

**Community Redevelopment Agency (CRA)
Meeting Minutes January 14, 2020
(APPROVED)**

1/14/2020 - Minutes

1. ROLL CALL

CRA Board Members present: Chair Robin Gibson, Mayor Eugene Fultz, Commissioner Goldstein, Commissioner Howell, Commissioner Curtis Gibson.

Staff Present: Kenneth Fields, CRA Director; Albert C. Galloway Jr, City Attorney; Jennifer Nanek, City Clerk; Karen Thompson, Assistant Director of the CRA

Chair Robin Gibson called the meeting to order at approximately 6:00 p.m.

2. Minutes - December 11, 2019

Commissioner Howell made a motion to approve the minutes of December 11, 2019. The motion was seconded by Mayor Fultz.

By Voice Vote:

ALL "YES"

Motion passed 5-0.

3. AGENDA ITEMS

3.I. Main Street Agreement

[Begin Agenda Memo]

SYNOPSIS

To support the continuing revitalization of Downtown Lake Wales, the Community Redevelopment Agency ("CRA") will renew a contract with Main Street Lake Wales, Inc. to provide staff support and funding for promotion in an amount not to exceed One Hundred Thousand Dollars (\$100,000.00).

RECOMMENDATION

It is recommended that the CRA Board approve the proposed three-year contract to support the work of Main Street Lake Wales.

BACKGROUND

Main Street Lake Wales, Inc. is a local non-profit organization that seeks to implement the principles of the national Main Street program to support the revitalization of Downtown Lake Wales. To officially become part of the national Main Street program, Main Street Lake Wales hired a dedicated full-time staff person to organize and implement the revitalization effort. As part of the Lake Wales Community Redevelopment Agency plan, the CRA will provide a CRA staff person to fulfill this role under the terms of the proposed contract.

In addition, the CRA will provide funding to Lake Wales Main Street to provide promotional and other activities to enhance the Downtown and attract new businesses and support existing ones.

This funding will be provided to Lake Wales Main Street and a matching and incentive basis depending on Lake Wales Main Street's ability to conduct its own fund-raising activities and the commitment of its stakeholders. The base commitment is Twenty Five Thousand Dollars (\$25,000.00) of CRA funding based on Lake Wales Main Street raising Twelve Thousand Dollars (\$12,000.00) in funding from its own sources. If Lake Wales Main Street raises additional funds, the CRA will match such additional funding up to a maximum payment of Fifty Thousand Dollars (\$50,000.00) per annum.

The term of the contract is three years.

OTHER OPTIONS

The CRA could not provide funding for Lake Wales Main Street.

FISCAL IMPACT

The current fiscal year CRA budget contains a One Hundred Thousand Dollar (\$100,000.00) appropriation for the purpose of funding the staff position and providing the matching funds to Lake Wales Main Street.

[End Agenda Memo]

Karen Thompson, Assistant Director of the CRA & Director of Main Street, reviewed this item.

Chair Robin Gibson said he understood the need for a three year contract because of the fundraising effort. He asked how much they have raised. Ms. Thompson said she didn't have an exact number but its more than the required \$50,000 and is more than \$100,000. Mr. Fields confirmed that they raised more than a couple hundred thousand dollars and paid for the Dover-Kohl Study. Chair Robin Gibson commended the financial part of this agreement and the Main Street board for their efforts. Chair Robin Gibson recommended some minor edits to the agreement.

Commissioner Goldstein asked about the stimulus funding for Area 1 and why just Area 1. Mr. Fields said because Main Street only operates in Area 1. Chair Robin Gibson agreed.

Chair Robin Gibson asked for a motion to approve the changes to the agreement.

Mayor Fultz made a motion to approve the agreement with the proposed changes. Commissioner Goldstein seconded it.

By Voice Vote:

ALL "YES"

Motion passed 5-0.

3.II. B Street Properties

[Begin Agenda Memo]

SYNOPSIS

The City of Lake Wales Community Redevelopment Agency (CRA) is open to hearing affordable housing development proposals for Two (2) vacant lots. Lot 1 is identified as Polk County Parcel Number 27-29-35-879000-001221 and Lot 2 is Parcel Number 27- 29-35-879000-001210, legally described as the south ½ of lot 21 and all of lot 22 located in Block 1 of the Lake Wales Land Company subdivision, as recorded in Plat Book 5, Page 11 of the public records of Polk County Florida.

BACKGROUND

"Lake Wales Connected" is a strategy for revitalization of Lake Wales' historic Downtown and one of its most important close-in neighborhoods. Together, the Downtown and Northwest Redevelopment Area comprise the "Core of Lake Wales." The core neighborhoods are meant to be inspiring, beautiful places.

The essential tasks of the Lake Wales Connected plan are to repopulate the core area neighborhoods, re-inhabit vacant buildings, and fill area streets with activity.

The Northwest Neighborhood has many opportunities for infill housing where empty lots or vacant, deteriorating structures sit today. New housing can be a mix of single family homes, duplexes, rowhouses and tiny homes. Improvements to the public realm (sidewalks, street trees) will support and encourage new investment.

The CRA's immediate goal is to develop affordable housing and eliminate blight. The two CRA properties on B St. are ideal for infill housing. The CRA is open for ideas and concept. A project may be eligible for a some or all of a combination of a rebate of some or all City Ad Valorem Taxes, city utility connection fees, and City impact fees depending on the aspects of the proposal submitted.

RECOMMENDATION

Redeveloping the NW Redevelopment Area is identified in the CRA Master Plan as a high priority. For this reason, staff recommends hearing affordable housing development proposals for Parcel Number 27-29-35-879000-001221 and Parcel Number 27-29-35-879000-001210.

OTHER OPTIONS

Not to redevelop the vacant properties

FISCAL IMPACT

The redevelopment of the properties will raise the tax base.

[End Agenda Memo]

Karen Thompson, Assistant Director of the CRA & Director of Main Street, reviewed this item.

Commissioner Howell asked why this particular property was chosen. Kenneth Fields, Executive Director of the CRA, reviewed the history of the property. This property is owned by the CRA and could be used for affordable housing. The CRA has more flexibility in disposing of property than the City. Commissioner Howell asked if there are other properties owned by the CRA in the Northwest area. Commissioner Howell asked if the Northwest group has reviewed this. Ms. Thompson said that the Northwest group will review this and offer input. Mr. Fields said that this is a good place to start and see what interest there is from the various companies that have approached us and what the public wants to do. Commissioner Howell asked if this was something the Northwest group wanted to do. Ms. Thompson said that affordable housing was an important priority from the first meeting.

Commissioner Goldstein asked about the size of the lots. Ms. Thompson said she didn't know. Commissioner Goldstein said we need to see what comes in before we get input from the Northwest group. Chair Robin Gibson asked what the zoning is. Kathy Bangle said it is C-1 or downtown commercial. This allows for residential as well. Deputy Mayor Robin Gibson asked if Dover-Kohl was consulted and if they agreed. Ms. Thompson confirmed that Dover-Kohl was consulted and they are supportive.

Mayor Fultz made a motion to approve going out for RFPs for these lots. Commissioner Goldstein

seconded the motion.

By Voice Vote:

ALL "YES"

Motion passed 5-0.

3.III. Development Incentive Matching Grant - The Ranch Taproom

[Begin Agenda Memo]

SYNOPSIS

In 2016 economic analysis of the Community Redevelopment Area was conducted which revealed that there is an unmet consumer demand for restaurants, breweries and businesses open after 5pm, within the the core Downtown Historic District. The plan specifically recommended that attracting new businesses with evening hours will be critical to the success of the redevelopment and revitalization of the commercial portions of the Redevelopment Area. Incentives are intended to attract restaurateurs and entrepreneurs to locate, relocate or establish another location in the Downtown Historic District. This program is designed to incentivize private investment. Cathy and Jessica Garrett, Owner, The Ranch Taproom, 247 E Park Ave, Lake Wales, FL 33853 are seeking a \$100,000 Matching Grant to renovate the space in downtown and make the extensive improvements required to open a new tap room and redevelop the property according to the incentive guidelines and requirements.

RECOMMENDATION

Staff recommends the approval of the Development Incentive Matching Grant, The Ranch Taproom

BACKGROUND

Attracting new businesses will be critical to the success of the redevelopment and revitalization of downtown. The ability to offer financial incentives increases the potential for success in attracting the numbers and types of businesses needed and desired to create a sustainable downtown.

The CRA is empowered to use Tax Increment Finance ("TIF") fund monies to pay incentives to new businesses that locate in the Redevelopment Area. A \$200,000 appropriation was approved for Development Incentives.

The craft beer industry has evolved over the years and now features a diverse range of unique, homemade flavors. The high demand for craft beer is explained by the "premiumization" of the industry. Consumers are more willing to pay a higher price for better tasting beer versus less expensive, mass produced beer. In addition customers appreciate the fact that craft beers are local versus regional and enjoy the ambiance that tap rooms offer. Tap Rooms not only provide communities with a local gathering place, but they also act as an ideal setting for events. Examples of events include food and beer tastings, festivals, live music performances and private parties. In addition, this project will create new employment opportunities and increase the tax base. The incentive is a not-to-exceed amount, \$100,000. Due to the higher customer volume, specialized equipment costs, unique design, and extensive renovations associated with a tap room \$100,000 dollar for dollar matching grant is necessary to adequately incentivize this unprecedented private investment The return on investment is seen community wide and will stimulate more private investment to follow.

Eligible Improvements

The Development Incentive Matching Grant is for leasehold improvements to an existing property in order to make it functional for a Tap Room. Funds may not be used for normal maintenance or repair.

Specific improvements for which grant funds may be used include, but are not limited to:

- Electrical/ Plumbing upgrades
- Installation of attached fixtures
- Grease traps
- Utility connections
- Venting systems
- Sprinkler systems
- Solid Waste and recycling management
- Mechanical, Electrical and Plumbing engineering services (not to exceed 20% of the grant total)
- Monitoring man-hole system installation
- Refrigeration System

The following items are specifically ineligible for the program:

- Equipment (not attached/affixed to building/structure)
- Furniture
- Interior design fees
- New construction is ineligible.

Improvements must be consistent with the City of Lake Wales Land Development Regulations and Engineering Standards. Any improvements visible to the exterior in CRA may be subject to Section 23-227 Certificate of Appropriateness and issued by the Historic Regulatory Board. Grant funds may not be used to correct code violations or to bring structures up to code.

As a condition of approval, the Applicants will agree that improvements made using these funds will stay in place a minimum of five (5) years. If improvements are replaced within five (5) years of construction completion, the grant recipient must pay a pro rata portion of the grant proceeds invested in the project for the number of months remaining.

Applicants is responsible for obtaining or having obtained all required local and state approvals and permitting for work undertaken.

Once a maximum grant for any property has been awarded, businesses occupying that property, or the building owner cannot reapply for another grant for the same location for a five (5) year period.

Applicant agrees to allow the LWCRA to photograph the project for use in future publications.

OTHER OPTIONS

Not to approve the Development Incentive

FISCAL IMPACT

Incentive offers a not to exceed \$100,000 in dollar-for-dollar matching funds.

[End Agenda Memo]

Karen Thompson, Assistant Director of the CRA & Director of Main Street, reviewed this item. Kenneth Fields, Director of the CRA, said that funds can be added to this program if the board wishes. Commissioner Howell suggested increasing the budget for the program to \$500,000. Commissioner Howell said she is glad for a brewery to come downtown but she wants to be sure we have other funds for restaurants too. Commissioner Goldstein said this is a good start and hopes we can build on this \$200,000. He will support her request to add to the budget. Commissioner Curtis Gibson said he is glad for the Taproom coming because we need this. He said we also need more restaurants. He asked whose idea it was to go over the original limit of \$50,000. Ms. Thompson said it was her idea because of the scope of the project. Commissioner Curtis Gibson expressed support for the budget transfer.

Chair Robin Gibson said the transfer is a good idea because it may encourage other applicants if they know money is available. Mayor Fultz agreed with increasing the money as there are other possible applicants. The Commission gave Mr. Fields their consensus to prepare a budget transfer to add \$500,000 to this budget.

Ms. Thompson introduced the business owners, Cathy and Jessica Garrett. Ms. Jessica Garrett shared some of their background, their plans for the taproom, and why its a good idea for Lake Wales. Ms. Cathy Garrett described the condition of the building and what their plans are. Ms. Garrett said they are using Lake Wales businesses to help them fix up the building.

OPENED PUBLIC COMMENT

Robert Connors, non-resident, encouraged defined parameters for the incentive program so that people know. The board should be publicly clear as possible.

Chair Robin Gibson said that this program hopefully will build momentum to where the incentive isn't necessary.

Ms. Thompson said there are limits and guidelines to the program and reviewed them. There are many steps before money is reimbursed.

Chris Lutton, resident, recommended set guidelines. Karen Thompson needs clear guidance. We don't need a \$250,000 project. Mr. Fields agreed but this was a unique opportunity. Mr. Lutton warned of potential scams that might come in. Commissioner Curtis Gibson said this was a unique opportunity but the limit is still \$50,000. Mr. Fields concurred. Mayor Fultz said that they can set limits and decide to change them if needed.

Angela Buchanan, resident, said that she liked the project and that adding to the budget is a good idea. She recommended approving \$50,000 first and then maybe adding the other later. She said an incentive is a good idea.

Sara Jones, resident, commended the project. She said if there are exceptions to the policy then this needs to make clear. There should not be ambiguities as to what is available.

Kevin Kieft, Chamber of Commerce, endorsed the project and proposal. This is needed for Lake Wales.

Chair Robin Gibson said that he supports anything that enhances the tax base.

Ryan Buskirk, Lake Wales Main Street President, expressed support the project. The building needs a lot of work. This is a great opportunity. They have a strong business plan. This is a good incentive.

CLOSED PUBLIC COMMENT

Mr. Fields said that entrepreneurs think outside the box. It is important that this program be flexible. He encouraged anyone with new ideas to come forward. We can work with different ideas.

Commissioner Goldstein said its time to act and move forward.

Commissioner Howell made a motion to approve the incentive grant. Commissioner Goldstein seconded the motion.

By roll call vote:

Commissioner Howell "YES"

Commissioner Goldstein "YES"

Commissioner Curtis Gibson "YES"

Mayor Fultz "YES"

Chair Robin Gibson "YES"

Motion Passed 5-0.

3.IV. Restaurant / Food-Related Incentive Program (The Rose Bud Inn And Café)

[Begin Agenda Memo]

SYNOPSIS

In 2016 an economic analysis of the Community Redevelopment Area was conducted which revealed that there is an unmet consumer demand for specialty foods within the NW Redevelopment Area and Downtown Main Street District. The Restaurant Incentive Program is intended to attract food-related service providers, restaurateurs and specialty food providers to locate, relocate or establish another location in the Downtown Main Street District and NW Redevelopment area. This program is designed to incentivize private investment. Peggy Jean Young Williams, Owner The Rose Bud Inn and Café Inc. 215 Lincoln Ave N. Lake Wales, FL 33853 is seeking a \$50,000 Matching Grant to renovate the space on Lincoln Ave. and make the extensive improvements required to open a new restaurant and redevelop the property according to the incentive guidelines and requirements.

RECOMMENDATION

Staff recommends the approval of the Restaurant Incentive Matching Grant, The Rose Budd Inn and Café Inc.

BACKGROUND

The Food-Related Incentive Program offers up to \$50,000 in dollar-for-dollar matching funds to assist in establishing food-related businesses in the NW Redevelopment Area and Downtown Main Street District. Matching funds are a grant that can be used to offset the cost of eligible lease-hold improvements necessary to establish and operate a food service or restaurant business. Peggy Jean Young Williams is renovating the café, making all the eligible improvements and meeting all the requirements.

The Food-Related Services Incentive Program is for leasehold improvements to an existing property in order to make it functional for a food-service business. Funds may not be used for normal maintenance or repair. Specific improvements for which grant funds may be used include, but are not limited to:

- Electrical/ Plumbing upgrades
- Installation of attached fixtures
- Grease traps
- Utility connections
- Venting systems
- Sprinkler systems

- Solid Waste and recycling management
- Mechanical, Electrical and Plumbing engineering services (not to exceed 20% of the grant total)
- Monitoring man-hole system installation

Improvements must be consistent with the City of Lake Wales Land Development Regulations and Engineering Standards. Any improvements visible to the exterior in CRA may be subject to

Section 23-227 Certificate of Appropriateness and issued by the Historic Regulatory Board.

As a condition of approval, Peggy Jean Young Williams agrees that improvements made using these funds will stay in place a minimum of five (5) years. If improvements are replaced within five (5) years of construction completion, the grant recipient must pay a pro rata portion of the grant proceeds invested in the project for the number of months remaining.

Applicant is responsible for obtaining or having obtained all required local and state approvals and permitting for work undertaken.

Once a maximum grant for any property has been awarded, businesses occupying that property, or the building owner cannot reapply for another grant for the same location for a five (5) year period.

Peggy Jean Young Williams agrees to allow the LWCRA to photograph the project for use in future publications.

OTHER OPTIONS

Not to approve the Restaurant/ Food-Related Incentive Program Grant.

FISCAL IMPACT

The Food-Related Incentive Program offers up to but not limited to \$50,000 in dollar-for-dollar matching funds.

[End Agenda Memo]

Karen Thompson, Assistant Director of the CRA & Director of Main Street, reviewed this item.

Peggy Jean Young Williams, resident, shared some of her background and about her plans for the restaurant. Dorothy Wilson said that this will be a bistro type place where you can get a fast lunch. There will be two rooms available upstairs. This will be a great thing for Lincoln Avenue.

Commissioner Howell and Mayor Fultz expressed support for this project.

OPENED PUBLIC COMMENT

CLOSED PUBLIC COMMENT

The members expressed support for the project.

Commissioner Howell made a motion to approve the incentive grant. Commissioner Curtis Gibson seconded the motion.

By roll call vote:

Commissioner Howell "YES"

Commissioner Curtis Gibson "YES"

Commissioner Goldstein "YES"

Mayor Fultz "YES"

Chair Robin Gibson "YES"

Motion Passed 5-0.

Chair Robin Gibson said this program is a good example of pooling resources. Each does their part. We have excellent leadership both external and internal.

4. EXECUTIVE DIRECTOR'S REPORT

Kenneth Fields, Executive Director, gave an update on the design work for design of Park Avenue. Hopefully he can bring a contract to the board for approval at the next meeting with a price estimate.

Mr. Fields reported on a possible future CDBG grant to help with our affordable housing project. Our project could be a good candidate for funding.

5. COMMUNICATIONS AND PETITIONS

Sara Jones, President of the Lincoln CDC, asked about rescheduling the CRA meetings as their group meets on the same Tuesday. She looks forward to seeing the RFPs about the B Street lots and offering their insights on what comes in.

Chris Lutton, resident, said the incentive program is good for the City. The buildings get fixed up whether the business is successful or not. Mr. Lutton also expressed concern that none of the items contained recommendations from the CRA Citizens Advisory committee. He is on the board and doesn't make every meeting but wanted to bring that to the board's attention.

Terry Christian, non-resident, spoke on the issue regarding the B Street lots. He said that commercial locations are limited and asked the board to keep it in mind if they put in residential. He would like spots available for commercial businesses. Commissioner Howell asked for input from the Lincoln Ave CDC. Kathy Bangle, Assistant City Manager, said a mix of commercial and residential could be put there. Chair Robin Gibson expressed support for the idea as it works in his buildings.

The meeting was adjourned at 6:50 p.m.

Chair/Vice-Chair

ATTEST:

City Clerk/Deputy City Clerk