

6.2.26 CC Public Hearing & Regular Meeting

A Public Hearing & Regular Meeting of the Apalachicola City Commission was held on Tuesday, June 2, 2026, at 6:00 PM, at the Commission Meeting Room located at 74 6th Street, Apalachicola, FL.

Present: Mayor Brenda Ash, Commissioner Donna Knutson, Commissioner Donna Duncan, Commissioner Adrienne Elliott, Commissioner Despina George, City Manager Chuck Anderson, City Attorney Dan Hartman, Chief Bobby Varnes, Lt. Chase Richards, and City Clerk Sheneidra Cummings.

Meeting was called to order by Mayor Ash followed by invocation and the Pledge of Allegiance.

Agenda Adoption

Prior to adoption, Mayor Ash noted an amendment to add Item #5 under New Business: **Opportunity Zone Designation — Recommendations Submittal to the Department of Commerce.**

Motion to approve the agenda as amended was made by Commissioner Elliott and seconded by Commissioner Knutson. No discussion. None opposed. Motion carried, 5-0.

PUBLIC HEARING — Ordinance 2026-02

City Attorney Hartman read the title of **Ordinance No. 2026-02**, an ordinance of the City of Apalachicola, Florida, providing for the amendment of the Apalachicola Code of Ordinances, Part 1, Article 2, Section 17, regarding the date on which elected officials assume the duties of office, to correspond with the new election dates; providing for repeal of conflicting ordinances; providing for severability; and providing for an effective date.

Attorney Hartman noted this was the second reading of the election ordinance, intended to align the seating of elected commissioners and the mayor with December following the November election. The public hearing was opened. No public comment was received. No commissioner comments were offered. Mayor Ash closed the public hearing.

Public Comment

Anita Grove addressed the Commission on behalf of the Apalachicola Partnership, reporting on the January–February oyster harvesting season. In response to a question from Commissioner Knutson, Ms. Grove indicated the Partnership was not yet aware of the

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transfer of the Apalachicola Stewardship Fund to the new water district and agreed to raise the matter at a future meeting.

Pete Whitesell, representing Historic Apalachicola Partnerships for Preservation, Inc. (HAPPI), addressed the two encroachment requests on the agenda — 40 7th Street and 145 Bay Avenue (alley between 11th and 12th Streets). Mr. Whitesell stated that city staff had recommended denial of both requests and that HAPPI likewise asked the Commission to vote no on both.

New Business #1: P&Z Terms and Appointments

City Attorney Hartman presented a comprehensive review of the Planning and Zoning (P&Z) Board, identifying two distinct issues: term lengths and board composition.

On term lengths, Attorney Hartman noted that the city code establishes a four-year term for P&Z members, and that five current members had served beyond that period without being formally reappointed. He clarified, however, that the code does not currently prohibit members from serving multiple terms, and that any decision to impose term limits would require an ordinance amendment.

On composition, Attorney Hartman identified two structural problems. First, the code contemplates a non-voting, ex officio member appointed by the School Board, which would leave the board with six voting members — an even number that creates the possibility of tied votes. Second, the city has long appointed an alternate member for quorum purposes, but no provision for an alternate exists in the current code.

Attorney Hartman presented two primary options: (1) transitioning in new members over time as positions are filled, treating the five affected seats as vacancies; or (2) nominating and appointing four individuals from among applicants to fill those positions, effectively resetting the membership. He also recommended the Commission direct him to draft an ordinance to address the alternate member provision, the school board seat, and term limits.

Commissioner George expressed support for Option 1, noting the importance of bringing the board into compliance while considering meaningful term limits. She observed that two current members had served well over a decade without formal reappointment and suggested the Commission consider either a strict four-year interpretation of the existing code or a two-term cap codified by ordinance.

Commissioner Elliott raised questions about the historical context of the school board ex officio position and whether the city had ever formally departed from that arrangement.

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She referenced a similar proposal she had brought before the Commission in 2020 — to limit appointees to no more than two consecutive terms on any standing committee — which had not passed. She expressed interest in holding a workshop before moving forward, noting that many of the same considerations present today were present then.

Commissioner Knutson agreed with the need for consistent term management, while Commissioner Duncan expressed interest in hearing from current P&Z members before any decision on term limits, given concerns about continuity and the potential for future quorum difficulties.

Mayor Ash confirmed that the existing P&Z board could continue to function and process matters during this review period.

The Commission reached consensus to direct Attorney Hartman to draft an ordinance addressing the composition and term issues, including options for term limits, and to schedule a workshop for discussion.

The Commission agreed to schedule a P&Z workshop for **Tuesday, June 16, 2026, at 5:00 PM**, and directed City Clerk Cummings to post the required notice.

New Business #2: Encroachment Amendment Request – 40 7th Street

Real estate agent Shelley Shepherd presented on behalf of the sellers of the property at 40 7th Street. She explained that during a current sales transaction, a new survey revealed that the property's front picket fence, side picket fence, and rear alley fence encroach into the city's right-of-way. A 1996 encroachment agreement was found in the title records, but it covered only a wood-frame shed and two concrete driveway slabs — not the fences. Ms. Shepherd stated that no lender would finance the sale with an unresolved encroachment exception on the title, and that her research into prior records had been exhaustive but unsuccessful in locating any additional agreement covering the fences.

Property owner Penny Marler also addressed the Commission, explaining that she and her husband had owned the home since 2018 and had maintained the fences, which they did not construct. She stated that neighbors with decades of institutional memory confirmed the fences had long been in place, and that the home was under contract to close on June 12th. She asked the Commission to formally accept the existing encroachments under the standard condition that structures would not be replaced if destroyed beyond repair.

City Attorney Hartman provided context on the city's current practice, noting that during his years of service, the consistent policy had been to decline encroachment agreements for structures other than primary residences. He acknowledged that site-built homes

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encroaching into alleys had been granted agreements in limited cases, but that fences, sheds, and accessory structures had not received such relief. He noted that the existing 1996 agreement remains valid and runs with the land as to the covered structures.

Commissioner Elliott asked whether the change in lenders' requirements — now more stringent regarding title exceptions — was effectively a private matter rather than a city policy concern, to which Attorney Hartman agreed. She also asked about the legal threshold for hardship in the context of a variance, and Attorney Hartman confirmed the standard is high and would be difficult to meet for a fence on city property. Commissioner Elliott also noted the likelihood of many similar situations arising across the historic district.

Commissioner Knutson stated her position firmly in favor of denial, emphasizing that the 1996 agreement did not include the fences, and that the fences — having been repeatedly repaired — could be moved.

Commissioner George reflected on the 2023 encroachment workshop discussions, noting the Commission had broadly agreed that encroachments on city rights-of-way must demonstrate both a public benefit and significant hardship, and that while the draft ordinance had not been finalized, those principles had guided recent decisions.

Commissioner Duncan expressed sympathy for the property owners' situation, questioning at what point longstanding encroachments — maintained in good faith by successive owners — should be afforded some equitable consideration, particularly when they reflect the historic character of the neighborhood.

Motion to deny the encroachment request at 40 7th Street was made by Commissioner George and seconded by Commissioner Knutson. No further discussion was held. Motion carried 3-2, with Commissioner(s) Elliott and Duncan opposing.

New Business #3. Encroachment Amendment Request: Alleyway between 11th & 12th

Real estate agent Helen Spohrer addressed the Commission on behalf of the buyers in a cash transaction for the property at 145 Bay Avenue. She noted that she did not represent the sellers, whose agent was unable to attend. The encroachment at issue involves a carport structure and an attached shed, one wall of which is a substantial brick structure approximately twelve inches thick and at least eight feet tall — not easily removed. Ms. Spohrer noted the property had been in the same family since it was built in 1945, that this was the first time it had ever been sold, and that a closing was scheduled for Thursday. She

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acknowledged that while it was a cash transaction, a title exception could still deter the buyer.

Commissioner Duncan recused herself from all discussion and the vote on this item, disclosing on the record that she owns the title company where the closing was scheduled, creating a potential pecuniary interest.

Commissioner Elliott noted that the property appeared to qualify as a historic structure and raised the question of whether the Commission's existing informal policy — which had previously granted agreements for long-standing, pre-existing primary structures — might extend to a permanent brick carport wall built in 1945, which had never previously changed hands. Attorney Hartman acknowledged this case had a distinguishing feature in the permanence of the brick structure but maintained that it was still an auxiliary structure for which no encroachment had been granted during his tenure. He noted the city was not compelling demolition and that the owners could return in the future if a code enforcement action were initiated.

Mayor Ash expressed support for the eventual development of an Apalachicola historic property registry that could serve as a framework for encroachment decisions involving historic structures, connecting to Commissioner George's earlier references to the 2023 workshop discussions.

Commissioner George noted that some accessory structures in the city, such as alley outbuildings, are designated historic structures, suggesting the city should verify whether this property's carport may have such a designation.

Attorney Hartman suggested that the motion be framed as a denial "at this time" to preserve the applicants' ability to return in the future under a clearer framework, such as a forthcoming encroachment ordinance.

Motion to deny the encroachment request *at this time* for the alleyway between 11th and 12th Streets, was made by Commissioner Knutson and seconded by Commissioner George. No further discussion was held. The motion carried 3-1, with Commissioner Elliott opposing and Commissioner Duncan recused.

New Business #4: Library Board Appointment

City staff recommended appointment of Ms. Molly Wilson as an alternate member. The recommendation carried the endorsement of the Philaco Club, which has historically provided input on library board appointments. It was also noted that Jerry Hurley would be transitioning into a full member seat.

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Motion to approve the appointment of Ms. Molly Wilson to the Library Board as an alternate member was made by Commissioner Elliott and seconded by Commissioner George. No discussion. None opposed. Motion carried, 5-0.

New Business #5: Opportunity Zone Designation — Recommendations Submittal to the Department of Commerce

Bill Williams and Tami Ray-Hutchins representing the Economic Development Council (EDC) presented a request for the Commission's support in nominating a census tract encompassing the Apalachicola Airport and surrounding parcels (approximately 700+ acres outside city limits) for designation as a federal Opportunity Zone under the U.S. Treasury and IRS program.

The presenters explained that an Opportunity Zone is a federal designation allowing investors with existing capital gains to invest in economically distressed areas meeting certain criteria, with potential tax advantages that incentivize long-term investment. The designation carries no cost to the city or taxpayers. Franklin County currently has one Opportunity Zone designation in East Point; this nomination would seek to add a second near the airport. The county, the newly formed EDC, and the airport authority have all expressed support. The state's selection process was noted to begin in July, with final designation resting with the Governor and subsequently the U.S. Treasury.

Commissioner Elliott noted that the census tract in question encompasses the entire municipality of Apalachicola as well as the airport area, and suggested the city consider submitting supplemental documentation — such as the comprehensive plan — referencing the waterfront, working waterfront facilities, and area of critical state concern designations, in order to highlight additional community assets that could benefit from investment under the program.

The presenters clarified that the intended benefit is primarily for the airport domain, and that any economic spillover into the city proper would be secondary, as investment under the program must be within the designated census tract.

Commissioner George expressed concern about being asked to vote on a matter added to the agenda without sufficient advance notice for independent review.

Attorney Hartman noted no legal downside to the designation and confirmed it was in the nature of a letter of support or recommendation rather than a formal city commitment.

Motion to direct the City Manager to send a letter of support on behalf of nominating the Apalachicola Airport census tract for inclusion in the federal Opportunity Zone program

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was made by Commissioner Elliott and seconded by Commissioner Knutson. No further discussion was held. Motion carried 4-1, with Commissioner George opposing for lack of adequate notice.

Unfinished Business# 1: Election Ordinance 2026-02

City Attorney Hartman read the title of **Ordinance No. 2026-O2** on second reading.

Motion to adopt Ordinance 2026-O2 was made by Commissioner George and seconded by Commissioner Elliott. No discussion. None opposed. Motion carried, 5-0.

Mayor and Commissioner Comments

Commissioner Knutson provided a detailed briefing on the status of House Bill 4103, the Apalachicola Stewardship Act, and its fiscal implications. She noted that while the bill had not yet been signed by the Governor, the state budget had been passed with a proviso allocating the full \$5,000,000 authorized under the Stewardship Act to the new independent water district effective December 1, 2026. She outlined the scope of assets the city would be required to transfer to the district without compensation — including land, utility buildings, treatment plants, wells, tanks, lift stations, pipes, easements, and rights-of-way — estimated at approximately \$20,000,000, with the additional \$5,000,000 in stewardship funds bringing the total to approximately \$25,000,000 in assets leaving city control.

Commissioner Knutson further noted that the district would have authority to set water and sewer rates, levy assessments, issue debt, and make decisions without local voter approval, and that the city would have only one vote on the five-member district board. She also raised the impact of the Governor's proposed property tax cuts, which she projected would reduce county revenue by approximately \$3,000,000 in 2027 and \$4,000,000 in 2028. She emphasized the need for immediate planning and urged community involvement.

Commissioner George requested that the Commission advertise the open position on the Parks and Recreation Committee this month, noting that Mark Milliken had resigned, with the goal of bringing an appointment before the Commission in June.

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City Manager & Attorney Comments

Manager Anderson announced the following:

- A community project town hall will be held on **June 11, 2026, at Holy Family from 6:00 to 8:00 PM**, where residents can receive updates on all active city projects.
- The draft audit has been completed and transmitted to the city. A **special meeting is scheduled for June 10, 2026, at 4:00 PM** to allow the auditors to brief the Commission; all materials must be submitted to the state by June 30th.
- Regarding the local bill and water district transition, Manager Anderson recommended holding a workshop to address the Commission's appointment to the district board, any potential legal challenges, the structure of a future interlocal agreement, and the overall transition timeline. He noted that the interlocal agreement must be in place by the later of July 1, 2026, or 30 days after the Governor makes initial appointments to the district.

The Commission agreed to add the local bill / water district transition as a topic to the **June 16, 2026, workshop**, which was adjusted to begin at **4:00 PM** to accommodate the full agenda. The workshop was designated to address both P&Z reform and the local bill.

Manager Anderson also advised the Commission that his employment contract requires a performance review and determination of any compensation adjustment no later than the last regular meeting of the Commission in June. He proposed meeting individually with each commissioner over the coming month to document performance feedback, with Attorney Hartman consolidating the findings for presentation at a future meeting. The Commission raised no objection.

Consent Agenda

Motion to approve the consent agenda was made by Commissioner Elliott and seconded by Commissioner Knutson. No discussion. None opposed. Motion carried, 5-0.

Presentation & Retirement Social: Chief Bobby Varnes and Greg Harris

Mayor Ash presided over a recognition ceremony honoring two retiring city employees.

Greg Harris was recognized for **42 years of public service** to the City of Apalachicola. Mayor Ash described Mr. Harris as an irreplaceable institutional resource — a "walking

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GPS" for the city's infrastructure — whose knowledge of every aspect of the city's systems could never be fully replicated.

Chief Bobby Varnes was also honored for his 27 years of service to the city. Chief Varnes expressed gratitude to the Commission and staff, noting he would do it all over again. He introduced **Lt. Chase Richards** as his successor. Refreshments were provided following the recognition ceremony.

Adjournment

Motion to adjourn made by Commissioner Elliott and seconded by Commissioner Duncan. No discussion. None opposed. Motion carried, 5-0.

Meeting adjourned.

Brenda Ash, MAYOR

ATTEST:

Sheneidra Cummings, CITY CLERK