

# City of Palatka Economic Development Plan

May 25, 2022



# City of Palatka Economic Development Plan

## Summary:

The Palatka Economic Development Strategic Plan has been developed by the Northeast Florida Regional Council (NEFRC) and the City of Palatka to define the goals and their implementation of the City's vision. This Plan was funded by the Florida Department of Economic Opportunity (DEO) through the Competitive Florida Partnership Grant informed by local stakeholders through a series of community meetings.

The goal of the Plan is to develop consensus and act as a "To Do List" for City residents, elected officials, and staff to tackle over the next several years. Plan recommendations focus on strengthening the city's neighborhoods and downtown and building on already existing assets to make the city safer and stronger economically."

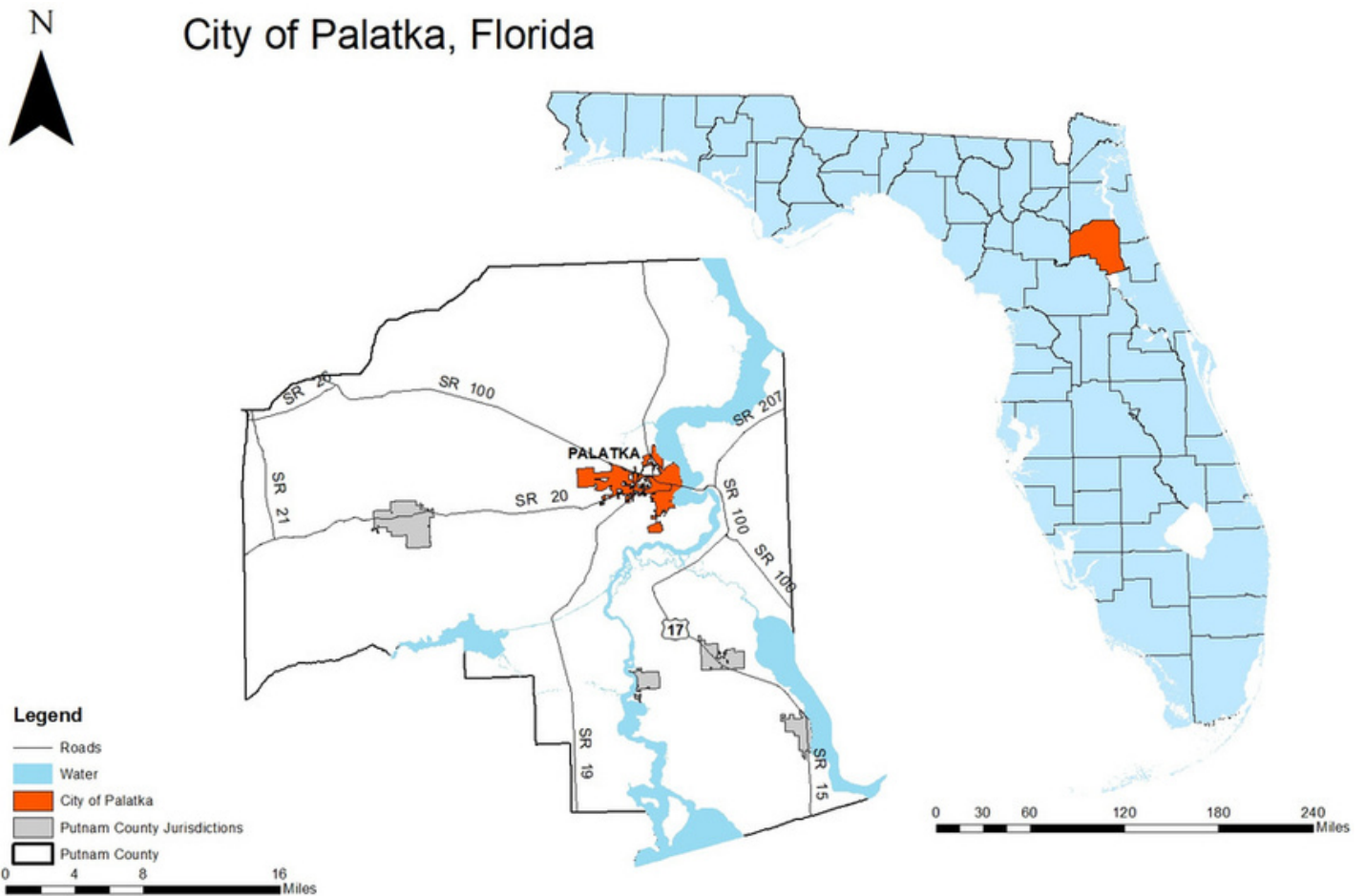


# City of Palatka Economic Development Plan

## Grant Process:

The City of Palatka partnered with NEFRC to apply for the DEO Competitive Florida Grant program, which resulted in a \$35,000 award in July of 2021. The Competitive Florida Partnership Grant allows the City of Palatka the opportunity to advance its economic development vision. As part of the grant opportunity, the City of Palatka joins a partnership network of communities and leaders who are collaborating to share new and innovative ideas that will allow the local and state economy to prosper. Ultimately, it is these collaborative efforts between the city, the NEFRC, and the FDEO that have provided a vision for the economic future of the city of Palatka.

At the heart of this collaborative process is the goal to build resources and assets within local governments that may serve to further their success in the future.



Map 1: City of Palatka

# City of Palatka Economic Development Plan

## Existing Conditions and Demographics

The City of Palatka sits along the St. Johns River, growing from its proximity to the water and the trade routes that it provides. The original agriculture and timber industries boomed with the rise of steamboats and the trade industry thrived along the river. Today, the St. Johns River remains a vital natural resource for the City and its natural beauty and ecosystem help make the city unique.

Between 2010 and 2020, the City of Palatka experienced a small decline in its total population, while the rest of the region and the state experienced strong growth. (Figure 1). This trend mirrors a similar decline in the total population in Putnam County. However, during the later part of this period, population growth began to increase, with 543 new water accounts established between 2016-2021, and another 350 new housing units currently in development in three large projects. These trends suggest that after years of minimal growth, growth and change are coming to Palatka.

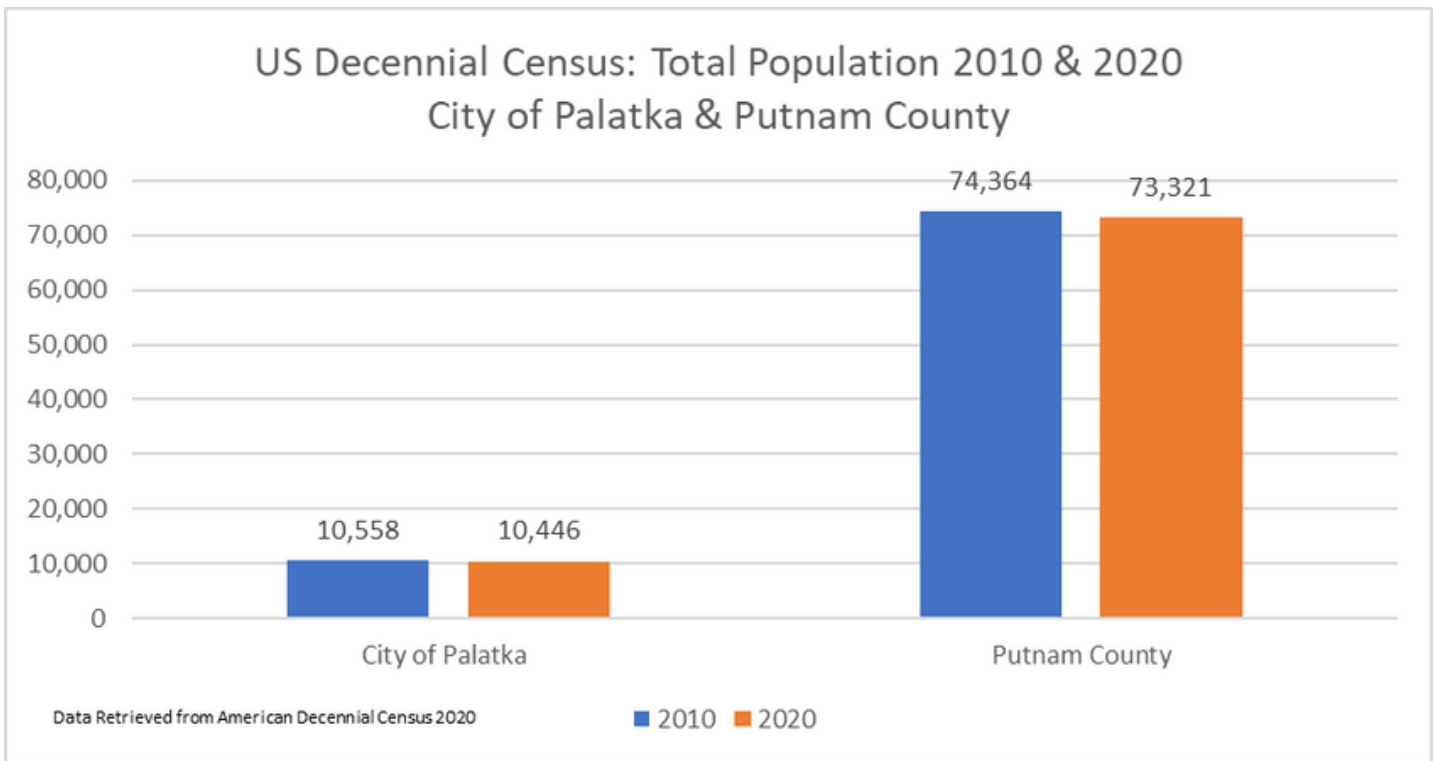


Figure 1: Total Population in 2010 and 2020

# City of Palatka Economic Development Plan

Based on data from the 2016-2020 US Census American Community Survey, households in Palatka, FL have a median annual income of \$27,143, which is significantly less than the median annual income of \$65,712 across the entire United States. Based on census data from 2020, the median home value of owner-occupied housing units in the City of Palatka is \$74,600. Palatka has traditionally provided a lower cost of living and more affordable housing options compared to other cities around the Jacksonville Metropolitan Area.

Within the City of Palatka, the percentage of the population who have earned at least a high school degree has gone from 74% in 2010 up to 87.9% in 2019 (Figure 2). This increase is comparable to the rest of Putnam County, but overall, the high school completion rate in Palatka is still slightly lower than the State of Florida (90% in 2019).

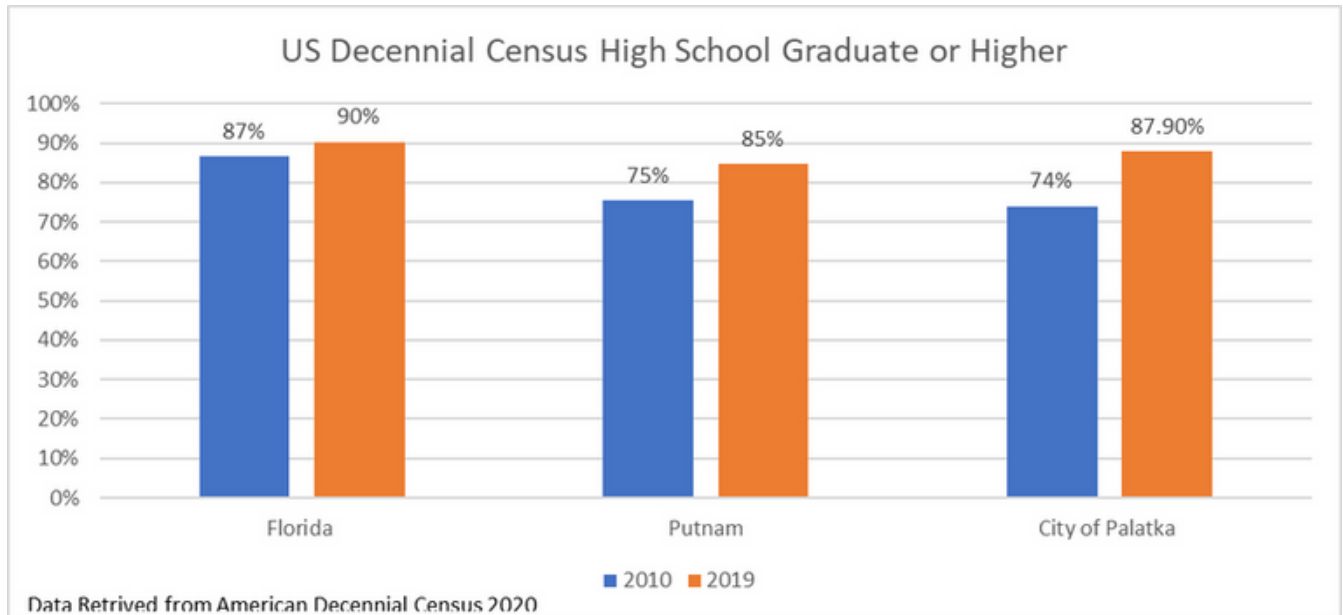


Figure 2: Educational Attainment for City of Palatka and Putnam County

# City of Palatka Economic Development Plan

## Transportation and Infrastructure

Since the establishment of the City of Palatka, the ease of transporting goods along the St. Johns River has historically been a major economic driver for the City. Today, distribution of goods and passengers still serves as one of the main sources of employment in Palatka. Palatka is also centrally located between airports, railroads, and highways that connect it to other major metropolitan areas of the Northeast Florida Region.

### *Transportation*

Bus transportation in the city is provided by Ride Solution, a non-profit agency that serves to improve the equitable mobility of the community. The agency is responsible for public transit throughout all of Putnam County, Florida. Established in 1986 as ARC Transit, the original paratransit services have been expanded to include regular bus services, express bus services, and vanpools.



*Palatka Train Station*

The City of Palatka also has a passenger train depot that is operated by Amtrak, operating the Silver Meteor and Silver Star daily rail lines. This line connects passengers to major cities in Florida such as Orlando, Lakeland, Tampa, and Miami. Located around the Amtrak depot is the former Atlantic Coast Line depot, listed on the National Register of Historic Places, which now houses a popular railroad museum.

Recently, the passenger rail facility was selected to be part of the Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, which resulted in \$8.1 million funding for the A. Philip Randolph Regional Multimodal Transportation Hub project. This project will improve multimodal connectivity in Palatka by lengthening the passenger loading platform at the Amtrak station to accommodate a baggage area and constructing complete street improvements including resurfacing the roadway, installing new ADA-compliant sidewalks, which include curb and gutter designating bike lanes, and adding other safety improvements.

### *Infrastructure*

The City of Palatka operates the water, sewer, and natural gas systems within the city limits. In recent years the City has made major upgrades to this legacy system, parts of which are over 100 years old. The sewer plant has been upgraded, and ended the long time practice of discharging into the St. Johns River. Aggressive use of grant funding has allowed the City to replace 13 miles of water lines, with another 18 miles funded and awaiting work. However, another 35 miles of water lines still remain to be replaced.



# City of Palatka Economic Development Plan

Overall, the City has been very successful at obtaining grant funding to address critical needs, which has produced successful results to improve the available infrastructure of the City. These projects include the upgrades to potable water infrastructure, hardening of critical facilities, road improvements, stormwater improvements, and upgrades to the park systems maintained by the City of Palatka.

Fiscal Year	Total Grants Awarded
2016-17	\$5,306,753
2017-18	\$5,245,315
2018-19	\$3,895,259
2019-20	\$4,129,315
2020-21	\$1,331,789
2021-22 (to date)	\$9,500,161

Figure 43 Grant funding received

Palatka has access to a wide range of communication and broadband infrastructure, but this map shows that many residents still do not have broadband in their homes. The COVID-19 pandemic demonstrated that broadband access should no longer be considered a luxury item – it is as important as any other utility. Based on the geographic distribution of broadband access, it seems likely that affordability is a major cause of limited access.

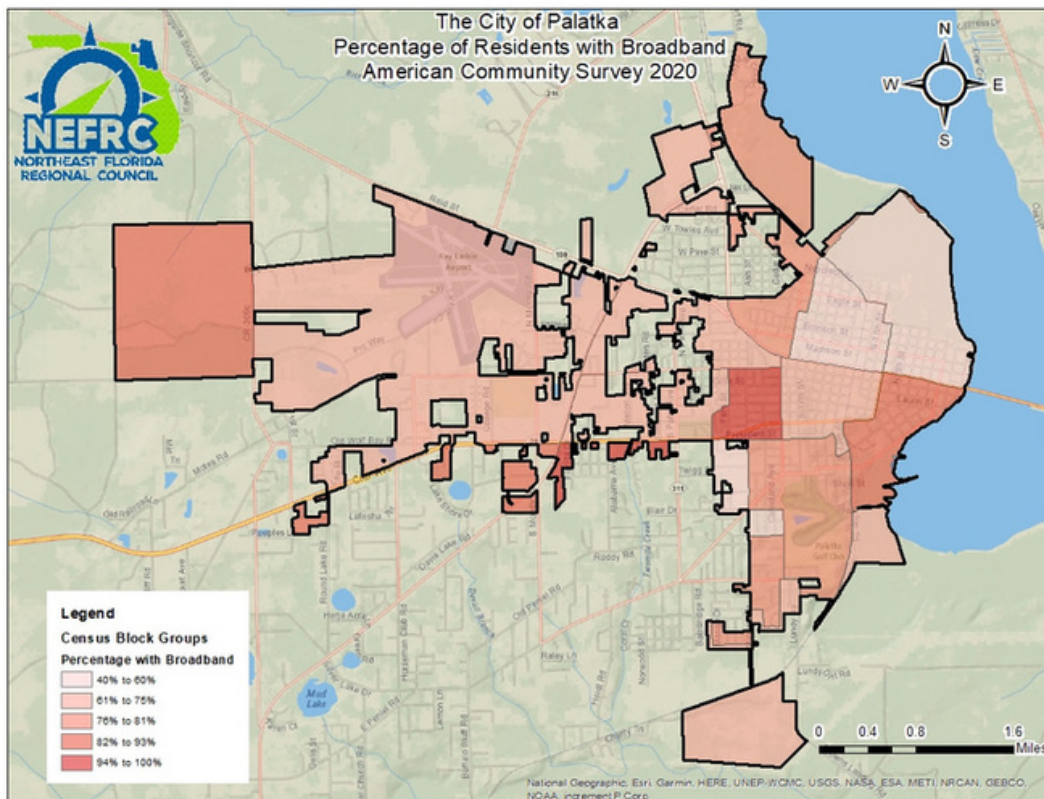


Figure 4: Palatka Residents with Broadband

# City of Palatka Economic Development Plan

## Economy

The City of Palatka has a large portion of its economy based in the manufacturing and distribution sectors. This has been influenced by the access to transportation infrastructure in the Region. The largest employers in this sector of the economy include Georgia-Pacific and PDM Bridge. The construction industry in Palatka also provides a significant number of jobs, which will likely continue to grow as the community continues to develop.

The City of Palatka, like most of Florida, also has a significant employment sector in the tourism industry and accommodation services. To increase tourism revenue, the City has initiated policies to boost the eco-tourism. These policies take advantage of the local waterways, greenspace, and state-operated parks. Recreational activities available include biking, kayaking, fishing, hunting, and hiking.

The City of Palatka is continuing to progress into a service-based economy, including retail trade, as it continues to evolve with the Region. Due to the recent growth of the public schools and the St. Johns River College, educational services have become one of the largest employment industries in the City of Palatka. Healthcare and public administration round out the remaining industries topping the list (*Figure 5*).

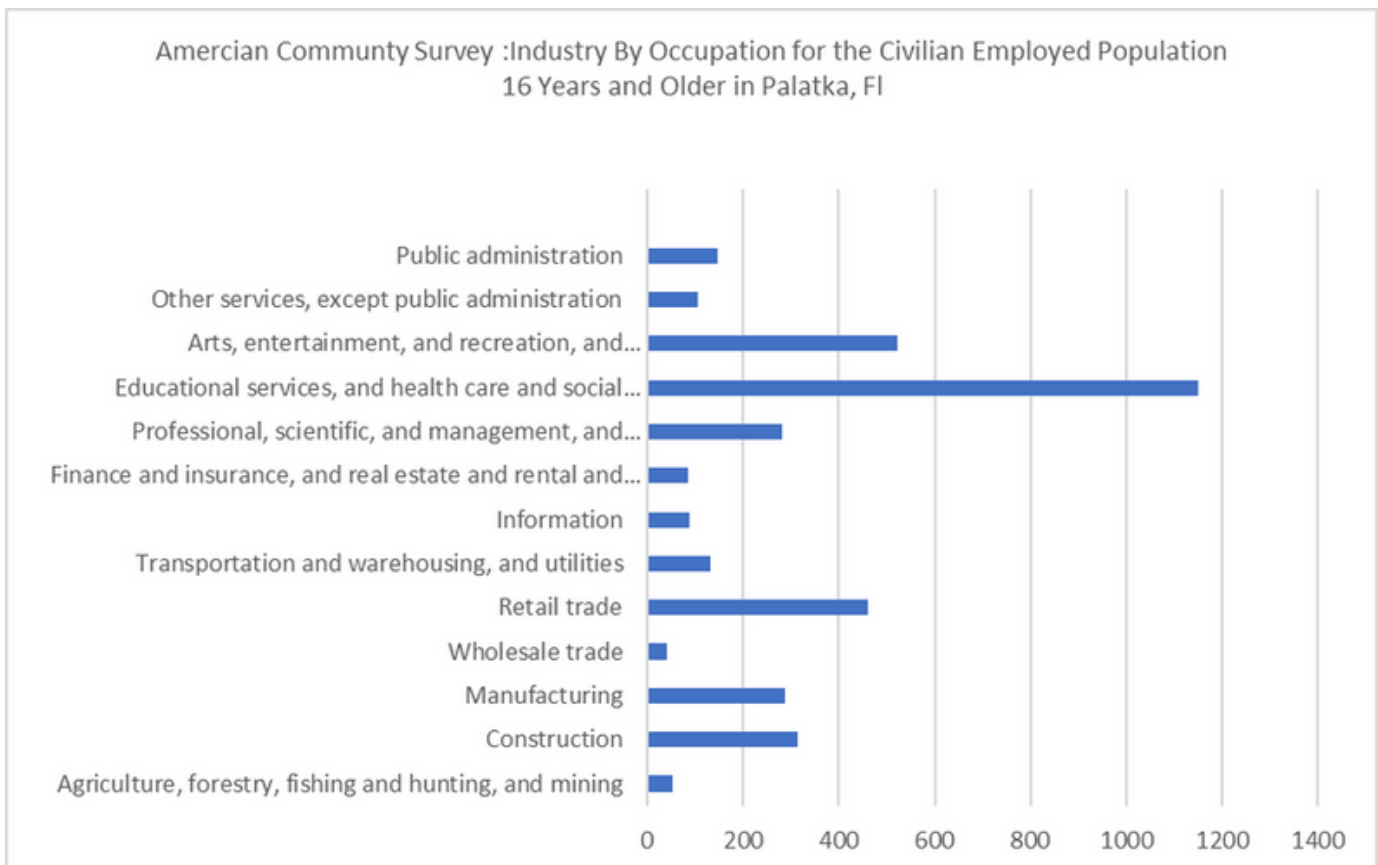


Figure 5: Industry by Occupation for Civilian Employed Population 16 years and older, Palatka, FL



# City of Palatka County Economic Development Plan

## Community Engagement

As part of the grant process, the NEFRC partnered with the City of Palatka to hold community engagement meetings. The purpose of these meetings was to utilize input from community stakeholders and residents to develop the Economic Development Strategic Plan that will serve as a “To Do List” for City residents, elected officials and staff.

### Community Meeting #1: Plan Palatka

#### Strategic Planning Workshop

November 30, 2021

The first Community Workshop was held at Ravine Gardens State Park and focused on asset identification, identifying recent projects in Palatka, and hearing community input. Staff gave a short presentation with an overview of recent trends and projects, and then broke up into three breakout zones focusing on small businesses, infrastructure, and quality of life. These breakout zones were designed to allow residents and stakeholders to give input face to face with NEFRC staff and to encourage participation from everyone. Strong community input from this meeting introduced many of the themes which are further explored in the Plan Recommendations section. More than 50 Palatka residents and other stakeholders attended the first meeting.

Within the Small Business category, many of these ideas focused on the revitalization of older buildings and vacant properties, recruiting of new businesses in order to provide more services for city residents, and making the City’s regulations more friendly to small businesses. The infrastructure comments focused mainly on improving high speed internet access for residents, roadway improvements, and addressing environmental concerns. Quality of Life comments focused on providing more resources for aging populations, the need for stronger code enforcement policies, youth program development, and addressing food deserts within the community.

# City of Palatka Economic Development Plan

## City Commission meeting

February 24, 2022

On February 24, NEFRC presented initial recommendations to the Palatka City Commission. Following the presentation, the consensus from the Commission was that the plan needed to focus more on blight reduction and public safety efforts due to recent events in the community. In addition, the Commission asked NEFRC to hold an additional public meeting at the Price-Martin Community Center to maximize opportunities for public input.

## Community Meeting

March 21, 2022

The second public meeting was held at the Price-Martin Community Center, and followed a similar format to the first meeting. Public input followed similar themes, with an increasing focus on blight and public safety concerns. Following the meeting, NEFRC showed the presentation which was made at the February 25 City Commission meeting.

## Community Inventory Process

March 23, 2022

During this meeting, staff from the Florida Department of Economic Opportunity (FDEO), Florida Department of State, Florida Department of Transportation (FDOT), the U.S. Department of Agriculture, NEFRC, and City government provided an overview of program initiatives. Potential projects to be included in the Plan Palatka Strategic Initiative were also presented to the public for comment. Future opportunities were discussed. The FDEO agency representative was able to discuss key components of the Competitive Florida Grant, disaster recovery resources, and State Legislature funding for fiber line broadband infrastructure. Further discussion of rural infrastructure funding and federal funding opportunities were also presented by the FDEO.

The meeting included comment from the Main Street Programs coordinator, discussing the need for historic preservation efforts by the community. Palatka Mayor Hill discussed the business incubator feasibility study has begun, with a consulting firm under contract. FDOT representative spoke on the recent St. Johns Avenue project and offered support to improve transportation programs, which also included the sun trail program. The transportation alternative program, which focuses on sidewalks and trails, was also discussed by the FDOT. The USDA Rural Development agency spoke on a pedestrian walkway improvement project.

Once the meeting was completed, members from the state agencies, the NEFRC, and the Mayor of Palatka toured the City. This tour provided insight into the existing conditions and planned development in Palatka.



# City of Palatka Economic Development Plan

## Plan Palatka

### Plan Recommendations

#### Goal #1: Address Blighting Conditions in Palatka

One consistent message from public meetings was the City needs to focus on blight within all neighborhoods and not just downtown. Vacant and abandoned houses and overgrown lots can lower property values, discourage investment, and become vectors for crime. A comprehensive blight reduction strategy will take time and resources, but will result in safer neighborhoods, more neighborhood pride, and increased access to affordable housing.

- **Recent change to code enforcement policy should be part of a comprehensive code enforcement strategy.** On April 28th the City Commission approved a new code enforcement policy, shifting to a more active strategy. Previously, code enforcement had been complaint driven, and the City would wait for citizen complaints before investigating and potentially issuing citations. The new policy encourages City staff to report dilapidated building and other issues and take action proactively. This is a good start, but additional steps need to be taken to develop a comprehensive blight reduction strategy.

- **Evaluate blight conditions with a condition survey.** The survey should include the following elements to develop a complete picture of where blight is the worst and to understand the reasons behind it:

1. Define the area
2. Evaluate & record all properties
3. Examine other data (homestead status, utility accounts, etc.)
4. Determine trends and patterns

- **Develop a strategy to assist struggling homeowners & support aspiring homebuyers.** Often homeowners who are elderly or have very low incomes do not have the financial or other resources to maintain their property. This can be a tragedy for the homeowner and become an issue for their neighborhood. The City should work with non-profit, USDA SHIP programs, and religious organizations to help these homeowners avoid the legal code enforcement process, stay in their homes with increased quality of life, and safeguard their family wealth.

- **Determine and implement a strategy for blighted properties (foreclosure, demolition, etc.) and mechanism for enforcement.** Ultimately, the code enforcement strategy seeks to encourage vacant houses and lots to be redeveloped and returned to productive use. The particular strategy must be determined by the specific types of properties and reasons why they are blighted. If vacant homes are in decent shape or historically significant, or if many properties have significant title issues, then the City may choose to focus on foreclosing on code enforcement liens and taking control of properties. The City may instead choose to demolish problem structures and let private builders develop new houses on the now vacant lots. The strategy must be tailored to the specific issues observed and the resources available.

# City of Palatka Economic Development Plan

## Goal 2: Continue to Support Downtown Development

Palatka residents expressed their pride in their downtown and recent revitalization efforts at each community meeting, but know that there is still much more to be done. A thriving downtown can be an economic engine for the entire City, drawing traffic and spending from the county, the region, and further.

- **Additional Structure & Staffing.** Re-establish Main Street Program or hire Community Revitalization Area (CRA) Director. The City established a Florida Main Street program which was active for many years, but the program has been dormant for the last several years. Downtown revitalization projects are currently being overseen by City staff, adding to their already heavy workloads. Funds allocated by the CRA have gone unspent, indicating that current staff do not have the time to manage all the work that needs to be done. The City should have at least one staff person who focuses on downtown. Re-establishing the Main Street Program is the most direct method of accomplishing this, and the program offers a tried and tested methodology for increasing downtown activity. Alternately, the City could hire a manager for the downtown Community Revitalization Areas.
- **Increase Public Activity Downtown.** Explore and establish low-cost ways to bring more residents & visitors downtown, such as festivals, Art Walk, etc. Downtown events provide positive experiences for residents and visitors and additional revenue for downtown businesses.
- **Conduct a Downtown Parking Study.** This would measure the number and usage of publicly and privately-owned, on and off-street spaces within the CRA districts. This will allow the City of Palatka to identify opportunities for shared usage, best management practices, easy opportunities to add spaces, etc. While there were many complaints about downtown parking at the community meetings, building new parking lots or garages is not necessarily the answer. Instead, the City should focus on adding more on-street parking, encouraging shared use of existing facilities, and especially letting visitors know where parking is already available.
- **Continue to examine zoning code and other land development regulations to facilitate further development.** The City has made several code changes recently to support downtown development, including removing liquor distance requirements. There may be opportunities to simplify the development process by looking at other LDR's such as parking requirements, setbacks, etc.

## Goal 3: Public Safety

Recent events in Palatka have made public safety a priority for residents, elected officials, and City staff. Blight reduction strategies will lead to real improvements over time, but steps need to be taken in the short term to address the recent spate of violent crimes.

- **Improve communication between Palatka Police Department and community, improving community trust between citizens and law enforcement.** At community meetings and other public forums, both residents and the police department have expressed a desire for communication in both directions to reduce crime and improve quality of life in the City.
- **Encourage crime prevention through Crime Prevention Through Environmental Design (CPTED) Principles.** CPTED principles emphasize site design criteria to increase positive activity and provide “eyes on the street” to improve public safety. They can be incorporated into public spaces and recommended for private businesses. The Florida Crime Prevention Training Institute offers training in CPTED practices for law enforcement officers. Often, officers who had completed this training would offer recommendations to business owners and apartment managers at no cost.

# City of Palatka Economic Development Plan

## Goal 4: Improve Access to Affordable Housing

Affordable housing has become a statewide crisis, and Palatka is not immune – home sale prices in Putnam County increased by 25% in the last 12 months according to the Northeast Florida Association of Realtors. Improving opportunities to rent and purchase safe, decent, and affordable housing was a common theme at community meetings.

- **Expand communication with Palatka Housing Authority (PHA).** The Palatka Housing Authority are the local experts in developing and managing affordable housing and a natural partner for the City. The City should work with the PHA to lay out goals for affordable housing, both rental and ownership, and the resources required to move forward.
- **Determine priority for City-owned vacant properties.** As the City acquires vacant properties, consideration should be given to whether they are suitable for affordable housing.
- **Offer additional paths to homeownership for low to moderate income residents.** With rising housing costs a statewide issue, the City must work with other stakeholders to develop ways to help low income residents purchase a home, which will help to stabilize and build wealth within neighborhoods.

## Goal 5: Implement Business Incubator Study

In 2021 the City received a grant to study the development of a small business incubator. In February of 2022 the City Commission approved a contract from the top-rated bidder to perform the study. A business incubator can provide training and development assistance for local residents who wish to start a small business.

- **Implement the recommendations of the business incubator study.**

## Goal 6: Explore Possibilities of Palatka Municipal Airport

Across the Region and the State, municipal airports have emerged as potential economic drivers. There are many potential models to follow, from major employment centers like Northeast Florida Regional Airport in St. Augustine to smaller facilities like Keystone Heights Airport. The City should consider the possibilities available at the Palatka Municipal Airport and the resources needed to get there, and develop a plan to move forward.

## Goal 7: Improve Broadband Internet Access for City Residents

The COVID-19 pandemic has demonstrated how access to broadband is no longer a luxury but a necessary utility like electricity or water. The map on page 7 shows that many parts of the City still have very low rates of broadband access. The federal and state governments have made increasing broadband access a priority, with funding available in some cases. The City should set a goal for broadband adoption and explore different methods to reach it.

## Goal 8: Continue to Explore Urban Services Boundary/Joint Planning Area with Putnam County

There is increasing demand within Putnam County for development which requires access to water and sewer service, while the City of Palatka has utility capacity available. Both governments need to work together to determine where it makes sense to expand urban services to areas outside of the City limits, and how those arrangements could work.

# City of Palatka Economic Development Plan

## Goal 9: Examine Current City Policies and Strategies for Equity Impacts

City spending can have powerful effects on local businesses. The City should undertake a study to determine whether local businesses can fully participate in procurement processes, what the barriers are, and how to remove those barriers. Barriers could result from City processes that are difficult for new bidders to understand or capital or scale requirements that are difficult to meet. Solutions could involve training for small business owners on how to meet requirements, or changing procurement process to be more inclusive of small business.



*Riverfront Park, Palatka, FL*