

A special meeting of the Lake Wales City Commission was held on September 25, 2008 at 5:00 p.m. in the Commission Chambers at the Municipal Administration Building. The meeting was called to order by Mayor Lee A. Wheeler, III.

**COMMISSIONERS PRESENT:** Terrye Y. Howell; Jack Van Sickle; John Paul Rogers; Kathy Manry; Lee A. Wheeler, III, Mayor.

Commissioner Manry arrived at the meeting at approximately 5:06 p.m.

**COMMISSIONERS ABSENT:** None.

**CITY REPRESENTATIVES PRESENT:** Anthony G. Otte, City Manager; Judith Delmar, Asst. City Manager; Albert C. Galloway, Jr., City Attorney; Clara VanBlargan, City Clerk.

**AGENDA ITEM 1. Resolution 2008-19/CDBG application**

Mr. Otte reported on Agenda Item 1. The full staff memo is incorporated into the minutes.

[begin agenda memo, prepared by Anthony G. Otte, City Manger]

**RECOMMENDATION**

It is recommended that the City Commission take the following actions:

1. Approve the CDBG Commercial Revitalization Program Grant application for \$750,000.00 to be submitted to DCA by Andy Easton, the City's grant consultant, on September 29, 2008.
2. Approve enabling Resolution 2008-19 authorizing the Mayor or, in his absence, the City Manager to make application to the Florida Department of Community Affairs for approval of CDBG Community Revitalization Program Grant.

**BACKGROUND**

Andy Easton, the City's CDBG grant consultant, informed the Commission on June 17 that the best chance for funding in the September 30 round of applications was a Commercial Revitalization project. The Commission approved a motion to apply for a CDBG grant in this category.

Andy also informed City staff that he anticipated at that time that the Department of Community Affairs (DCA) was going to re-write their rules for the project category. The old rules put a high value on streetscape projects, façade improvements for commercial buildings, parking lots with undesignated parking, and landscaping. The new rules put a high value on water projects. Accordingly, City staff has been working on this application to bring to the Commission in September for Phase 2 of the downtown water project (Phase 1 is in process, to serve buildings with a new water main in the First Street area including the Bank of America Building. Phase 2 would serve buildings from a new water main near Scenic Highway).

On August 1 Andy met with City staff and said that DCA had announced that for this round of applications, the old rules would apply. Andy said that a City match is required, and the matching funds could be used for the water project; however, the grant funds needed to be used for the items listed above that are highly valued under the old rules.

On September 11, the City commission approved Resolution 2008-18 authorizing the City to use previously committed City funds for fire protection improvements as a local match for the CDBG Grant application.

This grant will be used to fund three (3) storefront facades, 218 Lincoln Avenue, \$18,500.00, 340 Lincoln Avenue, \$54,500.00, and 344 Lincoln Avenue, \$27,450.00 for a total amount of \$100,450.00. Because of time restraints a fourth (4) storefront façade at 207 Lincoln Avenue, will be included in the grant application as a contingency item (future need), which means that the it will be addressed only if the other activities that the grant is paying for comes in under budget.

The remaining grant funding will consist of \$75,000.00 allocated for a new parking lot at Lincoln Avenue and C St., \$150,000.00 for replacement lighting of the 42 lights on Lincoln Avenue, \$331,390.00 for landscaping along Park, Stuart and Central Avenues, between Scenic Highway and 1<sup>st</sup> Street, within the Downtown Historic District of the City of Lake Wales, \$33,160.00 for engineering (project inspection and related), \$60,000.00 for grant administration.

City of Lake Wales - CDBG-CR Budget for Construction Activities					
(Grant Application Deadline is 9-29-08)					
CDBG Construction Budget		Estimated	Amount of	Amount of City Funds	
Met Needs (Grant Items)	Quantity	CDBG Cost	City Local Match	needed to complete	Total
				the project	
Parking Lot at Lincoln and C Street	need square feet	\$75,000	\$0	\$0	\$75,000
New Lights on Lincoln Ave	42	\$150,000	\$0	\$0	\$150,000
Park, Stuart and Central Biddable Landscape Plan	1	\$331,390	\$0	\$0	\$331,390
Water Lines for Fire Protection	need linear feet		\$250,000	\$709,862	\$959,862
Store Front Façade Improvements	3	\$100,450	\$0	\$0	\$100,450
<b>Total Construction</b>	<b>NA</b>	<b>\$656,840</b>	<b>\$250,000</b>	<b>\$709,862</b>	<b>\$1,616,702</b>
Engineering (project inspection and related)	NA	\$33,160	\$0	\$0	\$33,160
Grant Administration	NA	\$60,000	\$0	\$0	\$60,000
<b>TOTAL PROJECT</b>	<b>NA</b>	<b>\$750,000</b>	<b>\$250,000</b>	<b>\$709,862</b>	<b>\$1,709,862</b>
<b>Future Need (if bids come in low for Met Needs)</b>					
Parking Lot at First and Tillman	need square feet	\$50,000	\$0	\$0	\$50,000

## OPTIONS

Do not apply for the grant.

## CURRENT FISCAL IMPACTS

### *Impacts on Revenue*

The grant application is in the amount of \$750,000.

### *Impacts on Expenditures*

The City previously committed funds of \$959,862 for downtown fire protection improvements. These funds will be used to fulfill the \$250,000 CDBG matching funds requirement and fund the completion of the project.

The grant and City monies provide sufficient funds to achieve all of the required goals, however any cost overruns must be borne by the CRA Fund.

## FUTURE FISCAL IMPACTS

Maintenance costs, with the exception of the store front facade improvements, will be the responsibility of the City.

[end agenda memo]

Ms. Delmar read Resolution 2008-19 by title only.

**A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LAKE WALES, FLORIDA, AUTHORIZING THE MAYOR TO MAKE APPLICATION TO THE FLORIDA DEPARTMENT OF COMMUNITY AFFAIRS FOR APPROVAL OF A CDBG COMMERCIAL REVITALIZATION PROGRAM GRANT SPONSORED BY THE CITY OF LAKE WALES; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.**

Commissioner Howell asked who owns the building at 207 Lincoln Avenue. Linda Kimbrough, Kimbrough & Associates, said that the building belongs to Booker Young. She explained that due to time constraints the architect did not have time to prepare the plans in time to enable staff to include the building in this grant package. However, it was included as an alternate future need item that will be addressed if the other activities that the grant is paying for comes in under budget.

Commissioner Manry made a motion to approve Resolution 2008-19. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Commissioner Howell	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

Commissioner Howell made a motion to approve the CDBG Commercial Revitalization Program Grant application for \$750,000.00 to be submitted to DCA by Andy Easton, the City's grant consultant, on September 29, 2008. The motion was seconded by Commissioner Manry.

ROLL CALL:

Commissioner Howell	"YES"
Commissioner Manry	"YES"
Commissioner Rogers	"YES"
Commissioner Van Sickle	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

**AGENDA ITEM 2. Resolution 2008-13 Supporting Applications for FRDAP Grant Funds to Enhance and Improve Kiwanis Park**

Mr. Otte reported on Agenda Item 2. The full staff memo is incorporated into the minutes.

[begin agenda memo, prepared by Margaret Swanson, Planning & Development Director]

**RECOMMENDATION**

Staff recommends that City Commission take the following action:

1. Adopt Resolution 2008-13 supporting Florida Recreation Development Assistance (FRDAP) grant applications to be submitted to the Department of Environmental Protection for the enhancement and improvement of Kiwanis Park.
2. Authorize the City Manager to execute the applications on the City's behalf.

## **BACKGROUND**

At the August 20, 2008 meeting, the City Commission directed staff to prepare a FRDAP grant application for Kiwanis Park. Because of the extensive renovations proposed for the park, staff proposes that two applications be submitted, one for \$50,000 for additional skate park equipment and landscaping around the skate park and one for \$200,000 for improvements to the parking areas, practice baseball fields, and bikeway/pedestrian connections.

The fiscal impact statement has now been prepared by Bridget Denihan for the project, as required by City ordinance. The deadline for grant application submission is September 30.

The Parks and Community Appearance Advisory Board developed a plan for improvements to Kiwanis Park in anticipation of applying to the FRDAP program for project funding.

The draft plan for the project (attached) includes the following components: [Plans could not be inserted into the minutes. Plans can be reviewed in the Building Department]

- Reconfiguration and upgrading of the Little League practice fields
- Parking lot improvements - paved areas north and south sides of Lake Shore
- Creation of non-paved overflow parking areas
- Skate park - addition of equipment and landscaping
- Pedestrian/bicycle connections between Trailway and Lake Wailes Trail
- Landscaping, benches, miscellaneous improvements to picnic facilities and rest rooms
- Lighting of paved parking areas

Normally, a local match of funds and/or in-kind contributions is required as follows:

- Projects up to \$50,000 are funded at 100% with no match required
- Projects from \$50,001 up to \$150,000 are funded at a 75/25 split
- Projects from \$150,001 and up are funded at a 50/50 split.

A waiver of the matching requirement will be requested. Communities designated by the Governor's Office of Tourism, Trade and Economic Development as Rural Economic Development Initiative (REDI) communities can request a waiver of the requirement for a match. The City's REDI designation has been approved for the current year.

If a local match or partial match is required, the following will be used:

- Tree replacement funds up to \$10,000 for landscaping (Authorization is required for use of these funds and is included in the resolution.)
- Sidewalk replacement funds up to \$10,000 for sidewalk on Tower Blvd
- Concrete for skate park (donation by Jhana Corporation, value to be determined)
- In-kind services – plans preparation by Whidden Design Studios and work by city staff

(Note that use of tree replacement and sidewalk replacement funds are proposed for the project regardless of the requirement for a match.)

## **OTHER OPTIONS**

Submit only one application at this time.

## **FISCAL IMPACT**

Prepared by the Finance Department and attached.

[end agenda memo]

[begin statement of fiscal impact]

**STATEMENT OF FISCAL IMPACT  
APPLICATION FLORIDA RECREATION DEVELOPMENT ASSISTANCE PROGRAM GRANT  
KIWANIS PARK IMPROVEMENTS  
PREPARED BY  
CITY OF LAKE WALES  
FINANCE DEPARTMENT**

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*Nature of Statement and Information Disclosed*

This is a statement of fiscal impact for the FRDAP Grant performed as required by and in accordance with Section 2, Article VIII of the City of Lake Wales Code of Ordinances. It is a statement solely for the purpose of analyzing and reporting the fiscal impact on the City of either receiving or not receiving this grant, using information provided by the Grant Applicant, and certain Assumptions as indicated herein. No attempt is made to evaluate the Grant Application for suitability to City objectives or likelihood of award.

In order to provide an unqualified statement of fiscal impact that can be certified as reasonably full and complete by the Finance Department, certain information must be provided permitting Finance Department personnel to produce a full and complete determination as to all anticipated fiscal impacts. This impact statement was produced using:

- Memorandum from Margaret Swanson, Director of Planning and Development
- Grant budgets

This impact statement represents, in our unqualified opinion, a valid estimate of known present or future impacts anticipated to result from the application and acceptance of the aforementioned grant. As will be indicated, certain Assumptions must be made regarding the future environment in which the City will operate in order to make forward-looking statements of the impact of the grant.

In some cases, the nature of a fiscal impact is described rather than stated using specific dollar amounts or figures. This is done in order to provide information on the nature of the expected fiscal impact where there simply is not enough information to quantify the impact, or whether the exact amount of the impact depends on the exact type of future events or conditions.

*General Assumptions*

A fiscal impact statement constitutes a forward-looking statement on the acceptance of grant funds and the proper execution of all requirements as set forth in any grant application, agreement, covenants attached to real or tangible property, or other duly enforceable stipulations. In order to produce such a statement, assumptions about future events and conditions must be made.

In any case where a reasonable expectation of a future condition or event has been disclosed by the Grant Applicant, or is already known to Finance Department personnel, that information has been used as an Assumption in the fiscal impact statement. Expectations not known or not considered reasonably expected to occur have been excluded from the fiscal impact statement. If an event or condition may occur which would have a material and *direct* fiscal impact, but is not reasonably expected to occur, it is disclosed in the fiscal impact statement.

General Assumptions are made in this fiscal impact statement that the City Staff executing the grant program already possess the required knowledge and expertise to expertly perform all of the requirements of the grant, and that the information included by the Applicant in the grant application is true and correct. It is also assumed that no outside events will create a positive or negative influence on the grant program, and that there will be no changes in the legal, operational, or economic environment in which the grant program, and the City as whole, operates, except as disclosed herein.

#### Further Specific Assumptions

Grants given by the Florida Recreation Development Assistance Program have, in the past, required the City to dedicate the site in perpetuity as an outdoor recreation area for the use of the general public. That this practice will continue exactly as it has in the past is taken as an Assumption in this fiscal impact statement.

#### *Current Fiscal Impacts*

### **IMPACTS ON REVENUE**

The grant applications are in the amounts of \$200,000 and \$50,000. The grants must be approved, ranked, and then fully funded by the State Legislature in order for the City to receive the full amount. Grant funds would not be available until fiscal year 2008-2009 at the earliest.

The \$200,000 grant will not require a match as the City is designated as a REDI (Rural Economic Development Initiative) City. The grant amount of \$50,000 does not require a match.

#### *Impacts on Expenditures*

The proposed uses of the grant funds provide the funding for:

- Expansion of paved parking areas on the north and south sides of Lakeshore; \$175,000
- Reconfiguration of the Little League practice fields; \$25,000
- Purchase of additional skate park equipment; \$20,000
- Purchase of handicapped accessible picnic tables for existing shelter; \$1,500
- Purchase of security gates for existing restrooms; \$500
- Landscaping of parking areas and addition of shade trees to shade play areas; \$13,000
- Construction of bike/pedestrian path between the Trailway and Lake Wailes Trail; \$15,000

The grants provide sufficient funds to achieve all of the required goals, however any cost overruns must be borne by the General Fund.

#### *Future Fiscal Impacts*

Maintenance costs of the recreation areas and facilities will be the responsibility of the City. The City is already maintaining these areas so it is not anticipated that there will be a significant increase in maintenance costs.

#### *Certification*

We hereby certify that this fiscal impact statement is, to the best of our knowledge, a valid estimate of known present or future impacts anticipated to result from the application and acceptance of the aforementioned grant.

Approved By:

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Bridget A. Denihan  
Interim Finance Director  
City of Lake Wales

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Date

[end statement of fiscal impact]

Ms. Delmar read Resolution 2008-13 by title only.

**A RESOLUTION OF THE CITY OF LAKE WALES, POLK COUNTY, FLORIDA, SUPPORTING APPLICATIONS TO THE FLORIDA DEVELOPMENT AND RECREATION ASSISTANCE PROGRAM (FRDAP) FOR THE ENHANCEMENT AND IMPROVEMENT OF KIWANIS PARK.**

Commissioner Van Sickle said that the agenda memo provided to the City Commission says that a waiver of the matching requirement would be requested. However, in that same packet, the Statement of Fiscal Impact says that the \$200,000 grant will not require a match. Mr. Otte said that staff is requesting a waiver of the match because the City is a REDI community. He said that it is his understanding that the City should be approved for that waiver. Mayor Wheeler said that he received a copy of the letter from the state to the City saying that the City is eligible for the waiver of match requirement.

Mr. Otte pointed out a change on Page 5 of the map. He said that the recreation area near the northwest corner of the park is now a retention area for the subdivision north of the trail.

Mayor Wheeler asked if this project would fit with the Barney's Dream project. Mr. Otte said yes and showed the location of the Barney's Dream project on the map.

Commissioner Manry asked Mr. Otte if he had a chance to check on the Tony Hawk grant. Mr. Otte said that he does not have a report back on that yet, but staff is still checking on it.

Commissioner Manry made a motion to approve Resolution 2008-13. The motion was seconded by Commissioner Van Sickle.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Van Sickle	"YES"
Commissioner Howell	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

Commissioner Manry made a motion to authorize the City Manager to execute the grant applications on the City's behalf. The motion was seconded by Commissioner Howell.

ROLL CALL:

Commissioner Manry	"YES"
Commissioner Howell	"YES"
Commissioner Van Sickle	"YES"
Commissioner Rogers	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

Mr. Otte thanked Mr. Torrance for closing out the FRDAP grants for the Skate Park, the Boat Ramp, and the Soccer Complex. He said that the closing of those grants is what enabled staff to apply for these grants.

Mayor Wheeler said that he was at the new boat ramp last night and noticed that people are using that site for a beach. He suggested placing a "SWIM AT YOUR OWN RISK!" sign there. Mr. Otte said that he would look into that with Sandra Davis, Human Resources Director.

**AGENDA ITEM 3. Modification of Contract with Historic Lake Wales Society for Management of Depot Museum**

Mr. Otte reported on Agenda Item 3. The full staff memo is incorporated into the minutes.

[begin agenda memo, prepared by Judith H. Delmar, Asst. City Manager]

**RECOMMENDATION**

It is recommended that the City Commission approve the following changes to the Depot Museum Complex Lease Agreement as follows:

1. Modify Page 4, Paragraph 9 as follows: "EXTERMINATION: The ~~Managing Tenant~~ Owner is responsible for necessary extermination services for the facility."
2. Modify Page 5, Paragraph 13 as follows: "UTILITIES: The Managing Tenant understands that it will be responsible for all utilities of the Depot Museum Complex, including telephone, water, sewer, and electricity, ~~and security systems~~. Internet access and security systems shall continue to be provided by the Owner.

**BACKGROUND**

At the September 16, 2008 meeting, the City Commission approved the terms of an agreement with the Historic Lake Wales Society (HLWS) for management of the Depot Museum Complex. The City would provide a monetary grant in the amount of \$54,161 to cover the costs as follows:

Electricity	\$12,000
Water & Sewer	\$2,000
Telecommunication	\$1,775
Security Systems	\$3,000
Pioneer Day	\$4,000
Miscellaneous	\$1,386
Staffing	\$30,000
	<hr/>
	\$54,161

In addition, the City would continue to cover the cost of property and liability insurance on the Depot Museum complex buildings. The cost of insurance allocated to the Depot buildings for FY08'09 is \$15,839 and will be paid by the City directly to the insurance provider. When added to the \$54,161 paid to the HLWS, the total grant allocation for the Depot is \$70,000.

When the agreement was presented to the HLWS for approval, the board approved most of the terms and conditions. However two modifications are requested as follows:



- **Security** - \$3,000 was included in grant to cover annual cost of security system. The Historic Lake Wales Society has requested that the City pay the costs of the security system as it does with B St. Center and allow HLWS to use \$3,000 to partially offset cost of medical insurance for a staff person.
- **Extermination Services** - The Commission approved M&R as an Owner responsibility. The grant did not include funds to cover the cost of extermination and termite treatment services (\$2,605) because this item is considered by the City to be an M&R expense. Funds were included in the adopted M&R budget to cover extermination costs for the Depot buildings. It is requested, therefore, that the agreement be revised to show extermination services as an Owner responsibility.

#### OTHER OPTIONS

Do not modify the agreement as requested by the Historic Lake Wales Society and continue to negotiate. With the requested modifications, it has been indicated that the board of the HLWS will approve the agreement.

#### FISCAL IMPACT

There is no additional fiscal impact for the City for extermination services. This item is already budgeted in the General Fund under M&R Facilities. If the Commission does not revise the agreement, the HLWS will need to find an additional \$2,605 or reduce the funds available for staff compensation.

Although \$3,000 was allocated in the grant for security systems, the actual cost in FY07'08 will be \$1,620. If the City retains responsibility for the security systems, we will need to find \$1,620 to cover this expense in FY 08'09. Currently, the adopted General Fund budget shows excess revenues over expenditures of \$58,126 at 9/30/09.

An additional \$3,000 for the HLWS will enable that organization to partially fund a medical insurance benefit for their staff person.

[end agenda memo]

Commissioner Van Sickle asked about the \$3,000 that is being allocated to pay for security. He said that it does not make any difference who would be paying it, the Historic Lake Wales Society (HLWS) or the City. But if you leave the money in the HLWS grant that means that the City would have to come up with another \$3,000 from somewhere else to pay that. The question is, who is going to pay for security?

Mayor Wheeler said that brings up an interesting point because he had independently priced out security for those buildings and got a quote that was half this price. Mr. Delmar explained that the Fiscal Impact Statement that was provided to the City Commission in the agenda packet says that although \$3,000 was allocated in the grant for security systems, the actual cost in FY-07'08 will be \$1,620. If the City retains responsibility for the security systems, we will need to find \$1,620 to cover this expense in FY-08'09. Currently, the adopted General Fund budget shows excess revenues over expenditures of \$58,126 at 9/30/09. Although we budgeted \$3,000 and included that in the grant it would only cost about \$1,620.

Mayor Wheeler asked if the \$3,000 would allow the City to provide medical insurance to the Depot Museum employee. Ms. Delmar said yes or at least to pay Cobra payments. Commissioner Van Sickle commented that he was confused because that will not be for a City employee. Ms. Delmar said that the employee would be eligible for Cobra benefits under Federal law for up to 18 months on the City's plan.

Commissioner Howell made a motion to approve the amended lease agreement with the Historic Lake Wales Society as recommended by staff. The motion was seconded by Commissioner Manry.

ROLL CALL:

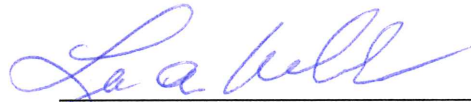
Commissioner Howell                      "YES"

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Commissioner Manry	"YES"
Commissioner Rogers	"YES"
Commissioner Van Sickle	"YES"
Mayor Wheeler	"YES"

The motion carried 5-0.

There being no further business the meeting was adjourned.



\_\_\_\_\_  
Mayor/Commissioner

ATTEST:

  
\_\_\_\_\_  
City Clerk