

LAKELAND CRA

COMMUNITY REDEVELOPMENT AGENCY

AGENDA

Community Redevelopment Area Advisory Board

Thursday, March 7, 2019 | 3:00 PM – 5:00 PM
City Commission Conference Room, City Hall

A. Financial Update & Project Tracker*

B. Housekeeping

C. Action Items

1. Old Business
 - i. Meeting Minutes January 3, 2019 (Pg. 5-6)
2. New Business
 - i. Watson Clinic Land Swap (Pg. 7-13)
 - ii. Oak Street Lot (Pg. 14-16)
 - iii. North Massachusetts Ave Property (Pg. 17-19)
 - iv. Branmarty Property (Pg. 20-22)

D. Discussion Items

1. Update- Mirrorton
2. Update- 114 E Parker
3. Update- Food Truck Park
4. Update- The Joinery
5. WMB-ROI Dixieland Infill Residential / Alley Revitalization Project

E. Adjourn

* For Information

NEXT REGULAR MEETING:

Thursday, April 4 2019 3:00 - 5:00 PM – City Commission Conference Room

Downtown Fund



■ Available	\$105,156
■ Expenses	\$560,220
■ Encumbrances	\$1,716,852

Dixieland Fund



■ Available	\$388,739
■ Expenses	\$50,936
■ Encumbrances	\$626,866

Estimated Income in FY 2020 \$279,000

Midtown Fund



■ Available	\$247,246
■ Expenses	\$2,057,353
■ Encumbrances	\$4,763,784

Estimated Income in FY 2020 \$3,345,000

* Estimated Income from Lincoln Square Home Sales \$2,619,000

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	ON TRACK	Pre-Construction	\$250,000.00	Site Plan Approved; Building 80%
Lincoln Square	ON TRACK	Construction	\$4,268,086.00	Phase I Complete Phase II Complete Phase III-IV Underway 25%
114 E. Parker	POTENTIAL RISKS	Design	\$350,000.00	Site and Building Construction Documents at 90%
Lake Parker Art Path	ON TRACK	Pre-Bid	\$730,000.00	Commission Presentations; Bid in July
Five Points Roundabout	ON TRACK	Pre-Construction	\$175,000.00	Commission Presentations; Public Meeting in March
Kettles Ave Sidewalk	ON TRACK	Construction	\$150,000.00	Complete
Tapatios	POTENTIAL RISKS	Construction	\$340,000.00	Underway
Mirrorton	ON TRACK	Under Contract	\$970,000.00	Site Plan Approved; Building 95%
Providence Rd	ON TRACK	Feasibility Study	\$1,100,000.00	
Second Floor Activation	ON TRACK	Research		Complete

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	2	Midtown Lofts- Design Phase
Builder's Line of Credit	ON TRACK	1	703 W 5th Street; Underway 20%
Design Assistance	ON TRACK	4	Active Sites • 938 E. Main Street • 1212 E. Main Street • 905 E. Rose Street
Down Payment Assistance	RISKS / ROADBLOCKS	14	All Funding Allocated
Façade and Site	ON TRACK	6	2 Proposals Pending
Fix-It Up	RISKS / ROADBLOCKS	8	All Funding Allocated Active Sites • 313 S. Lake Avenue
Food Related	ON TRACK	0	
Infill- New Construction	RISKS / ROADBLOCKS	0	All Funding Allocated
Infill Adaptive Reuse	ON TRACK	7	3 Proposals Pending
Murals / Tapestries	ON TRACK	2	1 Remaining Grant Award; Boring Business Systems/Pending Façade Grant Improvements

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

Attendance

Board Members: Zelda Abram , Harry Bryant, Brandon Eady, Brian Goding, Frank Lansford, Commissioner Stephanie Madden, Cory Petcoff and Cliff Wiley

Absent: Ben Mundy (Chair), Pastor Edward Lake (Vice-Chair) and Dean Boring

Staff: Alis Drumgo, Valerie Ferrell, Michael Smith, D'Ariel Reed, and Jonathan Rodriguez

Guests: Becky Abel, Steve Boyington (WMB-ROI), Chris Crawford, Cory Crawford, James Edwards, Annie Gibson (Housing), Christian Hood, Ryan Lewman, Cary McMullen, Eric Pera, Carole Philipson, Bill Reed, Naomi Tillett (Engineering) and Daniel Thumborg

Packets

- Meeting Minutes dated December 6th, 2018
- Financial Update
- Project Progression Report
- Memo- Swan Brewing

Housekeeping

Action Items – Old Business

Meeting Minutes dated December 6th, 2018

Frank Lansford moved approval of the minutes. Harry Bryant seconded the motion which passed unanimously.

Financial Update

Cory Petcoff noted the inclusion of the update for informational purposes.

Action Items – New Business

Swan Brewing

Swan Brewing opened in April 2018 after two years of planning. The venture was self-funded with an investment of over \$500,000. Currently, the brewery produces approximately 1,400 gallons of twenty (20) various beer flavors which serves the taproom.

Swan Brewing does not have the capacity to serve beer outside of it's walls and has been asked, by other local and regional restaurants, to carry Swan beers on tap. Swan would like to fill the need and expand capacity to meet the distribution demand. To do so, Swan Brewing needs to add cold storage, fermenters, and additional keg cooperage. The breakdown of costs is as follows;

- (2) 20bbl (barrel) Uni-tank Fermenters - \$25,750
- 10' x 20' Exterior Cold Storage Room - \$12,480
- Costs associated with installation of new equipment - \$6,150
- Additional Keg Cooperage - \$16,877

Total Investment: \$61,257

The LCRA does not have grant programs in place within the Downtown Redevelopment District to review the grant request administratively, so Staff brought the request before the Board for consideration.

Swan Brewing presented their expansion proposal.

Discussion ensued regarding the investment Swan Brewing has already made into the property.

Stephanie Madden moved approval of a special grant in the amount of \$61,257 to be allocated towards the items outlined in Staff's memo . Zelda Abram seconded the motion which passed unanimously.

Discussion Items

Michael Smith updated the Board on the status of lease negotiations with Lighthouse Ministries. Staff has been asked to address repairs needed for the operation of the building which include; roofwork, outdated AC units and electrical concerns. Staff has been collecting quotes for each repair to present to the Board. Lighthouse is currently under a month-to-moth lease with a 6-month termination notice.

Discussion ensued regarding the benefit of collecting rent versus incurring repair expenses. Mike will follow-up with the Board once more cost estimates have come in.

Alis and Naomi Tillet provided an update on the West Lake Parker Shared Use Path project. Construction is scheduled to begin in September of 2019 and should be completed within 4-5 months.

D'Ariel Reed and Naomi provided an update on the 5-points Roundabout project.

Alis provided an update on the LCRA's housing initiatives. Staff has been working with the Housing division in an effort to transition housing-related grants and incentives to streamline the City's services. Staff will update the Board once the terms of the transition have been finalized.

In 2006, the LCRA purchased property located at the corner of Massachusetts Ave and Oak Street for \$560,000. Staff has received multiple letters of interest as a result of a notice of disposition and is currently developing criteria for an RFQ. Staff will return to the Board with general recommendations once those responses have been reviewed.

Adjourned at 4:11 PM

Next Meeting, Thursday, February 7th, 2019 3 PM, City Commission Conference Room.

Ben Mundy, Chairman

Date



228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
From: Alis Drumgo, Interim CRA Manager
Date: February 26, 2019
Re: Proposed Watson Clinic Land Exchange

The CRA owns six parcels comprising 1.08 acres. They are the remaining parcels of the twenty (20) acquired over a five-year period to assemble land for the future expansion of the medical district. Three parcels were acquired in 2010, and three were acquired in a land swap with Lakeland Regional Health (LRH) in 2013. The property is just to the north of Watson Clinic (The Clinic) and LRH. In 2017, the CRA was approached by a private developer for the acquisition of several properties in the West Lane area to be utilized for the construction of single family residences. At the time, Commissioner Jim Malless sat on the Advisory Board and recommended no sale take place without first gauging the interest of the two medical entities. The Board voted to withhold further action.

In October 2018, the CRA was approached simultaneously by representatives of both the Clinic (Timothy Campbell of Clark, Campbell, Lancaster & Munson, P.A) and LRH (Bart Allen, Peterson & Myers, P.A.). At a joint meeting, both parties expressed the desire to move forward with a proposal to modify land uses, rezone for future development and vacate easements within the boundaries of Morrell Dr., Florida Avenue, E. Crawford Ave. and Parkview Pl. Furthermore, both parties requested a summary of CRA acquisition and carrying costs for the properties as it has been customary to recapture those costs in a transaction.

CRA Staff compiled the requested documentation, and provided to Mr. Campbell and Mr. Allen. Subsequent meetings with Planning Staff confirmed the desired land use changes and a land transaction would benefit the furtherance of the medical district.

Since the aforementioned meeting, Mr. Campbell has submitted applications for the rezoning, land use modifications and easement vacates with LRH and the CRA signing off in a tri-party agreement. At the 2.19.19 Planning & Zoning Board meeting, the recommendations were adopted unanimously.

While LRH has yet to return with substantial questions or an offer, the Clinic has submitted a request for a land exchange which is requested as follows:

- The Clinic conveys property identified by parcel 242807-168300-004030 (0.23 acres), outlined in red, to the CRA; and
- The CRA conveys the property identified by parcel 242807-168300-001090 and a portion of another parcel 242807-168300-001120, outlined in yellow, (combined total of 0.23 acres) to the Clinic.

EXHIBIT "A"



Because the expected exchange is the same acreage, The Clinic proposes that no consideration be required for the exchange. The Clinic agrees to pay any and all costs necessary to prepare legal descriptions, order title work, draft deeds and closing documents, issue title insurance and record the executed deeds in public records.

Post transaction, the CRA's ownership in the area would be reflected below:



Staff has reviewed the request and seeks recommendation for support of the land exchange for the following reasons:

- The Redevelopment Plan has called for this type of development since adoption of the Midtown Plan in 2001 which states:
- *“The Lakeland Hills Medical Center hosts the Lakeland Regional Medical Center and Watson Clinic. The District is about 140 acres in size. The district is already the location for hospital and clinic parking, officers, specialty clinics and other support activities. The cooperation of these two medical centers on issues of mutual interest, such as parking, stormwater management, security and training, could create an activity center that work to the advantage of the City and both organizations.*
- A 2004 corridor study by Wallis Murphey Boyington Architects also highlighted the benefits of supporting the expansion of the area as a medical campus.

- The transaction allows both medical entities to masterplan for the further development of the Medical District.
- The transaction is of equal size and presumable value.
- The transaction allows for the Clinic to square off its property ownership of all properties north of the Morrell Drive & West Lane intersection.
- The transaction leaves only the CRA and LRH property owners south of the intersection and leaves the CRA to negotiate directly with LRH in a future deal.

Should this Board approve, Staff will publish disposition of the property per statute, then to proceed to The City of Lakeland Real Estate Committee for final approval.



CLARK, CAMPBELL,
LANCASTER & MUNSON, P.A.
— ATTORNEYS AT LAW —

TIMOTHY F. CAMPBELL

Board Certified Real Estate Attorney
Board Certified City, County & Local Government Attorney

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PETER J. MUNSON
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BOARD CERTIFICATIONS:
1. REAL ESTATE 2. TAX LAW
3. CITY, COUNTY & LOCAL GOVERNMENT

December 26, 2018

Alis Drumgo, CRA Interim Manager
Lakeland Community Redevelopment Agency
228 South Massachusetts Avenue
Lakeland, Florida 33801

Transmitted by Email Only
alis.drumgo@lakelandgov.net

Re: Follow-Up on the Proposed Exchange of Parcels (West Lane)

Dear Alis:

Thank you for taking the time to meet with us regarding to the above-referenced matter. We think this exchange of parcels will be in the best interest to both Watson Clinic, LLP (“Watson Clinic”) and the Lakeland Community Redevelopment Agency (“LCRA”). The arrangement will allow Watson Clinic, LCRA, and Lakeland Regional Health to maintain flexibility for future planning purposes as we continue to develop and engineer the surrounding medical campuses. As a recap of our meeting, the parcel swap will consist of the following (and as reflected in Exhibit “A”):

- Watson Clinic conveys the property identified by parcel number 242807-168300-004030 (.23 acres, outlined in red in the attached Exhibit “A”) to the Lakeland Community Redevelopment Agency; and
- The Lakeland Community Redevelopment Agency conveys the property identified by parcel number 242807-168300-001090 and a portion of another parcel identified by parcel number 242807-168300-00120 (a combined total of .23 acres, outlined in yellow in the attached Exhibit “A”) to Watson Clinic.

As you can see, the parcels proposed for exchange are identical in acreage, and therefore, identical in value. We have communicated with Lakeland Regional Health before submitting this request, and they have advised that they have no objections to our request. They are addressing the remaining LCRA lots that are adjacent to the Lakeland Regional Health property directly with the CRA.

Watson Clinic agrees to pay the costs and fees that are necessary to prepare the parcel legal descriptions, order title work, prepare the proper deeds and closing documents, issue title insurance, and record the executed deeds in the public records. As soon as you have approved the proposed swap of parcels, we will transmit proposed deeds, legal descriptions and a title commitment to you for review and approval.

Correspondence: Lakeland Community Redevelopment Agency
Subject: Proposed Exchange of Parcels
Date: December 26, 2018
Page: Two of Two

Thank you for your attention in this matter.

Sincerely,

Timothy F. Campbell

Timothy F. Campbell

Attachments: Exhibit "A"

Copy: Nicole Travis, Director, CED Department (transmitted via email)
Tim Mercier, Watson Clinic (transmitted via email)
Mark Wilson, Kimley-Horn & Associates, Inc. (transmitted via email)

EXHIBIT "A"





228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
From: Alis Drumgo, Interim CRA Manager
Date: February 26, 2019
Re: Issuance of Request for Qualifications (Oak Street Parking Lot)

The CRA owns 0 N. Kentucky Ave, the Oak Street Parking Lot, comprising 1.49 acres. The lot encompasses a full city block and is situated in an ideal location about a block off both the Massachusetts Avenue corridor to the east and the Florida Avenue corridor to the west. In 2015, the CRA explored issuing request for qualifications (RFQs) for the development site but opted to expand the parking instead. Today, the CRA operates the lot as a public parking facility with about 150 spaces of which approximately 125 are leasable. The January account receivables report shows the lot at approximately 95% capacity with income of almost \$4,200. The current operating expenses are \$16,000 annually which covers enforcement staff time and management of the leases. The currently assessed value is \$379,358.

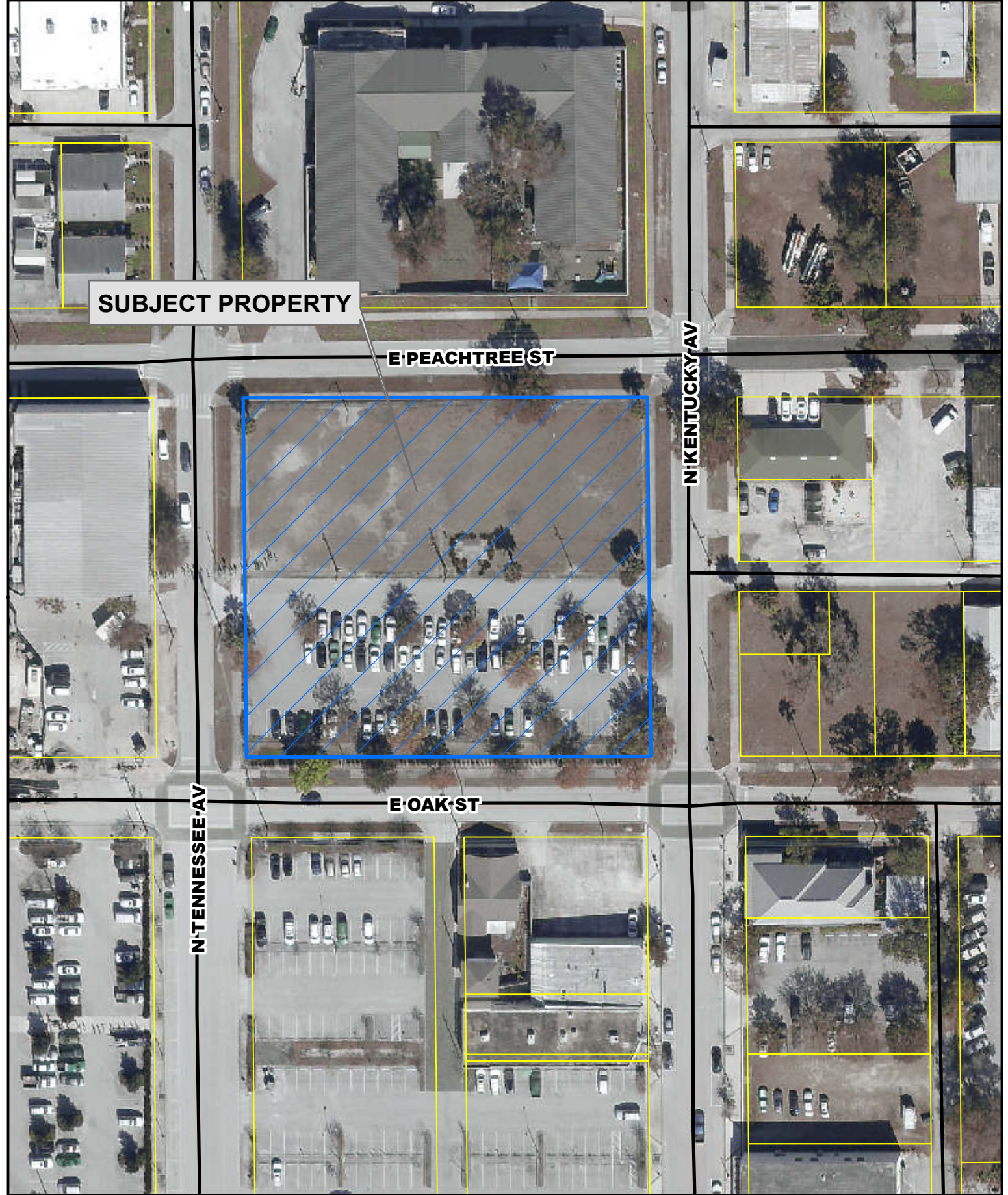
In December 2018, the CRA was approached by a private developer with interest in developing the site as “dense urban multi-family residential project with potential of incorporating some mixed-use elements”. The area, considered part of the North Downtown sub-district, was identified within the downtown redevelopment plan update as an ideal area for lofts, midrise and mixed-use live/work opportunity.



Staff met with Community & Economic Development Planning Staff, and the following feedback was obtained:

- Consider a minimum density and height desired from any development.
- The project should meet parking demand generated by the proposed development.
- Any development including residential shall have 20% of the units set aside affordable housing for a minimum period of 15 years.
- The development team should show proof of the project’s economic sustainability with amount of required public contributions being a factor of consideration.
- Any development agreement should include per unit sale price for any residential component.

CRA Staff recommends the Board solicit request for qualifications (RFQs) via the City’s purchasing procurement process with the intent of entering an agreement with the most qualified and responsive applicant. Should the Board decide to move forward, Staff will draft RFQ criteria for review, recommend a selection committee and issue disposition per Florida Statute, Chapter 163.



SUBJECT PROPERTY

E PEACHTREE ST

N KENTUCKY AV

E OAK ST

N TENNESSEE AV

Legend

 Oak Street Parking

 Parcels





228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
From: Alis Drumgo, Interim CRA Manager
Date: February 26, 2019
Re: Issuance of Request for Qualifications (N. Massachusetts Avenue)

The CRA owns 313 N. Massachusetts Ave. The lot encompasses about a quarter of a city block consisting of approximately 0.40 acres. The site is situated in an ideal location in the north downtown area along the Massachusetts Avenue corridor, and was recently identified as a key catalyst site in the Downtown Lakeland Vision. The property is bounded by Oak Street to the north, Greyhound station to the south and single family and multiplex to the east. The CRA purchased the property in 2006 for \$560,000, subsequently demolishing the structures.

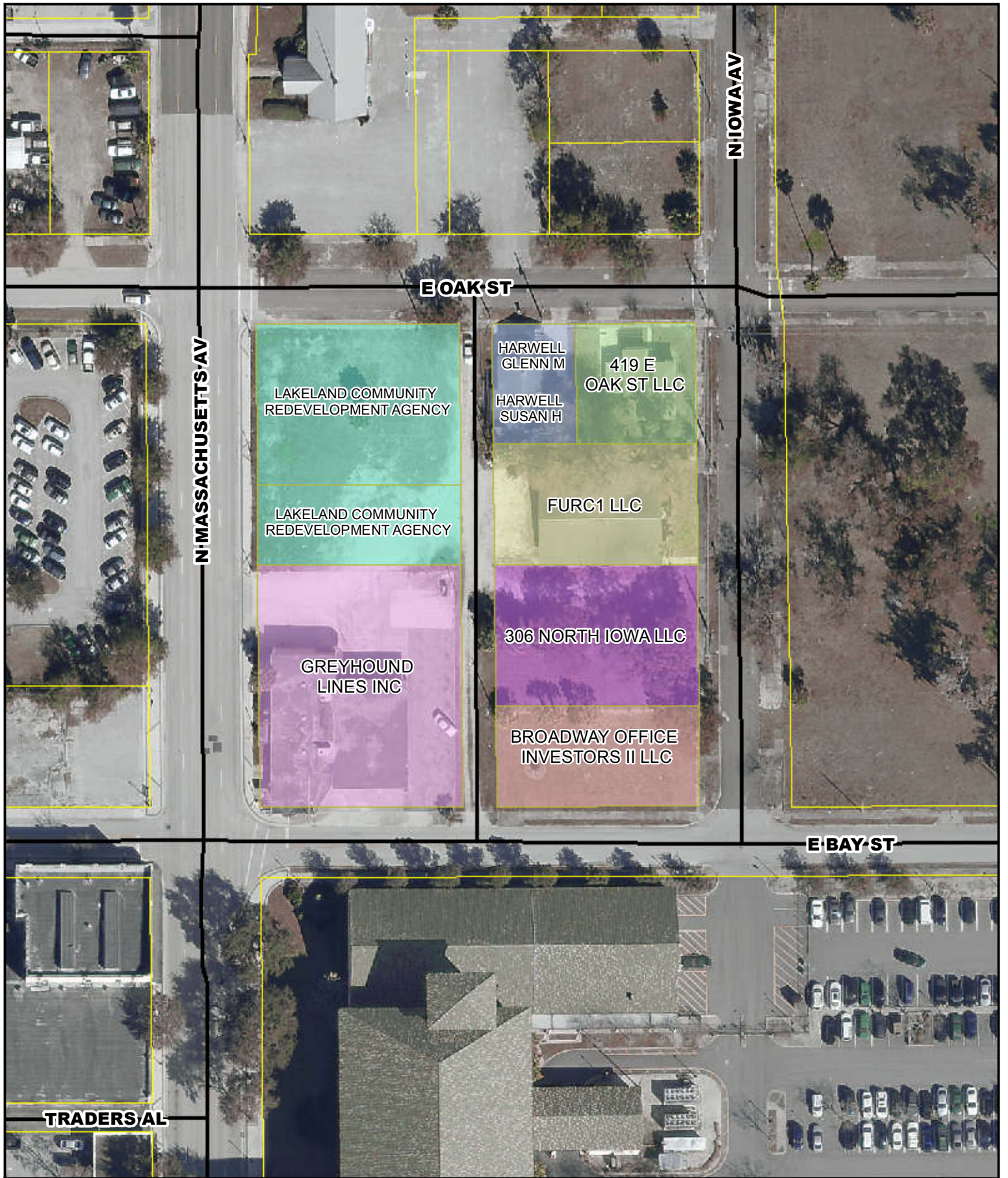
In November 2018, the CRA was approached by a private developer with interest in developing the site in a three-phased approach. The project proposed is mixed-use development including retail, flex office/residential and residential uses.



Staff met with Community & Economic Development Planning Staff, and the following feedback was obtained:

- Projects allowing for more commercial uses should get preferential consideration.
- Any development including residential shall have 20% of the units set aside affordable housing for a period of 15 years.
- The project should meet parking demand generated by the proposed development.
- The development team should show proof of the project’s economic sustainability with amount of required public contributions being a factor of consideration.
- Any development agreement should include per unit sale price for any residential component.
- Disjointed ownership will prevent a quality project from moving forward without resolution.
- Stormwater challenges will persist without an infrastructure project to alleviate the load.

With the aforementioned information, CRA Staff recommends the Board hold on issuing the request for qualifications (RFQs) until the majority of the adjacent properties are consolidated under one ownership, and public infrastructure is able to accommodate the proposed development.



N MASSACHUSETTS AV

N IOWA AV

E OAK ST

E BAY ST

TRADERS AV

LAKELAND COMMUNITY REDEVELOPMENT AGENCY

LAKELAND COMMUNITY REDEVELOPMENT AGENCY

GREYHOUND LINES INC

HARWELL GLENN M
HARWELL SUSAN H

419 E OAK ST LLC

FURC1 LLC

306 NORTH IOWA LLC

BROADWAY OFFICE INVESTORS II LLC

Legend

- 419 E OAK ST LLC
- BROADWAY OFFICE INVESTORS II LLC
- FURC1 LLC
- 306 NORTH IOWA LLC
- GREYHOUND LINES INC
- HARWELL GLENN M; HARWELL SUSAN H
- LAKELAND COMMUNITY REDEVELOPMENT AGENCY
- Parcels





228 S MASSACHUSETTS AVE
LAKELAND, FLORIDA 33801
863.834.6011

Memo

To: CRA Advisory Board
 From: Valerie Ferrell, CRA Project Manager
 Through: Alis Drumgo, Interim CRA Manager
 Date: March 5, 2019
 Re: Parker Street Property Acquisition

Several properties have become available for purchase near Mass Market posing an opportunity for a large-scale, future project to build upon the current momentum. The ownership is held by Frank Kendrick under pseudonyms, Branmorty Properties and 209 Myrtle LLC. Mr. Kendrick owns several parcels in the area both commercial and residential, some directly in proximity to the area Staff identified as the Mass Market small area study and others on the west side of the South Florida corridor. Only properties within the study area, primarily along the Parker Street corridor, are being considered at this time. Mr. Kendrick has submitted his asking price for the properties which staff countered based on 120% of Property Appraiser’s record of just market value. Negotiations have landed on the asking price below:

<u>Location</u>	<u>120% of Just Market Value</u>	<u>Asking Price</u>
211-213E Parker St.	\$ 59,786.40	\$ 59,800.00
207-209 E. Parker St.	\$ 39,794.40	\$ 80,000.00
209 Myrtle St	\$ 16,245.60	\$ 16,245.00
	\$ 115,826.40	\$ 156,045.00

Staff has worked with Mrs. Patricia Hendler to analyze current real estate conditions as well as residential leases of the two occupied parcels on E Parker Street. There are some concerns with lease terms and code compliance of the residential rentals given the space operates like a rooming house. However, there are a total of 10 tenants yielding approximately \$4,400 in rental income monthly. All leases have a 30-day cancellation clause, and in case of relocation or renewals, lease rates are stated as month-to-month.

During the Advisory Board's 2018 Business Retreat, Staff presented an overview of the vacant properties in the small area study of Parker Street and Massachusetts Avenue and focused on essential goals for success of the area. The Board's feedback indicated mixed use development, increased density and quality affordable housing were top priorities. In addition, the Board sought to establish an identity that supports residents and business owners as the primary stakeholders in the community.

Staff inspected the property and found an environment that would expose the organization to potential high cost renovations and/or issues with relocating tenants in order to vacate due to subpar living conditions. However, the continued land assemblage allows the opportunity for a major project and leverage to attract a developer to invest in a new mixed-use development. The goals for the acquisition would be to compliment the Mass Market investment and increase the sustainability for continued private investment in the area. Therefore, Staff recommends approval to proceed with purchase contract with Mr. Frank Kendrick for three parcels as identified herein for the asking price of \$156,045, provided a lengthy due diligence, with closing contingent upon the current owner vacating the property and relocating existing tenants as outlined accordingly by the CRA's land use attorney.



SR 35 (FLORIDA AVE N)

PARKER STREET

SR 33/MASSACHUSETTS AVE)

SR 548 (BARTOW ROAD)

Legend

- Myrtle LCC/Frank Kendrick Owned Parcels
- Frank Kendrick/Branmorty Owned Parcels
- City of Lakeland Owned Parcel
- CRA Owned Parcels
- Roads
- CRA Study Area
- Parcels

Lakeland Community Redevelopment Agency (CRA), Parker Street Properties

