

**Community Redevelopment Agency (CRA)
Meeting Minutes August 10, 2021
(APPROVED)**

8/10/2021 - Minutes

1. CALL TO ORDER & ROLL CALL

Members Present: Robin Gibson - Chair; Terrye Howell; Eugene Fultz - Mayor;

Members Absent: Daniel Williams

Staff Present: James Slaton, Executive Director; Albert Galloway, Jr., City Attorney; Jennifer Nanek, City Clerk

Chair Robin Gibson called the meeting to order at 3:00 p.m. He noted that Commissioner-Elect Hilligoss is present as well.

2. COMMENTS AND PETITIONS

3. Minutes - July 13, 2021

Mayor Fultz made a motion to approve the minutes of July 13, 2021. Commissioner Howell seconded the motion.

By Voice Vote:

ALL: "YES"

Motion passed 4-0.

4. Proposed Partnership With The Lake Wales CRA And McLaughlin Middle School For The "My Community" Project.

[begin Agenda Item]

SYNOPSIS: The purpose of this memorandum is to give an overview of the My Community Project, which will document redevelopment activities in the City

RECOMMENDATION

For information purposes only.

BACKGROUND

CRA staff contacted McLaughlin Middle School to partner with their video production program to get more youth involved in the redevelopment of their City. This partnership will allow students to interview specific individuals who are key to the redevelopment in the City and film current projects that are helping revitalize the community.

The My Community project will start August 2021 and end December 2021. At the end of the semester, the video will be compiled into a documentary from the student's perspective. The documentary will show

what redevelopment in the City looks like and how it transforms communities.

FISCAL IMPACT

NONE

OTHER OPTIONS

Not Applicable

[End Agenda Memo]

Darrell Starling, CRA Coordinator, reviewed this item. He said that Principal Debra Wright-Hudson and teacher Jonathan Rydell are supportive and will work with us. This project will begin soon.

Chair Robin Gibson said this is a good project. Mayor Fultz said this project gives students understanding and ownership of their community.

5. Sale Of The B Street Property To The Florida Development Corporation (FDC) For \$15,000.

[Begin Agenda Memo]

SYNOPSIS: The purpose of this request is to consider the sale of property owned by the City and the CRA to the Florida Development Corporation.

RECOMMENDATION

It is recommended the CRA Board approve the following actions:

1. Authorize the sale of the West 1/2; of the City and CRA owned property located on B Street and Lincoln Ave to the Florida Development Corporation for \$15,000. This property is identified by parcel numbers 272935879000001221 and 2729935879000001222.
2. Authorize the Executive Director of the CRA to sign a vacant land contract with the contingency that the development agreement must be executed prior to closing.
3. Authorize the Executive Director of the CRA to enter into a developer's agreement and that said agreement shall, at a minimum, include:
 - a. A reverter clause, project timeline, and prohibitions against the sale of said property for a minimum of 5 years.
 - b. A provision that requires FDC work with the CRA to create public parking on the East 1/2; of the CRA parcel located on B Street and Lincoln Ave,
 - c. A clause requiring that redevelopment of the site shall comply with the provisions of the Lake Wales Connected Plan.
4. These actions are contingent on the City Commission approving the transfer of Parcel 272935-879000-001222 to the CRA.

BACKGROUND

The CRA placed the B Street and Lincoln Ave lot out for bid (RFP 21-489). The purpose of the request is to partner with a developer that would bring retail, office, and/or housing to the property. In response, the CRA

received two bids for property from Topsy's and the Florida Development Corporation.

The Ranking Committee reviewed the proposals, and recommend that the CRA Board accept the bid from FDC. This is based on the company's plan for redeveloping the property to build a mixed use building that will house two commercial rental spaces and six 2 bedroom and 1 bath affordable housing units.

As part of the redevelopment of the site, FDC will be required to ensure that public parking will remain available.

Since property identified by parcel number 272935-879000-001222 is owned by the City, and the not the CRA, it will be necessary to transfer the property to the CRA for this transaction to occur. A item for consideration by the City Commission will be brought for action at the August 17th 2021 meeting.

LAKE WALES CONNECTED PLAN ACTION STEPS

Action # Description

30 Work with investors to develop a multi-tenant building on Lincoln Ave.

27 Identify properties owned by CRA or the City and explore joint ventures for new housing

FLORIDA DEVELOPMENT CORPORATION

Florida Development Corp, Inc. (FDC) is a progressive real estate development company founded in 2016. Its founders have over 60 years of collective experience in affordable housing development, community & economic development, weatherization, financial and project management.

Their projects include numerous new construction homes, multi family, weatherization and single family rehabilitation projects, and an adaptive reuse of a commercial building for a PPE (Personal Protective Equipment) manufacturing company.

Their most recent project is the building of a single family residence on Lot 19, just south of the B Street Lot 22 they were awarded.

FDC has provided services to municipalities, and nonprofit organizations in Hillsborough, Pasco, Polk and Orange Counties as well as various areas throughout Central and Western Florida.

FISCAL IMPACT

The CRA will be receiving \$15,000 for the West & 1/2; of the property valued just under \$9,500 according to the Polk County Property Appraiser.

OTHER OPTIONS

Do not approve the sale.

[End Agenda Memo]

Mark Bennett, Development Services Director, reviewed this item.

Chair Gibson asked if the money from the sale goes to the CRA. Mr. Bennett confirmed that it would.

Chair Gibson asked if this property will go back on the tax roll. Mr. Bennett said it would.

Chair Gibson said he liked the design of the building.

Commissioner Howell asked about the ownership of the parcels. Mr. Bennett showed one owned by the city and the other owned the CRA. The City Commission will be asked to donate the parcel to the CRA.

Commissioner Howell asked if this property that Terry Christian asked about this some years ago. Albert Galloway, Jr., City Attorney, said he did not know.

Commissioner Howell said she had no problem with the proposed project but was concerned about a local person winning against an outside big company. Mr. Slaton said this might be a better option for a local business as they won't have to outlay all that capital. Mr. Slaton said the board does not have to go with staff recommendation.

Mayor Fultz said this will provide businesses and activity in that area.

Commissioner Howell made a motion to approve this item. Mayor Fultz seconded the motion.

By Voice vote:

Commissioner Howell "YES"

Mayor Fultz "YES"

Chair Gibson "YES"

Motion passed 3-0.

6. Grove Manor Funding Request For The City Of Lake Wales.

[Begin Agenda memo]

SYNOPSIS: The purpose of this memorandum is to provide a recommendation of the Lake Wales Housing Authority funding request for a \$460,000 grant for the redevelopment of Phase II of Grove Manor.

RECOMMENDATION

Staff recommends that the City approve the expenditure of \$460,000 for a grant to the Lake Wales Housing Authority for the redevelopment of Phase II of Grove Manor as part of the 2022 Florida Housing Finance Corporation (FHFC) application cycle, subject to the following requirements:

1. Authorize the Executive Director of the CRA to sign all the Local Government Verification of Contribution Form.
2. Authorize the Executive Director of the CRA to enter into a developer's agreement and that said agreement shall, at a minimum, include:
 - a. A reverter clause and project timeline
 - b. A clause requiring that redevelopment of the site comply with the provisions of the Lake Wales Connected Plan.
 - c. The grant terms and conditions.

These actions are contingent upon the Lake Wales Housing Authority receiving the 9% Tax Credit funding.

BACKGROUND

Listed below is a timeline on recent events.

In 2020, the Lake Wales Housing Authority (LWHA), in partnership with Smith & Henzy applied for the 9% Tax Credit with a pledged Local Government Contribution from the City for \$460,000. In the following spring, the Housing Authority was informed they were not selected for the 9% Tax Credit funding.

On July 13, 2021, the CRA Board approved the expenditure of \$1,000,000 to the Lake Wales Housing Authority for Phase I of the redevelopment of the Grove Manor property as part of the 2021 Florida Housing Finance Corporation (FHFC) application cycle. This Local Government contribution would be leveraged when the Housing Authority applies for the 4% SAIL Tax Credit.

If approved, this contribution will be leveraged with the 9% Low-Income Housing Tax Credit Housing Finance Corporation (FHFC). A Local Government Contribution will improve the chances for receiving Tax Credits.

LAKE WALES CONNECTED PLAN ACTION STEPS

Action # Description

7 Support upgrades to Grove Manor public realms improvements

9 Partner with housing contractor to build infill housing in the Northwest Neighborhood.

FISCAL IMPACT

If approved, \$460,000 in CRA funds may be encumbered until FY 2023-2024 or FY 2024-2025, subject to approval of the Tax Credit Application by the Florida Housing Finance Corporation.

OTHER OPTIONS

To not approve the expenditure of \$460,000 to the Lake Wales Housing Authority for the redevelopment of the Grove Manor property.

[End Agenda Memo]

James Slaton, Executive Director, reviewed this item. He said there is a new development as of today.

Rick Crogan from the Henzy Advisory group and Al Kirkland, Lake Wales Housing Authority Executive Director spoke on this issue. Mr. Crogan said Lakeland is not eligible to receive an award this year. Its still a lottery but our chances to secure an award have an improved. He said its possible that Phase I and II could be done simultaneously. Mr. Slaton asked if we are denied does it affect next year. Mr. Crogan said things could change by next year we will see. He explained this is based on leveraging. There will be 100 applications in at a minimum. This match will help us jump ahead of others. Chair Gibson asked how many will win. Mr. Crogan said 2 will get it on merit. About 15-20 may get an award until the money runs out.

Commissioner Howell asked about the application for phase I. What is the status of that. Mr. Crogan said that is due in September. Commissioner Howell asked if we have this money \$1.5million. Mr. Slaton said there's a chance to use the federal government money. But if not we can use CRA funds. Commissioner Howell asked when this money is needed. Mr. Crogan said three years.

Mayor Fultz said we should take a chance on this as this would be a quality building project that will match what the City is doing. Chair Gibson said we will wind up with an asset for the City at the end of the road.

Mayor Fultz made a motion to approve this request. Commissioner Howell seconded the motion.

By Voice vote:

Commissioner Howell "YES"

Mayor Fultz "YES"

Chair Gibson "YES"

Motion passed 3-0.

7. EXECUTIVE DIRECTOR'S REPORT

James Slaton, Executive Director's Report, said we will be accepting applications for the CDBG Housing Rehabilitation Grant on September 16th. This project will be done in about 18 months. The staff project is 50% complete. in the near future hopefully there will be a ribbon cutting on this.

Mr. Slaton said habitat for Humanity is planning a house on Wetmore.

Staff will soon be applying for CDBG-Coronavirus funds soon for the Northwest area sidewalk projects.

Tonight is the open house on the 1st Street design at the Austin Center tonight.

Chair Gibson reported that he has purchased a 1915 building with plans to restore it to its original facade. He will not use any CRA grants for this. He wanted to be transparent about this.

Commissioner Howell said he is concerned about traffic at Janie Howard Wilson and Bok Academy during school pick up. These situations are dangerous. This was discussed. Mayor Fultz hoped these issues can be addressed.

8. ADJOURN

The meeting was adjourned at 3:50 p.m.

Chair/Vice-Chair

ATTEST:

City Clerk/Deputy City Clerk