



THE CITY OF KEY WEST

Post Office Box 1409 Key West, FL 33041-1409 (305) 809-3700

MEMORANDUM

EXECUTIVE SUMMARY

TO: Bob Vitas, City Manager
E. David Fernandez, Assistant City Manager - Operations

FROM: Carolyn Sheldon, Senior Grants Administrator

DATE: March 17, 2014

RE: **Approval to add a project to the City's Fiscal Year 2015 budget for the construction of a Vietnam Veteran's Memorial at Bayview Park with a budget amount of \$500,000.00 and approval to apply for and accept, if awarded, a Tourist Development Council (TDC) grant for this project.**

ACTION STATEMENT:

This resolution will approve the addition of a project to the City's Fiscal Year 2015 budget for the construction of a Vietnam Veteran's Memorial at Bayview Park with a budget amount of \$500,000.00 and will approve the application and acceptance, if awarded, of a Tourist Development Council (TDC) grant.

BACKGROUND:

Resolution 14-068 to approve the conceptual site plan for a proposed Vietnam Veteran's Memorial at Bayview Park to honor the efforts of more than two hundred Key West citizens who served in Vietnam was approved by the City Commission on March 4, 2014. Also approved with Resolution 14-068 was providing financial support for the construction of a permanent memorial for up to one-third of the cost not to exceed \$150,000.00. In Resolution 13-177 (approved July 2, 2013) the City Commission expressed support for the memorial and directed the City Manager to work with a group of organizers to develop a plan for final approval.

The TDC has recently opened up its 2015 Bricks and Mortar Capital Projects funding cycle. Applications are due April 29, 2014 by 5 p.m. This grant has the potential to fund 50% of a TDC-approved project. With Commission approval, the City will be applying for a TDC grant that, if awarded, will fund up to 50% or \$250,000.00 of the total estimated project cost of \$500,000.00.

Key to the Caribbean – Average yearly temperature 77° F.

The TDC grant application requires the applicant, City of Key West, to show that all funds (100%) are available for the project at the time of application. A resolution passed and adopted by the City Commission to add the project to the City's Fiscal Year 2015 budget at the total estimated cost of \$500,000.00 along with a letter signed by the Mayor with this information will fulfill this requirement.

Given the due date of the applications on April 29, 2014, the review process will likely take place at the District Advisory Committee's (DAC I for Key West) June meeting. Once DAC I recommendations are received, the TDC will then continue with the approval process at its July meeting with final approval of the grant agreement by the Board of County Commissioners anticipated at the BOCC's October meeting.

PURPOSE AND JUSTIFICATION:

As shown in the table below, the City's budget (expenditures and funding sources) for this project is as follows:

Vietnam Veteran's Memorial Project		
Proposed Fiscal Year 2015 Budget		
Description	Project Costs (estimated)	Project Funding Sources (projected)
Professional Fees ¹	\$ 44,000	
Construction ²	\$ 450,000	
Construction Management ³	\$ 6,000	
Total Project Costs	\$ 500,000	
TDC Grant (50% of total project costs)		\$ 250,000
City of Key West		\$ 150,000
Private donations		\$ 50,000
In-kind Professional Fees		\$ 44,000
In-kind Construction Mgmt (City labor)		\$ 6,000
Total Project Funding Sources		\$ 500,000

- 1 At the advice of the City's grant writer, Langton & Associates, Inc., the professional fees to be donated by Bert Bender and Keith Oropeza will be included in the TDC grant application as project costs. These services are in-kind (match only) and are not reimbursable by the grant.

- 2 This construction estimate of \$442,950 (found in Resolution 14-068 approved by the City Commission on March 4, 2014) was rounded up to \$450,000.

- 3 Construction management performed by City Staff will be provided as in-kind (match only). Construction Management costs do not appear in the cost estimate for construction as described in Note 2 above. Since this project will be located on City property and funded initially in full (for grant purposes) by the City, City Staff will perform construction management duties.

If the City is awarded a TDC grant, the funding would not be available until an interlocal agreement with Monroe County, on behalf of the TDC, is fully executed (anticipated time frame is October). The earliest date to commence the project will likely be October 15, 2014.

The City Commission finds it respectful and important to construct a permanent Vietnam Veteran's Memorial to honor the efforts of more than two hundred Key West citizens who served in Vietnam. Providing financial support to this project would enhance and improve public property, thereby benefiting visitors and residents of the City of Key West.

OPTIONS / ADVANTAGES / DISADVANTAGES:

1. The City Commission can approve the addition of a project to the City's Fiscal Year 2015 budget for the construction of a Vietnam Veteran's Memorial at Bayview Park with a budget amount of \$500,000.00 and approve the application and acceptance, if awarded, of a Tourist Development Council (TDC) grant. This will allow the City to submit an application for a TDC grant that meets the 100% funded requirement. If the grant is awarded, up to 50% or \$250,000.00 of the estimated project cost of \$500,000.00 will be funded.
2. The City Commission can reject the request to add this project to the City's Fiscal Year 2015 budget and reject the request to apply for a TDC grant. Without the addition of the project to the Fiscal Year 2015 budget, the City would need to amend this year's budget in order to meet the 100% funded requirement. If the City Commission chooses to reject the request to apply for a TDC grant, the project will be delayed until the full amount of the estimated total project cost of \$500,000.00 is obtained. No TDC funding would be available.

FINANCIAL IMPACT:

The TDC grant is a crucial funding source for this project. Without the funding, the project will be delayed indefinitely. If approved by the City Commission, the Vietnam Veteran's Memorial project will be added to the City's Fiscal Year 2015 budget at an estimated total project cost of \$500,000.00. This will allow the City to meet the 100% funded requirement and apply for a TDC grant that could provide up to 50% or \$250,000.00 of the estimated total project cost of \$500,000.00. The City's commitment to provide financial support to the project at an amount not to exceed \$150,000.00 is included in the \$500,000.00 project cost estimate.

RECOMMENDATION:

Staff recommends that the City Commission select option 1, approving the addition of a project to the City's Fiscal Year 2015 budget for the construction of a Vietnam Veteran's Memorial at Bayview Park with a budget amount of \$500,000.00 and approving the application and acceptance, if awarded, of a Tourist Development Council (TDC) grant.