



City of Tarpon Springs, Florida

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MARK G. LECOURIS
CITY MANAGER

MEMORANDUM

TO: Budget Advisory Committee

FROM: Mark G. LeCouris, City Manager

DATE: November 8, 2011

SUBJECT: Answers to Linger Longer Questions

I wanted to provide additional answers to the questions posed by the Budget Advisory Committee and others.

1. Question one talks about the effect on the Penny for Pinellas and additional projects such as the Sports Complex. I believe my letter of recommendation answers these and concludes it is not financially feasible to continue with the Linger Longer process. It is also very clear it will hinder future projects and, in essence, kill any chance for a Sports Complex.
2. The boat ramp costs have been determined to be approximately \$1.5 million with the figure not including contingencies and the possibility of legal challenges which are costly in time and money. It could be paid for by further depleting the Penny money left or you would have to take it from the Reserve Fund which I would be strongly against. The recommended configuration can be found in the Consultant's Preliminary Report.
3. This question deals with the revenue from the boat ramp and possible fees for launching. The Financial Consultant should answer most of these questions. The fees would be up to the City Commission so it can not be answered at this time.

4. Ms. Walker will have to answer this question on the effect of a boat ramp on additional bonding capacity for the City.
5. There are several documents that deal with the other uses of 16 acres of available land. The R.V. Park could be a cost to develop of up to \$3.7 million for a full park, and about \$1.8 million for a park on half the land. For only a passive park, the cost will be between \$800,000 and \$1,000,000. A ball field will be an additional \$500,000 to \$600,000. Earning potential for the R.V. Park will be contained in the Consultants Report.
6. The maintenance costs, equipment and timing of construction are all unknowns depending on what the actual project is. This question is too difficult to answer at this time.
7. The demand for an R.V. Park or other money making ventures may be answered in the Consultants Report. In this economy, I didn't think any of these are in great demand and I am against government going into private enterprise such as this.
8. The capacity of this project to recover the investment will be in the Consultants Report to some degree but remember it will all be speculation.
9. I can't answer if the project will ever see a profit, but I believe the Consultant may shed some light on this.
10. No special liability insurance is required, however, we would have to insure any new structures on the property.
11. I really can't answer with any degree of certainty what the positive impact on Tarpon Springs is as far as tourism and revenues. Obviously, a group of RV's staying in the City would be a plus and could boost our local business.
12. The negative impact is that this project is not financially feasible and will have a negative effect on other projects for the next 5-7 years.
13. I do not know what the potential impact on the tax rate could be.
14. There are no unmanageable endangered species, however, the manatees and dredging can trigger Henry Ross or someone else to challenge this project and cost additional legal fees and time lost for construction.
15. On the issue of public private partnerships, I see no way of determining with any comfort level what this type of arrangement can do for us. It would all be speculative and a risk of taxpayers money and resources.

16. The assumptions used in calculating future income projections and expenses would be answered by the Consultant.
17. I have no new answers to the questions on lost tax revenue or potential revenue gain.
18. The legal question on use of Penny for Pinellas money on public/private partnership is still a question mark which the City Attorney would have to answer depending on the partnership itself.
19. This site is not financially feasible to purchase for preservation to avoid development.
20. The total 2011 real estate taxes for both parcels is \$63,704.14. The City's portion of that total is \$16,127.18
21. R.V. costs and site plan questions already answered.
22. The balance of the Reserve Fund on September 30, 2011 has not been finalized as of yet. I would be strongly against any use of reserve for this project.
23. This is another reserve question that cannot be answered yet.
24. The list of Capital Projects committed to is in the chart available on the website.
25. Some ideas on desired projects are in the City Manager's recommendation letter, however, there are no costs attached.
26. The City is required to keep a minimum of 20% in the reserve which comes to about \$4,000,000.
27. This question is answered in the documents.

Any other questions along with updates will be provided to the Budget Advisory Committee as soon as they are available.