



AGENDA
Regular City Council Meeting
Monday, August 5, 2024, 6:00 PM
Council Chambers, 116 First Street, Neptune Beach, Florida

1. CALL TO ORDER / ROLL CALL / PLEDGE OF ALLEGIANCE
2. AWARDS / PRESENTATIONS / RECOGNITION OF GUESTS
 - A. Neptune Beach Police Officers Swearing-In Ceremony
3. APPROVAL OF MINUTES
 - A. June 3, 2024, Regular City Council Meeting
June 17, 2024, Workshop City Council Meeting
June 24, 2024, Special City Council Meeting
July 15, 2024, Special City Council Meeting
July 15, 2024, Workshop City Council Meeting

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4. COMMENTS FROM THE PUBLIC
5. CITY MANAGER REPORT
6. CONSENT AGENDA / NONE
7. VARIANCES / SPECIAL EXCEPTIONS / DEVELOPMENT ORDERS
 - A. **P24-04**, Application for Development Plan as outlined in Chapter 27 Article III Division 2 of the Unified Land Development Code of Neptune Beach for Douglas Driver III for the property at 108 Orange St (RE# 172769-0000). The applicant requests a Development Plan approval to permit a bed and breakfast. The property is in the CBD Zoning District

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8. ORDINANCES
 - A. ORDINANCE NO. 2024-04, FIRST READ AND PUBLIC HEARING. An Ordinance of the City of Neptune Beach, Florida, Amending Chapter 2, Administration, Article V, Employee Benefits, Division 4, Police Officers' Retirement System of the City of Neptune Beach, Section 2-349, Contributions, and Section 2-349.1, Benefit Amounts and Eligibility, To Provide for an Increase in the Member Contribution Rate; To Provide for an Annual Benefit Increase for Members Who Retired on or after October 1, 2020; To Provide for a One-Time Benefit Increase in Retroactive Benefits for Retirees and Beneficiaries Who Retired Before October 1, 2020; To Make October 1 the Effective Date of any Cost of Living Adjustments; Directing the City Clerk to File a Copy of this Ordinance with the Florida Department of Management Services, Division of Retirement; Providing for Severability of Provisions; Repealing All Ordinances in Conflict Herewith and Providing an Effective Date

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9. OLD BUSINESS / NONE

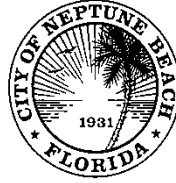
10. NEW BUSINESS / NONE
11. COUNCIL COMMENTS
12. ADJOURN



Residents attending public meetings can use the code **DD14** to validate their parking session at no cost. After 5:30 on the date of the meeting, follow these steps:

Make sure you are parked in a North Beaches public parking space – we can't validate valet parking or parking in private lots.

- **To use a kiosk:** Using a nearby kiosk, press the Start button and then select 2 to enter your plate and the validation code.
- **To use the Flowbird app:** Tap the nearest yellow balloon and tap "Park here." From the payment screen, select "Redeem a code" at the top. Confirm your information and tap "Purchase" – the price will show "Free."



**MINUTES
REGULAR CITY COUNCIL MEETING
MONDAY, JUNE 3, 2024, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266**

Pursuant to proper notice, a Regular City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, June 3, 2024, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266

IN ATTENDANCE:

Mayor Elaine Brown (*absent*)
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

STAFF:

City Manager Richard Pike
City Attorney Zachary Roth
Chief of Police Michael Key
Community Development Director Heather Whitmore
Public Works Director Deryle Calhoun
Parks and Sustainability Director Colin Moore
City Clerk Catherine Ponson

Call to Order/Roll Call/Pledge	Vice Mayor Chin called the meeting to order at 6:00 p.m. and Councilor Messinger led the Pledge of Allegiance.
Eddie Bounds Day	Vice Mayor Chin announced that June 3 is Eddie Bounds Day in Neptune Beach. Chief of Police Michael Key stated that by proclamation every June 3 is Eddie Bounds Day. Officer Eddie Bounds served as a Neptune Beach Police Officer until his passing and he will never be forgotten. Officer Bounds' children, Tyler and Kayla Bounds, were on hand to receive the recognition.
Employee Recognition	Police Commander Gary Stucki and Chief Key recognized Emergency Communications Officer Stephanie Allen for 25 years of service.
Agenda Item Deferral	Vice Mayor Chin announced that Agenda Item #7C, P24-04, Application for Development Plan for 108 Orange Street, has been deferred at the request of the applicant. The application will be heard at the first meeting in July.

APPROVAL OF MINUTES

Minutes Made by Livingston, seconded by Key.

MOTION: TO APPROVE THE FOLLOWING:

May 6, 2024, Regular City Council Meeting
May 20, 2024, Special City Council Meeting
May 20, 2024, Workshop City Council Meeting

Roll Call Vote:

Ayes: 4-Key, Livingston, Messinger, and Chin.

Noes: 0

MOTION CARRIED

PUBLIC COMMENT

Public Comment

Pat Hazouri, 207 Florida Boulevard, Neptune Beach, stated the Council has failed to represent the citizens. She commented that the mayor has used her position to sell city assets and use tax and city revenue to fill the pockets of developers. Consultants were paid millions. She stated that there has been no work in eight years on the water and sewer lines. A water wagon will most likely be purchased with water and sewer funds. There needs to be set standards of behavior for Councilmembers who have targeted employees and citizens with verbal assaults without consequence. Members of the public should not be allowed to harass employees and or direct employees on projects. She asked the residents to speak out against this developer and investor-driven city council.

David Wicker, 427 South Street, Neptune Beach, stated he has been engaging with people who work with Neptune Beach. On South Street, the water works great and the sewer has never been a problem. He thinks the city is run fairly. He added the City has been responsive to the needs in his area. He came to say thank you and is grateful for what has been done.

DEPARTMENTAL REPORTS

Vice Mayor Chin reported that City Manager Richard Pike is representing the City of Neptune Beach at the Class of 2024 Commencement Ceremony and could not attend this meeting.

Police Chief Report

Chief Key reported that over the Memorial Day weekend, the police department initiated Operation Coastline and through rearranging staffing, overtime was not utilized and enforcement was enhanced. He shared that over the holiday weekend, there 119 parking citations and 23 uniform traffic citations were issued. This included only the area east of 3rd Street to the Atlantic Ocean.

VARIANCES / SPECIAL EXCEPTIONS / DEVELOPMENT ORDERS

450 Atlantic Blvd

V24-02, Application for variance as outlined in Chapter 27 Article III Division 8 of the Unified Land Development Code of Neptune Beach for LHV, LLC for the property at 450 Atlantic Blvd (RE# 172395-0060). The applicant requests a variance from Section 27-328 (a) (1) d. to permit air conditioning units to be located 1.8 feet from the western side yard property, rather than the required ten-foot side yard setback. The property is in the C-3 zoning district.

DP24-02, Application for Development Plan as outlined in Chapter 27 Article III Division 2 of the Unified Land Development Code of Neptune Beach for LHV, LLC for the property at 450 Atlantic Blvd (RE# 172395-0060). The applicant requests a Development Plan approval to permit a mixed-use facility to include mixed martial arts training, racquetball, pickleball, karaoke bar, and pool tables. The property is in the C-3 zoning district.

City Attorney Zachary Roth administered the oath to anyone who would be speaking during this agenda item.

Community Development Director Heather Whitmore reviewed the applicant's request, which includes a variance, V24-02 from Section 27-328 (a) (1) d. to permit air conditioning units to be located 1.8 feet from the western side yard property, rather than the required ten-foot side yard setback.

The overall total required parking spaces based on interior net uses is 50 spaces. The site provides 38 parking spaces. A shared parking analysis was conducted by Kimley-Horn and Associates to evaluate the projected maximum parking demand for the proposed development, based on data published by ULI in Shared Parking, Third Edition. The analysis finds that the proposed uses are projected to have a maximum parking need of thirty-five (35) spaces during both weekdays and weekends.

Section 27- 540(c)(3) provides for a reduction of off-street required minimum parking for mixed or joint use of parking spaces. The shared use parking adheres to standards to permit reduction for mixed or joint use of parking spaces. The City Council, after review from the community development board, may authorize a reduction in the total number of required parking spaces for two (2) or more uses jointly providing off-street parking when their respective hours of need of maximum parking do not normally overlap.

Ms. Whitmore reported that staff recommends approval of the variance as well as the development order as outlined in the application. All uses are approved by right. The developer has submitted a final development plan that complies with all staff conditions. The application was heard at the May 8, 2024, Community Development Board (CDB) meeting. The variance and preliminary development plan were approved unanimously.

Council Questions/
Discussion

Councilor Livingston commented that at the CDB meeting, someone spoke from the nearby neighborhood, Neptune by the Sea, about possible noise from the air conditioners. She asked if anyone mentioned concerns about the second floor being a karaoke bar?

Ms. Whitmore stated it was discussed. The building will have all the uses enclosed.

Cyndy Trimmer, Driver, McAfee, Hawthorne and Diebenow, One Independent Drive, Suite 1200, Jacksonville, Florida 32202, representing the applicant, specified that this is an infill project, and all of the uses are permitted by right. This is an existing building so the variance being requested is due to an existing site hardship. They are adding additional units to that side of the building. If you look at the building, one side needs to be reserved for a retention area. The rear of the building has an easement. They will be fixing the nonconformity and bring the fencing to conformity. The maximum required parking with the offsetting hours is 35 spaces and there are 38 spaces onsite.

Vice Mayor Chin stated that upon review of the elevations, there are no window openings on the south, east and west sides. He wanted to be sure that this will stay that way as he would want any kind of intrusive light or activity to impact the greenspace in the residential space behind the building.

Michael Dunlap Architect P.A., commented one of the recent additions is he had studied the project with two windows on the south side, each 5' by 5', one at the end of the hallway on both floors. He added this would be a little relief for a building with no windows other than on the entry side. It would be insulated glass. He does not think the concern about noise or flashing light would spill into the hallway.

Vice Mayor Chin pointed out that the plans submitted at this meeting show no openings.

Mr. Dunlap agreed and added that one of the things that came out of the design studies is that they needed relief as you go down the long hallways. He commented that this could be taken up with the building official at a later date.

Vice Mayor Chin noted that the approval at this meeting would preclude those openings being made.

Mr. Dunlap agreed and stated when they would need to come back or make a minor deviation to the variance is yet to be determined.

Councilor Key commented that she would not see where there would be a problem with windows on the side of the building and questioned why it would need to come before Council again.

Mr. Roth advised that if it is being approved on the basis that there are not additional windows, then that would be a problem to add them later. If Council is saying it is okay with the concept regardless of whether there are the windows, then that is a different approval.

Councilor Key expressed that she is okay with the concept regardless of if there are windows. She would not like to see someone limited to a dark space. She had not heard of the window issue. What would be the basis for not wanting a window?

Vice Mayor Chin stated that if the window was on the back side, it would be facing the passive park and the residential neighborhood. We would be cautious about introducing light activity.

Ms. Trimmer pointed out that the individual karaoke rooms would have soundproofing. They are intended to be designed so multiple people can be doing things and sound is not spilling between the rooms.

Councilor Livingston commented that she has an issue that if Council is approving a development plan, then this is exactly how it is going to be constructed. If windows are being added or anything else is being done to the plans, they should come back at a later date.

Ms. Trimmer added that since the windows just came up at this meeting and are not reflected on the plan, she would ask that the plans be approved as reflected in the materials in front of Council.

Councilor Livingston remarked that for the future she has concerns about things coming before us and going out and seeing the final product as its constructed and it's not what was approved.

Councilor Key commented that she agrees with Councilor Livingston about modifications. This was the first she had heard about the windows.

Public Hearing

Vice Mayor Chin opened the public hearing. There being no comments from the public, the public hearing was closed.

Discussion

Vice Mayor Chin clarified the variance will be for the air conditioner condensers. There are already condensers in those locations, and this is to replace, update or add units in case they need the capacity. The parking discussion is that the parking capacity should meet the requirements.

Councilor Messinger questioned if the two items needed to be voted on individually and City Attorney Zachary Roth recommended that they should be two separate motions.

Made by Messinger, seconded by Key.

MOTION: TO APPROVE V-24-02

Roll Call Vote:

Ayes: 4-Livingston, Messinger, Key, and Chin.

Noes: 0

MOTION CARRIED

Made by Messinger, seconded by Key and Livingston.

MOTION: TO APPROVE DP24-02

Roll Call Vote:

Ayes: 4-Messinger, Key, Livingston, and Chin.

Noes: 0

MOTION CARRIED

OLD BUSINESS

Water Trailer
Purchase

Purchase of Water Trailer from Tree Conservation Fund. Parks and Sustainability Director Colin Moore stated he was coming before Council on behalf of the City Manager. He explained that the tree conservation fund has a couple of different uses. One is purchasing trees and another is the protection and conservation of existing trees. The middle of July will be the end of the two-year warranty on the tree planting project in Jarboe Park by the City of Jacksonville. This request is to purchase a 1,000-gallon water trailer for City of Neptune Beach employees to continue watering the trees.

Mr. Moore confirmed Vice Mayor Chin's statement that this would be paid from the fund that is dedicated toward tree conservation and is not stealing from an infrastructure fund.

Councilor Messinger commented that for the edification of the public, the tree conservation fund is paid into by developers and homeowners. If someone has to take down a tree and they cannot adequately replace those caliper inches on the property, they pay into a fund. The city uses those dollars to plant and maintain trees around all of Neptune Beach. This is not taxpayer funded.

Councilor Key stated that contrary to misinformation stated earlier, this purchase is coming from the tree conservation fund.

Made by Key, seconded by Messinger.

MOTION: TO APPROVE THE PURCHASE OF THE WATER TRAILER FROM THE TREE CONSERVATION FUND

Roll Call Vote:

Ayes: 4-Key, Livingston, Messinger, and Chin.

Noes: 0

MOTION CARRIED

NEW BUSINESS

Milling and Paving
Portions of Myrtle
Street, Midway
Street and Kings
Road

Milling and Paving Portions of Myrtle Street, Midway Street and Kings Road. Public Works Director Deryle Calhoun stated he would be pulling this agenda item. He had discussions with residents along Midway Street and determined that adding one and one-half inches of asphalt to existing roadway would push more water onto private property. There is a risk of a milling operation on Midway Street due to an old three-inch iron main running north-south along Midway Street. He would go back to the list and look for roadways that have PVC mains.

Councilor Key questioned if any portions of Myrtle, Midway or Kings Street would be paved.

Mr. Calhoun stated that Myrtle and Kings Street would be included. He will look for additional footage elsewhere as this amount had been budgeted.

Councilor Key remarked there are concerns about the potholes in the area and asked if there was any way to temporarily fix those.

Mr. Calhoun answered that he could backfill any potholes.

Engineering
Support Services
for Public Works
Yard Roofs Project

Engineering Support Services for Public Works Yard Roofs Project. Mr. Calhoun explained roofs at the Public Works yard require replacement and in some cases repair to decks will be necessary. Soffits and gutters are also in various states of disrepair. The roofs are approximately 20 years old, with some previous patching noted. Buildings included in the project are administration, water and stormwater, wastewater operations, animal control and a few smaller buildings including storage, plant electrical, plant controls and generator. Total square footage of all buildings is approximately 27,000.

The City has a continuing services contract with Kimley-Horn who has provided a scope of services, which includes a lump sum of \$50,600 and then a time and material not to exceed \$35,000. Bids will be solicited for both asphalt shingle and metal roof options.

Councilor Messenger stated that this is a long overdue project. He added that Mr. Calhoun has been bringing city facilities back up to appropriate standards. This not only covers our administrative, but our critical facilities. In this process, making sure we design something that will last for the next 20-30 years is appropriate and good use of funds.

Made by Key, seconded by Messenger.

MOTION: TO APPROVE ENGINEERING SUPPORT SERVICES FOR THE PUBLIC WORKS YARD ROOF PROJECT IN THE AMOUNT OF \$85,600.00

Roll Call Vote:

Ayes: 4- Livingston, Messenger, Key, and Chin.

Noes: 0

MOTION CARRIED

COUNCIL COMMENTS

Councilor Messenger commented that staff does a great job day in and day out. They deserve more credit than given. He added that Mr. Calhoun has done more for the city's public works department in the last year than in the prior decade. He is supported by Colin Moore and Chief Key and his officers. This could be on an issue as small as a speed bump. The city attorney has helped with projects and litigation, which is another aspect that all cities deal with. Neptune Beach is not unique as we don't see the most litigation. When

people come in and create an atmosphere of negativity, it is the staff that takes it the hardest. He thanked all of the staff members and teams. He added that the data is there for the amount that has been spent to start and continue major improvements.

Councilor Key asked Mr. Calhoun if the City, in the last eight years, spent money on water and sewer?

Mr. Calhoun answered yes.

Councilor Key continued that she thought so. She stated that anyone who attends these meetings sees the millions of dollars that have been spent over the last year and a half since Mr. Calhoun has been on our team. Every month and every meeting, this Council has approved everything that has come before them.

It is unfortunate that Councils before us chose not to address these problems. This Council and staff right now have chosen to move forward with these things. It is not by chance. It has been happening. It has been going on. Unfortunately, many staff feel harassed by certain individuals that may come up here all the time or send emails. They are too afraid to say anything. The accusation that other people are harassing them is interesting. She thinks everyone is doing a great job. The City is moving in a positive direction forward. The sky is not falling. She is happy to serve her last six months doing what's best and right for the city. Good luck to the people who come after them.

Vice Mayor Chin also praised Mr. Calhoun. He stated Mr. Calhoun has been a godsend for Neptune Beach. He has taken the bull by the horns and wrestled Public Works into some semblance of order. We see a light at the end of the tunnel. He stated there were many accusations that Council is not paying attention to infrastructure and not doing anything about it. He could pull up minutes from the last few years of this Council and point out something on each agenda item where Council is touching on infrastructure and approving an expenditure that is much needed. He concurs with the other Councilmembers that this is grave misinformation to say that they don't do anything.

Vice Mayor Chin stated that the Beaches Veterans Memorial Park is trying to fundraise for the Beaches Fallen WWII Monument. It is his understanding that they are about \$5,000 short of the needed funds. He wanted to see if the other Councilmembers were interested in putting some money towards this effort.

Councilor Livingston agreed with the other Councilmembers and requested moving forward seeing more kindness to staff and to each other.

Adjournment

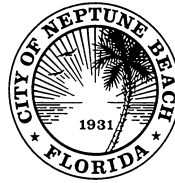
There being no further business, the meeting adjourned at 7:01 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____



MINUTES
WORKSHOP CITY COUNCIL MEETING
MONDAY, JUNE 17, 2024, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Workshop City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, June 17, 2024, at 6:00 p.m., in Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida, 32266

Attendance

IN ATTENDANCE:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger

STAFF:

City Attorney Zachary Roth
Chief of Police Michael Key
Public Works Director Deryle Calhoun
Parks and Sustainability Colin Moore
City Clerk Catherine Ponson

**Call to
Order/Roll Call**

Mayor Brown called the workshop meeting to order at 6:00 p.m. and Councilor Messinger led the Pledge of Allegiance.

**Dr. Wayne
Wood
Presentation**

Dr. Wayne Wood, Hon. AIA, Dr. Wood is widely regarded as one of the foremost chroniclers of Jacksonville's history and architecture. He presented information on historic preservation in Neptune Beach. Dr. Wood reviewed what makes a property historic, including sufficient age, of at least 50 years old, a relatively high degree of physical integrity, and suitable for preservation and historical significance.

Dr. Wood stated Neptune Beach is filled with eligible historic buildings. He added that some are not so obvious. It is important not just to savor the most beautiful of all the houses but to savor those on the street that are contiguous, connected and make up a neighborhood.

PUBLIC COMMENT

**Public
Comment**

Alison Ronzon, 221 South Street, Neptune Beach, reported that in a 10-block radius from her home, 22 of Neptune Beach's historic homes have been demolished. A few of the lots where these homes once stood, still stand empty. We are losing the history of our small town at an alarming rate. The historic preservation committee has drafted a thoughtful proposal to help encourage owners of our older homes to renovate and restore them so that they don't get so frustrated with the variance process that they choose demolition.

Candy Sullivan, 220 South Street, Neptune Beach, lives in an historic home and is interested in this process. She added that Neptune Beach has a unique opportunity to protect the character of our City.

Pat Hazouri, 207 Florida Boulevard, Neptune Beach, spoke regarding historic homes and thanked everyone responsible for getting this process started.

Lesley DeRusso, 1815 Twelve Oaks Lane, Neptune Beach, stated that this all comes down to what kind of a town do we want to live in. You can modernize without destroying the original aesthetics. This is happening in cities and towns all over the United States. She added that the value of restored homes aside from their intrinsic beauty puts them pricewise well above new builds. With some guidance, common sense and code flexibility, Neptune Beach can maintain beauty and character.

Historic
Preservation
Subcommittee

René Atayan, Chair of the Historic Preservation Subcommittee, explained the process of how to grant variances to historic properties was started in November of 2023 by the formation of the Historic Preservation Subcommittee. This was based on the CDB receiving applications for variances and being denied. They were denied due to setback issues. This ended up with tear downs. The subcommittee is trying to use a thoughtful, legal process that Council is comfortable with and would preserve the integrity of this community.

The process began with a 2003 Historic Survey. The information on the survey was entered into a spreadsheet to give a clear picture of the historic buildings in Neptune Beach. She stated that a two-part process makes sense. She mentioned that at the last meeting, there was a responsibility that Council wanted to take. She pointed out that the historic subcommittee along with the CDB could handle the requests. The two-month long process would not be a good use of time. The criteria used would be agreed upon by Council. She also agrees that there should be a supermajority vote.

Vice Mayor Chin questioned what safeguards would be in place and is there a limit to how much a person can ask for? What is to prevent them from doing more once they have achieved the historic status?

Ms. Atayan explained that the historic nature of the home must be maintained. If they continue to change it and it continues to morph, it loses its historic character. The applicant must present a plan and stick to what has been given permission to do.

City Attorney Zachary Roth confirmed that any variance granted is tied to the land and not the house.

Councilor Key expressed her support for this and stated she would like to see it stay with the CDB and the historic subcommittee and not come before Council. She understands the supermajority vote but would not want that to be a hindrance. She would support not having a supermajority. Each home is unique and everything would be on a case-by-case basis.

Councilor Livingston stated that she is okay with the application going through the historic subcommittee and CDB and not coming before Council. She does want to keep the supermajority vote to remain.

Mr. Roth reminded everyone that the historic subcommittee is a subcommittee of the CDB. The members of the subcommittee must be made up of CDB members. A separate committee could be created or there could be change the ability for non-CDB members to be on the subcommittee.

Councilor Livingston commented she would like to see the ability to put non-CDB members on the subcommittee explored as citizens have spent time working on this.

Councilor Messinger pointed out the idea of “bad actors” is a concern. His concern is also how we are defining this and that there could be a board that would not be diligent in keeping Neptune Beach’s charm. He would like to see more definition. Right now, during the variance review process, someone does not have to bring in architectural detail and show how they are going to keep the character of a structure. There just has to be a site plan and basic elevation. If someone is using this mechanism, and they care about their home, we should ask for more detail and a deeper layer of architectural work from the applicant. There needs to be checks and balances on the system that prescribes the vision as explained to future board members.

Councilor Key stated that she would like to see from a code enforcement perspective not allowing homes to go into disrepair. Individuals are left with no choice but to tear them down. We need to discuss code enforcement and what that looks like for our City so we don’t have so many dilapidated homes. She stated that there are different prescriptions for different neighborhoods and what that looks like for being historic. There is not a one size fits all in Neptune Beach.

Mayor Brown thanked Dr. Wood and everyone who spoke. She pointed out that the more complicated it is for someone, the less likely someone will try and save their home. She likes where this is going and what has been said. We all want to help people preserve their older homes.

PUBLIC COMMENT

Public Comment Pat Hazouri, 207 Florida Boulevard, Neptune Beach, spoke regarding new homes being built and parking. She stated it was good to hear the discussion.

Adjournment There being no further business, the workshop meeting adjourned at 7:21 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____



MINUTES
SPECIAL CITY COUNCIL MEETING
MONDAY, JUNE 24, 2024, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Special City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, June 24, 2024, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Nia Livingston
Councilor Josh Messinger (*absent*)

STAFF:

City Attorney Zachary Roth (*via CMT*)
City Manager Richard Pike
Police Chief Michael Key
Chief Financial Officer Jaime Hernandez
Parks and Sustainability Director Colin Moore
City Clerk Catherine Ponson

Call to Order/Roll Call

Mayor Brown called the Special Meeting to order at 6:00 p.m.

**FY2022 Audit
Presentation**

Ronald Whitesides, Partner, with Purvis Gray, presented the FY2022 Comprehensive Annual Financial Report for the City of Neptune Beach. Andrew Miller, Audit Manager, with Purvis Gray, was also present.

Mr. Whitesides gave a brief overview of the audit. He stated the auditors issued a Disclaimer of Opinion. This means they are not rendering an opinion on the financial statements. The reason is during the 2022 period, all city revenues were deposited and recorded into one miscellaneous general fund account. That account had over \$9 million.

Mr. Whitesides continued that the current staff had to go through that \$9 million and extract where all of the revenues were posted. At the end of the day, half a million dollars was unidentified and that is why an opinion has not been rendered. There were no instances of anything fraudulent, but the accounting records themselves were a mess.

Mr. Whitesides expressed that in September 2022, the City was in healthy financial condition at that point in time. The fund balance in the General Fund was \$2.6 million. The Government Finance Officers Association recommends that a City have two months of operating expenses and Neptune Beach had five months. All of the financial health indicators are good. He added it was a tough year for the pension plan and it was a tough year for all pension plans in the state.

Vice Mayor Chin pointed out the high turnover in the finance department during that time and thanked current staff for untangling the finances.

Mayor Brown reiterated that the City is in a good financial state and CFO Jaime Hernandez would be addressing the internal recommendations from the audit. She thanked Mr. Hernandez for his efforts.

Adjournment

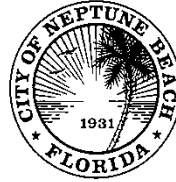
There being no further business, the Special Meeting adjourned at 6:15 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____



MINUTES
SPECIAL CITY COUNCIL MEETING
MONDAY, JULY 15, 2024, 6:00 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Special City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, July 15, 2024, at 6:00 p.m., at Neptune Beach City Hall, 116 First Street, Neptune Beach, Florida 32266.

Attendance:

IN ATTENDANCE:

Mayor Elaine Brown
 Vice Mayor Kerry Chin
 Councilor Lauren Key
 Councilor Nia Livingston(*absent*)
 Councilor Josh Messinger(*via CMT*)

STAFF:

City Manager Richard Pike
 City Attorney Zachary Roth
 Chief of Police Michael Key
 Public Works Director Deryle Calhoun
 Parks and Sustainability Director Colin Moore
 Community Development Director Heather Whitmore
 City Clerk Catherine Ponson

Call to Order/Roll Call/Pledge

Mayor Brown called the meeting to order at 6:00 p.m. and led the Pledge of Allegiance.

Neptune Trident Award

Mayor Brown presented the Neptune Trident Award to Mr. John Jolly. Mr. Jolly has served on the Code Enforcement Board, City Council and Police Officers' Retirement Fund Board. Mr. Jolly also served as Vice Mayor from 2013-2015.

**P24-04 108
Orange Street**

Mayor Brown stated that this agenda item was deferred.

Milling and Paving Streets

Milling and Paving of Portions of Kings Road and Myrtle, Lemon, Magnolia, and Bay Streets. Public Works Director Deryle Calhoun stated this agenda item had been deferred at the June 3, 2024, Council meeting due to concerns regarding adding asphalt to Midway Street. He stated that since then Midway Street had been repaired and had some of the damage along that roadway improved.

Mr. Calhoun explained that other paving opportunities had been looked at and based on a contractor-graded list, a list of roads has been compiled which should help with drainage issues. This includes portions of Kings Road and Myrtle, Lemon, Magnolia, and Bay Streets.

Made by Key, seconded by Chin.

MOTION:

TO AWARD THE PAVING OF THE IDENTIFIED STREETS TO KUDZU 3 TRUCKING IN THE AMOUNT OF \$150,955.47

Roll Call Vote:

Ayes: 4-Key, Messinger, Chin, and Brown

Noes: 0

MOTION CARRIED

Water Tower
Fencing

Approval of Water Tower Property Fencing Replacement. Mr. Calhoun explained this is to replace the approximately 30-year old fence around the water tower. Bids were solicited in May 2024 and five responses were received. Armstrong Fence Company was the most responsive. The lowest bidder did not submit all of the required information.

Vice Mayor Chin questioned why Armstrong Fence Company had put N/A by some of the items on the table in the RFP and others had filled them in.

Mr. Calhoun answered there was probably not a line item for those items. Armstrong Fence Company did provide a typical quote sheet. He added that the main verbiage of the bid form states that "The selected bidder shall furnish, unless otherwise noted, all necessary permits, labor, equipment, materials and incidentals necessary for a functional and complete system ready for intended use."

Councilor Messinger commented that even though Armstrong Fence Company is the second to lowest bidder, the quality of work they have done in the City is solid. For continuity, there is value in keeping with Armstrong Fence Company

Made by Chin, seconded by Key and Messinger.

MOTION: TO AWARD THE WATER TOWER PROPERTY FENCING REPLACEMENT TO ARMSTRONG FENCE COMPANY IN THE AMOUNT OF \$30, 835.20.

Roll Call Vote:

Ayes: 4-Messinger, Key, Chin, and Brown

Noes: 0

MOTION CARRIED

Adjournment

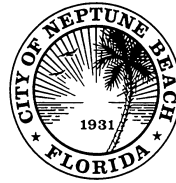
There being no further business, the Special Meeting adjourned at 6:15 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____



MINUTES
WORKSHOP CITY COUNCIL MEETING
MONDAY, JULY 15, 2024, 6:15 P.M.
NEPTUNE BEACH CITY HALL
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266

Pursuant to proper notice, a Workshop City Council Meeting of the City Council of the City of Neptune Beach was held on Monday, July 15, 2024, at 6:15 p.m., in Council Chambers, City Hall, 116 First Street, Neptune Beach, Florida, 32266

Attendance**IN ATTENDANCE:**

Mayor Elaine Brown
 Vice Mayor Kerry Chin
 Councilor Lauren Key
 Councilor Nia Livingston (*absent*)
 Councilor Josh Messinger (*via CMT*)

STAFF:

City Manager Richard Pike
 City Attorney Zachary Roth
 Chief of Police Michael Key
 Public Works Director Deryle Calhoun
 Parks and Sustainability Director Colin Moore
 Community Development Director Heather Whitmore
 City Clerk Catherine Ponson

**Call to
Order/Roll Call**

Mayor Brown called the workshop meeting to order at 6:15 p.m.

PUBLIC COMMENT**Public
Comment**

Alison Ronzon, 221 South Street, Neptune Beach, spoke regarding historic preservation in Neptune Beach. She stated that the Historic Preservation Subcommittee and the Community Development Board have been working hard to amend the variance process for homes deemed as historical. The proposal has been written with the best interest of Neptune Beach residents in mind and it has been well received by those residents. They want owners to be encouraged to preserve what we have so that we don't lose the history of our town. The issue of preservation is very important to residents. However, while we continue to wait for this proposal to move through City Council, she is afraid we are continuing to lose the character of our City.

ISSUE DEVELOPMENT**COLA Increase
for Police
Retirees**

Sergeant Dustin Kamppi, Chairman of the Neptune Beach Police Officers' Retirement Fund Board, read a prepared statement regarding the background of the police retiree increase. He reported that the most recent increase was a one-time only 13th check in 2016. Sergeant Kamppi introduced Douglas Lozen, EA, MAAA, Senior Consulting Actuary, with Foster and Foster, Actuaries and Consultants, who are the administrators of the Neptune Beach Police Officers' Retirement Fund.

Mr. Lozen explained the types of COLAs. There are ad hoc COLAs, which is a one-time increase and automatic COLAs, which is a recurring increase. The goal of a COLA is to minimize the impact of inflation on the buying power of retirement benefits. He presented the proposed COLA for retirees effective October 1, 2024. The proposal is those who retire on and after October 1, 2024, would receive an automatic annual one-percent increase for life. Those who retire prior to October 1, 2020, would receive a one-time increase of two percent for each full year of retirement, up to a maximum of 10 percent.

Mr. Lozen also presented the sources of funding. He added that the current members would increase their contributions from eight percent to nine percent. He also pointed out that the City has over \$700,000 in prepaid contributions to assist with plan funding.

Mr. Lozen advised the next steps would be an ordinance approved by Council and the submission of an actuarial impact statement.

Councilor Key expressed that it is the City's duty and right to take care of public safety officers, past, present and future. She supports this and it is long overdue.

Councilor Messenger stated that the proposal is reasonable in the fact that there has not been a proper raise or adjustment in some time. The timing is right. He would like to see what we could do to slowly increasing the City's contributions so when the funds do run out, there is not such an abrasive change from a contribution standpoint.

Mr. Lozen reported an accrual had been submitted to the finance department of projections for that purpose.

Vice Mayor Chin agreed with Councilor Messenger in planning ahead to make sure when the prepaid contributions run out, there is accountability for future increases.

Mayor Brown stated she looks forward to the next steps and thanked Mr. Lozen for his presentation.

Retirement Board Trustee Leona Sheddan stated that to keep up with inflation, a three percent COLA is needed. The only way to do that without a shock to the budget is to automatically give a quarter percent every year until a cap of three percent is reached. Each year, Council can intervene if there is a problem with financing.

Mayor Brown stated she looks forward to the next steps and thanked Mr. Lozen for his presentation.

City Attorney
Position
Discussion

City Attorney Position Discussion. City Attorney Zachary Roth reported that three responses were received for the City Attorney position by the July 10, 2024, deadline. He reported that the submissions were from Ian Brown, Clayton Knowles, and Vose Law Firm. He added that given the variety of applicants, he is recommending come and present at the August 19, 2024, Council Workshop.

Mayor Brown requested a one-on-one meeting with each of them and to also present at the August 19 workshop. She also mentioned if Councilmembers wanted to meet one-on-one, that could be set up.

Vice Mayor Chin stated it was instructive to get three different applicants with a range where you see small, medium, and large firms. This is a way to compare and think about what this Council is looking for and would be a good fit.

Councilor Key commented she would like more of a roundtable-type interview and discussion process. If Councilmembers wanted to meet one-on-one, they could do that as well.

Councilor Messinger expressed he would be open to a roundtable-style event. He would want time to discuss with Mr. Roth the appropriate next steps. He would also like to discuss how Mr. Roth and the Ansbacher Firm would support the transition with the selection.

PUBLIC COMMENT

Adjournment There being no further business, the workshop meeting adjourned at 6:52 p.m.

Elaine Brown, Mayor

ATTEST:

Catherine Ponson, CMC
City Clerk

Approved: _____

CITY OF NEPTUNE BEACH – COMMUNITY DEVELOPMENT DEPARTMENT



STAFF REPORT

MEETING DATE: May 8, 2024
BOARD/COMMITTEE: Community Development Board
APPLICATION NUMBER: DP24-04

TO: Community Development Board

FROM: Heather Whitmore, AICP, PTP, Community Development Director

DATE: Updated May 8, 2024

SUBJECT:

DP24-04: Preliminary Development Plan as outlined in Chapter 27 Article III Division 2 of the Unified Land Development Code of Neptune Beach for Douglas Driver III for the property at 108 Orange St (RE# 172769-0000). The applicant requests a Development Plan approval to permit a bed and breakfast.

-
- I. **BACKGROUND:** A Preliminary Development Plan application for a Bed and Breakfast has been submitted for 108 Orange St (RE# 172769-0000).

The property has a Comprehensive Plan Town Center Land Use designation and is zoned Central Business District (CBD). Bed and breakfast is a permitted use in this district.

In 2015, the Drivers made an application for a Special Exception application for a Single Family Home for 108 Orange St. The City denied the application and the Drivers sued the City for a petition for writ of certiorari for the City denying their application. This writ of certiorari ordered the lower court (Neptune Beach) to deliver its record in a case so that the higher court (Circuit County of Duval County) may review it.

There were two separate items that were denied and for which the Drivers filed writs of certiorari. One was the Special Exception for the Single Family Home and one was a variance for setbacks and height. In 2022 the Duval Court agreed that the City had sufficient competent substantial evidence on both to deny it, and the City prevailed (See attached Case No. 16-2022-AP-18 Final Order Denying Petition for Writ of Certiorari).

II. DISCUSSION:

Chapter 27 Article III Administrative and Enforcement Procedures Division 2 Development Review of the Unified Land Development Code of Neptune Beach requires a preliminary and final development plan (development order) approval when “Changing or expanding any use of a site so that the need for off-street parking is increased.” Section 27-76 states that “all development in non-residential districts” requires a development order.

A Preliminary Development Plan application for a 3,507 square foot three story bed and breakfast has been submitted by the property owners for the property located at 108 Orange St. (RE # 172769-0000). The existing lot of record is 50' x 55'. The existing vacant property is located on the northeast corner of Orange St. and Midway St. The property is within the Central Business District (CBD) and is surrounded by CBD zoning on the east, north and west. The properties to the south are zoned RC/R-4. The immediate properties surrounding the vacant lot consist of single family and multi-family properties.

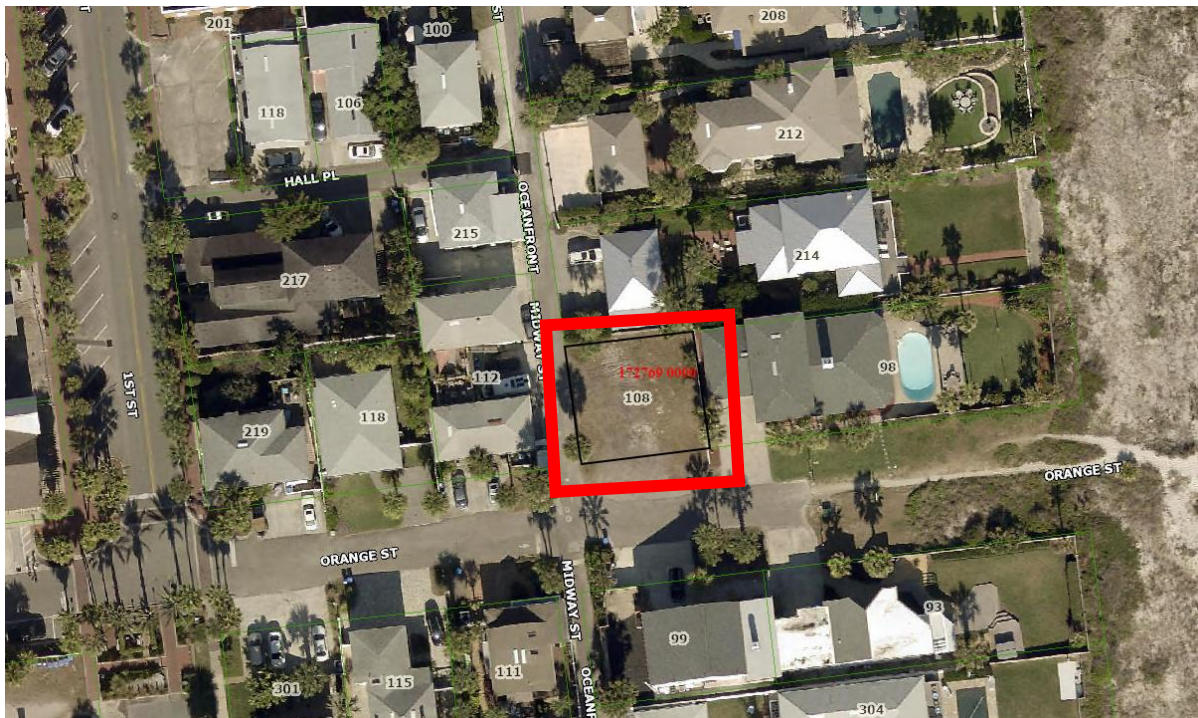


Figure 1: 108 Orange St, Neptune Beach, FL

The proposed bed and breakfast has two rental/guest bedrooms and one owner's suite, and provides a total of two parking spaces. The ground floor/1st floor consists of an interior parking garage for one parking space and guest bedroom, the 2nd floor consists of living area, lobby and kitchen, and the 3rd floor consists of a guest room and the owner's suite.

The building complies with setbacks, lot coverage, height, and frontage buildout requirements in the CBD.

The building complies with the elevation frontage requirements and standards of the CBD.

The building has one primary frontage on Orange St. The Orange St. first-floor frontage included a Lobby door and garage door. The building frontage is a Lobby style and an accessible front entry from the first floor at sidewalk level. The building's first floor façade is 35% transparent. The building's second floor façade is 40% transparent.



Figure 3: Proposed Frontage Elevation (Southern Elevation facing Orange St) 108 Orange St, Neptune Beach, FL

Sec. 27-236. – “Frontage requirements and standards” and Sec. 27-246. – “Central Business District (CBD) zoning district – special regulations” require all building frontages in the CBD to be either Storefront or Lobby with 30%-70% facade transparency. Storefronts and Lobby’s shall be accessible from the sidewalk level.

Section 27-246 (b) and (c) state:

(b) Commercial building frontage standards. New commercial development shall comply with the required frontage types and associated standards detailed in Section 27-236

(c) Commercial building design standards.

(1) Storefront design. The storefront is a frontage type along sidewalk level of the ground story, typically associated with commercial uses. Storefronts are required for the ground floor of all buildings located on streets designated with Required Retail Frontage and may be incorporated on any building in the Central Business District (CBD), Neighborhood Center Overlay (NC), and C1 districts. Storefronts are frequently shaded by awnings. Storefronts shall be directly accessible from sidewalks;

(2) Entrances and Access. All new buildings should have the main entrance oriented to and in full view from a street or public open space. Main entrances shall have design details that enhance the appearance and prominence of the entrance so that it is recognizable from the street and parking areas. Building on corner lots shall use design elements that emphasize the importance of both streets.

(3) Transparency. All building facades which face onto a street or public open space, shall meet the following minimum transparency requirements:

a. Buildings with Shopfronts (Figure 27-246-3)

i. Minimum building façade transparency for ground story: 70% and should allow a view of at least 5' of interior space

ii. Minimum building façade transparency for upper stories: 40%

b. Building without Shopfronts (Figure 27-246-4)

i. Minimum building façade transparency for ground story: 30% ii. Minimum building façade transparency for upper stories: 25%

Driveway/Parking:

The site is served by a total of two parking spaces, one parallel spaces and one garage space. Per the parking requirements in 27-540-1 the development is required to have one parking space per guest room and two parking spaces for the owner/operator for a total of four spaces. Per, 27-540 (c) the CBD is given a 50% reduction in parking however, therefore the development requires two parking spaces. The site layout parking access configuration complies with driveway standards and maximum driveway apron width.

III. D24-04 FINDINGS:

Sec. 27-82. - Procedures for applying for and issuing preliminary and final development orders states the community development board shall conduct a quasijudicial public hearing and shall consider the following factors when issuing a development order:

1. **Characteristics of the site and surrounding area, including important natural and manmade features, the size and accessibility of the site, and surrounding land uses.**

Staff Response: The use is consistent with the surrounding zoning and uses. The site is surrounded by majority residential uses, as well as commercial uses along First St.

2. **Whether the concurrency requirements of article VI of this Code could be met if the development were built.**

Staff Response:

Traffic: The proposed redevelopment will NOT generate more than 50 pm peak trips, therefore a traffic study is not required.

Water/Sewer: This project area will require water and sewer extensions (See attached Public Works Comments)

School: Not applicable

Drainage: Site may require stormwater permitting from Saint John's Water Management District (See attached Public Works Comments).

3. **The nature of the proposed development, including land use types and densities; the placement of proposed buildings and other improvements on the site; the location, type and method of maintenance of open space and public use areas; the preservation of natural features; proposed parking areas; internal traffic circulation system, including trails; the approximate total ground coverage of paved areas and structures; and types of water and sewage treatment systems.**

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.

The site will require additional utility planning (See attached Public Works Comments).

4. **Conformity of the proposed development with the comprehensive plan, this Code, and other applicable regulations.**

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.

The site will require additional utility planning (See attached Public Works Comments).

5. **Applicable regulations, review procedures, and submission requirements.**

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.

The site will require additional utility planning (See attached Public Works Comments).

See attached Fire review comments.

6. Concerns and desires of surrounding landowners and other persons.

Staff Response: A sign was posted on the property according to requirements. Staff has received comments from the public.

7. Other applicable factors and criteria prescribed by the comprehensive plan, this Code, or other law.

Staff Response:

The site will require additional utility planning, See attached Public Works Comments

See attached Fire review Comments

IV. STAFF RECOMMENDATION

Staff recommends approval of the currently proposed application for DP24-04 Preliminary Development Plan for the property at 108 Orange St (RE# 172769-0000) to permit a bed and breakfast (as presented).

See attached Planning and Zoning Comments

See attached Public Works Comments

See attached Fire Comments

The applicant provided a preliminary response to staff comments on May 3, 2024 and provided an updated revised site plan (see attached). The applicant responded to all Planning and Zoning comments on May 8, 2024 and provide a revised site plan, floor plan, and elevations. The revised proposed Preliminary Development Plan as updated on May 8, 2024 complies with all planning and zoning development standards.

The developer shall submit a Final Development Plan that complies with staff conditions for review by the City Council. The Final Development Plan shall be consistent with the Preliminary Development Plan and staff comments and shall contain no land uses different than those approved in the Preliminary Development Plan.

V. RECOMMENDED MOTION:

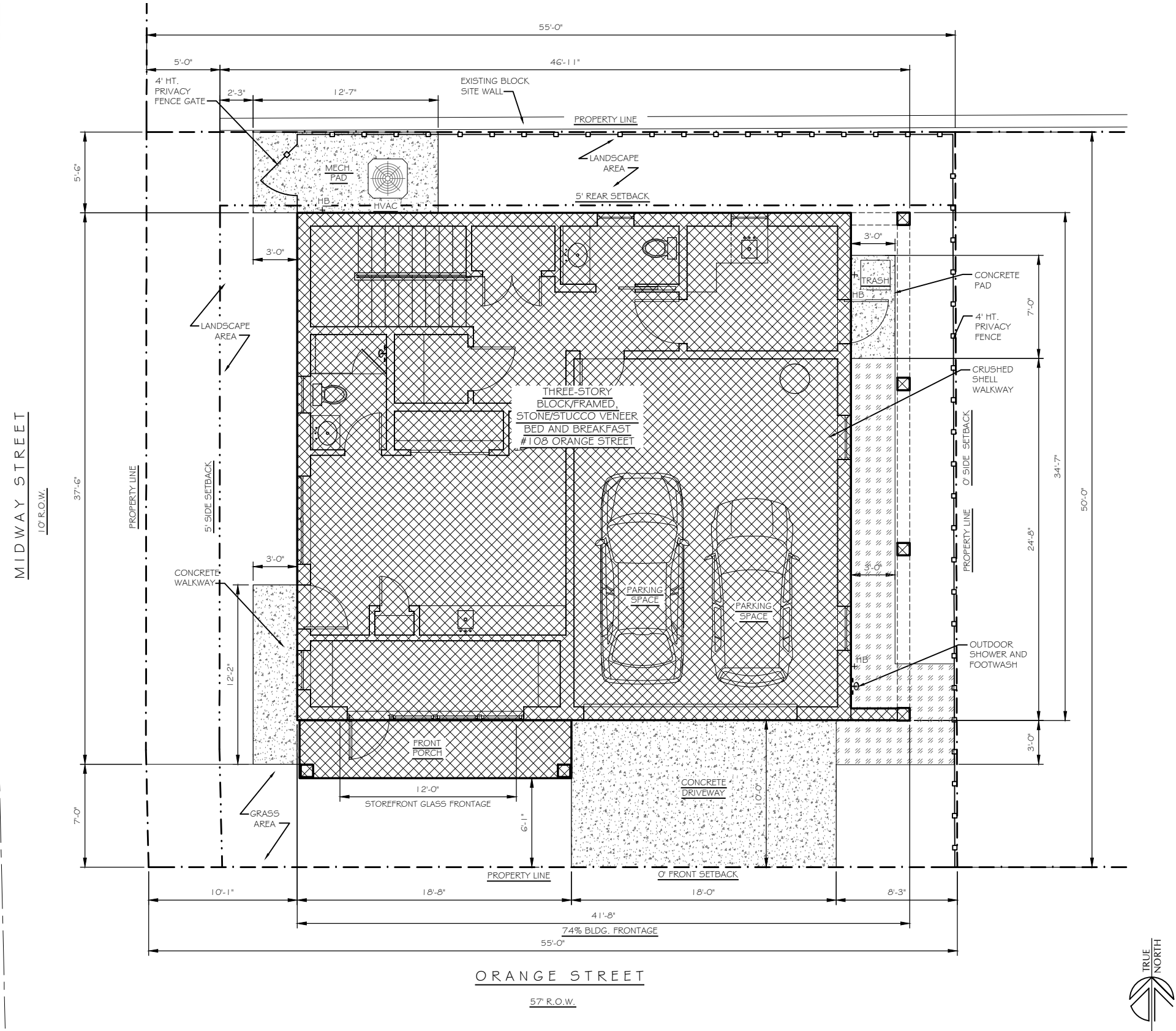
a. I recommend approval of DP24-04

OR

b. I recommend denial of DP24-04

SQUARE FOOTAGE	
SQUARE FOOTAGE:	
1ST FLOOR CONDITIONED	836 SF
1ST FLOOR (UNCONDITIONED):	463 SF
1ST FLOOR PORCHES:	73 SF
2ND FLOOR CONDITIONED:	1,055 SF
2ND FLOOR TERRACES:	319 SF
3RD FLOOR CONDITIONED:	996 SF
3RD FLOOR TERRACES:	224 SF
TOTAL CONDITIONED SF:	
2,887 SF	
TOTAL UNCONDITIONED SF:	
463 SF	
TOTAL PORCH/TERRACE SF:	
616 SF	
TOTAL SF:	
3,966 SF	

IMPERVIOUS SURFACE RATIO (ISR)	
SITE SQUARE FOOTAGE (PER DEED):	
2,754 SF	
IMPERVIOUS SURFACE:	
MAIN STRUCTURE:	1,376 SF
HARDSCAPE:	308 SF
TOTAL COVERAGE SF:	
1,684 SF	
IMPERVIOUS SURFACE RATIO (1,684 / 2,754):	
61.1%	
ALLOWED 85% MAX. OF AREA AS DESCRIBED IN DEED	



DRIVER BED & BREAKFAST

108 ORANGE STREET
NEPTUNE BEACH, FLORIDA 32266

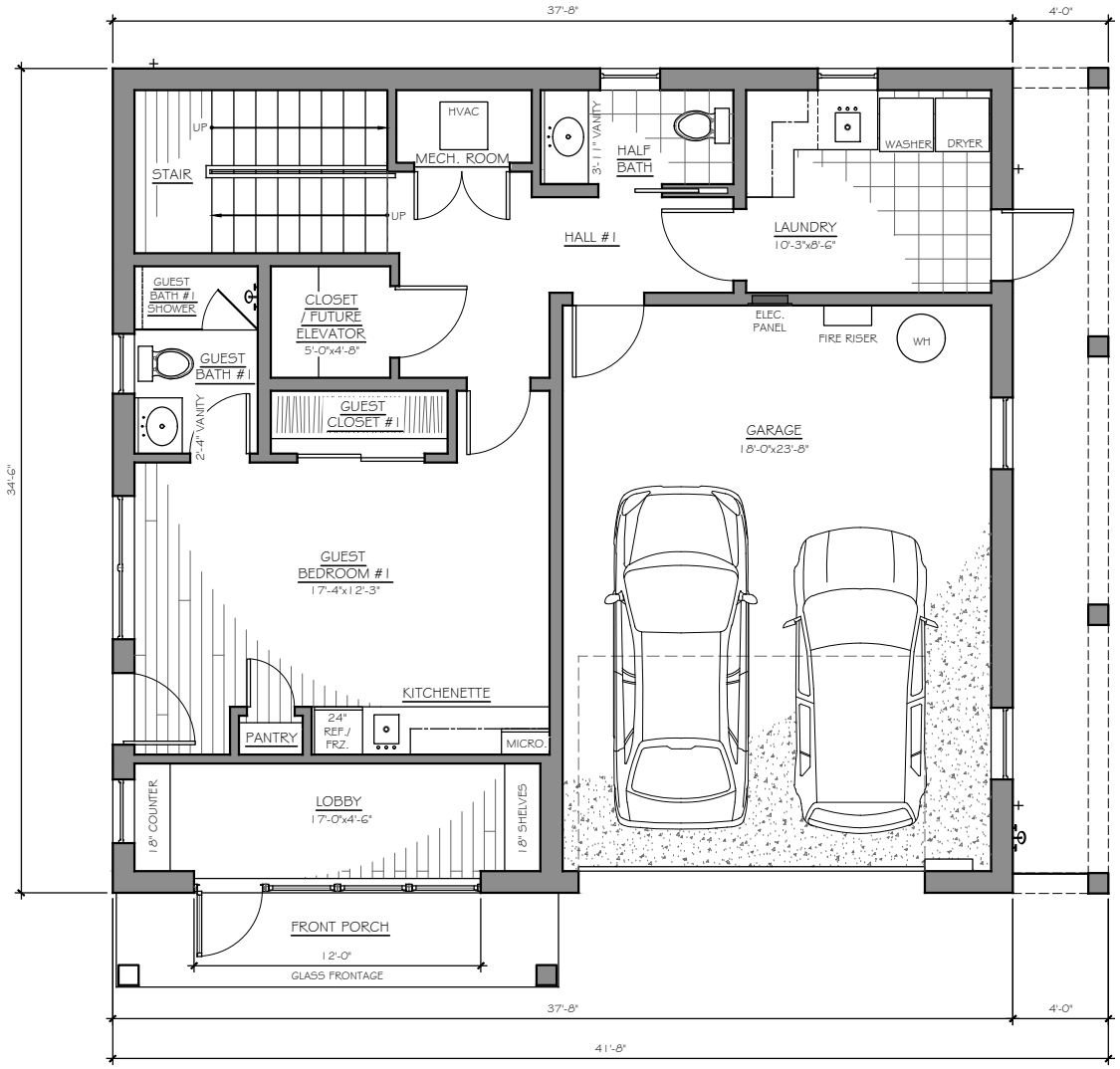
SITE PLAN

REVISED MAY 31ST, 2024
SCALE: 1/8" = 1'-0"

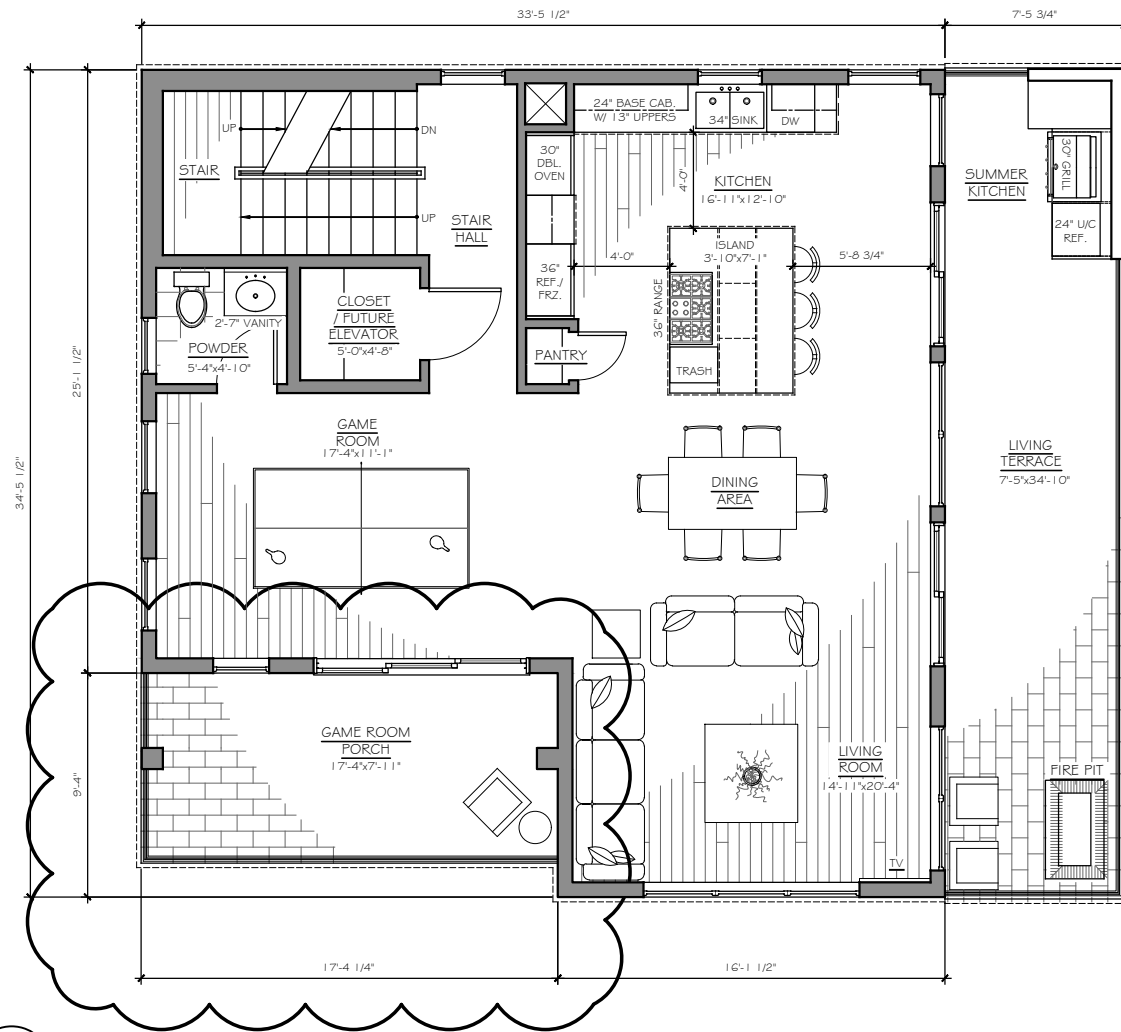


KES ARCHITECTS, PLLC
P: 904.564.0099
WWW.KES-ARCHITECTS.COM

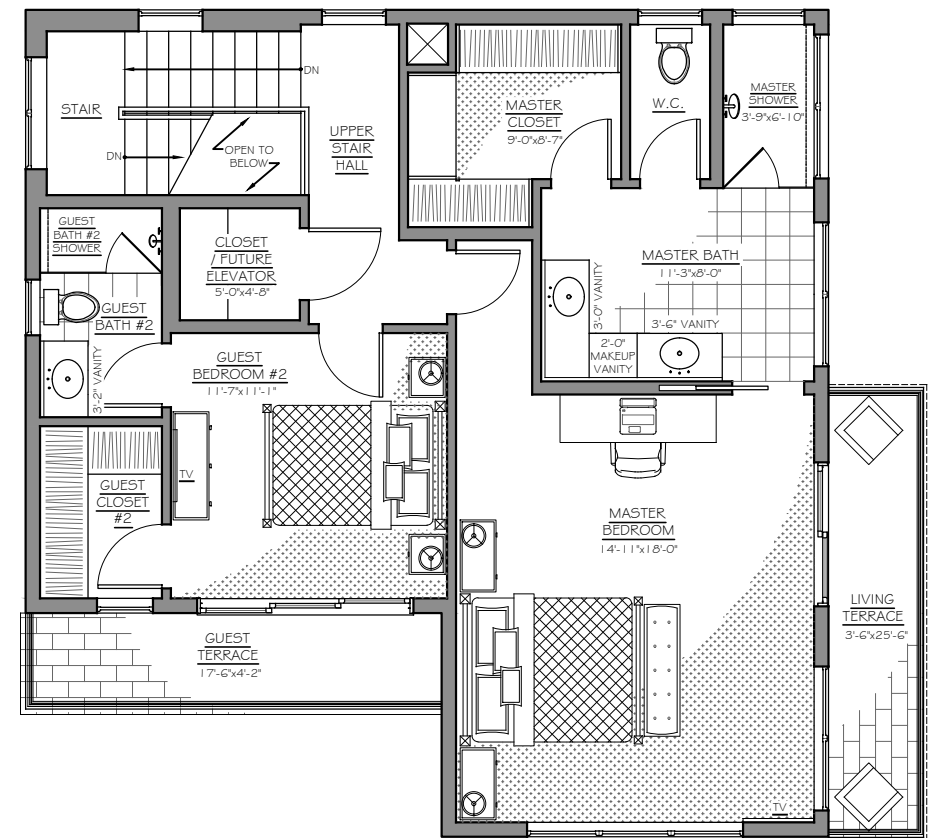
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1 1ST FLOOR PLAN
SCALE: 1/8" = 1'-0"



1 2ND FLOOR PLAN
SCALE: 1/8" = 1'-0"



2 3RD FLOOR PLAN
SCALE: 1/8" = 1'-0"

DRIVER BED & BREAKFAST

108 ORANGE STREET
NEPTUNE BEACH, FLORIDA 32266

2ND & 3RD FLOOR PLANS

REVISED MAY 8TH, 2024

SCALE: 1/8" = 1'-0"









APPLICATION FOR DEVELOPMENT PLAN REVIEW

CITY OF NEPTUNE BEACH PLANNING AND DEVELOPMENT DEPARTMENT
116 FIRST STREET
NEPTUNE BEACH, FLORIDA 32266-6140
PH: 270-2400 Ext 34 CDD@NBFL.US

Application Fee: **\$400**

Date Filed: 4/10/24

Name and address of the applicant requesting development review: (Note: if the applicant is other than all the legal owners of the property, notarized written consent signed by all the legal owners of the property shall be attached. In the case of corporate ownership, the authorized signature shall be accompanied by a notation of the signer's office in the corporation, and the embossed with the corporate seal). The undersigned hereby applies for a development review as follows:

Name & Address of Property Owner:	Telephone: <u>904.502.8775</u>
<u>DOUGLAS L. DRIVER</u>	E-Mail: <u>DLDRIVER47@gmail.com</u>
<u>1150 FLORIDA BLVD NEPTUNE BEACH, FL 32206</u>	Real Estate #: <u>172769-0000</u>
Property Address (if different from mailing):	Lot <u>4</u> Block: <u>23</u>
<u>108 ORANGE STREET</u>	Subdivision: <u>03151 NEPTUNE R/P</u>
<u>NEPTUNE BEACH, FL 32206</u>	Zoning District:

Name and Address of Agent/Applicant:	Telephone: <u>904.374.1736</u>
<u>MCAUGHEY BUILDERS, LLC</u>	E-Mail: <u>LWM@MCAUGHEYBUILDERS.COM</u>
<u>650 PARK ST JACKSONVILLE, FL 32204</u>	

Describe Request being made:
<u>ADDITIONAL CONSTRUCTION BED AND BREAKFAST.</u>

PLEASE BE ADVISED THE COMMUNITY DEVELOPMENT BOARD CONDUCTS A PUBLIC HEARING TO CONSIDER CERTAIN FACTORS IN ORDER TO MAKE A RECOMMENDATION TO THE CITY COUNCIL FOR APPROVAL OR DISAPPROVAL OF THE DEVELOPMENT PLAN.

[Signature]
Signature of the Owner

State of Florida
County of Duval

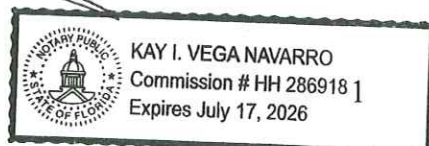
Signed and sworn before me on this 12th day of April, 2024.

By Douglas L. Driver

Identification verified: Personally Known Oath sworn: ☒ Yes ☐ No

[Signature]
Notary Signature

My Commission expires: 7/17/26



OWNER'S AUTHORIZATION FOR AGENT/AFFIDAVIT OF ASSENT

THIS FORM MUST BE FILLED OUT IN THE CASE THAT THE APPLICANT IS NOT THE OWNER OF THE PREMISES UNDER WHICH THE PARTICULAR APPLICATION IS BEING FILED.

LEONARD W. MCAULEY, MCAULEY BUILDERS is hereby authorized TO ACT ON BEHALF OF DOUGLAS DRIVER, the owner(s) of those lands described within the attached application, and as described in the attached deed or other such proof of ownership as may be required, in applying to Neptune Beach, Florida, for an application related to Development Permit or other action pursuant to a:

☐

Rezoning

☐

Special Exception

☐

Replat

☐

Commercial
Development Order

☐

Appeal

☐

Comp. Plan Amendment

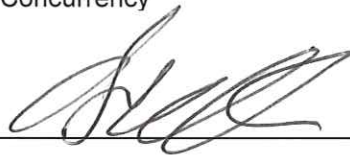
☐

Concurrency

☐

Other/ Champion or
heritage tree removal

BY:



Signature of Owner

Douglas C. Driver III

Print Name

Signature of Owner

Print Name Daytime Telephone Number

State of Florida

County of Duval

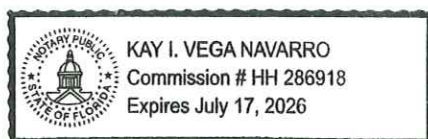
Signed and sworn before me on this 12 day of April, 2024.

By Douglas C. Driver III

Identification verified: Personally Known Oath sworn: Yes No

Notary Signature

My Commission expires: 7/17/2026



CHECKLIST FOR DEVELOPMENT PLAN REVIEW

Application Type:

Preliminary Development Plan Commercial Preliminary Development Plan Residential
Development Plan Commercial Development Plan Residential
Champion/Heritage Tree Removal Replat

For the complete list of requirements see Article III in Chapter 27 of the Code of Ordinances.

Commonly required items for preliminary development review.

Material required: (check applicable items)

- ☐ Site Plan
- Floor Plan
- Elevation (four sides)
- Landscape Plan/ Existing Tree Survey
- Surveys (sometimes including Tree and/or Soils)
- Parking Plan (may be included on another plan)
- Impervious Surface Calculations
- Stormwater and drainage plan
- Lighting Plan (exterior only)
- Wetland Buffer
- Signage Plan
- Current Legal Survey
- Utility Plan
- Existing and proposed easements
- Existing and proposed easements

Disclaimer: This helpful guide is not intended to replace any or all of the Unified Land Development Regulations of the City of Neptune Beach, requirements for application and review procedures required for development orders and certain types of permits. The guide is meant to assist in the facilitation of the review process only. For a complete description of requirements, refer to Chapter 27 of the Unified Land Development Regulations.

May 8, 2024

Replat DP 24-04
108 Orange Street
(RE#172769-0000)
Douglas Driver, III

DP24-04: Preliminary Development Plan as outlined in Chapter 27 Article III Division 2 of the Unified Land Development Code of Neptune Beach for Douglas Driver III for the property at 108 Orange St (RE# 172769-0000). The applicant requests a Development Plan approval to permit a bed and breakfast.

I. BACKGROUND: A Preliminary Development Plan application for a Bed and Breakfast has been submitted for 108 Orange St (RE# 172769-0000). The property has a Comprehensive Plan Town Center Land Use designation and is zoned Central Business District (CBD). Bed and breakfast is a permitted use in this district.

In 2015, the Drivers made an application for a Special Exception application for a Single-Family Home for 108 Orange St. The City denied the application and the Drivers sued the City for a petition for writ of certiorari for the City denying their application. This writ of certiorari ordered the lower court (Neptune Beach) to deliver its record in a case so that the higher court (Circuit County of Duval County) may review it.

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II. DISCUSSION:

Chapter 27 Article III Administrative and Enforcement Procedures Division 2 Development Review of the Unified Land Development Code of Neptune Beach requires a preliminary and final development plan (development order) approval when "Changing or expanding any use of a site so that the need for off-street parking is increased." *Section 27-76* states that "all development in non-residential districts" requires a development order.

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The proposed bed and breakfast has two rental/guest bedrooms and one owner's suite and provides a total of two parking spaces. The ground floor/1st floor consists of an interior parking garage for one parking space and guest bedroom, the 2nd floor consists of living area, lobby and kitchen, and the 3rd floor consists of a guest room and the owner's suite.

Site Plan/Building Plan:

Below is a chart showing development standards for the CDB are and the proposed bed and breakfast:

	Per Code	Proposed
Min. lot area	none	2,750 sq. ft.
Min. lot width	none	50 ft.
Min/Max front yard setback (Orange St.)	0/10 feet	10 feet
Min/Max corner yard setback (Midway)	5/15 feet	11 feet
Min. rear yard setback	5 feet	5 feet
Max. lot coverage	85%	53.7%
Max. building height	35 feet	35 feet
Min. Building frontage buildout	70%	74%



The building complies with setbacks, lot coverage, height, and frontage buildout requirements in the CBD.

The building has one primary frontage on Orange St. The Orange St. first-floor frontage included a Lobby door and garage door. The building frontage is a Lobby style and an accessible front entry from the first floor at sidewalk level. The building's first floor façade is 35% transparent. The building's second floor façade is 40% transparent.



*Figure 3: Proposed Frontage Elevation (Southern Elevation facing Orange St)
108 Orange St, Neptune Beach, FL*

Sec. 27-236. – “Frontage requirements and standards” and Sec. 27-246. – “Central Business District (CBD) zoning district – special regulations” require all building frontages in the CBD to be either Storefront or Lobby with 30%-70% façade transparency. Storefronts and Lobby’s shall be accessible from the sidewalk level.

Section 27-246 (b) and (c) state:

(b) Commercial building frontage standards. New commercial development shall comply with the required frontage types and associated standards detailed in Section 27-236

(c) Commercial building design standards.

(1) Storefront design. The storefront is a frontage type along sidewalk level of the ground story, typically associated with commercial uses. Storefronts are required for the ground floor of all buildings located on streets designated with Required Retail Frontage and may be incorporated on any building in the Central Business District (CBD), Neighborhood Center Overlay (NC), and C1 districts. Storefronts are frequently shaded by awnings. Storefronts shall be directly accessible from sidewalks;

(2) Entrances and Access. All new buildings should have the main entrance oriented to and in full view from a street or public open space. Main entrances shall have design details that enhance the appearance and prominence of the entrance so that it is recognizable from the street and parking areas. Building on corner lots shall use design elements that emphasize the importance of both streets.

(3) Transparency. All building facades which face onto a street or public open space, shall meet the following minimum transparency requirements:

a. Buildings with Shopfronts (Figure 27-246-3)

i. Minimum building façade transparency for ground story: 70% and should allow a view of at least 5’ of interior space

ii. Minimum building façade transparency for upper stories: 40%

b. Building without Shopfronts (Figure 27-246-4)

i. Minimum building façade transparency for ground story: 30%

ii Minimum building façade transparency for upper stories: 25%

Driveway/Parking:

The site is served by a total of two parking spaces, one parallel space and one garage space. Per the parking requirements in 27-540-1 the development is required to have one parking space per guest room and two parking spaces for the owner/operator for a total of four spaces.

Per, 27-540 (c) the CBD is given a 50% reduction in parking however; therefore the development requires two parking spaces. The site layout parking access configuration complies with driveway standards and maximum driveway apron width.

III. D24-04 FINDINGS:

Sec. 27-82. - Procedures for applying for and issuing preliminary and final development orders states the community development board shall conduct a quasi-judicial public hearing and shall consider the following factors when issuing a development order:

1. Characteristics of the site and surrounding area, including important natural and manmade features, the size and accessibility of the site, and surrounding land uses.

Staff Response: The use is consistent with the surrounding zoning and uses. The site is surrounded by majority residential uses, as well as commercial uses along First St.

2. Whether the concurrency requirements of article VI of this Code could be met if the development were built.

Staff Response:

Traffic: The proposed redevelopment will NOT generate more than 50 pm peak trips; therefore a traffic study is not required.

Water/Sewer: This project area will require water and sewer extensions (See attached Public Works Comments)

School: Not applicable

Drainage: Site may require stormwater permitting from Saint John's Water Management District (See attached Public Works Comments).

3. The nature of the proposed development, including land use types and densities; the placement of proposed buildings and other improvements on the site; the location, type and method of maintenance of open space and public use areas; the preservation of natural features; proposed parking areas; internal traffic circulation system, including trails; the approximate total ground coverage of paved areas and structures; and types of water and sewage treatment systems.

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.

The site will require additional utility planning (See attached Public Works Comments).

4. Conformity of the proposed development with the comprehensive plan, this Code, and other applicable regulations.

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.
The site will require additional utility planning (See attached Public Works Comments).

5. Applicable regulations, review procedures, and submission requirements.

Staff Response: The Bed and Breakfast use is permitted by right, the development plan complies with minimum development requirements, driveway access, frontage treatment requirements.
The site will require additional utility planning (See attached Public Works Comments).

See attached Fire review comments.

6. Concerns and desires of surrounding landowners and other persons.

Staff Response: A sign was posted on the property according to requirements. Staff has received comments from the public.

7. Other applicable factors and criteria prescribed by the comprehensive plan, this Code, or other law.

Staff Response: The site will require additional utility planning, See attached Public Works Comments See attached Fire review Comments

IV. STAFF RECOMMENDATION

Staff recommends approval of the currently proposed application for DP24-04 Preliminary Development Plan for the property at 108 Orange St (RE# 172769-0000) to permit a bed and breakfast (as presented).

See attached Planning and Zoning Comments
See attached Public Works Comments
See attached Fire Comments

The applicant provided a preliminary response to staff comments on May 3, 2024 and provided an updated revised site plan (see attached). The applicant responded to all Planning and Zoning comments on May 8, 2024 and provide a revised site plan, floor plan, and elevations. The revised proposed Preliminary Development Plan as updated on May 8, 2024 complies with all planning and zoning development standards.

The developer shall submit a Final Development Plan that complies with staff conditions for review by the City Council. The Final Development Plan shall be consistent with the Preliminary Development Plan and staff comments and shall contain no land uses different than those approved in the Preliminary Development Plan.

V. RECOMMENDED MOTION:

- a. I recommend approval of DP24-04
- OR
- b. I recommend denial of DP24-04

Mr. Douglas Driver, III, 1150 Penman Road and owner of the property addressed the board. His family purchased the property in 1989. There was an existing duplex on the property that was demolished in 2007.

The property is being used for parking and dumping site by the neighbors and beach goers. Would like to build a bed and breakfast. Will generate revenue and increase property values for the neighbors. Legally allowed to build a bed and breakfast on the property.

Questions for Staff and applicant:

Ms. Atayan: The fire review had one question about tight turning since the curb has been removed.

Mr. Moran: How many B & B do we have? None

Mr. Hilton: There was originally 3 parking spaces. Where will the other guest park? Mr. Driver stated that they were only required to provide two. One will be in the garage and the other one in front of it. The extra parking space had to be removed, because of the allowable driveway width.

Mr. Hilton: Why is there no kitchenette in guest room number 2? We deemed that it was not necessary and removed it.

Is there a roof top deck planned? No, roof top deck.

Guest #1 will enter through the lobby and guest #2 will enter through the laundry area or garage. Mr. Driver stated that guest #1 will be the primary guest room. Mr. Kevin Solman, architect, the lobby is access to the first floor and the second guest room and owner's suite will be accessed by the side door through the laundry.

Public Comments

Chairperson Schwartzenberger opened the floor for public comments.

Henny Schoonover, 214 Oceanfront, opposes the application. Passed a drawing on how this property will compare in height to the surrounding buildings. Opposes the 35-foot-tall Bed and Breakfast beside my house and in my neighborhood. This proposed building will replace a 1268 square foot two-story house that once stood on that lot. The land development code includes Bed and Breakfasts as one of numerous "permitted uses" in the CBD along with Hotels, Motels, interior service restaurants, carry-out and delivery restaurants, government uses, utilities, public park, recreation, amusement, and entertainment, including billiard and pool halls and the list goes on. None of these permitted uses are compatible within the residential section of the CBD. Our established neighborhood is made up of single and two-family homes that are two-story, none being taller than 28 feet. The proposed building of 35-feet will stand and full story above all the other houses around it. It just does not fit.

According to Section 27-222 of the ULDC-Purpose and Intent of zoning district "this zoning article must impose certain appropriate restrictions on the use of land within the city limits of Neptune Beach to ensure that future development is in keeping with the existing development."

Regarding neighborhood design: The proposal as it stands now is not in scale or character with the neighborhood.

Regarding scale, mass and bulk: The ratio of square footage to land of this building is 1:.94 while existing homes in this neighborhood have a ratio anywhere from 1:1.8 to 1:4.14, further illustrating the fact that this proposed building is out of proportion and density with surrounding buildings.

Regarding privacy. The proposed height of 35 feet is not sensitive to the surrounding neighbors.

Allow this proposal to go forward will set a bad precedent for our neighborhood and the City of Neptune Beach. Regardless of zoning designation, the extra traffic created and parking hassles with a B&B is not fitting with our neighborhood ambience. Please listen to the concerns of the people living in this neighborhood. The City of Neptune Beach's own ULDC will not permit this land usage as proposed.

George Schoonover, 214 Oceanfront, opposes the applicant's request to build a B&B at 108 Orange Street. As outlined in Florida Statutes, the Community Development Board shall consider the following factors: The nature of the proposed development, including land use types and densities; proposed parking areas, "and the concerns and desires of surrounding landowners and other persons".

The following stated goals and objectives are taken directly from NB's codes. Purposes and Intent of Zoning districts. The design goals for new construction are; to preserve the natural beauty of NB and protect the residential character of the effects of inharmonious and out of scale developments in order to maintain and improve property values.

Site improvement should be compatible with structures existing on neighboring parcels and should be sensitive to their design and property rights. Designs which conflict with the use and enjoyment of any property should be avoided. Buildings should be designed in scale with the neighborhood and should complement the character of the neighborhood, rather than conflict with it.

Buildings should not present excess visual mass or build to public view or to adjoining properties. Large box-like buildings can appear massive. When viewed from the public right of way, excessive mass detracts from the character of NB's individual neighborhoods. When viewed from adjoining properties, excess mass can effectively act as a wall that dominates neighboring structures and interferes with the enjoyment of open space and the free passage of light and air.

Design should respect views enjoyed by neighboring parcels. It is the intent of this objective to balance the private rights to views from all parcels that will be affected by a proposed build or addition. No single parcel should enjoy a greater right than other parcels except for the natural advantages of each site's topography. Building which substantially eliminates an existing view enjoyed on another parcel should be avoided. A 35-foot-high flat wall certainly qualifies for that characterization.

Another consideration for a bed and breakfast on this parcel is the lack of surrounding infrastructure. The parcel is on Midway, a narrow one-way street to Lemon. There is no sidewalk or curb. There is one dim streetlight at the corner of Orange and Midway as well as confusing street signage. It would be harrowing for a driver or pedestrian to navigate these handicaps without prior knowledge. For these reasons, I oppose the application.

Dreanna Bane, 600 Second St, read a letter from Ronald and Diane Wingate of 700 Oceanfront: "Dear Neptune Beach Community Development Board, We are writing this letter in hopes that this committee will vote against the application to establish the Driver Inn at 108 Orange Street in Neptune Beach, FL. There is absolutely no parking for a business on that small section of Orange Street. Also, most people that live at the beach have many visitors because we live at a safe beach. This warm weather has already brought many people. We live at the end of Cedar Street (public access) and have never seen so many headed to the beach that we have we have never seen before. Sincerely Yours, Ronald and Diane Wingate.

Judy Williams, formerly owned 98 Orange St, it is crowded and asked the board to look at the plans closely.

Shellie Thole, 310 Oleander St., this is not the same packet that has been changed since it was originally sent out. How do you make a decision, if you have not had a change to look over it?

Ray Lin, 310 First St, I don't see how it will improve property values. It will diminish. It will not look like the old houses.

Heather Peters, 93 Orange St, lives across the street and as the owner stated, they can not control the parking as it is now. How are they going to control it in the future. How does a business become successful with only two parking spaces? Are we saying it's a business when its not? Does not want to see this happen. What is the logic behind the two parking spaces?

Dr. Juan Leoni, 111 Orange St, owns property diagonally from 108. Would like to have something to be built there. People are using the lot to hang out. The owners should use the lot to be neighborly and friendly.

Mr. Driver stated that he understands their concerns, and that the last two speaks made a point with the property being vacant and being used for drugs. This is why we want to build a house here and use it as a bed and breakfast. As for the reason why there is not a kitchenette on the third floor. There is a kitchen on the second floor with access to that room. In addition, we are primarily looking to just rent out the first floor bedroom, so two parking spots should be ample space for that.

I hear a lot of feelings from people say that don't like it, if they don't like it, then they should work towards changing the law. We are trying to meet all the rules and regulations. Putting all of his life savings into this house/bed and breakfast, whatever you want to call it. There will be security cameras, looking at building a gate in the future.

There being no comments, the public hearing was closed.

Board Discussion:

Ms. Bylund: This is not a replat and we do have factors to be considered. #1 Characteristics of the site and surrounding area, including important natural and manmade features, the size and accessibility of the site, and surrounding land uses- this is zoned commercial and but people came in and built in this area. The land use is residential even though it is zoned commercial. Parking is a huge consideration. It is not realistic to have two parking spaces. There is the people living there, the people staying there, possibly people working there and people visiting the guests. The math do not add up at all. Has a problem will be contributing to the parking problem. Someone wants to have a 35-foot house that is out of keeping with all the other houses around it. Wonderful if there is something they could do differently. Especially the park.

Ms. Atayan: We look at the intensity of the businesses, it is too high of an intensity for this area. We may need to revisit the zoning district and redefine the uses. The height and size of it is out of nature of the surrounding area.

Mr. Raiti: The size and bulk of the building is not in keeping of the neighboring properties.

Mr. Schwartzenberger: Boarders Seahorse, Lemon Bar and we will see changes coming in the futures. There is a permitted use, it would be a lovely area for someone to stay. A single-family is what everyone want, but a single-family house is not allowed by right.

Mr. Hilton: If someone were to come before the board to build a single-family dwelling on the property, what would the height be? Ms. Whitmore stated it would have to comply with the RC overlay requirements and the height of 28 feet.

Mr. Raiti: The mass of the building weighs on him. You don't have to overshadow the neighborhood.

Mr. Driver was given the floor again. He stated the intent is to rent this out and the intent is not to just have a house. As for the parking, there was 3 spaces originally planned but was told that he could not have more than an 18-foot wide driveway. Would be happy to reinstate that parking space. The goal is to have one couple come and stay at the B&B routinely as a vacation style rental. Does not want twenty-five plus people visiting the house. I will be living there, I don't want to see 25 people myself. In fact I would prefer not to see them at all. They will come in and out a separate entrance. That is the intent, just wanted to make that know.

Mr. Boran asked Mr. Driver: Who is the owner/operator? Mr. Driver stated that he would be the owner/operate but that he did not want to have undue interaction with the guest. They will have their own entrance for the first floor. They will have a bedroom and I will feed them, but not hanging out with them.

Ms. Atayan: You stated that you wanted limited contact with the guest on the first floor and you also have a guest room on the same floor as your bedroom. You will have direct contact with that guest and sharing facilities with them. Is a B&B guest or a family member? Mr. Driver stated it is just another room in the house and does not see if it is rented or not that it is relative.

Mr. Boran: So, your B&B is a one single bedroom with a kitchenette. Yes, I have a full time job and maybe in the future I will rent the other guest room.

Mr. Hilton: I'm confused. In my experience with Bed and Breakfasts, you typically go to someone's home, they have multiple bed and bathrooms, and they service you several meals and they interact with their guest. I don't normally go to B&B's because I am not comfortable with this. I'm confused about the model.

Becky Driver, the owner, stated that her son plans to come in and service the breakfast and that he plans to live there.

Ms. Atayan: There is a guest room on the third floor where he plans to live. For the transient guest, there will only one bedroom for guest? Yes.

Ms. Bylund: This seems to be not as what it has been presented and the parking. This a reason I would use to reject, and I believe it is a legal reason and would pass mustard.

Mr. Boran: Parking cannot accommodate the people coming in.

Mr. Raiti: The natural man-made features are not in coordinate with the design. The parking does comply with the 50% reduction.

Made by Bylund, seconded by Hilton.

MOTION: MOVE TO RECOMMEND DENIAL DP24-04 TO THE CITY COUNCIL.

Roll Call Vote:

Ayes: 6-Bylund, Raiti, Atayan, Boran, Hilton, Schwarzenberger

Noes: 0

MOTION APPROVED.

The applicants were informed that the City Council makes the final decision and the applicant should attend the meeting on June 3, 2024 at 6:00 pm.

The board discussed the need for a definition of "Historically Significate" before presenting anything to City Council.

Mr. Raiti asked about the non-conforming section of the code. In particular, you can not "enlarge or reduce" of a non-conforming.

Mr. Roth stated: Conforming is the only part that cannot be changed. The section only applies if it was built correctly but then the code changes after the fact. This second of the code is very poorly written and should be reviewed.

May 8, 2024

The non-conforming is very muddy and the board needs to look at it in the future.

Zack Roth, City Attorney, informed the board that he has given his resignation and will be leaving once a replacement has been found.

Greg Schwarzenberger, Chairperson

ATTEST:

Piper Turner, Board Secretary



Agenda Item #8A
Ord. No. 2024-04
Police Retiree COLA Increase

CITY OF NEPTUNE BEACH
CITY COUNCIL MEETING
STAFF REPORT

AGENDA ITEM:	Agenda Item 8A -Ord. No. 2024-04, Police Retiree COLA Increase
SUBMITTED BY:	Police Officers' Retirement Fund Board
DATE:	July 31, 2024
BACKGROUND:	The PORF Board is proposing an annual cost of living adjustment for retiree members. This has been discussed at PORF Board quarterly meetings and at the July 15, 2024, Council Workshop.
RECOMMENDATION:	Consider Ordinance No. 2024-04 at First Read
ATTACHMENT:	Ordinance No. 2024-04 Actuarial Impact Statement

SPONSORED BY:

MAYOR BROWN



ORDINANCE NO. 2024-04

A BILL TO BE ENTITLED

AN ORDINANCE OF THE CITY OF NEPTUNE BEACH, FLORIDA, AMENDING CHAPTER 2, ADMINISTRATION, ARTICLE V, EMPLOYEE BENEFITS, DIVISION 4, POLICE OFFICERS' RETIREMENT SYSTEM OF THE CITY OF NEPTUNE BEACH, SECTION 2-349, CONTRIBUTIONS, AND SECTION 2-349.1, BENEFIT AMOUNTS AND ELIGIBILITY, TO PROVIDE FOR AN INCREASE IN THE MEMBER CONTRIBUTION RATE; TO PROVIDE FOR AN ANNUAL BENEFIT INCREASE FOR MEMBERS WHO RETIRED ON OR AFTER OCTOBER 1, 2020; TO PROVIDE FOR A ONE-TIME BENEFIT INCREASE IN RETROACTIVE BENEFITS FOR RETIREES AND BENEFICIARIES WHO RETIRED BEFORE OCTOBER 1, 2020; TO MAKE OCTOBER 1 THE EFFECTIVE DATE OF ANY COST OF LIVING ADJUSTMENTS; DIRECTING THE CITY CLERK TO FILE A COPY OF THIS ORDINANCE WITH THE FLORIDA DEPARTMENT OF MANAGEMENT SERVICES, DIVISION OF RETIREMENT; PROVIDING FOR SEVERABILITY OF PROVISIONS; REPEALING ALL ORDINANCES IN CONFLICT HERewith AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Board of Trustees of the City of Neptune Beach Police Officers' Retirement System ("Retirement System") desires to provide an annual cost of living adjustment benefit for all Members who retire on or after October 1, 2020 under Normal, Early, Disability, and Pre-Retirement Death; and

WHEREAS, the Board of Trustees of the City of Neptune Beach Police Officers' Retirement System desires to provide a one-time cost of living adjustment benefit for all Retirees, Disability Retirees, and Beneficiaries who retired on or before October 1, 2020 based on their respective Credited Service periods; and

WHEREAS, the Board of Trustees of the City of Neptune Beach Police Officers' Retirement System desires to make the effective date of any cost of living adjustments October 1; and

WHEREAS, an amendment to the City code is necessary to permit such new conditions; and

WHEREAS, the Board of Trustees of the City of Neptune Beach Police Officers' Retirement System have requested and approved such an amendment as being in the best interest of the participants and beneficiaries as well as serving to improve the administration of the Retirement System; and

WHEREAS, the City Council has received and reviewed an actuarial impact statement related to this change and attached as such; and

WHEREAS, the City Council deems it to be in the public interest to provide this change to the Retirement System for its police officers; and

WHEREAS, the City Council of the City of Neptune Beach, Florida has determined that it is necessary to amend the following

NOW, THEREFORE, be it ordained by the City Council of the City of Neptune Beach, Florida that:

SECTION 1. That Chapter 2, Administration, Article V, Employee Benefits, Division 4, Police Officers' Retirement System, of the Code of Ordinances of the City of Neptune Beach is hereby amended by amending Section 2-349, Contributions, subparagraph (a), *Member contributions*, by adding the following underlined language and deleting the stricken through language as follows:

Sec. 2-349. - Contributions.

(a) *Member contributions.*

- (1) Amount. Effective October 1, 2024, each member of the system shall be required to make regular contributions to the fund in the amount of ~~eight (8)~~ nine (9%) percent of ~~their~~his salary. Member contributions withheld by the city on behalf of the member shall be deposited with the board immediately after each pay period. The contributions made by each member to the fund shall be designated as employer contributions pursuant to section 414(h) of the Code. Such designation is contingent upon the contributions being excluded from the members' gross income

for federal income tax purposes. For all other purposes of the system, such contributions shall be considered to be member contributions.

* * * * *

SECTION 2. That Chapter 2, Administration, Article V, Employee Benefits, Division 4, Police Officers' Retirement System, of the Code of Ordinances of the City of Neptune Beach is hereby amended by amending Section 2-349.1, Benefit amounts and eligibility, subparagraph (e), *Cost-of-living adjustment*, by adding the following underlined language and deleting the stricken through language as follows:

Sec. 2-349.1. - Benefit amounts and eligibility.

* * * * *

(e) *Cost-of-living adjustment.*

~~Effective retroactively to January 1, 1998, the monthly benefit being received by every retiree, including disability retirees, joint pensioners and beneficiaries who began receiving monthly benefits before January 1, 1998, shall be increased by three (3) percent.~~

- (1) Effective October 1, 2024, all Members who retire under Normal, Early, Disability, and Pre-Retirement Death, on or after October 1, 2020, shall receive an annual automatic increase of one (1%) percent to their monthly benefits.
- (2) Effective October 1, 2025, all Members who retire under Normal, Early, Disability, and Pre-Retirement Death, on or after October 1, 2020, shall receive an annual automatic increase of one and one-quarter (1.25%) percent to their monthly benefits.
- (3) Effective October 1, 2024, all Retirees, Disability Retirees, and Beneficiaries, who retired prior to October 1, 2020, shall receive a one-time increase of two (2%) percent to their monthly benefits for each full year of retirement as of that date, with a maximum increase of ten (10%) percent.
- (4) Effective October 1, 2024, all annual cost of living adjustments described in this Section shall take effect on the immediately subsequent October 1st one year after a Member's Retirement from the System.

* * * * *

SECTION 3: Specific authority is hereby granted to codify and incorporate this Ordinance in the existing Code of Ordinances of the City of Neptune Beach.

SECTION 4: All Ordinances or parts of Ordinances in conflict herewith be and the same are hereby repealed.

SECTION 5: If any section, subsection, sentence, clause, phrase of this ordinance, or the particular application thereof shall be held invalid by any court, administrative agency, or other body with appropriate jurisdiction, the remaining section, subsection, sentences, clauses, or phrases under application shall not be affected thereby.

SECTION 6: That this Ordinance shall become effective immediately upon its passage and adoption by the City Council.

VOTE RESULTS OF FIRST READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Josh Messinger
Councilor Nia Livingston

Passed on First Reading this _____ day of _____, 2024.

VOTE RESULTS OF SECOND AND FINAL READING:

Mayor Elaine Brown
Vice Mayor Kerry Chin
Councilor Lauren Key
Councilor Josh Messinger
Councilor Nia Livingston

Passed on Second and Final Reading this ____ day of _____, 2024.

MAYOR

ATTEST:

Catherine Ponson
CITY CLERK

Approved as to form and correctness:

CITY ATTORNEY

July 22, 2024

Board of Trustees
City of Neptune Beach
Police Officers' Pension Board

Re: City of Neptune Beach Police Officers' Retirement System

Dear Board:

Enclosed is the following material, which has been prepared in support of the proposed changes to the Fund:

1. Three (3) copies of the required Actuarial Impact Statement, which outlines the costs associated with implementing the changes.
2. Draft of transmittal letters to the Bureau of Local Retirement Systems and the Bureau of Police Officers' and Firefighters' Retirement Trust Funds.

It will be necessary for the Chairman to sign each copy of the Actuarial Impact Statement as the Plan Administrator and forward the Impact Statement, along with a copy of the proposed Ordinance, to the two Bureaus prior to final reading.

If you have any questions concerning the enclosed material, please let us know.

Sincerely,



Douglas H. Lozen, EA, MAAA

Cc via email: Pedro Herrera, Plan Attorney

Enclosure

Mr. Steve Bardin
Police Officers' and Firefighters' Retirement Trust Funds
Department of Management Services, Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Bardin:

The City of Neptune Beach is considering the implementation of amended retirement benefits for its Police Officers. The changes are described in the enclosed material.

Pursuant to the provisions of Chapter 185, we are enclosing the required Actuarial Impact Statement along with a copy of the proposed Ordinance for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

Mr. Keith Brinkman
Bureau of Local Retirement Systems
Division of Retirement
3189 S. Blair Stone Rd.
Tallahassee, FL 32301

Re: Actuarial Impact Statement

Dear Mr. Brinkman:

The City of Neptune Beach is considering the implementation of amended retirement benefits for its Police Officers. The changes are described in the enclosed material.

Pursuant to Section 22d-1.04 of the Agency Rules, we are enclosing the required Actuarial Impact Statement (AIS) and a copy of the proposed Ordinance for your review.

If you have any questions or if additional information is needed, please contact us.

Sincerely,

CITY OF NEPTUNE BEACH
POLICE OFFICERS' RETIREMENT SYSTEM

ACTUARIAL IMPACT STATEMENT

July 22, 2024

Attached hereto is a comparison of the impact on the Minimum Required Contribution (per Chapter 112, Florida Statutes) and the Required City Contribution, resulting from the implementation of the following changes:

- a. *Effective October 1, 2024, all Members who retire under Normal, Early, Disability, and Pre-Retirement Death, on or after October 1, 2020, shall receive an annual automatic increase of one (1%) percent to their monthly benefits.*
- b. *Effective October 1, 2025, all Members who retire under Normal, Early, Disability, and Pre-Retirement Death, on or after October 1, 2020, shall receive an annual automatic increase of one and one-quarter (1.25%) percent to their monthly benefits.*
- c. *Effective October 1, 2024, all Retirees, Disability Retirees, and Beneficiaries, who retired prior to October 1, 2020, shall receive a one-time increase of two (2%) percent to their monthly benefits for each full year of retirement as of that date, with a maximum increase of ten (10%) percent.*
- d. *Effective October 1, 2024, an increase in the Member Contribution Rate from 8.00% to 9.00%.*

The cost impact, determined as of October 1, 2023, applicable to the fiscal year ending September 30, 2025, is as follows:

	<u>Proposed</u>	<u>Current</u>
Minimum Required Contribution % of Projected Annual Payroll	44.64%	36.22%
Member Contributions (Est.) % of Projected Annual Payroll	9.00%	8.00%
City And State Required Contribution % of Projected Annual Payroll	35.64%	28.22%
State Contribution (Est.) ¹ % of Projected Annual Payroll	\$64,728 3.15%	\$64,728 3.15%
City Required Contribution ² % of Projected Annual Payroll	32.49%	25.07%

¹ Amount shown is based on Chapter 185 Premium Tax Revenue collected during Calendar Year 2023. Based on the "Default" provisions of Chapter 2015-39, Laws of Florida, the City may use Chapter 185 monies up to the amount received for Calendar Year 2012. Premium Tax Revenue in excess of the amount received for Calendar 2012 (\$48,395.90) is split 50/50 between the Membership Share Plan and City funding credit.

² Please note that the City has access to a prepaid contribution of \$735,026.60. This is available at the City's discretion to assist with future plan funding.

CITY OF NEPTUNE BEACH
POLICE OFFICERS' RETIREMENT SYSTEM

ACTUARIAL IMPACT STATEMENT

July 22, 2024

Unless otherwise noted, all data, assumptions, methods and plan provisions are the same as in the October 1, 2023 actuarial valuation report. It should be noted that changes to retirement benefits could potentially affect participants' retirement or termination behavior. We will monitor and advise of any recommended changes with future experience studies.

Future actuarial measurements may differ significantly from the current measurements presented in this report for a variety of reasons including: changes in applicable laws, changes in plan provisions, changes in assumptions, or plan experience differing from expectations. Due to the limited scope of the analysis, we did not perform an analysis of the potential range of such future measurements.

Please note that contents of this analysis and the October 1, 2023 actuarial valuation report are considered an integral part of the actuarial opinions. In reviewing the results presented in this study, it should be noted that there are risks that may not be inherently apparent to the reader that should be carefully considered. For key risks, please see the Discussion of Risk section of the October 1, 2023 actuarial valuation report.

In performing the analysis, we used third-party software to model (calculate) the underlying liabilities and costs. These results are reviewed in the aggregate and for individual sample lives. The output from the software is either used directly or input into internally developed models to generate the costs. All internally developed models are reviewed as part of the process. As a result of this review, we believe that the models have produced reasonable results. We do not believe there are any material inconsistencies among assumptions or unreasonable output produced due to the aggregation of assumptions.

The changes presented herein are in compliance with Part VII, Chapter 112, Florida Statutes and Section 14, Article X of the State Constitution. The undersigned is familiar with the immediate and long-term aspects of pension valuations and meets the Qualification Standards of the American Academy of Actuaries necessary to render the opinions contained herein.



Douglas H. Lozen, EA, MAAA
Enrolled Actuary #23-7778

STATEMENT OF PLAN ADMINISTRATOR

The prepared information presented herein reflects the estimated impact of the proposed Ordinance.

Chairman, Board of Trustees

COMPARATIVE SUMMARY OF PRINCIPAL VALUATION RESULTS

	New Benefits <u>10/1/2023</u>	Old Benefits <u>10/1/2023</u>
A. Participant Data		
Actives	20	20
Service Retirees	16	16
DROP Retirees	0	0
Beneficiaries	1	1
Disability Retirees	1	1
Terminated Vested	<u>8</u>	<u>8</u>
Total	46	46
Projected Annual Payroll	2,055,064	2,055,064
Annual Rate of Payments to:		
Service Retirees	693,616	693,616
DROP Retirees	0	0
Beneficiaries	14,391	14,391
Disability Retirees	16,599	16,599
Terminated Vested	38,545	38,545
B. Assets		
Actuarial Value (AVA) ¹	10,943,367	10,943,367
Market Value (MVA) ¹	10,179,452	10,179,452
C. Liabilities		
Present Value of Benefits		
Actives		
Retirement Benefits	7,963,279	7,033,637
Disability Benefits	108,348	97,012
Death Benefits	39,008	37,189
Vested Benefits	340,239	340,238
Refund of Contributions	141,135	136,934
Service Retirees	8,034,778	7,490,266
DROP Retirees ¹	0	0
Beneficiaries	188,975	167,426
Disability Retirees	115,161	106,119
Terminated Vested	437,162	437,162
Share Plan Balances ¹	<u>168,265</u>	<u>168,265</u>
Total	17,536,350	16,014,248

C. Liabilities - (Continued)	New Benefits <u>10/1/2023</u>	Old Benefits <u>10/1/2023</u>
Present Value of Future Salaries	16,190,613	16,190,613
Present Value of Future Member Contributions	1,457,155	1,295,249
Normal Cost (Retirement)	318,664	281,931
Normal Cost (Disability)	8,036	7,322
Normal Cost (Death)	2,031	1,946
Normal Cost (Vesting)	18,462	18,462
Normal Cost (Refunds)	<u>25,133</u>	<u>24,704</u>
Total Normal Cost	372,326	334,365
Present Value of Future Normal Costs	2,788,833	2,487,717
Accrued Liability (Retirement)	5,477,264	4,840,177
Accrued Liability (Disability)	56,013	49,912
Accrued Liability (Death)	23,395	22,301
Accrued Liability (Vesting)	195,477	195,477
Accrued Liability (Refunds)	51,027	49,426
Accrued Liability (Inactives) ¹	8,776,076	8,200,973
Share Plan Balances ¹	<u>168,265</u>	<u>168,265</u>
Total Actuarial Accrued Liability (EAN AL)	14,747,517	13,526,531
Unfunded Actuarial Accrued Liability (UAAL)	3,804,150	2,583,164
Funded Ratio (AVA / EAN AL)	74.2%	80.9%

D. Actuarial Present Value of Accrued Benefits	New Benefits <u>10/1/2023</u>	Old Benefits <u>10/1/2023</u>
Vested Accrued Benefits		
Inactives + Share Plan Balances ¹	8,944,341	8,369,238
Actives	1,384,130	1,332,855
Member Contributions	<u>1,082,892</u>	<u>1,082,892</u>
Total	11,411,363	10,784,985
Non-vested Accrued Benefits	<u>981,521</u>	<u>664,415</u>
Total Present Value		
Accrued Benefits (PVAB)	12,392,884	11,449,400
Funded Ratio (MVA / PVAB)	82.1%	88.9%
Increase (Decrease) in Present Value of Accrued Benefits Attributable to:		
Plan Amendments	943,484	
Benefit Changes	0	
Plan Experience	0	
Benefits Paid	0	
Interest	0	
Other	<u>0</u>	
Total	943,484	

Valuation Date	New Benefits	Old Benefits
Applicable to Fiscal Year Ending	10/1/2023	10/1/2023
	<u>9/30/2025</u>	<u>9/30/2025</u>
E. Pension Cost		
Normal Cost (with interest)		
% of Projected Annual Payroll ²	18.80	16.88
Administrative Expenses (with interest)		
% of Projected Annual Payroll ²	2.53	2.53
Payment Required to Amortize Unfunded Actuarial Accrued Liability over 15 years (as of 10/1/2023, with interest)		
% of Projected Annual Payroll ²	23.31	16.81
Minimum Required Contribution		
% of Projected Annual Payroll ²	44.64	36.22
Expected Member Contributions		
% of Projected Annual Payroll ²	9.00	8.00
Expected City and State Contribution		
% of Projected Annual Payroll ²	35.64	28.22

¹ The asset values and liabilities include accumulated DROP and Share Plan Balances as of 9/30/2023.

² Contributions developed as of 10/1/2023 are expressed as a percentage of Projected Annual Payroll at 10/1/2023 of \$2,055,064.

ACTUARIAL ASSUMPTIONS AND METHODS

Mortality Rate

Healthy Active Lives:

Female: PubS.H-2010 for Employees, set forward one year.

Male: PubS.H-2010 (Below Median) for Employees, set forward one year.

Healthy Retiree Lives:

Female: PubS.H-2010 for Healthy Retirees, set forward one year.

Male: PubS.H-2010 (Below Median) for Healthy Retirees, set forward one year.

Beneficiary Lives:

Female: PubG.H-2010 (Below Median) for Healthy Retirees.

Male: PubG.H-2010 (Below Median) for Healthy Retirees, set back one year.

Disabled Lives:

80% PubG.H-2010 for Disabled Retirees / 20% PubS.H-2010 for Disabled Retirees.

All rates for healthy lives are projected generationally with Mortality Improvement Scale MP-2018. We feel this assumption sufficiently accommodates future mortality improvements.

The previously described mortality assumption rates were mandated by Chapter 2015-157, Laws of Florida. This law mandates the use of the assumptions used in either of the two most recent valuations of the Florida Retirement System (FRS). The above rates are those outlined in Milliman's July 1, 2021 FRS valuation report for special risk employees, with appropriate adjustments made based on plan demographics.

Interest Rate

7.50% per year compounded annually, net of investment related expenses. This is supported by the target asset allocation of the trust and the expected long-term return by asset class.

Salary Increases

Salary Scale	
Service	Rate
<5	12.00%
5-9	7.50%
10+	3.75%

The assumed rates of salary increase were approved in conjunction with an actuarial experience study dated August 11, 2021.

Payroll Growth

0.00% for purposes of amortizing the Unfunded Actuarial Accrued Liability. This assumption cannot exceed the ten-year average payroll growth, in compliance with Part VII of Chapter 112, Florida Statutes.

Administrative Expenses

\$50,079 annually, based on the average of actual expenses incurred in the prior two fiscal years.

Amortization Method

New UAAL amortization bases are amortized over 15 years.

The amortization payment is subject to a minimum based on a 30-year amortization of the UAAL, if the UAAL is positive, in order to comply with Actuarial Standard of Practice No. 4.

Bases established prior to the valuation date are adjusted proportionally to match the Expected Unfunded Actuarial Accrued Liability as of the valuation date, in order to align prior year bases with the portion of the current year UAAL associated with prior year sources.

Funding Method

Entry Age Normal Actuarial Cost Method. The following loads are applied for determining the minimum required contribution:

Interest - A half year, based on current 7.50% assumption.

Salary - None.

Retirement Age

100% upon first eligibility for normal retirement. The assumed rates of normal retirement were approved in conjunction with an actuarial experience study dated August 11, 2021.

Early Retirement

None. This was approved in conjunction with an actuarial experience study dated August 11, 2021.

Disability Rate

See table that follows (1201). 75% of disablements are assumed to be service related. These assumptions are similar to those utilized by other special risk public pension programs with similar benefits and approved in conjunction with an actuarial experience study dated August 11, 2021.

% Becoming Disabled During the Year	
Age	Rate
20	0.03%
30	0.04%
40	0.07%
50	0.18%

Termination Rate

% Terminating During the Year	
Service	Rate
<5	10.0%
5-9	8.0%
10-14	2.0%
15+	1.0%

The assumed rates of termination were approved in conjunction with an actuarial experience dated August 11, 2021.

Asset Valuation Method

Each year, the prior Actuarial Value of Assets is brought forward utilizing the historical geometric 4-year average Market Value return. It is possible that over time this technique will produce an insignificant bias above or below Market Value.

Low-Default-Risk Obligation Measure

Based on the Entry Age Normal Actuarial Cost Method and an interest rate of 4.87% per year compounded annually, net of investment related expenses. This rate is consistent with the Yield to Maturity of the S&P Municipal Bond 20-Year High Grade Rate Index as of September 30, 2023. All other assumptions for the Low-Default-Risk Obligation Measure are consistent with the assumptions shown in this section unless otherwise noted.

SUMMARY OF CURRENT PLAN

<u>Eligibility</u>	Full-time employees who are classified as full-time sworn police officers shall participate in the System as a condition of employment.
<u>Credited Service</u>	Total years and fractional parts of years of employment with the City as a Police Officer.
<u>Salary</u>	Total W-2 compensation plus tax exempt, tax sheltered, and tax deferred items of income. For service earned after the effective date, Salary shall not include more than 300 hours of overtime per calendar year and shall not include payments for accrued unused sick or annual leave. Annual leave and unused sick time accrued prior to this date shall be included.
<u>Average Final Compensation</u>	Average Salary for the best 5 years during the 10 years immediately preceding retirement or termination.
<u>Member Contributions</u>	8.0% of Salary.
<u>City and State Contributions</u>	Remaining amount required in order to pay current costs and amortize any unfunded past service cost as provided in Part VII of Chapter 112, F.S.
<u>Normal Retirement</u>	
Date	Earlier of: 1) age 55 and 10 years of Credited Service, or 2) 25 years of Credited Service, regardless of age.
Benefit	2.75% of Average Final Compensation <u>times</u> Credited Service.
Form of Benefit	Ten Year Certain and Life Annuity (options available).
<u>Early Retirement</u>	
Eligibility	Age 50 and 10 Years of Credited Service.
Benefit	Accrued benefit, reduced 3% for each year prior to Normal Retirement.

Vesting

Schedule	100% after 10 years of Credited Service.
Benefit Amount	Member will receive the vested portion of his (her) accrued benefit payable at the otherwise Normal Retirement Date.

Disability

Eligibility	
Service Incurred	Covered from Date of Employment.
Non-Service Incurred	10 years of Credited Service.
Exclusions	Disability resulting from use of drugs, illegal participation in riots, service in military, etc.
Benefit	Benefit accrued to date of disability but not less than 42% of Average Final Compensation (if Service-Incurred).
Duration	Payable for life and ten years certain or until recovery (as determined by the Board). Options available.

Death Benefits

Pre-Retirement	
Vested	Monthly accrued benefit payable to designated beneficiary for 10 years.
Non-Vested	Refund of accumulated contributions without interest.
Post-Retirement	Benefits payable to beneficiary in accordance with option selected at retirement.

Board of Trustees

Two Council appointees, two Members of the Department elected by the Membership, and a fifth Member elected by other 4 and appointed by the Council.

Deferred Retirement Option Plan

Eligibility	Satisfaction of Normal Retirement requirements.
Participation	Not more than 60 months.
Rate of Return	Actual net rate of investment return (total return net of brokerage commissions, transaction costs, and management fees) credited each fiscal quarter.
Form of Distribution	Cash lump sum (options available) payable at termination of employment.

Chapter 185 Share Account

Initial Allocation	\$115,524.10 from the Excess State Monies Reserve as of September 30, 2015, allocated to individual accounts based on years of Credited Service.
Annual Allocation	50% of State Monies in excess of \$48,395.90 is allocated equally to eligible Plan participants.
Investment Earnings	Plan earnings, net of investment-related expenses.
Expenses	As determined by the Board, but not exceeding 0.005% of individual Share Balances.