



City Council Chamber
735 Eighth Street South
Naples, Florida 33940

City Council Workshop Meeting - June 1, 1993 - 9:00 a.m.

Mayor Muenzer called the meeting to order and presided.

ROLL CALL

Present: Paul W. Muenzer, Mayor
Fred L. Sullivan, Vice Mayor

Council Members:
R. Joseph Herms
Alan R. Korest
Ronald M. Pennington
Peter H. Van Arsdale

Absent: Kim Anderson, Council Member

Also Present:

Dr. Richard L. Woodruff, City Manager
Maria J. Chiaro, City Attorney
John Cole, Chief Planner
William Harrison, Finance Director
Mark Thornton, Comm. Services Dir.
James Bryne, Police Captain
Paul Sireci, Police Captain
Jon Staiger, Ph.D., Natural Resources Mgr.
Missy McKim, Comm. Development Dir.
Susan Golden, Planner I
Glen Chesebrough, Training Chief
Terry Fedelem, Parks & Parkways Supt.
Tara Norman, Deputy City Clerk
Shirley Mann, Training & Devel. Coordinator

George Henderson, Sergeant-At-Arms
Marilyn McCord, Deputy City Clerk

Justyna Ford
Johnny Cannon

John Passidomo
Bryan Warner

Chip Olsen

Ed Miller
Edward Dering
Jon Veard

Media:

Eric Staats, Naples Daily News
Traci Griffith, WNOG

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ITEM 1

ITEMS TO BE ADDED

To supplement Item 16 on the June 2, 1993 City Council agenda, the S.T.A.R. Health Insurance Task Team gave its presentation to Council. Deputy City Clerk Tara Norman introduced the S.T.A.R. Team and Finance Director Bill Harrison used visual aides to review the Team's recommendations. (See Attachment #1)

Mr. Harrison informed Council that Naples Community Hospital had agreed to freeze their costs for the period of one year. Hospital representatives have been working with City staff on the insurance issue, and will continue to do so. Next Mr. Harrison reviewed the health plan's revenue and expenditures and described the proposed plan. He said that staff was recommending that Council approve the contract with McCreary Corporation for third-party administration services, specific stop-loss insurance and aggregate stop-loss insurance. Mr. Harrison reported that McCreary had considerable experience with small and middle-sized municipalities and has excellent references.

Council was asked to reach a consensus with respect to changes to the plan. Mr. Harrison said that staff's goal was to implement cost containment measures. A rate increase is essential for the financial health of the plan, he said. It was the consensus of Council to support rate increases in the amount of 15% for employees and 25% for dependents.

City Manager Woodruff expressed his appreciation for the work done by the S.T.A.R. Team.

ITEM 2

REVIEW OF AGENDA ITEMS FOR WEDNESDAY, JUNE 2, 1993 REGULAR CITY COUNCIL MEETING.

Items #17 and 22 will be continued, at the request of staff.

Item #21/Bid Award/Purchase of 25-foot Police Patrol Boat: Captain Paul Sireci presented a short video and answered questions about the requested patrol boat and the condition of the boat which will be replaced. Staff will report to Council whether confiscated funds can be used to purchase patrol boats. Report to Council what can and cannot be purchased with those funds.

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Item #19/Waive competitive bidding and issue purchase order for refurbishing commercial refuse vehicles: Staff will provide justification as to why so many trucks are needed for the Solid Waste Division.

Item #23/Bid Award - purchase of one top cab & chassis: Staff will have the equipment to be replaced available for Council's viewing prior to the June 2nd City Council Meeting.

Item #24/Bid Award - purchase of combination sewer cleaner/vacuum cleaner: Staff will have the existing equipment available for Council's viewing prior to the June 2nd City Council Meeting. Staff will also provide an analysis of the accessory package for the requested equipment.

Item #27/Bid Award - purchase of turf maintenance equipment: Staff will have the existing equipment available for Council's viewing prior to the June 2nd City Council Meeting.

Item #28/Budget Amendments - storm drainage repair and maintenance: Staff will report on the status of stormwater maintenance in the Moorings Bay area.

ITEM 3

DISCUSSION OF RANKING AFFORDABLE HOUSING RESPONDENTS.

North Road Co-Op Association

Representing North Road Co-Op Association, Mr. Bryan Warner addressed Council. North Road Co-Op proposes to annex approximately 11.5 acres into the City of Naples. The plans include developing Phase I with eighty units of homeownership in the form of a cooperative using Farmers Home and local financing. The second phase of the project is proposed for eighty units of low-income elderly housing using HUD Section 202 funds.

Mr. Warner reviewed the benefits and restrictions of cooperative homeownership and explained the patronage equity fund process. Resident participation is mandated by Farmers Home. In time, management and maintenance can be phased out, removing the resident manager and using a property manager. Referring to risk to the City, Mr. Warner said that 100% presale of the units was necessary in order to obtain financing for the project, and to pose any risk to the City, vacancy would have to go below 65%.

Attorney John Passidomo of the firm Frost & Jacobs, counsel for the North Road Co-Op

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Association, presented himself to Council and identified the principal objectives of the project. He said that it would substantially provide all of the benefits of home ownership at a lower cost. A cooperative program also promotes cooperation, continuity, and a sense of community among its residents, commented Attorney Passidomo. He went on to say that residents assume personal responsibility for management. Members are required to sell their units back to the cooperative if they move. Sums accumulated can then be used for a down payment on a house, suggested Attorney Passidomo. Statements would be produced quarterly and distributed to all owners. Farmers Home requires an annual certified audit, income certifications, etc.

Mr. Warner and Attorney Passidomo answered questions about financing, maintenance, and the homeowner interview process. Documents will be drawn up to outline codes of conduct with respect to sharing maintenance duties, etc. Non-compliance with such commitments is as much cause for eviction as nonpayment of rent. Mr. Warner said that Farmers Home encouraged City participation and had no problem with the City handling the local financing.

BREAK: 4:30 p.m. - 4:40 p.m.

Bethany Village Condominiums

Mr. Chip Olsen, representing Bethany Village, addressed Council. Bethany Village Condominiums proposes to develop seventy-six condominiums on the City-owned site. This ownership concept is proposed to be financed by local financial institutions. The City would act as a limited partner in the development of this complex, receiving partial payments on the land and a percentage of the profits as units are sold. Mr. Olsen told Council that the project offers flexibility and could be converted into a rental project in the future. Mr. Olsen emphasized the fact that the project is designed to work well with downtown redevelopment. Risk to the City is nominal, he said.

Council discussed costs of the units, and Mr. Olsen pointed out that language could be included in the condominium documents requiring that people must qualify according to HUD income guidelines.

Naples Terrace

Mr. Jon Veard, representing Naples Terrace, presented himself to Council and answered questions about his proposal. The Naples Terrace development team has considered a number of competitive funding programs and is currently focused on two sources, the Federal Home Loan Bank and the Bank Board. This team is also planning on a submittal to the State for the State Apartment Incentive Loan (SAIL) program. In addition to these sources, the Veard group will apply for Federal Low

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Income Housing Tax Credits and will be asking the City to assist them in securing any gap financing through local lenders with the City providing a guarantee.

Mr. Veard commented that he understood affordable housing and although many people prefer to own a home, that is not always possible. Mayor Muenzer asked if Mr. Veard's firm would be interested in purchasing property immediately adjacent to the City-owned site and do rehabilitation on that land. Mr. Veard replied in the affirmative.

Robb, Dering & Associates

Mr. Edward Dering reviewed the Robb, Dering & Associates proposal with Council. He brought attention to the fact that his is a local firm. Mr. Dering reported that because of his firm's financial resources, the proposal would present minimal risk to the City. BancFlorida has agreed to provide the necessary loan, provided certain criteria are met.

Mayor Muenzer asked that Mr. Dering offer a land cost figure prior to further discussion of this matter at the June 2nd Council Meeting. The Mayor also asked if Mr. Dering's firm would be interested in purchasing property immediately adjacent to the City-owned site and do rehabilitation on that land. Mr. Dering said that his firm would be willing to do so.

ADJOURN: 6:15 p.m.

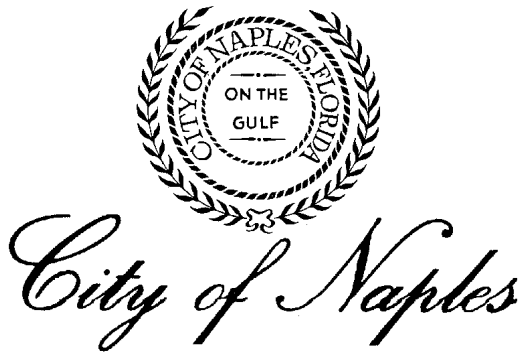
PAUL W. MUENZER, MAYOR

Janet Cason
City Clerk

Marilyn McCord
Deputy City Clerk

These minutes of the Naples City Council were approved on June 16, 1993.

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Convened 12:45 pm / Adjourned 6:15 pm

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