

**MINUTES
CITY OF LAKE WORTH
CITY COMMISSION
WORK SESSION
MAY 13, 2014 – 6:00 PM**

The meeting was called to order by Mayor Triolo on the above date at 6:01 PM in the City Commission Chamber, located at 7 North Dixie Highway, Lake Worth, Florida.

1. ROLL CALL:

Present were Mayor Pam Triolo, Vice Mayor Scott Maxwell, and Commissioners Andy Amoroso and John Szerdi. Commissioner Christopher McVoy was absent. Also present were City Manager Michael Bornstein and City Clerk Pamela Lopez.

2. Pledge of Allegiance:

The pledge of allegiance was led by Vice Mayor Scott Maxwell.

3. UPDATES/FUTURE ACTION/DIRECTION:

A. Lake Worth 2020 discussion

City Manager Bornstein advised that, during the April 22, 2014, Commission work session, staff was instructed to schedule four district meetings in May prior to the Commission considering a ballot language resolution in June. He said there was a display of information in the City Hall Conference Room for the public to review. This same information would be presented at each district meeting.

He explained that the Lake Worth 2020 project was a quality of life issue that addressed potholes, paving, fire hydrants, sidewalks, traffic safety, drainage, water pressure, and jobs. He explained what each improvement would mean to residents and said the Park of Commerce infrastructure improvements would be an incentive for development, which would create jobs.

He discussed in detail the Lake Worth 2020 cost for a home assessed at \$75,000 equaled a cup of coffee each month; a home assessed at \$100,000 equaled a burger each month; and a home assessed at \$200,000 equaled a dinner out each month. He said the total project cost was \$82.71 million, but the total General Obligation Bond funding would be \$63.2 million.

In summary, he said Lake Worth 2020 was an infrastructure investment plan, increased the property valuation base, improved quality of life, addressed life safety issues, was a reboot to the City, and the General Obligation Bond required approval by the voters. He said that Administration needed to hire an outside Project Manager to oversee the

projects because of the current minimum staffing level.

He announced the below estimated costs per project, for a total General Obligation Bond funding of \$63,200,000:

- Roadway/Sidewalk Improvement - \$35,492,000
- Stormwater - \$11,933,000
- Park of Commerce Phases I and II - \$9,600,000
- Total Project Management - \$2,075,000
- Neighborhood Enhancements - \$3,200,000
- Cost of Bond Issuance - \$900,000.

He announced the below estimated \$19,510,000 City/grant funding sources:

- Waterline Replacement - \$12,262,000
- Sewerline Replacement - \$4,248,000
- Electric Bond for the Park of Commerce - \$2,000,000
- Economic Development Administration (EDA) - \$1,000,000.

He commented that, according to the County Property Appraiser, property values in Lake Worth would increase 8.2%; however, the debt was presented to the Commission with a conservative 4% property value growth. He said the Finance Advisory Board met on May 12, 2014, and the members reviewed the proposed financial transactions associated with the Lake Worth 2020 Plan, they agreed that the transactions were reasonable, and recommended the Commission move forward with the Plan. He said the members' recommendation was approved unanimously with five members present.

He announced the dates, times, and locations of the four district meetings; said neighborhood association groups were actively getting the message to their neighbors about the meetings; and press releases about the meetings were sent.

Mayor Triolo announced that it was time for public comment.

Jo-Ann Golden said 2020 was a catchy name to borrow money, just like the six plans presented to developers in the past; there were attempts made at the EcoCenter to address environment issues; asked about a hurricane seminar scheduled on the same date and time as one of the district meetings and the City offering free parking to the first 100 attendees; asked about a proposed spring training facility at John Prince Park; said the visionaries lost their sight; commented that the City was poor and had poor infrastructure; and there was a need to come up with a financing plan that did not burn the most vulnerable.

Mary Lindsey said Lake Worth 2020 was a comprehensive, big plan and she wanted to fully understand the issues; a General Obligation Bond

needed approval by the voters; and asked about other funding sources like a Revenue Bond or imposing assessments if Lake Worth 2020 was not approved by the voters.

Peter Timm commented that on August 26, 2014, the issue would be voted on; asked if it would be a special election; asked for a guarantee that, if the bond was approved by the voters, the money would be used for the specific projects presented this evening; and said he would never vote in support of the bond.

John Rinaldi said he was confused about borrowing \$63 million and passing the cost of Lake Worth 2020 onto business owners; his non-ad valorem tax would increase to \$3,500; investors would not invest in the City because his competitors did not have to pay for the bond debt; disagreed with comments about his increased taxes increasing his property value; asked about the truth; said it was not fair for him to pay \$18,000 in home property tax while condominium owners next to his house not paying much in taxes.

Tammy Pansa said she was concerned about the project, said Lake Worth 2020 was expensive, the cost to business owners would be a lot, asked if the Park of Commerce improvements had to be part of the General Obligation Bond or if the voters would be allowed to vote on it separately, and asked for the focus to start west of Dixie Highway in order to increase their property values.

Loretta Sharpe said she would be the person most likely to vote against the bond because her house was in foreclosure. She asked how anyone could increase their property values or how the City could stop imploding on itself. She said the City could not afford not to make these improvements. She asked each of the Commissioners and Mayor to take this project as their own. On the steps of City Hall, prior to this meeting, there was an announcement that the Gulfstream Hotel was purchased. She said this purchase was, "the beginning of the beginning."

Request/comment summary:

1. Vice Mayor Maxwell commented that he had been speaking about the City's infrastructure needs for 15 years. This City could not afford not to do this, and said the infrastructure was in the "dark ages." There had been no major hurricanes in the City for 30 years; however, if one did come, the City's infrastructure could not handle it. He said he did not like paying more taxes any more than the next person and had a problem with increasing government; however, this Commission needed to make a decision on how to fix it. Many people in Lake Worth deserved better. There was a question asked about floating a Revenue Bond instead of issuing a General Obligation Bond, but that was not an option because the City had no cash to pledge. There was no "pay as you go" option for the City. There was no City reserve funds, so the only

option was a General Obligation Bond. There would be no option to mismanage or misappropriate the bond money for something other than its intended use because of a bond covenant and a lot of oversight. If money was borrowed for streets and sidewalks, then they would be built. Those residents who were more successful would be called upon to do and give more, which was not fair. He said he would take the issue to the streets and knock on doors. With property values increasing, more owners would begin to pay taxes, which in turn, would reduce the proposed non-ad valorem millage rate and help those who were already paying their fair share. If the City was fiscally responsible, it would get through this. He said the entire community needed to come together and agree on a direction.

2. Commissioner Szerdi commented that he moved to the City eight years ago, purchased a dilapidated structure, and invested a lot of money into his house. He said a few ago, his property was appraised at \$1.5 million, but now was appraised at much less. He said he would gladly trade-off purchasing a couple of burgers per month for this project. He commented that properties were selling and development was happening in the City. There were drainage issues; however, there was no technology to prevent sea level rises. Lake Worth 2020 included backflows and stormwater improvements. He said the tax base needed to be addressed and the City was in "survival mode", but needed to be in "thriving mode." He asked residents to help the Commission. During public work sessions, the Commission discussed the proposed Lake Worth 2020 projects at length. He said the Park of Commerce needed to be included in Lake Worth 2020, because the City was in competition with other cities for industry development. He announced that the Gulfstream Hotel was purchased today, the City was now being run more like a business, and said he wanted to hear comments from the public.
3. Commissioner Amoroso commented that the Commission was aware of and identified many property owners who would not pay anything for the bond because of their assessed property values being low, which was not fair. He welcomed the new Gulfstream Hotel owners to Lake Worth, said the City had a phenomenal staff, and they were moving the City forward. Administration had to work on problems, which included infrastructure. He asked that laptops be available during the district meetings so that people could research the value of their homes to determine how much they would pay.
4. Mayor Triolo commented that a vision and goal meeting was held a couple of years ago, and the residents were promised much that did not happen. This year there was a lot of rain, which created a lot of potholes. Lake Worth 2020 was a comprehensive plan, and during discussions about the plan, it was found that roads were not constructed correctly and would fail. She said everyone should take pride in their home. She

advised that she heard from many individuals complaining about the look of the City, the residents asked the Commission to do something, this was an opportunity to fix many issues, and the bond required approval by the voters. The bond funds would be borrowed in three phases over a period of five years. She said everyone wanted to eliminate slum and blight, and the Commission set the foundation for that elimination through the approvals of a newly created Land Development Code and about 50 new ordinances relating to Code Enforcement. It would now be up to the voters. The residents asked her to do a job, and if the bond was not approved, then no one could complain about the condition of the City. She said she hoped everyone would attend the district meetings and that she or the other Commissioners were available to discuss Lake Worth 2020 with them. She commented that "everyone was in it together" and asked the residents to help the Commission help the City.

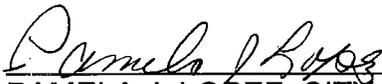
4. ADJOURNMENT:

Consensus: To adjourn the meeting at 7:02 PM.



PAM TRIOLO, MAYOR

ATTEST:



PAMELA J. LOPEZ, CITY CLERK

Minutes Approved: June 3, 2014

A digital audio recording of this meeting is available in the Office of the City Clerk.

