

SOUTHWEST CITIZENS PLANNING ADVISORY COMMITTEE

Florida State College at Jacksonville, Kent Campus

3939 Roosevelt Blvd. Jacksonville, FL

Monday, Aug. 8, 2011

MEETING SUMMARY

Members and Representatives	Media/Staff/Officials
Vice Chair - Bruce Tyson	City Council Member - Doyle Carter
Charter Member – Don Ingram	Housing & Neighborhoods – Mary Beth Ridderman
Armstrong & Bosh – Opal Burgstiner	JFRD – Chief Kurtis Wilson
Argyle Comm. Garden – Sandi Newman	Municipal Code Compliance – Maria Buchwalter
Cedar Hills Estates – Johnny Carter	Planning and Development – Andy Hetzel
Confederate Point – James Nolting	Recreation and Community – Shorty Robbins
Crystal Springs HOA - Marilyn Lehman	Recreation and Community – Kelley Boree
Gleaners Dispatch – Jim Kelly	
FL State College at Jax Cecil North – Paul McNamara	STAFF EXCUSED
Murray Hill Preservation – Len Burroughs	Mayor’s Liaison – Wight Greger
SMG- Equestrian Center – Jean Ellen DeSpain	FDOT – Doreen Joyner-Howard
Springtree Village HOA - Dewey Walker	
The Village Salon – Steve Shaffer	GUESTS
Timuquana Manor North – Alice Turknnett	Ethel Nolting – Confederate Point
Tree Top Estates – Russell Carlson	Lynda Mask – Water Mill Masters
Watermill Master Association – Thomas Martin	Paul Barton
Westside Business Leaders – Jane Miller	
West Jacksonville Civic – Ric Dill	ABSENT
Westside Area Residents – Charles Kelley	Charter Member - Jerry Spinks
	Family Investment - Robert Smith
ALTERNATES ALSO IN ATTENDANCE	N. E. FL Equestrian Society – Olwen Busch
Armstrong & Bosh – Bruce Burgstiner	RAP – Jean Grimsley
Timuquana Manor North - Polly Walker	Westwood – Jim Ross
MEMBERS EXCUSED	
Chair - Rosanne Vernon	
Charter Member – Chuck Mann	

Call to Order/Verify Quorum

Vice Chair Bruce Tyson called the meeting to order at 7:00 p.m. Chair Rosanne Vernon’s absence was excused. A quorum was verified by Mary Beth Ridderman, Coordinator, Housing and Neighborhoods Department.

Approval of the Meeting Summary:

The June summary was approved.

JSO Report: JSO was not present. A brief discussion was held. Ms. Ridderman will follow up with Chief Lendvay to ask JSO to send a representative.

Introductions and Acknowledgments: Vice Chair Tyson thanked everyone for attending the meeting. He welcomed City Council Member Doyle Carter and a new visitor, Lynda Mask. He introduced the presentation topics and speakers.

- **Presentation:** Kelley Boree, Deputy Directory, COJ Recreation and Community Services Department, discussed two concepts for Enterprise Park North, located on Old Middleburg Road South, near Collins Road. The active concept offers a tennis court, basketball court, pavilion and playground. The passive concept offers a passive park and dog park. Parking will be shared with the nearby library. No restrooms are planned. Shade trees will be added with either concept. No funding is available at this time for construction. A

kboree@coj.net. Vice Chair Tyson thanked Ms. Boree for her presentation.

- **Presentation:** Kurtis Wilson, Chief, Jacksonville Fire and Rescue Department, presented information about proposed Station 61, to be located on Old Middleburg Road, near Collins Road South, adjacent to the proposed Enterprise Park North and near the library. A 3-bay station is planned to house a fire engine and rescue unit. Station 61 is the site of a future satellite communications center which will provide back up in the event of a disaster that affects the main communications center downtown. Station 31, at 103rd Street and Hillman is the nearest fire station – Station 31 receives more calls than any station in the COJ and is on a nationwide list of stations that receive the most calls. New station 61 will relieve some of the pressure from Station 31. There is an immediate need for Station 61 to reduce response time to homes and businesses in the area, but there is no funding for building the station, which will cost approximately \$2.6 million. To respond to the community's immediate need, an existing mobile fire station will be temporarily placed on site. A question and answer period followed. A safety concern was expressed about heavy traffic on Old Middleburg Road if the proposed new fire station lacks the immediate ability to control the traffic lights. Another concern was expressed about the area near Wilson Boulevard and I-295 where Station 31 was moved from. The neighborhoods near Wilson Boulevard which previously had coverage from Station 31 need a new station. A question and answer period followed. When residents call for an ambulance, why is the fire truck dispatched? Engines are equipped with life support, but they cannot transport patients. When the rescue transports to the hospital, the engine returns to service in the area. Engine personnel are trained to respond to medical emergencies so the person can survive until he/she is transported. When a patient is in cardiac arrest or respiratory arrest, it may take the efforts of all 5 people to provide services until the patient can be moved. Alice Turknett commended JFRD Station 23 for their response time to the Timuquana area. Their fast response is life-saving and appreciated. For more information, contact Chief Wilson at krwilson@coj.net. Vice Chair Tyson thanked Chief Wilson for his presentation.

Public Comments:

- Sandi Newman announced the Argyle Community Garden was awarded a \$7500 matching grant for a well and pavilion. Volunteers are planning for and preparing for fund-raising activities. A fall bazaar and plant sale is planned for October 15 at 7033 Collins Road. Vendors for hand-crafted items are invited to participate. For more information, please call 307-0914.

Staff Reports and Announcements:

- **Mayor's Liaison:** Wight Greger's absence was excused – she was at a budget meeting. In behalf of Ms. Greger, Mary Beth Ridderman read an announcement from the Mayor's Office: Mayor Brown submitted a balanced budget that did not raise taxes or fees and he is in the process of working with City Council to pass the budget. He is focused on bringing jobs to Jacksonville. Mayor Brown is encouraging parents and guardians to ensure their children are in school the first day of school. Their attendance, particularly in the first week, is vitally important to obtain sufficient funding for the schools. Please call 255-8200 with questions for Ms. Greger.
- **Council Members' Reports:** Council Member Doyle Carter announced:
 - City Council is working on redistricting. District Council Members attend every meeting. The subcommittee meets one more time. Three town hall meetings are planned – times and dates to be announced at a later date. November is

- o the final date to accept the redistricting map – the Supervisor of Elections needs the information by that date to prepare for the Presidential Election.
 - o The Westside Civic Association will have the redistricting map at their next meeting, Aug. 15, 7 p.m. at Crystal Springs Community Center, 10151 Crystal Springs Rd.
 - o The Argyle Community Garden is now visible from I-295.
 - o He was the first Council Member to take Mayor Brown on a district tour. They toured the Westside and Mayor Brown seemed very impressed with the Cecil area. CM Carter said he likes Mayor Brown and thinks he will be good to work with.
 - o Budget hearings begin next week.
 - o The agricultural fair relocation is on hold for now. The issue is a future Florida/Georgia game which is scheduled the same time as the fair. The existing relocation plan needs to be adjusted to keep the Equestrian Center and baseball fields intact. Space is needed for a national baseball competition, state/national swimming competition and an international horse show which will provide an economic impact on the entire city. A brief discussion was held. More horse barns, a covered arena, air conditioning for the current arena, an Olympic pool and more baseball fields are needed.
 - o He is preparing for budget issues regarding the Equestrian Center, which is close to operating in the black. It is difficult to book the facility, because it is not air conditioned. A visitor expressed a concern that residents don't hear about events at the Equestrian Center. Occasionally, one hears a television announcement, but it is often the day of the event or following the event. Residents would like to know in advance what events are planned.
 - o A question was raised about CPAC funding. Council Member Carter said he believes in CPACs and thinks they are good for the Council Members to ask the CPAC's position on specific issues.
- Duval County School Board – No representative. No Report.
- Planning and Development – Andy Hetzel provided a written report (attached). Mr. Hetzel may be contacted at 904-255-8721 or AHetzel@coj.net
- Municipal Code Compliance –Maria Buchwalter reported:
 - o The weather is hot and officers have been working very hard. Due to work loads, officers will be working every Saturday until October. If you know of an issue that only occurs on Saturdays, please call to report it.
 - o A systematic inspection was completed in the Hillcrest area. One hundred thirteen new cases were identified, primarily nuisance property citations.
 - o To report concerns or possible code violations, please call 630-CITY (630-2489) or contact Officer Buchwalter at 255-7011 or maria@coj.net.
- Recreation and Community Services – Shorty Robbins reported for John Kelly:
 - o Day camp ended Friday, August 5. Mayor Brown visited every camp site and the kids loved it! Photos are on JAXPARKS Facebook.
 - o Summer Night Lights has one night left for this year. Over 30,000 kids participated – double the amount from last year. JSO is very enthusiastic about the results. They realized the numbers of juvenile crimes are down. Next month JSO's crime statistics will be available.
 - o A Ten Year Anniversary Celebration of the Childhood Obesity Program will be held Friday, August 12, 10 a.m. to noon.
 - o School pools will be open for one more week. Other pools will be open for two weeks. Over 1000 swimmers will participate in a swim meet this weekend.
 - o The Murray Hill Art Center renovations are going out to bid. Construction is expected to begin around Nov. 1. The entire center is being renovated and storage will be added for art mediums. They are seeking a non-profit partner (vendor) to operate the center, provide art instruction and after school programs. A brief question and answer session followed.
 - o The Tillie Fowler Dog Park has been completed.
 - o Renovations are being made at Murray Hill Park.
 - o M3Zone – motivating maximum movement is starting.

- o Over 5000 participants are expected at Cecil this weekend for Pop Warner ball.
 - o For more information about parks, please visit the department's website and see their newsletter : JaxParks.com (click on the JaxParks Now ICON)
 - o John Kelly may be contacted at 904- 255-7918 or jkelly@coj.net.
- Florida State College at Jacksonville, Cecil North – Paul McNamara reported:
 - o The educational building is designed and shovel-ready. The projected construction date is September or October, 2011.
 - o The professional pilot program has flight providers on site at Cecil Airport.
 - o Fall term enrollment is near capacity. The fall term begins Aug. 29.
 - o Paul McNamara may be contacted at 779-4030.
- Jacksonville Aviation Authority – no representative. No report.
- Florida Dep't. of Transportation – Doreen Joyner Howard's absence was excused. Doreen Joyner Howard may be contacted at 360-5684.
- Housing and Neighborhoods Department – Mary Beth Ridderman reported:
 - o National Night Out was August 2. Neighborhood Coordinators networked with neighborhood leaders citywide. Ms. Ridderman visited neighborhoods in the Southwest District. The Housing and Neighborhoods Director visited several neighborhoods in the North District.
 - o A concern was expressed earlier about abandoned properties. Ordinance 2010-327-E was enacted to create a Vacant Property Registry to correct blight caused by abandoned properties in the process of foreclosure or those that have been foreclosed. Lenders who file Lis Pendens (Notice of Foreclosure) are required to register the property with the COJ. A website has been set up at: www.vacantregistry.com. Questions may be emailed to jacksonville@vacantregistry.com. Ms. Ridderman may be reached at 255-8260 or marybeth@coj.net.

Subcommittee Reports and Announcements

- Education, Youth and Recreation – Chuck Mann's absence was excused.
- Taxation, Revenue and Utilization of Expenditures (TRUE) Commission – Tom Martin provided a written report (attached).
- Economic Development – Vice Chair Tyson welcomed Jim back. Jim Kelly announced there are concerns about the effect the current Federal budget crisis will have on the interest rates for student loans, mortgages, etc. He provided a written report (attached) Mr. Kelly may be reached at 742-4903.
- N. Florida Transportation Planning Organization – Tom Martin provided a written report (attached).
- Beautification, Community Facilities and Services – Johnny Carter was present, but had no report. Mr. Carter may be reached at 786-2535.
- ShAdCo - Alice Turknett reported:
 - o ShAdCo J, K and L held a joint meeting on July 18 at the Ortega Methodist Church. She thanked the church for hosting the event, which was very well attended. JSO Officer Joe Ryan presented information about JSO's new online Crime Mapping Program. For more information, visit www.jaxsheriff.org. JSO Officer Edwards showed a video about Project Paint Thinner, a program to fight graffiti. A visitor commended Mrs. Turknett for bringing the Crime Mapping Program into focus – the website is very informative, the website provided information about 3 thefts within 3 blocks of her home.
 - o She is concerned that a JSO Officer is not at the CPAC meeting and inquired from Ms. Ridderman about invitations to JSO. Ms. Ridderman explained that lists of dates and copies of the agendas/summaries are sent to Zone 4 Chief Lendvay. Vice Chair Tyson asked Ms. Ridderman to follow-up with Chief Lendvay.
 - o She is concerned that the on-going construction in the Argyle and Ortega areas may be creating an environment for crime. The over-size pipes stored in the areas provide hiding places for homeless persons and others.
 - o The following is a list of ShAdCo meeting dates:
 - o ShAdCo Sector J meets the fourth Thursday of each month at 7 p.m. at the Ortega United Methodist Church. Visitors and new members are welcome.

- o ShAdCo Sector K meets the first Monday of each month at 7 p.m. at the Lane Wiley Center. Visitors and new members are welcome.
 - o ShAdCo Sector L meets the first Tuesday of the month at 7 p.m. at the Maxville Community Center. Visitors and new members are welcome.
- Land Use, Zoning and Transportation – Russell Carlson was present but had no report. Mr. Carlson may be contacted at 772-8984.
- Cecil Area – Bruce Tyson announced there are significant issues with funding for the Cecil area. Please contact your Council Member. For more information or to join the Cecil area subcommittee, please contact Mr. Tyson at 771-4924.
- Membership –Rosanne Vernon’s absence was excused. She may be reached at 477-5187.
- Safety – Bruce Tyson announced hurricane season is here – be prepared.
- Chair’s Report – Vice Chair Tyson had no report.

Unfinished Business/New Business: None.

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Adjournment – The next meeting is Sept. 12, 2011. A motion to adjourn was made and seconded. The vote: all in favor. Vice Chair Tyson adjourned the meeting at 8:32 p.m.

The next SW CPAC meeting will be held at 7 p.m. on Monday, Sept. 12 at Florida State College at Jacksonville, Kent Campus, 3939 Roosevelt Blvd., and Building E-128.

The Executive Committee will meet at 6:30 p.m. on Monday, Sept. 12 at Florida State College at Jacksonville, Kent Campus, 3939 Roosevelt Blvd., and Building E-128

For more information, please contact Rosanne Vernon at 477-5187 or Mary Beth Ridderman at 255-8260. CPAC meetings and subcommittee meetings are open to the public.

The following provision is required by Section 286.0105, Florida Statutes: If a person decides to appeal any decision made by the Southwest Citizens Planning Advisory Committee with respect to any matter considered at such meeting, he or she will need a record of the proceedings, and that, for such purpose, may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based.

Summary prepared by Mary Beth Ridderman, Coordinator, Housing and Neighborhoods Department.

Thomas Martin
Monday, August 8, 2011

TRUE COMMISSION REPORT

to the

SOUTHWEST CITIZENS PLANNING ADVISORY COMMITTEE

The last regular meeting scheduled for Thursday, June 2, 2011 at 4:00 P.M. was cancelled by Chairman Wes Benwick and rescheduled for Thursday, June 16, 2011 at 4:00 P.M. There was not a quorum present at the meeting on the Thursday, June 16, 2011. The last two meetings were held on Thursday, July 14, 2011 and Thursday, August 4, 2011

The Commission passed a resolution based on the SMG Issues Committee report and much discussion: RECOMMENDING GREATER TRANSPARENCY AND CITY OVERSIGHT OF THE CONTRACT WITH SMG JACKSONVILLE FOR MANAGEMENT OF THE CITY'S PUBLIC ASSEMBLY FACILITIES.

The Commission passed a resolution based on the Performance Committee report and much discussion: REGARDING THE AMOUNT OF UNFUNDED ACTUARIAL ACCRUED LIABILITY IN THE CITY'S EMPLOYEE PENSION PLANS AND PROPOSING THAT THE CITY INVESTIGATE THE COST AND FEASIBILITY OF CONVERTING THE PENSION PLANS FROM DEFINED BENEFIT TO DEFINED CONTRIBUTION PLANS.

The Commission passed another resolution based on the Performance Committee report and much discussion: RECOMMENDING THAT THE CITY COUNCIL NOT PASS BILL 2011-400.

Council Auditor's Office: Notice of the recently availability of following reports: Audit report 701 JEA Accounts Payable Audit and audit report 702 Sheriff's Investigative Fund 2010.

The next regular meeting will be on Thursday, September 1, 2011 at 4:00 P.M.

Thomas Martin
Monday, August 8, 2011

NORTH FLORIDA TPO
CITIZENS ADVISORY COMMITTEE REPORT
to the
SOUTHWEST CITIZENS PLANNING ADVISORY COMMITTEE

The July meeting was canceled, however some Committee members took the JAXPORT bus tour on Wednesday, July 6, 2011. The three terminals of JAXPORT are part of a Free Trade Zone. These Zones are secure sites inside of the U.S., but outside of the Jurisdiction of the U.S. Customs. Entering or leaving these sites is like crossing the border of foreign country. JAXPORT handles six types of cargo: Containers, Roll-On-Roll-Off, Break-bulk, Liquid Bulk, Dry Bulk, and Project Cargo. On the tour at Blount Island the members saw automobiles being prepared for shipment to U.S. Dealers, motor vehicles (mainly large U.S. SUV's) awaiting shipment abroad (the Turks like our SUV's), and containers being loaded onto a barge destined for Puerto Rico. The bus tour continued at the TraPac Container Terminal at the Dames Point where the members observed the simultaneous unloading and loading of a container ship.

The following major items were discussed at the last meeting of the Committee on Wednesday, August 3, 2011:

- Approved Project Recommendations for CMAQ and ITS Funding.
- Approved FDOT requests to amend the FY 2011/12 through FY 2015/16 Transportation Improvement Program (TIP).
- Approved JTA requests amending the FY2010/2012 Unified Planning Work Program (UPWP).
- Received a presentation on Growth Management Legislation – Impact to Transportation.
- Received a press release on the Federal Transportation Committee Leaders Roll-out Reauthorization Proposal.

Southwest CPAC Monthly Planning and Development Department Report - August 8, 2011

Type*	Hearing Date	Planning Dist.	Council Dist.	Application**	Development/Location	Owner/Agent	Request	Status / Companion Application
LUZ	7/19/11	4	12	WRF	**11-341 6193 Townsend Road	Bruce & Tammy P	reduce road frontage for two dwellings from 80' to 61'	WRF-11-03
PC	7/28/11	4	12	E	*11-043 6680 103rd Street	Brenda Ezell	Private School	AD-11-38
		4	12	AD	*11-038 6680 103rd Street	Brenda Ezell	Reduce required parking and lot area	E-11-43
		4	14	V	*11-002 1730 Dogwood Place	John Valentino	Increase size of accessory Structure	AD-11-036
		4	14	AD	*11-036 1730 Dogwood Place	John Valentino	Reduce Required front yard from 25' to 10'	V-11-002
AD	8/5/11	4	14	AD	*AD-11-35 4427 Shawnee Street	Michael C. Mosley	increase lot coverage and reduce required yds	
		4	12	AD	*AD-11-37 8163 MCGlothlin Street	Pedro Martinez	increase fence 4' -6'	
PC	8/11/11	4	11	E	11-038 8635 Maxville Blvd	Virginia F. Turner	Daycare for 50 children and 9 Staff	
PC	8/25/11	4	14	C	11-0505 Morse Ave	COJ	Rezone to Conservation (GSV)	11B-002

Under Review

PD	CD	MM	Development Name	Owner/Agent	Request	Application Status
4	11	44	Argyle Village	Staci Rewis	Land swap / Semi-annual	wait until LUA adoption
4	12	63	Glen Eagle	Ken LaPointe	add land to existing PUD	PUD 89-0365
4	14	70	Westland Oaks	Tom Ingram	140,000 SF retail	PUD 07-365 11C-010

The upcoming Land Use Amendment Preview Workshop is on Monday, August 15 at 4:00 PM on the first floor of the Ed Ball Building. This is an informal meeting where the public is provided the opportunity to hear what the applicant proposes and the applicant gets to hear what the public thinks, at a preliminary stage. If you have any questions or comments, feel free to contact 255-7800 or gkresel@coj.net. A Land Use planner will provide you with more detailed information about the amendment.

* Everything thru 8/5/11 was approved

* AD = Administrative Deviation; PC = Planning Commission; LUZ = Land Use & Zoning Comm.

** P = Planned Unit Development Rezoning; C = Conventional Rezoning; E = Exception; V = Variance; AD = Admin. Deviation; CTW = Cell Tower

JP&DD Contacts:

Rezonings/Exceptions	Ken Avery	255-7818
Variances/Waivers:	Andy Hetzel	255-7821
	Folks Huxford	630-7033
PUD Rezonings and Minor Mod.:	Andy Hetzel	255-7821
	Bruce Lewis	255-7820
Cell Towers:	Bruce Lewis	255-7820
	Andy Hetzel	255-7821
Admin. Deviations:	Ken Avery	255-7818
Site Plan Review:	Mike Sands	255-6575

Economic News

NEW YORK (CNNMoney) -- Wall Street had its worst day since the 2008 financial crisis, as fearful investors reacted to the United States losing its coveted AAA credit rating.

All three major U.S. stock indexes sank between 5% and 7%, pushing the Dow below 11,000 for the first time since last November.

Many worry the credit downgrade by Standard and Poor's could stall U.S. economy. ABC

Interest rates may rise immediately on mortgages, student loans and credit cards ABC News

Example: ½ percent rise in Mortgages could result in an extra \$19,000 in interest payments ABC News

Higher borrowing costs predicted for all of us.

WHY NOW S&P?

Perceptions that Washington is incapable of addressing the problems of rising debt and slowing growth have contributed to the selling. This was underlined by selling that picked up during a statement from President Barack Obama that offered few concrete ways to resolve the fiscal and economic problems. Reuters.

Effect on U.S. unknown for certain but with a slow economy and economic uncertainty, the effect on interest rates is to keep them lower; a offset. ABC

It is a panic, and almost by definition, it doesn't have an issue. It wouldn't matter what it was," said James Paulsen, chief investment strategist at Wells Capital Management in Minneapolis, which has over \$340 billion in assets under management.

The Dow Jones industrial average lost 634.76 points, or 5.55 percent, to end at 10,809.85. The Standard & Poor's 500 Index sank 79.92 points, or 6.66 percent, at 1,119.46. The Nasdaq Composite Index plunged 174.72 points, or 6.90 percent, to close at 2,357.69.

Volume was extremely heavy, with 17.5 billion shares traded on the New York Stock Exchange

This morning, S&P downgraded the credit ratings of both agencies, signaling that any financial entity with close ties to the U.S. government faces increased scrutiny from credit agencies.

So what's the fallout going to feel like for Main Street home loan borrowers, and the homeowners who are counting on Fannie and Freddie to guarantee the loans that will be used to buy their houses? Let's take a look at three key points:

Their link to the government hurt both agencies. [Fannie and Freddie practically own the U.S. home loan market.](#) Currently, both agencies have taken \$141 billion out of the housing market from U.S. taxpayers, and together they control up to 80% of the nation's mortgages.

So far, no real panic. While the Dow fell 635 points in Monday trading, the bond market – which is closely tied to the national housing market via interest rate levels – held up fairly well. Instead of Treasury yields rising, indicated a flight out of bonds, those yields fell, as millions of investors near and far gorged on safe-haven investments as the stock market fell.

Fannie Mae's financial picture is actually brightening. Even as S&P slapped a "higher credit risk" note on Fannie's forehead, the agency has posted financial results from the second quarter of 2011 that show that its financial health is improving. According to the agency, net losses for the quarter were in the red (-\$2.9 billion) but that beats first-quarter numbers (losses of \$6.5 billion) by a long shot.

All in all, the S&P credit downgrade on Fannie Mae and Freddie Mac isn't the bombshell that investors feared. But there's a long way to go before this story plays out fully, especially as activity in the bond market impacts Fannie, Freddie and home mortgages going forward.

<http://www.mainstreet.com/?puc=TSCMSHeader>

The U.S. had its credit rating downgraded from AAA to AA+ late Friday by Standard & Poor's for the first time in history, but despite the concern among consumers and investors, financial planners argue the downgrade isn't reason enough to make any drastic changes to one's portfolio.

Dow Fails To Rally; Down 600+ At Close

Dow Below 11,000 For First Time Since November

By Ken Sweet, contributing writer
POSTED: Monday, August 8, 2011
UPDATED: 4:40 pm EDT August 8, 2011

www.news4jax.com

A top market-watcher with HSBC agrees, saying the fear of rising interest rates is "quite sensationalist."

"AA-plus is still a good credit. The implied difference between AAA and AA-plus is exceedingly marginal and very very small," said Ben Pedley, senior director and head of investment strategy at HSBC.

"Expecting something cataclysmic to happen in the U.S. is just not the case," according to Pedley, who acknowledged that the timing of the downgrade was a surprise given the state of the markets last week.