

1. Agenda

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City of Lake Alfred
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Lake Alfred, Florida 33850



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**AGENDA
CITY COMMISSION MEETING
MONDAY MAY 16, 2022
7:30 PM
CITY HALL**

Call to Order: Mayor Jack Dearmin

Introduction of Pastor Kyle Norton of the First Baptist Church of Lake Alfred

Invocation and Pledge of Allegiance

Roll Call: Linda Bourgeois, City Clerk

City Manager & City Attorney Announcements

Recognition of Citizens: Items that are not on the Agenda

Community Action Month Proclamation
Employee Recognitions

Consent Agenda:

- 1.) City Commission Meeting Minutes for May 2, 2022
- 2.) City Commission Announcements
- 3.) FDOT Highway Lighting Maintenance and Compensation Agreement

Agenda:

- 1.) Resolution 07-22: Permit Fee Reduction Fund

Recess City Commission Meeting / Call to Order CRA Meeting / Roll Call

Consent Agenda:

- 1.) Community Redevelopment Meeting Minutes for February 21, 2022
- 2.) CRA Annual Report

Agenda:

- 1.) CRA Resolution 01-22: Residential Façade Grant: FY 21/22 Program Cycle

Adjourn CRA Meeting / Reconvene City Commission Meeting

Recognition of Citizens: Please Limit Your Comments to 5 Minutes.

Commissioner Questions and Comments:

Mayor Dearmin
Vice Mayor Brent Eden
Commissioner Maultsby
Commissioner Daley
Commissioner Fuller

Adjourn

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

Consent Agenda:

All matters listed under this item are considered to be routine, and action will be taken by one motion without discussion. If a discussion is requested by a Commissioner, that item(s) will be removed from the Consent Agenda and considered separately.

1.) City Commission Meeting Minutes for May 2, 2022

Attachments:

- Draft Minutes

Analysis: Please review the minutes at your earliest convenience, and if there are any questions, comments, or concerns, please contact the City Clerk Linda Bourgeois at (863) 291-5270.

2.) City Commission Announcements

Analysis: Each of the meetings/ events scheduled below may constitute a public meeting at which two or more City Commissioners or Board Members may attend and discuss issues that may come before the City Commissioners.

DATE	MEETING/ EVENT	LOCATION	TIME
5/19	Code Enforcement Special Magistrate	City Hall	3:00 p.m.
5/19	Parks and Recreation Board	City Hall	6:00 p.m.
5/30	Memorial Day	City Offices Closed	N/A
6/6	City Commission Meeting	City Hall	7:30 p.m.

Should any person decide to appeal any decision made at a meeting, or any meeting announced in this agenda, such person will need a record of the proceedings and may need to ensure that a verbatim record of the proceedings is made in accordance with the American with Disabilities Act, persons with disabilities needing special accommodations to participate in this proceeding should contact the City Clerk not later than four days prior to the proceeding at 863- 291-5270.

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

3.) FDOT Highway Lighting, Maintenance, and Compensation Agreement

Analysis: The City has a Highway Lighting, Maintenance, and Compensation Agreement with the Florida Department of Transportation (FDOT) that provides reimbursement to the City for maintenance of the lighting system within our municipal boundaries.

Attachment: Agreement #AS107

2018/2019	(90%) 128 Lights @ \$282.87	\$32,586.62
2019/2020	(90%) 128 Lights @ \$291.36	\$33,564.67
2020/2021	(90%) 128 Lights @ \$300.10	\$34,571.52
2021/2022	(90%) 128 Lights @ \$309.10	\$37,586.56
2022/2023	(90%) 128 Lights @ \$318.37	\$40,751.36

Staff Recommendation: Approval of the Consent Agenda.

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

City Commission Agenda

1.) Resolution 07-22: Permit Fee Reduction Fund

Issue: The City Commission will consider a resolution adopting a permit fee reduction fund to be in compliance with Florida Statutes regarding excess permit fee funding.

Attachments

- Resolution 07-22

Analysis: The City of Lake Alfred collects permit fees. Pursuant to Florida Statutes, permit fee revenue is restricted and may only be expended on activities related to the enforcement of the Florida Building Code. The salary and benefits of the City's Building Official, permit technicians, building inspectors, and fire marshal are all eligible expenses as well as the office space and operating expense associated with them. Smaller apportionments to other positions and functions are also eligible and have been attributed to this function (i.e. community development director, finance, and administration).

In times of high development activity this permit fund can build up to many times the annual cost of performing this function. In times of low development activity, we can collect less than what it takes to perform these functions and rely upon permit fee reserves to carry the program. Following the great recession, permit fee funds were exhausted and the general fund subsidized the cost of this operation for several years until development activity was restored.

In 2019, state law regarding permit fee revenue was amended to limit the amount of "excess" permit fee revenue a local government could have. The amended law allows for an amount equal to the average annual cost of eligible expenses from the prior four years to be carried forward. Amounts in "excess" of this annual equivalent carry forward must either be allocated to be spent on a capital project to house the building department (and spent within four years) or be used to rebate and reduce permit fees at the discretion of the local government.

Following several years of increased development activity the City as of September 30, 2021 has \$insert in permit fee revenue. The current annual cost of enforcing the Florida Building Code is \$insert. Based on the new law, the City has \$insert in excess funding that must either be dedicated and spent towards a capital project or used to rebate/reduce permit fee amounts. This is why we were given a noncompliance comment regarding this in the most recent audit.

The proposed resolution designates the "excess" permit fee revenue to be utilized as a Permit Fee Reduction Fund. The amount determined to be in excess that is not designated for a capital project will be used to reduce and discount the established permit fee rates based on the following methodology.
$$\text{Average Operating Budget} / \text{Excess Funds} / 10 = \% \text{ discount/reduction for the following year.}$$

This meets the intent of the statute by providing a reduction to the permit fees at the discretion of the local government while removing the incentive to increase expenditures. Additionally, spreading out the reduction over a ten-year time frame removes volatility in the rates and preserves the permit fee fund balance. This will allow current "excess amounts" to flow back into the allowable carry forward to cover operating deficits in years when development activity slows and less revenue is collected in a year than is necessary to run the building department.

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

Without this rate reduction fund and the 10-year smoothing methodology, increased spending would be encouraged to prevent excess funds from accumulating. Additionally, during high activity times, permit fees would be drastically reduced to prevent collecting more than the annual cost of the building department. Likewise, during low development activity times, permit fees would need to be drastically increased in order to collect enough to run the department.

The proposed rate reduction policy meets the requirement of the law and its intent while avoiding the volatile, feast and famine approach to rates and operations the law unintentionally encouraged.

Staff Recommendation: Approve Resolution 07-22.

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

CRA Consent Agenda:

1.) Community Redevelopment Agency Meeting Minutes for February 21, 2022

Attachments:

- Draft Minutes

Analysis: Please review the minutes at your earliest convenience, and if there are any questions, comments, or concerns, please contact City Clerk Linda Bourgeois at (863) 291-5270.

2.) CRA Annual Report

Attachments:

- CRA Annual Report

Analysis: Pursuant to Chapter 163, Florida Statutes a community redevelopment agency is required to file an annual report with the county or municipality that created the agency and publish the report on the agency's website. The report must include the following information:

The most recent complete audit report of the redevelopment trust fund as required in s. 163.387(8), and the performance data for each plan authorized, administered, or overseen by the community redevelopment agency as of December 31 of the reporting year.

This report includes:

1. The total number of projects started and completed and the estimated cost for each project.
2. Total expenditures from the redevelopment trust fund.
3. Original assessed real property values within the community redevelopment agency's area of authority as of the day the agency was created.
4. Total assessed real property values of the property within the boundaries of the community redevelopment agency as of January 1 of the reporting year.
5. Total amount expended for affordable housing for low-income and middle-income residents.

Also, a summary indicating the community redevelopment agency has achieved the goals set out in its community redevelopment plan. The CRA report has been completed, published on the City's website, and sent to the Polk County Board of County Commissioners. In addition, the first independent audit has been completed and is also posted on the City's website.

Staff Recommendation: Approval of the Consent Agenda.

**LAKE ALFRED CITY COMMISSION MEETING
MAY 16, 2022**

CRA Agenda

1.) CRA Resolution 01-22: Residential Facade Grant: FY 21/22 Program Cycle

Issue: The Community Redevelopment Agency will consider approving the Residential Facade Improvement Grant Program applications.

Attachments

- List of Facade Improvement Grant Applications
- CRA Grant Application Guidelines

Analysis: The Lake Alfred Community Redevelopment Agency provides a Residential Facade Improvement Grant Program. The program incentivizes residential owners and tenants to renovate and update the exterior properties located within the CRA district by providing financial assistance.

The program is a grant award that will pay the contractor directly to perform the exterior façade improvements. Grant funds will cover 100% of eligible project costs with the grant award not to exceed the greater of \$15,000 per residential property or \$5,000 per housing unit on a multi-residential property.

The City has received thirty-one applications for the FY 21/22 residential grant cycle. The proposed grant cycle applications that met the eligibility requirements based on the program and grant cycle have been included for consideration.

Funding in the amount of \$100,000 has been set aside in the current fiscal year for both the commercial and residential programs. Approximately \$50,000 was awarded to the commercial program leaving \$50,000 for the residential cycle. Based on the level of demand staff is recommending that we repurpose \$50,000 from the park master plan project allocation of \$150,000 to the residential façade program to give up to a total budget of \$100,000. Between the \$100k general fund allocation, \$250k CRA allocation, and available impact fees we will have ample funding to complete the next Central Park Phase without the additional \$50,000.

Based on the level of interest and the lack of available funding city staff is recommending a shift in the execution of the program for this grant cycle. Awarding up to \$15,000 to each applicant would limit the program to potentially 6 applicants even with the increase in funding to \$100,000. In order to spread the benefit to the maximum number of applicants and achieve the greatest economies of scale staff is recommending that we replace windows and doors which was a common request in the majority of the applicants.

Based on the high level of initial interest in the new program, the next several future grant cycles could be directed at specific items such as painting, roof replacement, landscaping, in order to spread the benefit and achieve the greatest economies of scale. As the program matures and as available funding increases we can settle into more residence specific improvements.

Staff Recommendation: Approve CRA Resolution 01-22.