happy?

City Manager Beach said Phase I of this proposal, the Interlocal Agreement in front of them, does not contemplate the relocation of any buildings that the City has at Public Works. It does contemplate having to shift the storage of some vehicles and other things that are used by their Sold Waste Department. And to his knowledge, they have not answered those questions yet. But those questions are answerable, they can figure that out. If the decision is made to move forward with Phase I, then they are not looking at those tremendous expenses associated with rebuilding their facilities because they don't anticipate rebuilding them. And in his looking forward, he don't see a real opportunity for that taking place anywhere in the near future. If they want to see the Heathcote program move forward, think about it in terms of Phase I being and could conceivably be the only Phase. They would still come out with a beautiful investment, even if it would just get limited to Phase I.

City Commissioner Coke said she will begin by saying that she would love to see this project go through. She has some reservations however because she doesn't see how the citizens of Fort Pierce can afford to pay \$35 million to relocate facilities they already have. It just isn't a good sound financial decision and she thinks that is part of their responsibility up here. Her other concern is if they look at just Phase I, she would echo Commissioner Becht's concern that the City is in essence putting in almost close a million dollars towards this project. And again, that is a big nut for their taxpayers to biting off. It is public land, the taxpayers own it. In essence they are giving it to Heathcote for another public purpose, but it will no longer be owned by the citizens of Fort Pierce. At this juncture she has equal concerns on getting further information on moving Solid Waste and where it would be and what it would cost them to do that. And her last two points that really concern her are she thinks that if they move forward with this project, even though it would bring a tremendous resource to the area and expand the great things Heathcote has already done, her concern is 10, 15, or 20 years from now when the City needs to expand their Public Works Department, they will have no choice but to move Public Works some place else. So if they are not making a commitment to spend \$35 million now, she would venture to say at the rate their City is growing and their population is growing, they are committing themselves to spending twice that to relocate Public Works some place down the line. And again, she has a concern with that being a huge burden on their tax base here in the City. And also, should Heathcote not expand to the full extent of the boundaries of Phase I, when they talk about maintenance on that property and they talk about it becoming a City responsibility, she for one is not willing to obligate and say yes, they will be glad to be responsible for this, until she understands what everyone thinks responsible for the maintenance of that facility or property means. Does it mean mowing the grass once a week? Does it mean maintaining roadways or walkways or bike paths within it? She needs a better handle on what exactly they are asking them to spend on behalf of the citizens of Fort Pierce or on what they are asking them to spend out of the citizens money before she can make a commitment one way or the other.

Mayor Benton said that is why he asked for this workshop, because he knows things have been progressing but the details have never been really set down and ironed out. His question would be to Heathcote or to the County. When it comes to these grants, can some of these boundaries be redrawn? He doesn't know what type of problem Phase I is going to create with Solid Waste. He doesn't know where they are going to move these trucks. Does Mr. Beach know where the trucks could be moved?

City Manager Beach said there is probably a number of different alternatives that exist to accomplish that. And it clearly will be an inconvenience to the Solid Waste Division to have to deal with this, but it can be done.

Mayor Benton said as far as the Humane Society, he would have to ask the question because they are included in there. Is there a plan to move the Humane Society now? He believes Fort Pierce owns that facility. Do they lease it to the Humane Society?

Mr. Frank Andrews, Director of the Humane Society, said yes. He was hired to do some things, this is his third week. He was hired to reduce euthanasia. They had their low cost adoption thing, they hit a home run and everything is cleared out, they don't have any animals, so he thinks they will replenish them. They are trying to give back to the community with their low cost rabies clinic on the 20th. But underlying all of this is the program that their current building is not efficient. So they have started to look around to see what alternatives might be available. They recognize that this would require a partnership on their part to help address some of the costs of this thing. And that is what they are currently trying to estimate, what it would cost to build a practical and more efficient facility. They are not thinking in terms of five years, they are thinking in terms of the next year or two. So they are starting the process.

Mayor Benton said he does understand that a centrally located facility would probably be better for the whole county. But his question is, does the Humane Society have the funding to get into this building program, or is it something that they are going to be requesting capital funds maybe from the City, the County, and Port St. Lucie to do this?

Mr. Andrews said he thinks they need to sit down and explore maybe a collaborative effort where they could get some funding from the entities that would be using this building. They recognize that they will need to go out and raise the additional funding, they can't depend on government to fund the whole thing. So it would be a collaborative thing.

City Commissioner Nelson said in one of the whereas paragraphs in this proposed Interlocal Agreement, it talks about the fact that there was an agreement between Heathcote and the City of Fort Pierce some time ago that provided certain dictates and conditions for that property of yesteryear. Has he looked at the previous lease agreement they City had with the Humane Society on that issue? Has anybody looked at that? And if so, what were the terms and conditions of that lease agreement as opposed to the one they are proposing today?

Mr. Andrews said he is not really sure of the details, he would have to look into it. He thinks they paid a nominal rent for a long term lease and that is his understanding at this point, but he could be wrong.

City Commissioner Nelson asked does City staff have any information on that at all?

City Manager Beach said he has no information on that.

City Commissioner Nelson said certainly when they erase one agreement, they ought to look at the one they had before to make sure they are not erasing the one, replacing it with something bigger and better or worse than they had before. And he is confident that there were certain conditions set in that agreement. He doesn't know, it didn't happen during his watch in the last 12 years or so.

County Commissioner Grande said one quick question before a couple of comments. The convention center plan, he assume that Heathcote sees that as a income generator? Within that context, he agrees with all of the questions that Commissioner Coke brought up and he has two more points. First is the concept of the CRA really implies a long term commitment by the other taxpayers. And he is not sure if that is the best way to look at funding something like this because it is kind of insidious use of future tax funds. The other problem he has with the Interlocal Agreement is, if Heathcote is planning to create this convention center which is going to be an income generator, he thinks there needs to be a whole lot more in the Phase I Interlocal Agreement protecting both the City and the County from expenses maintaining the rest of the lands in Phase I if Heathcote has a choice of directing the convention center profits to things other than maintaining the lands that made this possible. So he guesses the bottom line for him is he is really not sure that the Interlocal Agreement for Phase I has been tied down well enough for the City or the County to be signing up to it at this point in time.

City Commissioner Nelson said he heard the term convention center too, but he is not sure if they are serious about having Heathcote operate a convention center. They have people dedicated to trying come up with some economic development and other things within their City and within the County. Is the Heathcote chartered to come up with convention centers by any other source? Is this really something that they should be authorized to pursue?

City Manager Beach said Heathcote contracted a Master Plan study a couple of years ago or maybe longer. There is a document over here against the wall that lays out some conceptual ideas about what that property could become. And he thinks the convention center is more of a training facility that deals with botanical issues and people who have

interest in those subjects. Whether this occurs or not depends entirely on its financial feasibility. Right now, these are concepts and these are ideas and this is the direction they are moving. They are clearly only going to continue in that direction if it makes sense, if they can get the resources and the support of the community to do it. So that is not in concrete at all right now.

County Commissioner Coward said he likes to live by the motto of dream high to achieve high. But at the same time, he thinks they also have to be realistic. He thinks when they moved forward initially with this grand concept, they did not know of the full costs associated with the relocation of various facilities. So he thinks that at this stage it is pretty clear that they ought to be focusing on Phase I. Mr. Beach made the statement that Phase I is basically doable as a stand-alone project. The one concern he has though is the effect on Public Works. And he doesn't know if they got a clear answer on whether the Phase I boundaries can be modified so that potentially Public Works could retain more land in that location; and he wondered if they could get some feedback on that issue?

Mr. Hoeffner said the problem would be with the timeline. They have to close on this by April 30th. FCT usually likes to close on their grants within one year. They are now two and a half years roughly post-award date. So the FCT has said before April 30th, this property must close. They have obtained appraisals, they have done other studies. There is no time to do additional appraisals if they identified lands that wanted to be swapped with Phase I lands. They could delete some lands from Phase I; but that would have to be done with the understanding that they would have to look at the point system they have with the grant, whether it is consistent with the points, and they would also do it with the realization that with the reduction in land, there is going to be a reduction in the grant monies received.

County Commissioner Coward said he thinks Mr. Beach also said the storage aspect of Public Works was solvable. But he thinks that is causing some consternation particularly with the City Commission and he can understand why. So he was just trying to see if there was some way to adjust the Phase I boundary to allow for Public Works to have space to expand in that location, but still retain enough acreage to make Phase I a valuable investment worthy of this partnership that they are laying out here. Because he does see great merit, particularly the land north and south of Savannah Boulevard there. The connection to the south is not evident on this aerial photograph before them. But it has been one that their staff has been pushing for quite some time. To the south is the County-run Savannah's park and he believes that is City land that they lease. And the connectivity between the two as a linear park would be just fabulous. And he thinks there is a great opportunity for additional park facilities possibly in that upland area south of Savannah Road. He can see Heathcote expanding north of Savannah and still having land available for Public Works to operate in that location for some time in the future. And then still retain some type of a north/south linkage to the lake which provides further recreation opportunities. He still feels like this project is worth pursuing. Going back to Commissioner Becht's question about financial resources, in addition to the effort that the County has put forth, particularly Mr. Hoeffner and their grant writers, he looks to the south as an example of how they may partner with the City. They used the FRDAP money that comes into the County that they could have used in the unincorporated County, but they chose to partner with the City and actually invested half a million dollars of those FRDAP grant monies in the City and in conjunction with the City to make improvements on that park. So he can see them using future FRDAP funds that came in for the investment in this particular facility. The FPRA, he doesn't find that insidious as County Commissioner Grande just stated. He thinks the FPRA has merit and needs to be looked at. He also sees other monies, specifically available through the TDC (Tourist Development Council). When they increased the penny bed tax, one of the things they did was earmark a certain portion to be invested in the north county so that they would have some equity of the use of those bed tax dollars. Some of those monies are unallocated in the future and could potentially be invested in a major project in the north county. So he wouldn't want them to stop at this point because they haven't identified all the potential funding sources. He would like to

see this move forward. He is not entirely sure how they can do it, but he does think it is achievable if they are able to modify this in several different ways.

City Commissioner Nelson said he doesn't like to be an impediment to progress, but he does concern himself with some of the minor details that some of their affected managers have to cope with. He doesn't know whether everybody got a copy or not (of the memorandum dated December 11, 2006), but the Solid Waste Director talks in terms of a need for some 40,000 square feet to house his rolling stock and of course the other equipment associated with sanitation operations. Specifically where could those accommodations be in terms of area identified? Additionally, the areas that are shared by both the City and the County and their Public Works area, where are those areas that could be jointly used and preserved as they currently are doing today? He is concerned about the 40,000 square feet that is cited for being required by the Solid Waste Director for storage of his rolling stock and the associated equipment. Where would that area be? And also, where would the areas cited by the Public Works Director indicating jointly used facilities by the County and the City, where are those areas proposed to be?

City Manager Beach said he is unaware of the reference that the Public Works Director made in that regard. However, he doesn't dispute the findings of the Solid Waste Director in terms of what his space needs are. What he is suggesting is, if this moves forward the way it is and they have to relocate off of those facilities, they will find another source, they will find another 40,000 square feet to deal with this. He does not have the answers to what that is, but he does know that it is something that can be done.

Chairman Craft asked to that point, do they have that amount of space at their landfill today?

Mr. Anderson said he is not certain if they have that at their landfill, he is thinking more of their Public Works Compound at Edwards Road and Oleander Boulevard. But between the two, they could probably work something out.

Chairman Craft said the reason he brings it up is there is a need for St. Lucie County to enter into an Interlocal Agreement with the City of Fort Pierce to guarantee a waste stream for the geoplasma gasification project the County is going through right now. So that could actually be negotiated as part of the Interlocal Agreement that they are in need of with the City, is storage facilities for their Solid Waste Department.

City Commissioner Nelson said if it is the consensus of this group to move forward with Phase I - and he thinks generally they all think it is a good idea - then perhaps it would be appropriate they send this back to their respective staffs and have them work out a resolution to these type problems and then bring it back. They have until April 30th for closing and it is January now.

City Manager Beach said that is the kind of direction staff is looking for. What they had to get beyond first is the acceptance on the part of the City Commission that their Public Works Compound may need to stay right where it is. And once they accept that as part of the concept of this development, and if Heathcote accepts that and the County accepts that, then they can move forward. They will find the answers to these issues that have been created and those answers will be in front of them at the same time this Interlocal Agreement is presented to him.

City Commissioner Becht said as Commissioner Coke pointed out earlier, one of the consequences of proceeding even with Phase I is the impact it will have on those that come after them when it does become necessary to expand the existing Public Works and Solid Waste operations. He is not adverse to moving forward with Phase I. But he thinks the Commission needs to recognize that they are either leaving the problem to those that come after them, or they are going to have to commit to trying to deal with it themselves. And he

doesn't like leaving the problem to those that come after them. He just wants to recognize that, if they decide they are going to move forward with Phase I, they are creating a problem. He doesn't have any client that picks up land next to his operation that decides he wants to let go of that land unless he has a commitment that he is going to relocate the entire operation. So if they go forward with Phase I, he thinks they need to recognize that they have committed either themselves or their successors to relocating the entire operation.

Mayor Benton said in his opinion, unless they can redefine some of these boundaries to allow Solid Waste to stay where they are, or move Solid Waste completely over to the County's facilities on Edwards Road and Oleander Boulevard so Public Works can expand in the future, but he thinks that is their two options there.

Commissioner Coke said for clarification, it is her understanding today Mr. Beach is looking to get from the Commission a consensus that they would like to move forward with this, however it is not a cast in stone approval. And prior to them moving forward with this they can request information on where Solid Waste is going and what their future expansion needs would be and how they intend to facilitate those; what the Public Works Compound expected need will be 20 years from now and how they would expect to be able to facilitate them being able to operate; and also some more clear definition of the City's responsibility when it comes to maintaining these properties.

City Manager Beach said they can do all of that. He does want to say one more time, the idea of relocating the facilities that they use to operate their Public Works Division and their Solid Waste Division, the idea of reconstructing all those buildings and all of those offices and everything that is necessary, it doesn't make economic sense today and he doesn't think it will make economic sense in 20 years.

City Commissioner Coke said he misunderstood her, she wasn't looking to do that. What she was looking to see is what additional facilities they envision they would need or square footage, and how they intended to fill that need.

City Manager Beach said what they have is a Space Needs assessment that was conducted. He thinks they did a five year, ten year, and twenty year space needs assessment. And that assessment is what has indicated that they need 20 acres for their Public Works and their Solid Waste compound over that time period. What he would suggest to them, at the end of that 20 years they won't rebuild a new facility, they will simply take parts of the facility and locate them somewhere else simply because it doesn't make economic sense to start building everything over. And yes, they will get that information to the Commissioners before or at the time this is presented for their action.

City Commissioner Nelson said the task at this time as indicated or requested to the City Manager is to have staff take another look at this and make some proposals considering everything that they discussed here. Try to work out something towards the Interlocal Agreement for Phase I.

Mayor Benton said he thinks staff is going to have to come back with something. That was his concern initially, because this was basically on their Consent Agenda to approve a month ago. So he thinks this discussion had to take place. He thinks some details have to be worked out. And also, they need to hear from the public too.

City Commissioner Nelson said he is absolutely right about that.

City Commissioner Becht said he is going to try and get it straight in his mind before he can make the final decision. At a minimum, he is going to need to know... He would like to see their staff work a little bit more with the County and the School District on the old Fort

Pierce Central school property. He does not know whether the concept there is that they are going to buy that property or that property will be gifted to them.

Mr. Anderson said they are holding those discussions now.

City Commissioner Becht said he would also like to follow through with Commissioner Craft's suggestion that they will give them land at the County landfill when they buy their garbage for the next 20 years to fulfill their obligations to... Did he misunderstand him?

Chairman Craft said he completely misunderstood me.

City Commissioner Becht said that happens on occasion. On a serious note, he would like to know if they could move those ideas a little bit further down the path. He heard what Mr. Beach was saying, they may not have one location, they might have ancillary and satellite facilities. That then makes it a little more palpable to give up this central location - because it is really not central as the City has expanded - to include a site out at the landfill and the old Fort Pierce Central school property. That starts to make sense if this were to have a useful life of five, ten, or fifteen years, even if they sell the first phase and they would be moving to two possibly newer more centrally located locations. If they can get more information back on that, that's what he is going to need. And also the endowment for Heathcote, that causes him concern. They are making a major commitment to Heathcote which is having fundraising and doing a good job on an annual basis. But he would like for the community to understand that Heathcote is going to need, in his opinion, a serious fundraising effort to try and get that endowment up where they can pay their annual operating expenses out of the endowment. That would be his hope anyway.

City Commissioner Nelson said he mentioned the fact that both the Public Works Director and the Solid Waste Director had made some written input. How appropriate would it be to have them as experts give their thoughts on what they think should be done here?

City Manager Beach said his understanding of what he is hearing from them is, resolve those problems; and when they bring this back to the Commission for action, show them the resolution to those problems. He does not disagree that these are problems for Public Works and for Solid Waste, so he doesn't think it serves any purpose to have them restate that. What the Commissioners want to see are solutions to those before they act on this and that is what staff is going to do.

City Commissioner Nelson said one of the biggest problems that most people have - and he is included - is identifying the problem. And of course, once the problems are identified, with experts they can in fact solve them. But are they sure that they in fact identified the problems? And ten, twenty, or thirty years from now it is their successors who are going to be having to address those problems. And if they don't allow them as experts to say at this juncture they have in fact identified the problems and say it succinctly. Then of course they might be citing the problem that is really not the problem. He just finds it important that the people who are in fact involved with certain issues get the chance to have their say; and once they become part of the solution to their problem, it goes away very smoothly. But some people don't like to hear other people talk.

Mayor Benton said if there are no further questions or discussion, he will open it up for public comment.

Ms. Cris Adams, President of the Board of Trustees at Heathcote Botanical Gardens, said she would like to thank all of them for taking the time to investigate what she thinks is a wonderful project and will create a grand park not only for them, but for those of them that come 10, 20, 30, and 40 years after them, and would be a great asset to the City and the County and to their region. Their questions and comments are very insightful and certainly things that all of them need to address in one way or another. She would like to specifically

address a couple of comments that have come up. One is Commissioner Coke's comment about deeding the land. She wants to be very clear, that land will be deeded to the County and not to Heathcote itself. Heathcote has a lease arrangement with the County to operate the gardens currently and that will continue in an expanded way. But she wants everybody to realize that land does not come directly to Heathcote. And the other is Commissioner Becht's comments about their fund-raising and their endowment. Yes, their endowment at the moment is modest. It would be their ultimate goal that eventually they could have an endowment that was large enough so that they could pay all or most of their operating expenses from it. That is certainly a long term goal. Much of the money that will need to be raised by Heathcote for this will be in the form of capital funds. And they have initiated and will kick off very shortly, assuming this commitment on the part of all three parties goes forward, a capital campaign which Bud Adams has agreed to chair and Speedy Fee will be the co-chair of it. They have increased their fund raising in 2006 118% over the previous year. And while she would say that from a practical standpoint they are still in the modest realm, they are on a roll. They have a lot of support from private individuals. They have had the great good fortune of having Madeleine and Doug Warns take on this operation, they are fundraisers with an adult lifetime each of fund-raising experience who have moved to our community and are providing the services to them on a pro bono basis. It is an invaluable help to the City, the County, and Heathcote as they go forward. So again, she thanks them for taking the time to investigate this project. They are very excited about it. They appreciate their concerns and will get the answers that they need in order to move it forward.

Mr. Ed Hayslip, Heathcote Board Member, said he would like to address a couple of items, particularly one that was raised by County Commissioner Grande about the funds in this grand convention center - it seems to be growing every time somebody talks about it. But this is modeled after the operation that is in Harry P. Leu Gardens in Orlando which is supported by Orlando. Has anyone ever been there? He would really encourage them to investigate, because that is a partnership not unlike what they are talking about here. And they do have a building there that does generate funds, he believes it is about 30,000 square feet. He has been to state meetings at that particular facility. And he has been told by a number of people in their community that it is something that is really needed in this community. He has been to operations where people coming into their area trying to have meetings have had to go outside the County to have the meetings. So this is one reason they do have these needs in St. Lucie County and particularly in this case in Fort Pierce. Also to that same question, he believes that all the monies that are generated by this facility is required to be spent here on these lands and for this park. When they were talking about the park, they are talking about a lot larger issue here and the talk about this linear park. Heathcote is part of that, Heathcote is an entity in this, and it has to become their project. They have to be part of it - the County and the City and Heathcote. They are partner to this Interlocal Agreement that they also have to sign and make commitments to. And they are excited because they do have a lot of people that are excited and supportive of this and really look forward to moving forward.

Chairman Craft said he has comments on an unrelated subject. First of all, he doesn't know if they have discussed it as a Board and he doesn't know that the RPC (Treasure Coast Regional Planning Council) has got the information to them. But they just received a quote for the Charrette they are talking about doing for the Wastewater Treatment Plant removal February 26th. The week of, he will make sure if they didn't get that quote that is sent over to them as well. The other item he wanted to talk about today was, just something if he could have the Commission would direct staff to work with County staff to see if they can write a non-binding letter of intent for the solid waste contract so that they can continue their services there. They need to have that to bring the County Board to a comfort level, because as part of the negotiations the contractor is asking either provide 2,000 tons of municipal solid waste a day or the County has to pay for the difference. So they are trying to secure that waste stream so they are more comfortable with that pay scenario. So if they can just have that from them as well.

Mayor Benton said he just wanted to say to Heathcote that they are going to work this out, he thinks they have that commitment from everyone up here. It is just those details they have been talking about, finally now it is time to get their staffs together and come up with those answers.

Mr. Sam Comer, Heathcote Board Member, said in response to Commissioner Coke's comment about the City of Fort Pierce and why they would want to donate the \$900,000 and how do they justify to the citizens of the City of Fort Pierce. This land will be a public park and the development of it will be paid for by people other than the City. So they are going to take land that is currently not being used at all and turn it into a park and he thinks that goes a long way toward addressing that concern. It is going to be a place of beauty and place where people can go, it is currently not accessible at all and not being used.

There being no further business, Mayor Benton declared the meeting adjourned at 11:20 a.m.

Adjournment.

ATTEST:

CITY CLERK

MAYOR COMMISSIONER

