

ANNUAL RETREAT

Community Redevelopment Area Advisory Board

Thursday, September 6, 2018 | 12:00 PM – 4:00 PM

*Regular meeting to follow immediately after Annual Retreat
Coleman Busch Bldg. 1104 Martin Luther King Jr. Ave.

Workshop

I. Welcome, Lunch and Recap

Break – 10 minutes

II. District Tour & Prioritization

Break – 10 Minutes

III. Strategic Planning & Feedback Review

- How might we continue to grow and support the arts?
- How might we strategically plan to reinvest and turn our small area into a revitalized part of the community?

Regular Meeting (3:15-4:00p)

IV. Action Items

1. Old Business
 - 1.1 Meeting Minutes dated July 2018 (Pg. 4-5)
 - 1.2 114 E. Parker (Purchase Inquiry) (Pg. 6-10)
2. New Business
 - 2.1 Election of Officers

V. Discussion Items

VI. Save The Date

September 29, 2018- Lincoln Square Welcome Event (11am-2pm)

VII. Adjourn

* For Information

NEXT REGULAR MEETING:

Thursday, October 4, 2018 3:00 - 5:00 PM – City Commission Conference Room

LAKELAND CRA

COMMUNITY REDEVELOPMENT AGENCY

PROJECT PROGRESSION REPORT



STATUS KEY	
RISKS / ROADBLOCKS	
POTENTIAL RISKS	
ON TRACK	

Project	Status	Phase	Funding Allocated	Notes
Food Truck Park	POTENTIAL RISKS	Lease Agreement	\$400,000	Pending Tenant Signature
Lincoln Square	ON TRACK	Construction	\$4,268,086	Phase II Underway
114 E. Parker	POTENTIAL RISKS	Lease Agreement	\$350,000	Pending Proposal to Purchase/Lease Agreement
Lake Parker Art Path	POTENTIAL RISKS	Pre-Bid	TBD	Utility Errors and scheduling conflicts with PCSB
Five Points Roundabout	ON TRACK	Pre-Construction	TBD	
Kettles Ave Sidewalk	ON TRACK	Construction	150,000	
Tapatios	ON TRACK	Pre-Construction	\$340,000	
Mirrorton	ON TRACK	Under Contract	\$900,000	Projected for Dec 18'/Jan 19'
Small Area Study	ON TRACK	Research		
Second Floor Activation	ON TRACK	Research		

LAKELAND CRA

COMMUNITY REDEVELOPMENT AGENCY

PROGRAM PROGRESSION REPORT



STATUS KEY	
	RISKS / ROADBLOCKS
	POTENTIAL RISKS
	ON TRACK

Grants/Programs	Status	Grant Awards to Date	Notes
Alley Vacating	ON TRACK	0	
Affordable Housing Partnerships	ON TRACK	0	
Builder's Line of Credit	ON TRACK	0	
Design Assistance	ON TRACK	4	Active Sites • 711 N. Kentucky • 938 E. Main Street • 1212 E. Main Street • 905 E. Rose Street
Down Payment Assistance	ON TRACK	22	Complete for FY 18
Façade and Site	ON TRACK	4	\$124,235.65 for FY 18
Fix-It Up	ON TRACK	19	Active Sites • 724 Buena Vista St. • 1724 W Lake Parker Dr • 848 E Valencia St • 837 N Iowa Ave • 615 Tropical Way
Food Related	ON TRACK	1	\$14,591.06 for FY 18
Infill- New Construction	ON TRACK	0	
Infill Adaptive Reuse	ON TRACK	1	\$15,000 for FY 18
Murals / Tapestries	ON TRACK	1	Murals set to be completed by January 2019 Tapestry Installations November 2018
Rehab/ Renovations	ON TRACK	0	Bid (724 8th St.)

**Community Redevelopment Area Advisory Board
Meeting Minutes
Thursday, July 12, 2018
3:00 – 5:00 PM
City Commission Conference Room, City Hall**

Attendance

Board Members: Cory Petcoff (Chair), Ben Mundy (Vice-Chair), Dean Boring, Brandon Eady, Pastor Edward Lake, and Commissioner Stephanie Madden

Absent: Zelda Abram, Harry Bryant, Brian Goding, Frank Lansford and Cliff Wiley

Staff: Nicole Travis (Director Community Development), Alis Drumgo, Valerie Ferrell, Michael Smith, D’Ariel Reed, and Jonathan Rodriguez

Guests: Sarah Keener (Keener Builders), Carole Philipson, Commissioner Bill Reed, Joel Vislay and Amy Yeck

Packets

- Meeting Minutes dated June 7, 2018
- Financial Update
- Builder’s Line of Credit Program

Housekeeping

Nicole Travis reminded everyone of the upcoming annual Board Retreat. The date and location will be provided at a later date. She also made note of the vacant Interim-CRA Manager position. She will provide updates as new developments are made.

Action Items – Old Business

Meeting Minutes dated June 7th, 2018

Eddie Lake moved approval of the minutes. Brandon Eady seconded the motion which passed unanimously.

Financial Update

Nicole Travis noted the inclusion of the update is for informational purposes and contains no significant changes. The available funds in the Dixieland district do not include any pending encumbrances for the Florida Department of Transportation’s South Florida Avenue Road Diet.

Action Items – New Business

Builders Line of Credit Program

In April 2018, the Board approved the creation of the Infill New Home Construction Program. The program is designed to provide quality new construction homes at an affordable price on infill lots owned by the CRA. Since the program was approved we’ve received interest from numerous builders and buyers. Both buyers and builders have expressed difficulty receiving financing due to the requirements for construction loans being more restrictive than traditional loans and requiring upfront capital as well as ongoing payments during construction. The typical buyer in the Midtown CRA does not have the resources to cover these payments along with their current housing expenses. The builders interested in the program are mostly small local builders and either cannot qualify for financing or cannot afford to pay the interest and still make a profit with interest rates ranging between 12% and 15%.

In order to facilitate the construction process and provide the financial resources to build quality new construction homes on infill lots, Staff proposed offering a line of credit to builders for the cost of construction. This would eliminate the need for the buyers to obtain a construction loan. The buyers would be able to obtain traditional financing and utilize the down payment assistance program to cover their upfront costs. The line of credit would give builders the ability to construct new homes without the upfront expenses and high interest rates. Staff also recommended reducing the builder's Infill New Home Construction incentive from 10% to 5% if they utilize the line of credit.

The maximum line of credit will be for the purchase price of the home up to \$150,000. The LCRA will only offer the line of credit if the builder has a prequalified buyer under contract to purchase the finished home. The credit would be paid out based on a pre-approved draw schedule with the final draw coming at the time of the final Certificate of Occupancy. Fulfillment of the line of credit will be expected at closing which will be facilitated by Putnam, Creighton, and Airth P.A. At closing, the buyer will receive their Down Payment Assistance grant, the builder will receive their 5% Infill Construction grant, and the LCRA will receive full payment for the line of credit.

Discussion ensued regarding opening the program up to lot owners in the Midtown district. In the future, Staff will look into the creation of an alternate program to incentivize builders to build in or around the Core Improvement Area by waiving the impact fees associated with their lots.

Staff requested approval of the Builders Line of Credit program for the construction of new homes on infill lots owned by the LCRA with a fiscal budget of \$300,000; which would allow for two homes to be constructed on infill lots at one time.

Sarah Keener, owner of Keener Builders, provided background on her lending experience.

The Board suggested the minimum qualifications for builders be revised to require the builder to hold a valid contractor's license and be qualified to pull permits.

Eddie Lake moved approval of Staff's recommendation as modified. Ben Mundy seconded the motion which carried unanimously.

Discussion Items

Nicole Travis updated the Board regarding the \$210,000 Job Incentive grant Colorado Boxed Beef received. The program now requires employees to be paid the minimum wage in Polk County. That stipulation was added after CBB's grant was awarded. The program will be reviewed by Staff and suggestions for improvement will be brought before the Board during the next fiscal year.

Alis Drumgo updated the Board on the status of the Lincoln Square project. Due to the level of performance required to uphold the timeline of completion, Nujak Development has been replaced by Rodda Construction to complete the construction of the remaining three phases (15 homes). This change will result in a budget increase of approximately \$35,000 per home, totaling \$500,000 for the project. Staff was directed to value engineer the project with Rodda.

Adjourned at 3:59 PM

Next Meeting, Thursday, August 2, 2018, 3 PM, City Commission Conference Room.

Cory Petcoff, Chairman

Date



COMMUNITY REDEVELOPMENT AGENCY

Memo

To: CRA Advisory Board
From: Alis Drumgo, Interim CRA Manager
Date: September 3, 2018
Re: 114 E. Parker Purchase Offer

Introduction

At the June 7th CRA Advisory Board meeting the Board voted to move forward with the proposal from Well-Done Events (WDE) including renovation and build-out not to exceed \$350,000. The owner of (WDE), Dr. Brisbane would be the master tenant of a collaborative workspace including an event room for culturally relevant performing arts and educationally focused resources for small businesses. The conditional approval was contingent upon a signed lease agreement. Staff was prepared to move forward with the following lease terms for approval at the Sept 4th Commission meeting:

Table with 3 columns: Months, Monthly Rent, Total Rent. Rows include lease terms from 0-6 months to 25-36 months with corresponding rent amounts.

- *Lease term would be one year with two automatic one year renewals (3years)
*Dr. Brisbane would like an option to purchase at the end of lease
*Leasing the property @ \$6/ft. for 15 years would net the CRA \$528,300

Update

On August 8th, the CRA received a letter from Commissioner Michael Dunn on behalf of Vets Surplus, Inc expressing an interest in purchasing the property located at 114 E. Parker Street. The proposed purchase would be a partnership with Air Assault Air Conditioning and Heating which would occupy and operate within the space. The offer is to pay \$150,000 with the CRA carrying the note at 5% interest for 15 years with a 10% down payment. At the proposed rate, the CRA would receive approximately \$207,240 over the term of the agreement. Vets Surplus, Inc and its partners own eleven (11) properties in the surrounding area. These properties include Vets Surplus retail store and spaces leased to five (5) other businesses and a vacant property that will bring five (5) additional leasable spaces when redevelopment occurs.

CRA paid \$150,000 for the property in 2016 and has since invested \$15,620 in a roof repair and carrying costs of \$1,500 to date. This property would be eligible to receive grants to help with the renovation of the property. Staff is providing this offer as informational, leaving opportunity for the Board to proceed as planned or reconsider the original agreement with Dr. Brisbane to consider the purchase offer.



Vets Surplus, Inc.
819 N. Florida Avenue
Lakeland, FL 33801
(863) 682-1805
Fax (863) 682-1815

8/8/2018

Dear members of the CRA Board,

I am writing to the board to express our desire to purchase CRA owned property at 114 East Parker Street which also includes an adjacent vacant lot. The corresponding parcel numbers are 24-28-18-203000-01720 and 24-28-18-203000-018013. Vets Surplus Inc. in partnership with Air Assault Air Conditioning & Heating would offer to pay \$150,000.⁰⁰ while asking the CRA to hold a note with the following terms of 10% down for 15 years at 5% interest. Vets Surplus Inc. and its corporate officers currently own 11 properties surrounding this subject property. On these properties Vets Surplus Inc. conducts a retail business and leases space to 5 additional businesses. We also have a building that is currently vacant and will be redeveloped into 5 more leaseable

spaces. Air Assault Air Conditioning and Heating would be housed in the 114 East Parker location and the adjacent lot would become parking for the business. Vets Surplus Inc. has strived to bring business to this area and have accordingly pieced together these said properties with a keen eye on the renewal and redevelopment of this area. We thank you in advance for your consideration.

Warmest regards

Michael Cunniff

Air Assault Air Conditioning & Heating

Air Assault Air Conditioning & Heating was founded in 2007 by Kevin Shinn after serving overseas in the United States Army. In 2015 Air Assault added an electrical department to help provide full service to the community. Air Assault holds multiple licenses in the construction industry and has an obligation as a license holder to adhere to strict rules and ordinances set forth by Section 489 of the Florida Contracting Board, DBPR, and the Electrical Contracting Licensing Board (ECLB).

With over twenty years of overall construction knowledge, Air Assault has grown from a one-person company with a small truck to a full-service company in this space with seven fully staffed trucks, accounting department and dispatcher coordinators. After leasing and expanding into neighboring spaces for over ten years Air Assault is now searching for more space than the current location can provide.

Air Assault's goal is to find a new location in Central Lakeland to continue to grow the Air Assault brand. This new larger location will allow Air Assault with their EPA certified trainers to help the community find and train new HVAC and Electrical Technicians.

Air Assault from the start has been very environmentally conscious and one of the only locally owned company's to team up with an EPA certified recovery and reclamation company to ensure all environmentally sensitive materials are disposed of appropriately per EPA section 608.