

**Community Redevelopment Area Advisory Board
Meeting Minutes
Thursday, January 9, 2020
3:00 – 5:00 PM
City Commission Conference Room, City Hall**

Attendance

Board Members: Ben Mundy (Chair), Pastor Edward Lake (Vice-Chair), Zelda Abram, Harry Bryant, Brandon Eady, Commissioner Stephanie Madden, Cory Petcoff and Cliff Wiley

Absent: Dean Boring, Brian Goding and Frank Lansford

Staff: Alis Drumgo, Terrilyn Bostwick, Iyanna Jones, D’Ariel Reed and Damaris Stull

Guests: Bob Donahay (Parks & Recreations Director), Commissioner Bill Read, Brian Rewis (Community and Economic Development Assistant Director), Julie Townsend and Sara Walsh

Packets

- Meeting Minutes dated December 5th, 2019
- Financial Update
- Project Progression Report
- Memo- TIF Request
- Memo- Dixieland Grant Maximums

Housekeeping

Action Items – Old Business

Meeting Minutes dated December 5, 2019

Cory Petcoff moved approval of the minutes. Pastor Eddie Lake seconded the motion which passed unanimously.

Financial Update

Ben Mundy noted the inclusion of the report for informational purposes.

Project Progression Report

Alis Drumgo noted that the City’s Engineering team is drafting a Request for Qualifications for corridor design services for the Providence Road project in order to analyze feasibility.

Action Items – New Business

Downtown Central Dog Park

City of Lakeland Parks & Recreation team initiated design of a centrally located Downtown dog park. The location selected, 678 E. Main St, sits between the Joinery and a park & ride facility. The initial dog park design called for 27,242 SF and included lighting, decorative fencing, signage and a mural. The space would be viewed as complementary to the development on the North side of Lake Mirror and an amenity for pet owners wanting to enjoy Downtown.

Parks & Recreation had a \$300,000 budget for the dog park of which the CRA contributed \$50,000. However, when the project was bid, the costs were estimated at approximately \$660,000 as designed. The Parks & Recreation staff then reevaluated and value engineered the project in an attempt to fit within the allotted budget.

Currently, Parks projects \$470,000 (including contingency) as the most cost effective budget needed to construct the park and incorporate all the design features.

At risk for omission are:

Item	Description	Estimated Value
1	Area Lighting	\$35,000
2	Signage	\$15,000
3	Decorative Fencing	\$31,000
4	Mural	\$25,000
5	Poured in Place Dog Walk	\$18,500
Total		\$124,500

With that, Staff views this dog park as a key amenity to the future of Downtown development with the incoming residential uses and opening of the Joinery. Removing the aforementioned elements would render the dog park useless after dusk, and less attractive to users overall.

Staff recommended the allocation of approximately \$175,000 to be appropriated from the Mirrorton proceeds. This would bring the CRA's total contribution to \$225,000 representing just under 50% of the overall project budget. Funds would cover the cost of the design elements at risk as well as a portion of the contingency due to uncertainty with area utilities.

Discussion ensued.

Bob Donahay expounded on the research his Staff has completed to ensure the success of the park and projected benefit to surrounding businesses.

Julie Townsend agreed that the amenity would be a great benefit to Downtown business owners and residents.

The Board suggested removing the \$50,000 contingency funds and instead reserve the \$25,000 allocated toward the mural as a safety net.

There is an 8-month anticipated construction completion timeline.

Alis Drumgo suggested removing the mural and completing in the 2021 fiscal year budget. The additional \$100,000 would then be allocated toward area lighting, signage, decorative fencing and a dog walk as referenced above.

Cory Petcoff moved to approve \$100,000 in additional funding for the remaining uses. Commissioner Stephanie Madden seconded the motion which passed unanimously.

703 W. 5th St (Builder's Line of Credit)- Addendum

In July 2018, the CRA Advisory Board approved the implementation of the Builder's Line of Credit Program. The intent of the program was to pair it with the Infill New Home Construction Program to facilitate the construction process and provide the financial resources to build quality new construction homes on infill lots owned by the CRA. In doing that, CRA would provide a line of credit to builders for the cost of the construction which would eliminate the need for the buyers to obtain a construction loan.

The buyers would obtain traditional financing and utilize the down payment assistance program. The line of credit would give builders the ability to construct new homes without the upfront expenses and high interest charges. Builders participating in the Infill New Home Construction Program would then receive a reduction in incentive from 10% to 5% if utilizing the line of credit. Additional grant guidelines were adopted as follows:

- The maximum line of credit available to builders \$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 preapproved draw schedule (see attached exhibit “C”) with the final draw coming at the time of the final certificate of occupancy
- The line of credit will be due back to the CRA upon closing of the home to the buyer.
- At the closing the buyer will receive the down payment assistance grant, and the builder will receive the 5% infill construction grant.

Since the Board’s program approval, there has been one grant awarded to Sarah Keener, Keener Builders LLC (The Builder). The Builder entered into an agreement with Danielle & Justin Barnett (The Buyers) for the construction of a 3,178SF home at 703 W. 5th St. with a purchase price of \$160,000 and a construction timeline spanning from Jan to June 2019.

With the provisions of the grant in place, CRA Staff granted the award and sold the property to the builder. Construction commenced, and the project proceeded. Work on the project aligned during the first two draws. However, the work slowed, and the Builder had challenges securing sub-contractors to complete the work on schedule. Staff met with the builder in early July to review milestones, and the third draw was issued.

In an August meeting, the Builder expressed concerns about being able to complete the home at the purchase price and within the budget allocated. Staff reviewed project invoices and expenditures presented as follows:

Scope	Expenditures
Lot Purchase	\$9,475
Permits/Impact Fees	\$16,670
Construction Material/Labor	\$79,990
Miscellaneous Expenses	\$2,365
Total	\$108,500

In September 2019, the Board voted unanimously to provide an additional \$26,240 towards the project with Kenner Builders LLC being responsible for initiating repayment of the additional funds no later than six months after completion of the project.

The Builder was tasked with securing a qualified sub-contractor to work in tandem with her to certify work quality and expedite the completion. ORBE Construction successfully took over the project and has met construction milestones to obtain all funds to date.

Concurrent with construction, Staff sought to secure signature of the promissory note to codify the Agreement set forth by the Board and close out the sale. However, Keener was non-responsive to requests to discuss closing terms, and Staff was notified of approximately \$38,168 in outstanding payments to previous sub-contractors under Keener’s management.

The non-payment of sub-contractors would ultimately cloud the ability to obtain clear title to close on the home. Under the guidance of legal counsel, Staff explored the available options and determined the following course of action:

- Keener Builders to deed the property to the CRA in lieu of foreclosure
- CRA cure outstanding debts to existing contractors in the amount of \$38,168
- CRA enter into an agreement with the buyers to purchase the home
- Additional funds are tacked onto the existing promissory note totaling \$64,408

Staff recommended the item and vote be reopened in order to modify the decision to allow for additional debts to be added to the promissory note so Staff can cure the outstanding debts to existing contractors.

Cory Petcoff reopened the item for modification.

Discussion ensued.

Cory Petcoff moved to approve Staff's recommendation. Pastor Eddie Lake seconded the motion which passed unanimously.

Discussion Items

The formal business name for the 114 East Parker project is "The Well". Staff has met with Dr. Brisbane and the design team to develop a conceptual site plan which was submitted to the City's Design Review Team in December. Comments have been received and are being reviewed by Staff. The existing building is pending demolition.

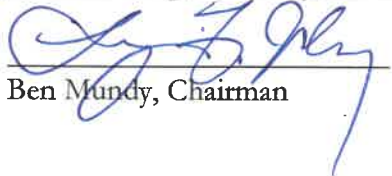
Alis Drumgo asked to the Board to keep in mind that the original \$350,000 budget for the project will need to increase significantly once construction documents are sent out to bid. Staff has secured event spaces for the duration of the year on behalf of Dr. Brisbane.

The pavers for the Lake Parker Shared Use Path have been completed. A selection committee will convene to vote for the pavers to be used on the path this month. Construction completion is anticipated for March with a ribbon cutting ceremony in April 25th, 2020. Damaris Stull shared a video of the Rochelle School of the Arts students working on their pavers. Digital copies of the pavers will be shared with the Board as they come in.

Alis Drumgo noted The Joinery's Soft Opening invitation would follow shortly. Mirrorton's tentative Groundbreaking Ceremony is scheduled for February 25th, 2020.

Adjourned at 3:51 PM

Next Meeting, Thursday, February 6, 2020 3:00 PM, City Commission Conference Room.


Ben Mundy, Chairman

2/4/2020
Date