

July 28, 2025

CERTIFIED MAIL—RETURN RECEIPT REQUESTED

Ms. Karis De Gannes, Agency Clerk
Florida Department of Commerce
The Caldwell Building
107 East Madison Street, MS-1100
Tallahassee, FL 32399

Re: Petition for Waiver of Rule 73C-23.0041(2) (b) for 22DB-OP-03-22-02-C04 (H2456)
Allowing City of Lake City, Florida to Receive Additional CDBG
Commercial Revitalization Funds in Excess of \$750,000.00

Dear Ms. De Gannes:

The City of Lake City, Florida is respectfully requesting a waiver of Rule 73C-23.0041(2)(b), Florida Administrative Code, which sets levels of funding based on the low to moderate income populations with a maximum cap of \$750,000.00. This waiver would be temporary, limited to the duration of the City of Lake City's above referenced open CDBG Commercial Revitalization award received by the City under the 2019 Florida Small Cities CDBG funding cycle.

In accordance with 73C-23.0041(2)(b) the maximum amount that may be awarded to the City of Lake City for a Commercial Revitalization subgrant is \$750,000.00. The funding limit was based on the City's having a low to moderate income population of 5,225.

The City went out for bid for its CDBG Commercial Revitalization funded Wilson Park Amphitheatre project, and the single bid received came in substantially over budget. Therefore, the City is requesting a waiver of Rule 73C-23.0041(2)(b) F.A.C. to increase the funding ceiling by \$2,600,000.00 to \$3,350,000.00. The waiver and subsequent additional funding will allow the City to complete the Wilson Park Amphitheatre project, which will act as an economic catalyst bringing people to the downtown commercial area, where it is anticipated shops and restaurants will benefit from the increased traffic.

The City of Lake City understands, during the 2011 session, the Florida Legislature amended Florida Statutes 290.047(2) to remove the cap in order to boost economic development opportunities in Florida. Florida Statute 290.047(2) now states that the Department shall establish grant ceilings for each program category by rule. Rule 73C-23.0041(2)(b) is the implementing

rule. This request serves the primary intent and purpose of Florida Statute 290.0411 by providing a means for the City of Lake City to *develop, preserve, redevelop, and revitalize* the City's downtown area that is *exhibiting signs of decline, distress, and economic need*. The project's implementation will enable the City to *undertake the necessary community and economic development programs, and expand economic opportunities, principally for persons of low or moderate income*. Additionally, the waiver will assist the City of Lake City in *carrying out effective community and economic development activities to arrest and reverse community decline and restore community vitality*.

The City is requesting this waiver of Rule for additional funding of its CDBG Subgrant Agreement

22DB-OP-03-22-02-C04 (H2456) awarded under the Federal Fiscal Year (FFY) 2019 to allow for completion of the Wilson Park Amphitheatre. The project site is located at 232 NE Hillsboro Street, in Lake City, Florida. The City of Lake City and the Wilson Park Amphitheatre are located within Columbia County, that is designated as a Rural Area of Opportunity (RAO) in the North Central region and is also designated as a Fiscally Constrained County.

The project scope funded under CDBG Commercial Revitalization project includes the following improvements:

- Construction of an amphitheater gazebo over Lake Wilson
- Installation of required stormwater drainage improvements to serve the project area.
- Mill and pave segment of NE Lake DeSoto Circle.

All project improvements, funded under this CDBG Subgrant Agreement, are the minimum necessary for the construction of the Wilson Park Amphitheatre that will increase commercial traffic and provide an economic catalyst to Lake City's downtown commercial area.

If the Florida Department of Commerce approves this waiver request, the City will be able to implement the project and improve the economic climate of its downtown commercial area. The following statistical data, along with the aforementioned RAO and Fiscally Constrained County designations, clearly demonstrate the economic distress the City of Lake City is currently experiencing.

According to the most recent available statistics, the City's poverty rate for the past 12 months is at 22.6% compared to the State's poverty rate for the same period of 12.3%.

The data from the 2023 ACS 5-Year Estimates indicates the median household income for the City of Lake City was \$51,175.00, compared to the State of Florida's for the same period of \$71,711.00. According to the June 2025 Local Area Unemployment Statistic (LAUS) found on Florida Department of Commerce's website, the unemployment rate was at 4.7% for Columbia County's compared to the State's for the same month of 3.9%.

Without the increased CDBG assistance for the Wilson Park Amphitheatre from \$750,000.00 up to \$3,350,000.00 by the Florida Department of Commerce, which is being requested herein, the City of Lake City will not be able to complete construction of the park

facilities within the City of Lake City in Columbia County, Florida. Consequently, if this waiver request is not approved, the City will be unable to increase traffic in the downtown area necessary to provide the merchants with the much-needed economic stimulus to increase downtown building occupancy levels, retain existing businesses and attract new businesses. The loss of this economic catalyst, due to any disapproval of this requested waiver of rule combined with the City's elevated poverty rate, higher unemployment percentage over the State's, and designations as a Rural Area of Opportunity (RAO) in the North Central region and is also designated as a Fiscally Constrained County, would impose an undue economic hardship on City of Lake City and its citizens.

The total estimated project costs to develop the proposed project are estimated to cost three million four hundred thousand dollars (\$3,400,00.00) including engineering design and inspection fees as well as the cost of grant administration. As a part of the overall costs, the City is utilizing fifty thousand dollars (\$50,000.00) in local government funding for engineering fees.

Petitioner: *The Honorable Noah Walker, Mayor*
City of Lake City Council
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Counsel for
Petitioner: *Clay Martin, City Attorney*
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Your consideration of this request is greatly appreciated. Should you have questions regarding this request, please do not hesitate to contact me at (386) 360-9172.

Sincerely,

Noah Walker, Mayor
City Council for the City of Lake City

cc: Ms. Shaurita Jackson, Community Program Manager, FloridaCommerce
Mr. Graham Markarian, GOC III – Lead Supervisor, Small Cities CDBG Program
Joint Administrative Procedures Committee